

# ARTICLES OF ASSOCIATION



\*Translation of the original German text, which is binding in all respects.

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## **Section 1: Name and legal form**

The name of the association shall be “Bundesverband deutscher Banken e.V.” (“Association of German Banks”, referred to in the following as the “Banking Association”). It shall be entered in the Register of Associations.

## **Section 2: Registered office and fiscal year**

The registered office of the Banking Association shall be located in Berlin.  
The fiscal year shall be the calendar year.

## **Section 3: Purpose**

The purpose of the Banking Association shall be, while paying due regard to macroeconomic concerns, to represent the interests of the banks and the financial services sector in Germany in all matters that are not confined to the area of a single regional association or the Employers’ Association, particularly by

- a) working together with the members and informing the members about issues affecting them,
- b) submitting comments to authorities and parliaments on all issues affecting the banks and the financial services sector,
- c) informing the general public about the work and the tasks of the banks and the financial services sector in Germany,
- d) cooperating with the domestic central associations and the foreign associations of the banking industry and the other business sectors.

The Banking Association shall not pursue any commercial purposes.

## **Section 4: Deposit Protection Fund**

- 1.** A Deposit Protection Fund of German Banks (Einlagensicherungsfonds deutscher Banken) shall be operated within the Banking Association.
- 2.** The purpose of the Deposit Protection Fund shall be to render assistance on behalf of depositors in the event of existing or imminent financial difficulties at banks, particularly in the event of an imminent suspension of payments, in order to prevent any impairment of confidence in the private banks.
- 3.** The By-laws (Statut) of the Deposit Protection Fund operated within the Banking Association shall form an integral part of these Articles.

## **Section 5: Membership of associations**

- 1.** All German regional associations whose purpose as defined in their Articles is confined to representing the interests of the banks and the financial services sector in Germany, regardless of whether or not the associations have legal capacity, shall be eligible for membership of the Banking Association.
- 2.** Membership shall be acquired by resolution of the Members' Assembly following a written application for admission. The resolution shall require the majority necessary under Section 11, subsection 8 and the approval of all member associations.
- 3.** The member associations shall be required to support the Banking Association in the performance of its tasks and to notify it of any changes in their association and the management of their association.

## Section 6: Membership of banks

1. All private banks which have their registered office in the Federal Republic of Germany and are CRR credit institutions within the meaning of Section 1 (3d), sentence 1 of the German Banking Act (Kreditwesengesetz [KWG]) and do not belong to any institutional protection scheme within the meaning of Section 43 of the German Deposit Guarantee Act (Einlagensicherungsgesetz [EinSiG]) or any other voluntary protection scheme, as well as German branches of comparable foreign banks, shall be eligible for membership of the Banking Association.
2. Membership of the Banking Association shall be acquired by means of ordinary membership of a member association of the Banking Association. The provisions of the Articles of the member associations shall therefore apply in this respect. The banks shall be required to acquire membership of all regional associations on whose territory they maintain permanent establishments with employees of their own.

## Section 7: Categories of banks

1. Big banks shall be CRR credit institutions which are classified as big banks in the Deutsche Bundesbank's banking system statistics.
2. Private bankers shall be CRR credit institutions which are operated in the legal form of the offene Handelsgesellschaft (OHG) (general partnership) or the Kommanditgesellschaft (KG) (limited partnership). Kommanditgesellschaften auf Aktien (KGaA) (limited companies with one or more general partners) shall be deemed to be private banks provided that
  - a) the personally liable partners are natural persons and

- b) the company's shares are not traded on the stock exchange and
- c) the shares can only be transferred with the consent of the personally liable partners.

The condition set out under a) may be waived if, when waived, the bank had "private banker" status and the Private Bankers Committee approves its remaining in the "private bankers" category. By way of exception, a bank in the legal form of the Gesellschaft mit beschränkter Haftung (GmbH) (limited liability company) or Aktiengesellschaft (AG) (stock corporation) may be included in the "private bankers" category provided that the bank fulfilled the conditions set out in this subsection prior to transformation and the Private Bankers Committee approves its remaining in said category.

**3.** Foreign banks shall be

- a) German branches of private banks which have their registered office abroad and
- b) private banks incorporated under German law which are CCR credit institutions and a majority of whose capital is held by one or more foreign shareholders.

The banks referred to in b) whose shares only passed after their incorporation into the hands of one or more foreign shareholders, leading to a foreign majority shareholding, shall have the option of switching to the "foreign banks" category. In the event of any change in the ownership structure that results in foreign shareholders surrendering their majority shareholding, a bank may relinquish its foreign bank status. Foreign bank status shall rule out inclusion in another category of banks at the same time.

**4.** Regional banks shall be CRR credit institutions which do not belong to the "big banks", "private bankers" or "foreign banks" category.

## Section 8: Extraordinary membership

1. The following may become extraordinary members if membership is in the interests of the Banking Association:
  - a) bank holding companies of domestic and foreign member banks,
  - b) undertakings which are majority-owned by member banks,
  - c) credit institutions within the meaning of Section 1 (1) of the German Banking Act which do not fulfil the conditions laid down in Section 6, subsection 1 of these Articles,
  - d) financial services institutions within the meaning of Section 1 (1a) of the German Banking Act, financial institutions within the meaning of Section 1 (3) of the German Banking Act, securities or derivatives exchanges within the meaning of Section 1 (1e) of the German Banking Act and mixed holding companies within the meaning of Article 4 (1), point (21) of the CRR (Regulation (EU) 575/2013), as well as ancillary services undertakings within the meaning of Article 4 (1), point (18) of the CRR (Regulation (EU) 575/2013),
  - e) payment service providers within the meaning of the German Payment Services Supervision Act (Zahlungsdiensteaufsichtsgesetz),
  - f) undertakings which, based on innovative technologies, are product or process partners of banks or provide financial-service-related products or services, and
  - g) foreign undertakings which are comparable to the undertakings listed in subsection 1, c-f.
  
2. CRR credit institutions may become extraordinary members if they are already members of another German banking-sector association and belong to an institutional protection scheme within the meaning of Section 43 of the German Deposit Guarantee Act (Einlagensicherungsgesetz [EinSiG]) or another voluntary protection scheme. The deposit guarantee schemes pursuant to the



German Deposit Guarantee Act (Einlagensicherungsgesetz [EinSiG]) shall not be regarded as protection schemes for this purpose.

3. Admission shall require an application upon which the Board of Directors shall resolve.
4. Simultaneous membership of a member association shall not be necessary.

## **Section 9: Termination of membership**

1. Membership of a member association shall terminate upon withdrawal or expulsion or if the conditions for membership no longer exist. A member association may only withdraw at the end of a fiscal year and only after having given 12 months' written notice. A member association may be expelled if it seriously breaches its duties towards the Banking Association or grossly contravenes other interests and objectives of the Banking Association or the banks in Germany. The resolution on expulsion shall require a majority of three-quarters of all votes of the Members' Assembly.
2. Membership of a bank pursuant to Section 6, subsection 1 shall cease upon termination of membership of a member association. If the bank is a member of several member associations, its membership of the Banking Association shall cease when it is no longer a member of any member association. The departing member shall still be required to pay the membership fees for the current fiscal year and to meet all other financial obligations towards the Banking Association that existed at the time of its departure.

3. Membership of an extraordinary member pursuant to Section 8, subsections 1 and 2 shall terminate upon withdrawal or expulsion or if the conditions for membership no longer exist. The member may only withdraw at the end of a fiscal year and only after having given three months' notice. Expulsion shall be governed accordingly by Section 9, subsection 1, sentence 3.

## **Section 10: Governing bodies**

The governing bodies of the Banking Association shall be

- a) the Members' Assembly (Mitgliederversammlung)
- b) the Delegates' Assembly (Delegiertenversammlung)
- c) the Board of Directors (Vorstand)
- d) the Presidency (Präsidium)
- e) the Management Board (Geschäftsführung)

## **Section 11: Members' Assembly (Mitgliederversammlung)**

1. The Members' Assembly shall be the supreme governing body of the Banking Association. Its resolutions shall take precedence over the resolutions of all the other governing bodies, the working committees and the Deposit Protection Committee.
2. The Members' Assembly shall be composed of the representatives of the member associations, member banks and extraordinary members.
3. The member associations shall be represented by the chairs of their boards of directors or another board member. The member banks shall be represented

by a manager of their own bank. Representation by another person eligible to vote in the Members' Assembly shall be permissible.

- 4.** Each member association shall have one vote in the Members' Assembly. The member banks shall have one vote for every hundred or fraction of a hundred owners, managers and employees active in Germany at the beginning of the calendar year. The votes can only be cast uniformly. Extraordinary members shall have one vote.
- 5.** The ordinary Members' Assembly shall be held every three years, if possible within the first four months of the year. The Presidency may convene extraordinary Members' Assemblies provided it has important grounds for doing so. Such an extraordinary Members' Assembly shall be held if requested in writing by members representing one tenth of the votes of the Members' Assembly, stating the reasons for it and its purpose.
- 6.** The ordinary or extraordinary Members' Assembly shall be convened by the President or, in their absence, by another member of the Presidency; it shall be convened in writing by registered letter, giving two weeks' notice. The members shall be informed of the agenda beforehand, if possible together with the invitation to the Assembly. In urgent cases, the Presidency may decide that the required notice and form of convocation can be waived.
- 7.** The Members' Assembly shall be chaired by the President of the Banking Association or, in their absence, by another member of the Presidency.
- 8.** The Members' Assembly shall constitute a quorum if more than half the votes are represented. If the Articles or statutory provisions do not stipulate any other majorities, all resolutions shall require a majority of two-thirds of the votes cast. If a Members' Assembly lacks a quorum, a Members' Assembly

with the same agenda convened with at least one week's notice shall constitute a quorum regardless of how many votes are represented. Attention shall be drawn to this in the invitation to the Assembly.

9. The tasks of the Members' Assembly shall be
  - a) electing the members of the Delegates' Assembly pursuant to Section 12, subsection 1,
  - b) passing resolutions on the admission and the expulsion of member associations pursuant to Section 9, subsection 1,
  - c) dissolving the Banking Association pursuant to Section 23.

## **Section 12: Delegates' Assembly (Delegiertenversammlung)**

1. The Delegates' Assembly shall be composed of the chairs of the member associations and further members who are elected by the Members' Assembly for a period of three years. Representatives of the extraordinary members may not be elected to the Delegates' Assembly. The elected members shall remain in office until new elections take place. If an elected member retires from service at a bank, their membership shall terminate. If an elected member retires from office early, the Delegates' Assembly may elect a successor for the remaining term of office of the retiring member.
2. The elected members of the Delegates' Assembly shall comprise:
  - up to six managers of private bankers,
  - up to eight managers of regional banks,
  - up to two managers of foreign banks,
  - up to two managers of each of the big banks.The categories of banks and big banks referred to above shall be entitled to election of such a number of members.

3. Each member shall have one vote in the Delegates' Assembly.
4. The member associations shall be represented by the chairs of their boards of directors or another board member. Irrespective of this, each member association and each elected member may transfer their vote(s) to another member of the Delegates' Assembly. No other form of representation shall be permissible.
5. The ordinary Delegates' Assembly shall be held once a year, if possible within the first four months of the year. The Presidency may convene extraordinary Delegates' Assemblies provided it has important grounds for doing so. Such an extraordinary Delegates' Assembly shall be held if requested in writing by one tenth of the member associations, stating the reasons for it and its purpose. At the request of a member association or all the elected representatives of a category of banks, an item shall be added to the agenda if such request, indicating the desired addition, is received by the Management Board at least one week before the date of the Delegates' Assembly.
6. The ordinary or extraordinary Delegates' Assemblies shall be convened by the President or, in their absence, by a member of the Presidency; they shall be convened in writing by registered letter, giving two weeks' notice. The members shall be informed of the agenda beforehand, if possible together with the invitation to the Assembly. In urgent cases, the Presidency may decide that the required notice and form of convocation can be waived.
7. The Delegates' Assembly shall be chaired by the President of the Banking Association or, in their absence, by another member of the Presidency.
8. The tasks of the Delegates' Assembly shall be
  - a) electing the members of the Board of Directors,

- b) electing the members of the working committees,
  - c) electing the members of the Deposit Protection Committee,
  - d) passing resolutions on amendments of the Articles
  - e) approving the annual accounts, comprising the statement of revenue and expenditure and the statement of assets,
  - f) granting discharge to the Board of Directors, the Presidency and the Management Board
  - g) appointing the auditors of the Banking Association's annual accounts,
  - h) fixing the total amount of membership fees to be paid by the ordinary members pursuant to Section 18,
  - i) accepting the annual accounts of the Deposit Protection Fund of German Banks,
  - j) granting discharge to the members of the Deposit Protection Committee,
  - k) passing resolutions on the expulsion of a bank from the Deposit Protection Fund (Section 4 of the By-laws of the Deposit Protection Fund operated within the Banking Association).
- 9.** The Delegates' Assembly shall constitute a quorum if two-thirds of the votes are represented. If the Articles or statutory provisions do not stipulate any other majorities, all resolutions shall require a majority of the votes cast. If a Delegates' Assembly lacks a quorum, a Delegates' Assembly with the same agenda convened with at least one week's notice shall constitute a quorum regardless of how many votes are represented. Attention shall be drawn to this in the invitation.
- 10.** Elections as referred to in subsection 1, sentence 5 and subsection 8 b) and c) can be held between the Delegates' Assemblies by voting in writing. In all other cases, voting in writing may be conducted subject to agreement between the Management Board and the President of the Banking Association. Resolutions by voting in writing pursuant to sentence 2 shall require a majority of two-thirds of all votes of the Delegates' Assembly.

## Section 13: Working committees

- 1.** The following working committees shall be set up to advise the governing bodies of the Banking Association:
  - a) Retail and Wholesale Banking Committee
  - b) Legal Committee
  - c) Fiscal Committee
  - d) Banking Technology Committee
  - e) Committee on banks supervised directly by the ECB (SSM1)
  - f) Committee on banks supervised indirectly by the ECB (SSM2)
  - g) Economic and Monetary Policy Committee
  - h) Treasury Management Committee
  - i) Private Bankers Committee
  - j) Foreign Banks Committee
  - k) Corporate Finance Committee
  - l) Capital Markets Committee
  
- 2.** The members of the working committees shall be elected by the Delegates' Assembly for a period of three years. They shall remain in office until new elections take place. If a member retires from service at a bank, their membership shall terminate. If a member retires from office early, a replacement shall be elected for the remaining term of office of the retiring member.
  
- 3.** Up to two representatives of extraordinary members may be elected to the working committees, with the exception of the committees listed in subsection 1 i) and j) above. These representatives shall belong to the respective committee in an advisory capacity without the right to vote.
  
- 4.** The working committees shall not have more than 24 members. The working committees referred to in subsection 1 a) to d), g), h), k) and l) shall

comprise representatives of the private bankers, regional banks, foreign banks and big banks.

5. Each working committee shall elect its chair and, where required, their deputy itself.
6. The working committee members shall be invited to the meetings by the Management Board in agreement with the chair. The meetings may also take place in the form of telephone or video conferences or individual committee members may be linked up to meetings by telephone or video.
7. The working committees must be convened if at least six of their members request this, stating the item they wish to discuss.

## **Section 14: Project committees and communication forums**

1. The Board of Directors may convene project committees for certain issues. The number of members shall be determined by the Board of Directors on a case-by-case basis. Section 13, subsection 4, sentences 2 to 4 and Section 13, subsections 5 to 7 shall apply accordingly.
2. The Board of Directors may also convene communication forums to promote an exchange of information by member banks, also with third parties which are not members of the Banking Association.



## Section 15: Board of Directors (Vorstand)

**1.** The Board of Directors shall be a select body of the Delegates' Assembly. Its elected members shall comprise:

- a) one manager of each of the big banks,
- b) four managers of regional banks,
- c) two managers of private bankers,
- d) one manager of a foreign bank.

The Chief Executive(s) (Hauptgeschäftsführer) of the Banking Association and the full-time President (Präsident) of the Banking Association shall also be members of the Board of Directors by virtue of their office.

**2.** The members of the Board of Directors shall be elected by the Delegates' Assembly from its midst for a period of three years. They shall remain in office until the new elections that take place after expiry of their term of office, unless an elected member of the Board of Directors resigns or is removed by the Delegates' Assembly. If a member of the Board of Directors retires before expiry of their term of office, a successor shall be elected for the remaining term of office of the retiring member.

**3.** The Board of Directors shall elect the Presidency.

**4.** The Board of Directors shall constitute a quorum if at least six of its members attend a meeting or express an opinion in writing. Resolutions shall require a majority of two-thirds of the votes cast, but at least six votes.

**5.** The Board of Directors shall be in charge of all the business of the Banking Association that is not reserved for other governing bodies under statutory provisions or the Articles. The Board shall lay down Banking Association policy strategy and set the guidelines for the work of the Banking Association.

It shall be authorised to take any measures that are necessary or desirable under the Articles to achieve the purposes of the Banking Association. It may at any time take over the tasks of the working committees and project committees or assign certain issues to one or more working committees.

6. The members of the Board of Directors shall be entitled to attend all meetings of the working committees, the Deposit Protection Committee and the project committees.

## **Section 16: Presidency (Präsidium) and representation**

1. The Presidency of the Banking Association shall comprise
  - a) the honorary President elected from the midst of the Board of Directors and two members each elected from the midst of the Board of Directors or
  - b) the full-time President and three members each elected from the midst of the Board of Directors.

The Presidency shall comprise one representative each of the big banks, regional banks and private bankers.

2. If a full-time President is elected, the Presidency shall elect from its midst an honorary deputy.
3. The Presidency shall be the Board of Directors for the purposes of Section 26 of the German Civil Code (Bürgerliches Gesetzbuch (BGB)).
4. The Banking Association shall be represented by two members of the Presidency.

## **Section 17: Management Board (Geschäftsführung)**

- 1.** The Management Board shall be composed of one or more Members of the Management Board (Mitglieder der Geschäftsführung).
- 2.** The Presidency shall conclude the contracts of service with the Members of the Management Board. It shall determine their remuneration and the other contract terms. If no full-time President is elected, the Presidency may appoint from among several Members of the Management Board one or two Chief Executives (Hauptgeschäftsführer). In addition, the Presidency may appoint from among several Members of the Management Board up to two further members of the Senior Management Board (Hauptgeschäftsführung).
- 3.** The Management Board shall attend the meetings of the governing bodies and committees in an advisory capacity as follows:
  - Meetings of the Members’ Assembly and the Delegates’ Assembly: attendance by the Management Board;
  - Meetings of the Board of Directors: attendance by the members of the Senior Management Board;
  - Meetings of the Presidency: attendance by the Chief Executive(s), provided no full-time President has been appointed;
  - Meetings of the Deposit Protection Committee and the working committees: attendance by the relevant Member of the Management Board in each case.

Irrespective of this, the Members of the Senior Management Board shall be entitled to attend committee meetings. In addition, the chair of each meeting may decide in agreement with the Management Board whether further Members of the Management Board or other employees of the Banking Association should be included.

## **Section 18: Annual accounts and ordinary members' fees**

- 1.** The funds which the Banking Association needs to perform its tasks shall be raised principally by means of fees payable by the ordinary members. The fee payable by an ordinary member shall be calculated as a proportion of the total amount of membership fees fixed under Section 12, subsection 8 h). It shall correspond to the number of member-reported persons employed in Germany at the beginning of the fiscal year in proportion to the total reported number of persons employed in Germany. The number of persons employed in Germany shall be reported to the regional associations by the member banks at the beginning of the fiscal year.
- 2.** The Management Board shall prepare promptly for each fiscal year an estimate of the revenue and expenditure for the coming year which shall be presented to the Board of Directors for approval.
- 3.** On the strength of the estimate, the Board of Directors shall fix the advance payments that are to be levied, whilst the total amount of fees payable by ordinary members shall be decided finally by the Delegates' Assembly in each fiscal year.
- 4.** At the close of each fiscal year, the Management Board shall prepare annual accounts which must be audited by the appointed auditors before being presented to the Delegates' Assembly for final approval.

## **Section 19: Extraordinary members' fees**

- 1.** Extraordinary members shall pay for each person employed in Germany by the extraordinary member a quarter of the per capita fee assessed pursuant

to Section 18, subsection 1, but at least EUR 10,000. The Board of Directors may in justified cases alter the minimum fee for extraordinary members if this is appropriate in view of the fact that a small number of persons is employed in Germany by a member, e.g. in a start-up phase. For such resolutions, the Board of Directors may adopt a general arrangement.

2. The number of persons employed in Germany at the beginning of the fiscal year shall be reported to the Banking Association by the extraordinary members at the beginning of the fiscal year.
3. The Banking Association shall collect fees from extraordinary members irrespective of the fees from ordinary members.

## **Section 20: Duty of confidentiality, antitrust compliance**

1. The members of the governing bodies and committees of the Banking Association and its member associations shall be obliged to keep in the strictest confidence and to make no unauthorised disclosure or use of anything of which they become aware in such capacity regarding the activities and results of the Deposit Protection Fund and the circumstances of the participating banks and their customers, even after termination of their membership of such governing bodies and committees. Such obligation shall also be imposed upon employees of and, if necessary, other persons engaged by the Banking Association.
2. The members of the Board of Directors and the committees as well as the employees of the Banking Association shall be required to comply with procedures designed to prevent infringements of the German Act against Restraints on Competition (Gesetz gegen Wettbewerbsbeschränkungen) and the relevant provisions of EU law.

3. Subsection 1 shall not apply to communications made by governing bodies of the Banking Association at their own dutiful discretion to the relevant supervisory or resolution authorities or the German Banks' Auditing Association (Prüfungsverband deutscher Banken) in connection with the purposes of the Deposit Protection Fund. Furthermore, subsection 1 shall not apply to communications to a member association of the Banking Association in connection with the admission or expulsion of a bank.
4. The duty of confidentiality pursuant to subsections 1 and 2 shall also apply in regard to banks that are members of the Auditing Association without already being members of the Banking Association.

## **Section 21: Exercise of office**

All offices may only be exercised personally and – with the exception of the full-time President and the Members of the Management Board – on an honorary basis.

## **Section 22: Minutes**

Minutes shall be taken of all meetings of the Banking Association's governing bodies, the Deposit Protection Committee and the working committees; they shall be signed by the chair of the meeting and a member of the Management Board, kept at the Banking Association's offices and made available to the members of the governing bodies or committees concerned.

## **Section 23: Dissolution**

In the event of dissolution of the Banking Association, the Delegates' Assembly shall decide on the use of the existing assets.

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of German Banks at**

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