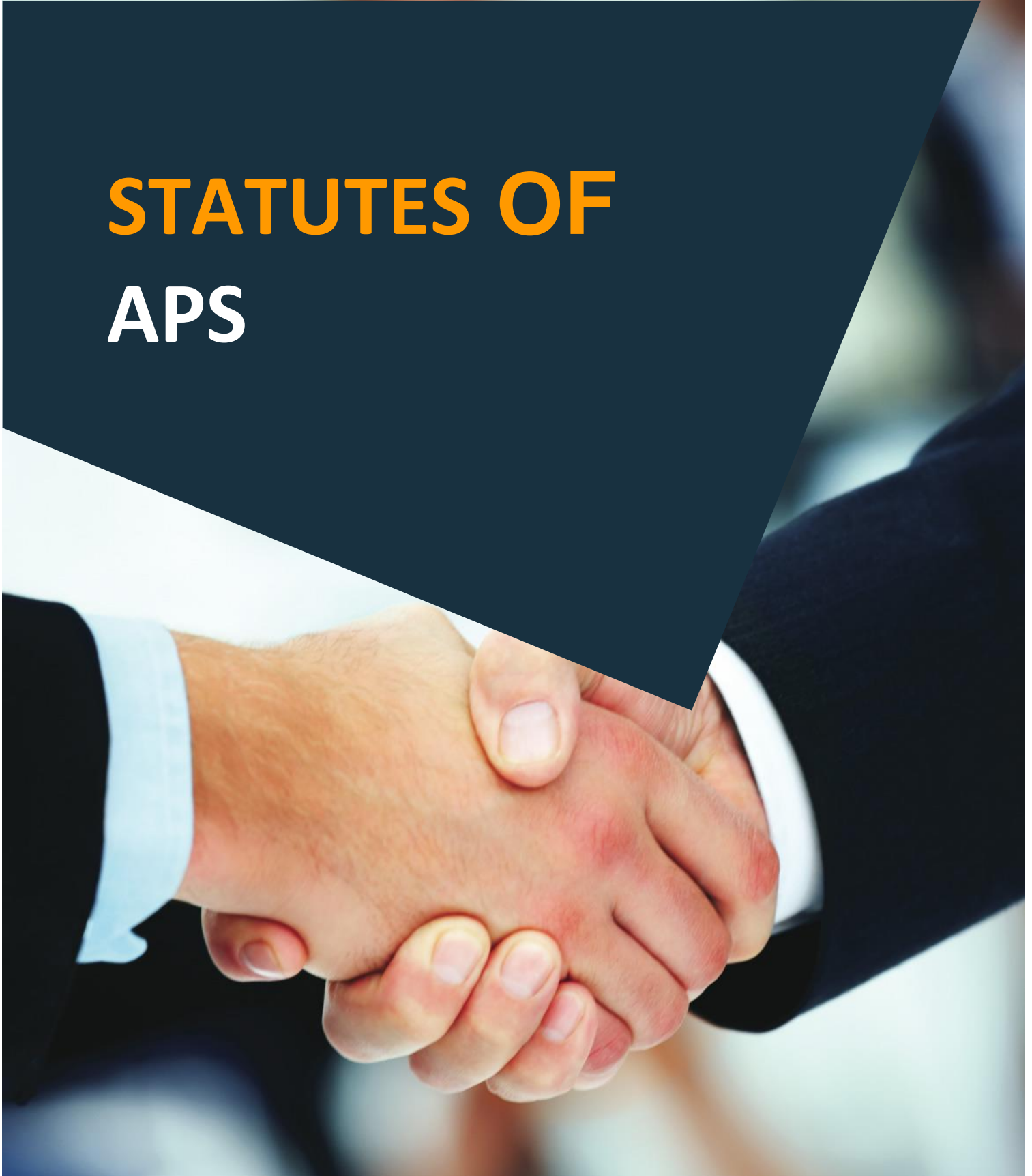


STATUTES OF APS



STATUTES OF APS (ASSOCIAÇÃO PORTUGUESA DE SEGURADORES)

(Approved at the General Assembly on December 20, 2023)

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ARTICLES OF ASSOCIATION OF THE PORTUGUESE ASSOCIATION OF INSURERS

(Approved at the General Meeting of October 28, 2015)

/ CHAPTER 1 - General provisions

Article 1 - Name, nature and duration

1. The Portuguese Association of Insurers, hereinafter referred to as APS, is a non-profit association established according to the law to defend and promote the insurance and reinsurance companies' interests.
2. This Association is established for an indefinite period.

Article 2 – Head office and delegations

1. The Association registered office is in Lisbon, at Rua Rodrigo da Fonseca, number 41, parish of Santo António.
2. The head office may be transferred to another location in the national territory upon decision made at the General Assembly.
3. The Board of Directors may establish and close branches or representative offices of APS anywhere in the Portuguese territory as well as abroad.

Article 3 - Purposes

1. The Association's purposes are:
 - a) Represent and defend the common interests of Members and disseminate their common positions, nationally and internationally, next to assorted entities, public or private;
 - b) To promote cooperation among Members in order to obtain converging positions on matters of common interest;
 - c) Contribute to the modernization and development of the insurance sector and similar or related activities, namely through the promotion and development of communication networks and platforms;
 - d) To defend the prestige of the insurance activity, promote insurance and inform the general public on this type of activity;
 - e) To promote, in the interests of the Members, in Portugal and abroad, the dissemination of knowledge on the insurance activity, through training activities, publications, seminars, campaigns and provision of other services thereby adding to the prestige and development of the insurance sector;
 - f) Organise and manage services and promote research, sponsor and carry out studies or actions in the interest of the Members or of the insurance activity in general;
 - g) Establish and organise contacts, cooperation actions and exchange of information with entities directly or indirectly related to the activity of the Association;
 - h) Participate in other associations, federations and any other legal persons and/or organizations, national or international, public or private, provided that such participation is in the interest of the Members and of the Association itself;
 - i) Undertake any actions and initiatives in the interest to the Association or the insurance business in general;
 - j) To negotiate collective bargaining agreements, on behalf of the members and duly mandated by the latter for this purpose.

2. In order to comply with these purposes and to defend the common or collective interests of all or of a specific set of Members, the Association is hereby authorized, through the mandate granted for that purpose, to represent its Members in court or before any third party, natural persons or public or private entities.
3. The common or collective interests of the Members, among many others defined by the General Meeting, are to defend the good name and reputation of insurance and reinsurance companies, as well as to defend the lawfulness and constitutionality of the rules and norms regulating this activity and the actions performed by any natural persons or public or private entities.

/ CHAPTER 2 - Members of the Association

Article 4 – Requirements and types of members

1. All companies authorized to operate insurance or reinsurance business in Portugal can be Members of the Association with the status of Associate or Member.
2. Members fall into two categories:
 - a) Full Members
 - b) Associated Members.
3. The following can be accepted as full Members:
 - a) Insurance companies authorized to operate in Portuguese territory and having their head office or branch in Portugal;
 - b) Reinsurance companies authorized to engage in reinsurance activities in Portugal and which have their head office or branch here, provided that they are directly or indirectly controlled by other full Members.
4. The following can be accepted as corresponding Members:
 - a) Reinsurance companies with head office or branch in Portugal not provided for in sub-paragraph b) of the previous number;
 - b) Insurance or reinsurance companies carrying out their business under the regime of free provision of services in Portuguese territory.

Article 5 – Rights and duties of full Members

1. The following are the rights of full Members:
 - a) To participate and to vote in the meetings of the General Meeting, to elect the members of the bodies of the Association and to be elected by them, under the terms established in these articles of association;
 - b) To request notice to convene the General Meeting, pursuant to paragraph 2 of article 17;
 - c) To express in the Association their views and opinions on matters that of interest to the Members, namely presenting proposals pertaining to the actions of the Association, as well as suggestions for initiatives by the Board of Directors;
 - d) Be informed about the activity and initiatives of the Association;
 - e) To receive information on the services provided by the Association.
2. The duties of the Members are:
 - a) Pay the contributions and fees under the terms set forth in these statutes;
 - b) Participate in the elections for the bodies of the Association and perform the duties they were elected for, with competence, commitment and in the interests of the Association;
 - c) Contribute to the good image of the insurance sector and the Association itself;
 - d) To actively engage with the Association, namely providing the necessary elements for the full accomplishment of its purposes;
 - e) Appoint their representatives in accordance with Article 13;

- f) Comply with the resolutions adopted by the bodies of the Association, the rules established in the internal regulations, the charter of principles and the codes of conduct of the Association in force at any moment;
- g) Treat confidentially all information of confidential nature they have access to as Members or in the performance of positions of responsibility while members;
- h) Refrain from voting any resolutions where there may be a conflict of interest;
- i) Comply with all other obligations arising from these statutes and applicable legal and regulatory standards.

Article 6 – Rights and duties of correspondent Members

1. The following are the rights of the correspondent Members:
 - a) Be informed on the Association's activity;
 - b) Benefit from informative documentation on the insurance activity;
 - c) Join protocols signed under the auspices of the Association;
 - d) To enjoy services provided by the Association under the terms and conditions defined in the regulations approved by the Board of Directors.
2. The duties of the correspondent Members are those established also for full Members, as provided for in number 2 of article 5, except for items b), e) and h).

Article 7 – Acquisition of Member status

1. Companies and branches of insurance or reinsurance companies wishing to become Associates or Members shall submit their application to the Board of Directors, proving that they meet the requirements set out in Article 4 in the relevant category.
2. If the company intending to be accepted as Full Member belongs to a Corporate Group, the admission request must, unless for a duly justified reason, cover all insurance and reinsurance companies of that group that meet the conditions referred to in paragraph 3 of article 4 above.
3. The Board of Directors is responsible for deciding on the admission of the new Members and any appeals are to be submitted to the General Meeting.
4. The Board of Directors may take any steps deemed necessary or appropriate to confirm compliance, at any time, of the requirements for admission as Associate or to check the documents or information provided.
5. For the purposes of these Association' Statutes, it is considered that companies are within the same Corporate Group when a certain Member has, directly or indirectly, a dominant relationship or companies that, directly or indirectly, are in dominant position or hold a group relationship with the entities that dominate the relevant Member.
6. Existence of a dominant relationship will be assessed in accordance with the legislation that regulates the insurance activity, irrespective of whether the head office of the entities involved is located in Portugal or abroad.

Article 8 – Loss of the Associate status

1. In addition to other legally established causes the following lose the Associate status:
 - a) Those who request it in writing to the Association;
 - b) Those who fail to meet the requirements of Article 4;
 - c) Those excluded by virtue of breach of its statutory, regulatory and legal obligations or as a result of acts that seriously damage the interests or prestige of the Association or its Members.
2. Those members belonging to a Corporate Group an insurance or reinsurance company is part of and which are not members of the Association but meet the requirements provided for in paragraph 3 of article 4 and whose weight, ascertained in accordance with paragraph 3 of article 4, is relevant.

3. The loss of the Associate status, under the terms contained in item a) and b) of number 1. occurs immediately and automatically and this fact is reported and sent by registered letter to the Member's registered office. The exclusion of Members under the terms of (c) of number 1 or number 2 above shall depend on the decision of the General Assembly taken pursuant to article 20, except in case of breach set forth in paragraph a) of paragraph 2 of article 5, in which case exclusion decision will be made by the Board of Directors.
4. The Board of Directors can only make the decision to exclude a Member on grounds of non-payment of contributions or fees if (i) the relevant Associate is notified beforehand and asked to pay the missing amounts within a period not exceeding thirty days, and, if (ii) the payment is not made until the deadline has expired.
5. The loss of the Associate status determines the loss of contribution, fees or any other extraordinary contribution amounts paid, as well as the loss of any and all rights on the assets of the Association and, as set forth in items a) and c) of number 1. and paragraph 2. above, the obligation to pay the current year's fee.
6. The loss of the Associate status implies the immediate termination of any positions or functions that the Associate in question and its representatives perform in the Association and also the automatic expiry of any market protocol signed under the aegis of the Association, always and insofar as the Member status is a necessary condition for the application of this protocol.
7. Loss of membership does not grant the right to any compensation.

Article 9 – Breach and non-compliance with duties

1. Breach of statutory, regulatory or legal provisions by the Associates leads to the following sanctions, the application of which is the responsibility of the General Assembly:
 - a) Warning duly contained in the minutes;
 - b) Suspension or termination of positions in the Association's bodies;
 - c) Suspension of the exercise of social rights;
 - d) Loss of Member status.
2. Exemption from the provisions of the preceding paragraph is a breach of the duty set forth in paragraph a) of paragraph 2 of article 5, corresponding to the regime established in the previous article 8, number 3. and 4..
3. The penalties provided for in paragraph 1 above shall be applied according to the seriousness of the infraction committed and always preceded by inquiries by the Board of Directors, starting within a maximum period of 120 days from the date when that body was made aware of the breach, taking always into account the Members' right of defence.
4. The breach shall lapse within one year from the moment it occurred.
5. In the event of continuous or usual breach the limitation period will begin as of the date when the last breach occurred.

Article 10 - Other APS Members

1. By decision of the Board of Directors, other entities with the due reputation and which may help the development and prestige of the insurance activity may be admitted as members with the status of Adhering members.
2. Adhering members may only benefit from services and have access to publications and information disclosed by the Association, under the terms and conditions defined in the Board of Directors regulations but may not participate or be part of the corporate bodies, nor have they access to the Association's assets.
3. Notwithstanding the provisions of the preceding paragraphs, it is up for the Board of Directors to define in a regulation the different categories of Adhering members, regulating the conditions of acquisition and loss of that quality, as well as the rights and obligations, including the respective fee and / or financial contribution for having access to the services provided by the Association.

/ CHAPTER 3 - Bodies of the Association

Article 11 - Bodies of the Association

The following are the Bodies of the Association:

- a) The General Assembly;
- b) The Board of Directors
- c) The Audit Committee

Article 12 – Appointment, mandate and filling positions

1. The term of office of the members of the Board of Directors, the Audit Committee and the board of the General Assembly is three years.
2. Upon expiration of their terms of office, the members of the bodies of the Association shall remain in office until their replacement at the General Assembly.
3. Except in the cases provided for in the subsequent number 4., if any vacancy occurs in one of the bodies of the Association before the expiration of the respective mandate, the body itself may proceed to its replacement by co-optation, subject to ratification by the General Assembly and the members who are co-opted to take such positions shall perform the duties until the end of the term of office of the other member of the respective body.
4. In the event of resignation, dismissal or definite absence of the majority of the members of the Board of Directors or of the Audit Committee, the General Assembly shall be immediately convened by its President to proceed with a new election and they all remain in office until such election is held.
5. In the event of resignation, dismissal or final absence of all members of the General Assembly, the outgoing Chairman shall call a meeting of the General Assembly in order to elect a new board; this meeting shall be conducted by the Chairman of the Audit Committee.
6. No elected Member can serve in more than one body of the Association in the same term.
7. In the event of there being a Member belonging to the same Corporate Group, only one of them may, in each term, be elected as a member of the Association's bodies.
8. The exercise of positions in the bodies of the Association is not remunerated except for the position of Chairman of the Board of Directors or upon decision otherwise by the General Assembly.

Article 13 – Participation of Members in the bodies of the Association

1. Participation of Members in the Board of the General Assembly, in the Board of Directors and in the Audit Committee is ensured by a designated representative in a letter addressed to the Chairman of the respective body.
2. The representative appointed under the terms of the previous number may be replaced, at any time, by decision of the Member represented by him, without prejudice to the provisions of number 3. below.
3. Full Members who are members of the Board of Directors must be represented in this body, except in exceptional and duly substantiated cases, by the Chairman of its Board of Directors or Executive Committee or, in the absence of any of them, by the person in the top position in charge of operations in Portugal of the relevant full Member company.
4. Participation of full Members in the meetings of the General Assembly can be ensured by any person, appointed in a letter addressed to the Chairman of the board and delivered until the beginning of the meeting, signed by a person or persons with sufficient powers of attorney.

5. The representatives appointed pursuant to paragraph 4 may accumulate the representation of several Members.
6. The Members here commit to ensure that their representatives in the corporate bodies and other groups, committees and internal forums:
 - a) Handle with discretion the facts and issues they are made aware of by virtue of the performance of duties in the Association;
 - b) They are not in a situation of incompatibility.
7. For the purposes of sub-paragraph b) of the preceding paragraph, a person performing functions in:
 - a) Any other associations in the financial sector;
 - b) Entities engaged in insurance intermediation activities or their respective associations;
 - c) Other entities whose activity is defined by the General Meeting as incompatible with functions in the Association.

/ SECTION 1 – The General Assembly

Article 14 - Composition

1. The General Assembly is formed by all the full Members.
2. Unless decided otherwise by the Meeting the Chairman of the Board of Directors and the Managing Director may attend the General Assembly.
3. Participation in the General Assembly of any person not indicated in the previous number requires authorization from the Chairman of the Board of the General Assembly, however, the meeting may revoke such authorization.

Article 15 - Duties

1. The following are duties of the General Assembly:
 - a) To elect the members of the board of the General Assembly, the Board of Directors and the Audit Committee, appointing the respective Chairmen;
 - b) To analyse and vote the report and accounts to be submitted annually by the Board of Directors, containing also the opinion of the Audit Committee;
 - c) Analyse and vote the budget and annual plan of activities prepared by the Board of Directors and containing also the opinion of the Audit Committee;
 - d) Establish the amount and payment dates of the fees, contributions and extraordinary fees to be paid by the full Members and correspondent Members, based on the proposal of the Board of Directors, which must be accompanied by an opinion of the Audit Committee;
 - e) To approve the Charter of Principles and the Code of Conduct of the Association;
 - f) To resolve on the appeals of decisions made by the Board of Directors and on the loss of the status of Members, pursuant to articles 7, 8 and 9;
 - g) To resolve on the application of sanctions to the Members, based on information and opinion of the Board of Directors and to decide on the application of the same in accordance with these statutes;
 - h) To appoint a remuneration committee formed by three Members, which shall be responsible for setting the remuneration of the Chairman of the Board of Directors and, when applicable, of the other members of the Association's bodies;
 - i) To resolve on amendments to the articles of association;

- j) To resolve on the eventual legal autonomy of services of the Association;
 - k) To resolve on the acquisition, encumbrance, alienation or other operations of financial nature on immovable assets;
 - l) To resolve on the dissolution and liquidation of the Association;
 - m) To resolve on the filing of lawsuits to defend the common or collective interests of the Members pursuant to paragraph 2 of article 3 above;
 - n) To resolve on any other matters that are within its competence under these statutes, the law or for which it has been convened.
2. It is also incumbent upon the General Assembly to ratify the filling, by co-optation, of vacancies in the Board of Directors and the Audit Committee or, in the absence of ratification, to carry out the elections necessary to fill such vacancies.
 3. The General Assembly is also responsible for assigning the title of Honorary President of the Association to one or more personalities to be chosen from among the former Chairmen of the Board of Directors, who may perform specific missions, namely work together in the work of the Association and represent it next to national or foreign entities.

Article 16 - Board

1. The General Assembly is formed by Chairman, a Vice-Chairman, and a secretary, all elected from among the full Members.
2. In the absence of the Chairman, the meeting of the General Assembly shall be conducted by the Vice-Chairman or, in his absence, by the secretary of the board.
3. In the absence of any of the aforementioned, the representative of the full Member present who, in accordance with the criterion established in article 19, has a greater number of votes, shall chair the General Assembly.

Article 17 - Meetings

1. The General Assembly shall meet at least twice a year, as follows:
 - a) Until the end of the first semester of each year, to establish the fees and contributions of that year and for consideration and voting of the annual report of the previous year, and, if applicable, for the election of the members of the bodies of the Association;
 - b) By the end of the second half of each year, to discuss and approve the Association's annual activity plan and the following year's budget.
2. In addition to the cases specifically provided for in these statutes, the General Assembly shall meet extraordinarily whenever the Board of Directors, the Audit Committee, full Members representing at least 20% (twenty percent) of the total number of full Members or holding at least 40% (forty percent) of the total number of votes, request this from the Chairman of the board.

Article 18 - Notice to convene

1. The General Assembly shall be convened by the Chairman of the board or by replaces him, by means of postal notice sent to each of the full Members at least eight days in advance, stating the day, time and place of the meeting and respective agenda.
2. The General Assembly shall meet as at the first notice to convene, provided that a majority of the full Members and the votes on the list referred to in article 22 (g) are represented and may meet half an hour later, on the second call, with any number of Members present, irrespective of the number of votes cast taking into account the provisions of Article 20.

Article 19 - Number of votes

The number of votes to be allocated to each Member is calculated according to the respective annual fee, as follows:

- a) Each of the full Members paying the minimum fee is assigned 1000 votes;
- b) Each of the other full Members is assigned the number of votes calculated according to the following formula:

$$\text{Annual amount of the fee (euro) / Minimum fee amount (euro) x 1000}$$

Article 20 - Majority

1. With the exceptions provided for in the following paragraphs, the resolutions are taken by an absolute majority of the votes cast by the attending full Members.
2. The resolutions on the matter in item i) of number 1 of article 15 must be approved with the favourable vote of three-fourths of the number of full Members present.
3. Deliberations on the matters referred to in paragraph l) of number 1 of article 15 must be approved with the favourable vote of three-fourths of the number of all full Members.

/ SECTION 2 - The Board of Directors

Article 21 - Composition

1. The Board of Directors is formed by eleven members, one of whom will be the Chairman.
2. The Chairman of the Board of Directors must be an independent person with proven reputation and suitability and relevant professional experience.
3. The Board of Directors shall include as members:
 - a) The two largest full Members;
 - b) At least five full Members chosen from the eight largest Members that follow.
4. The remaining members of the Board of Directors shall be elected from among:
 - a) The smallest full Members; and
 - b) Other full Members who, being specialized or not, can make a relevant contribution to the strategic areas of intervention of the Association.
5. In any case, and without prejudice to the provisions of paragraphs 3 and 4 above, representation on the Board of Directors shall reflect the distribution of the contributions paid by the Associates engaged in Non-Life Sectors and Life Sector activities in accordance with provided for in number 1 of Article 34.
6. In the event that several full Members belong to the same Corporate Group, and unless deliberation otherwise by the General Assembly, the appointed shall be from the larger Corporate Group or the consolidating or controlling entity of that Group.
7. The weight of full Members for the purposes of eligibility for the Board of Directors is ascertained based on the total amount of fees (annual, extraordinary or related to services provided) paid in the calendar year in which the appointment takes place, whereby in the case of Associates belonging to the same Corporate Group, this amount will be calculated in aggregate form for all the full Members belonging to the relevant Board of Directors.
8. The Board of Directors has the power to appoint a General Manager of the Association, who may, upon invitation, sit on the Board of Directors, without the right to vote.

Article 22 - Competence

1. It falls upon the Board of Directors, in addition to defining the broad lines the Association's management shall follow, to exercise the powers necessary to meet the purposes of the Association and its administration and, in particular, the powers to:
 - a) Organize and present annually to the General Assembly the annual report as well as the budget and annual plan of activities;
 - b) To request a notice to convene the General Assembly;
 - c) Prepare a proposal to submit to the General Assembly to approve the amount of the fee, as well as the total value of the annual contributions, stating the criteria applicable to the calculation thereof, as well as, when necessary, the proposals for payment by the Members of extraordinary fees in accordance with Article 33;
 - d) Prepare and approve the regulations detailing the workings of the Board of Directors ;
 - e) Ask the Audit Committee to state its opinion on any matter of interest to the Association that it considers to fall within the functions of this committee;
 - f) Decide on membership applications and requests from other members of the Association pursuant to articles 7 and 10;
 - g) To prepare, prior to each meeting of the General Assembly, and to make available to it, the list with the number of votes each Member is entitled to;
 - h) To establish the authorization of expenditure and the movement of funds, to collect the revenue of the Association, to authorize expenditure and decide on its application in accordance with the purposes for which they are intended;
 - i) To represent the Association in court or outside it, as well as next to any entities, national or foreign, to engage or give up these proceedings or this request, or to confess in any judicial process and to commit itself in arbitrations;
 - j) To manage the assets of the Association, namely as regards acquiring, selling out or encumbrance, in any way, of rights and assets;
 - k) To lease the assets belonging to the Association and to lease those necessary for its activity;
 - l) Propose to the General Assembly the acquisition, sale, encumbrance or other financial transactions on real estate;
 - m) To resolve on the provision of services compatible or adequate to pursue the purposes of the Association, in compliance with the provisions of the law and its articles of association;
 - n) Establish, organize and direct the services of the Association, approve its internal regulations, including the admission and removal of personnel;
 - o) Constitute agents for any purpose;
 - p) To execute and enforce the statutory and regulatory precepts, the deliberations of the General Assembly and to take all necessary measures to carry out the purposes of the Association and the correct accomplishment of its attributions;
 - q) Approve any protocols concluded under the auspices of the Association;
 - r) Exercise any other powers conferred by law or by these statutes.
2. The Board of Directors may empower one or more of its members or the General Manager, as well as to authorize the sub-empowerment of these powers, establishing in each case the respective limits and conditions.

Article 23 - Chairman of the Board of Directors and Vice-Chairmen

1. It is up to the Chairman of the Board of Directors to:
 - a) Represent the Board of Directors before other governing bodies;
 - b) Represent the Association with public or private entities, national or foreign;
 - c) Convene and chair the meetings of the Board of Directors.

2. The Board of Directors may appoint one or more Vice-Chairmen, defining their functions, as well as the rules pertaining to replacing the Chairman in case of absence and impediment.

Article 24 - Meetings of the Board of Directors

1. The Board of Directors holds ordinary meetings once a month, except in August, and extraordinarily whenever the Chairman convenes it, on its own initiative or at the request of a majority of the members or the Audit Committee.
2. In order for the Board of Directors to be able to deliberate rightfully the presence of the majority of its members in office is therefore necessary.
3. The resolutions of the Board of Directors shall be taken by a majority of the attending members, one vote being cast by each of them; the President is entitled to cast a vote in case of tie.
4. It is the responsibility of the Board of Directors to define the terms and conditions under which it is possible to replace members in their absences and in case of impediment.
5. Minutes shall be taken of all meetings and signed by all attending members.
6. Upon invitation from the Board of Directors, the members of the technical committees referred to in Article 30 or any persons relevant to the insurance sector may participate in the meetings of the Board of Directors without the right to vote.
7. The Board of Directors may establish, through its internal rules, rules of operation and organization complementary to those contained in the association's statutes.

Article 25 - Powers of attorney

1. The Association is bound by the signature:
 - a) Of two members of the Board of Directors;
 - b) Of any member of the Board of Directors, under the terms and within the limits of the powers established in the Board of Directors' resolution;
 - c) Of one or more agents appointed by the Board of Directors, in the terms and limits of the respective power of attorney.
2. For acts of administrative nature and to approve resolutions issued by the corporate bodies, it will suffice the signature of a member of the Board of Directors, the General Manager or a proxy with sufficient powers.

SECTION 3 - Audit Committee

Article 26 - Constitution

The Audit Committee is formed by three or five members, one of whom will be the Chairman, elected by the General Assembly from among the full Members.

Article 27 - Duties

The responsibilities of the Audit Committee are:

- a) To consider and issue opinion on the annual report and accounts of the Association, its budget and the annual plan of activities and proposed fees to be submitted in the General Assembly;
- b) Issue an opinion on the use of the Reserve Fund provided for in Article 36.
- c) Exercise, at any time, control actions of the Association's management and request accounting elements from the Board of Directors;
- d) Examine the accounts of the Association and monitor the activity of the external auditors;
- e) To request the Chairman of the Board of Directors to hold joint meetings with this body when, within the scope of its competence, it detects situations of serious gravity;
- f) To issue opinion on any matter of interest to the Association submitted by the Board of Directors.

Article 28 - Meetings

1. The Audit Committee holds ordinary meetings four times a year and extraordinarily whenever it is convened by its President, on its own initiative or at the request of a majority of its members or of the Board of Directors.
2. Minutes shall be taken of all meetings, which shall be signed by all attending members.

/ CHAPTER 4 - Forums and Technical Commissions

Article 29 – Associates' General Council

1. The General Council is an internal forum of full and correspondent Members with no governing nature, aimed at the dissemination, reflection and debate on topics of interest to the insurance activity or to the life of the Association.
2. The General Council meets at least twice a year and is convened by the Board of Directors.
3. The General Council may gather any number of Members present or represented.
4. It is up to the Chairman of the Board of Directors or a replacement to direct the work of the General Board.
5. Upon invitation from the Board of Directors, any person of recognized merit or other entities that are not Members may attend or participate in the meetings of the General Council.

Article 30 - Technical Commissions

1. Within the framework of the Association, the Board of Directors may form technical committees of a permanent or temporary nature, made up of representatives of the Associates in order to act as support and consultation bodies of the Board of Directors, acting in their dependence and in accordance with the rules of and the scope defined or approved by this body.
2. Without prejudice to the other operating rules provided for in the internal regulations approved by the Board of Directors it is hereby established that:
 - a) Each committee has a Chairman, appointed by the Board of Directors from among candidates proposed by the full Associates, with recognized experience and professional competence in the work area of the committee, which includes:
 - (i) Coordinate the meetings of the respective committee;

- (ii) Report to the Board of Directors, at intervals defined by the Board of Directors or when requested by it, on the work of the committee in question;
 - (iii) Represent, at the request of the Board of Directors, the Association before third parties in the discussion and dissemination of topics related to the work area of the commission in question;
 - (iv) Exercise the other functions that are assigned to it by the Board of Directors.
- b) The other members of the technical committees are appointed by the Associates and should be senior experts in the area of work of the relevant committee;
 - c) By decision of the Board of Directors, members of non-insurance companies may be invited to participate in the meetings of committees as long as they are members of the Corporate Group of Associates.

/ CHAPTER 5 - Of Revenues and Expenditures

Article 31 – Association's Assets

The Association's assets consist of the assets and other securities transferred to it, assigned to it which it will acquire.

Article 32 - Revenue of the Association

The Association's revenues are as follows:

- a) The fees and contributions paid by the Associates and other members;
- b) The proceeds of any extraordinary contributions paid by the Associates;
- c) The amounts charged for services rendered, in accordance with the statutes and the law;
- d) The results of any financial investments;
- e) The subsidies received;
- f) Other income arising from its activity.

Article 33 – Fees and commissions

1. All Members are required to pay:
 - a) The fee when they join the Association;
 - b) Of an annual fee ("APS Annual fee"), so that the total amount of the fees meets the amount necessary to finance the annual budget of the general activity of the Association ("APS General Budget"), the amount and conditions of which are determined by resolution of the General Assembly, upon proposal of the Board of Directors and opinion of the Audit Committee;
 - c) The autonomous contributions necessary to finance the projects and / or specific areas of activity of the Association to which it has adhered, the amount and conditions of payment being determined by resolution of the General Assembly, upon proposal of the Board of Directors and opinion of the Audit Committee.
2. The criteria for determining the value of the extraordinary contributions paid by each Associate shall be defined by the General Assembly that approves them.

Article 34 - APS Annual Fee

1. Unless the General Assembly, based on a reasoned proposal from the Board of Directors, establishes a different allocation criterion, the responsibility for the financing of the APS General Budget is divided among the full Members in the following proportions:
 - a) Members in the Life Sector: 40% (forty percent);
 - b) Members in the Non-Life Sector: 60% (sixty percent).
2. The amount of the APS Annual Fee of each of the full Members, including reinsurers who are full Members, is ascertained annually by the General Assembly, upon proposal by the Board of Directors, calculated in proportion of respective weight, based on the following rules:
 - a) The Minimum APS Annual Fee cannot be less than € 10,000 (ten thousand euros);
 - b) The maximum APS Annual fee to be borne by any Associate shall not exceed fifteen percent (15%) of the total amount of the APS General Budget for the year in question.
3. The full Members' dimensions to be considered for the purposes of calculating APS Annual fee is assessed based on:
 - a) In the case of an Associate that carries out Non-Life Business, the volume of revenue processed in Portugal in the previous calendar year, net of reversals and cancellations, related to direct premiums insurance and accepted reinsurance (excluding accepted reinsurance premiums received from another Member having a direct or indirect dominance over the reinsurance company);
 - b) In the case of In the case of an Associate that carries out Life business, the total liabilities amount from Life insurance contract relating to future services and the financial liabilities from the insurance component and operations classified as investment contracts for accounting purposes, in the previous calendar year.
4. Members must, by January 31 of each year, send the Association the information provided for in the preceding paragraph, for the purposes of gauging their size and calculating their respective contributions.
5. The APS Annual Fee is paid in two half-yearly instalments of equal value, settled during the months set by the General Assembly, unless the Associate concerned has not made available to the Association the information referred to in number 4 until the end of the term established in that case, in which case an amount equal to that of the APS Annual Quota for the previous year shall be immediately charged, and the payment or reimbursement of any eventuality shall occur in the second half of the year in question.

Article 35 - Autonomous Fees

1. The autonomous fees to be paid by the Associates shall be calculated in accordance with the criteria set out in Article 34, applied due adaptations to the relevant branch or group of branches, but a proportion of them shall be calculated on the basis of the levels of use of the Association's systems whenever there are tools that allow continuous monitoring of this degree of use.
2. The definition of the criteria to ascertain autonomous fees insofar as they are based on the levels of utilization is the responsibility of the Board of Directors and the statement of such criteria must accompany the proposals to the General Assembly.

Article 36 - Reserve Fund

1. The Association must have a Reserve Fund to cover the extraordinary or non-budgeted expenses of the Association.
2. The total amount of the Reserve Fund shall be set by the General Assembly, but may not be less than 10% (ten percent) of the APS General Budget, each year, consisting of the following amounts:
 - a) Financial amounts paid by the non-members of the Association;
 - b) Financial capital allocations from Associates;
 - c) Positive balance between annual revenues and expenses.

3. The use of all or part of the amounts included in the Reserve Fund must be approved by the Board of Directors, with the favourable opinion of the Audit Committee.

Article 37 – Association's Expenses

The Association's expenses are:

- a) Operating charges;
- b) The costs of acquiring, maintaining and preserving the goods or services that you have to use;
- c) Other expenses arising from its activity.

/ CHAPTER 6 - Miscellaneous Provisions

Article 38 – Extinction of the Association and return of its assets

1. The Association shall be dissolved in the cases and under the terms established in the law and in these statutes.
2. Upon dissolution and liquidation of the Association, its assets (including the Reserve Fund) shall have the destination decided by the General Assembly by resolution that shall meet at least the majority referred to in paragraph 3 of article 20.

Article 39 - Social year

The social year coincides with the calendar year.

Article 40 - Preservation of documents

The documents of the Association are kept on file under the applicable legal terms.