



CHARTER

APPROVED DURING 11TH ACG GENERAL MEETING
ON SEPTEMBER 4, 2007

CHARTER

ASIA-PACIFIC CENTRAL SECURITIES DEPOSITORY GROUP

Article 1

Title and Structure:–

The Group shall adopt the name “Asia-Pacific Central Securities Depository Group” (ACG), and the Asia-Pacific Central Securities Depository Group shall be formed based on an informal structure.

Article 2

Purpose:–

- a. To facilitate exchange of information and promote mutual assistance among ACG Members with a view to develop the securities markets in the Asia-Pacific Region. The functioning of the ACG, however, is not binding on the activity of any of its members.
- b. To encourage the local markets to adopt best practices, with due consideration to the specific situation of each market.
- c. To promote efficiency and cost effectiveness in the clearing, settlement and depository services, provided in the region’s securities markets.
- d. To establish committees, whether permanent or temporary, to co-ordinate tasks and carry out activities of the ACG in accordance with its purpose to promote clearing, settlement and securities depository services. Such committees are to be established by ACG Members at the General Meeting.
- e. To develop channels for dialogue with other international organizations.

Article 3

Membership:–

3.1 Eligibility

A member shall be an entity in the Asia-Pacific Region with one or two of the following roles:

- a. Central depository services for financial instruments.
- b. Central clearinghouses for financial instruments.

3.2 Rights

ACG Members shall have the following rights:

- a. To attend General Meetings.
- b. To vote as and when required.

3.3 Admission

3.3.1 Membership Application - Membership application must be submitted in writing to the ACG Secretariat and signed by the person authorized to represent the applicant entity.

3.3.2 Approval - Applications for admission have to be approved by more than one-half (1/2) of all ACG Members.

3.4 Loss of Membership

An ACG Member shall lose its membership due to any one of the following reasons:

- a. The member entity commits acts that adversely affect or seriously compromise the interests of the ACG, and the loss of membership is approved by at least two-thirds (2/3) of all ACG Members.
- b. The member entity is dissolved or liquidated.
- c. The member entity ceases to operate as a central securities depository and/or a central clearinghouse, or such functions are transferred to another securities depository or clearinghouse.
- d. The member voluntarily withdraws its membership by submitting a written notice to the ACG Secretariat.

Article 4

General Meeting / Voting:–

4.1 General Meeting

General meetings shall be held once a year and hosted by an ACG Member who is chosen on the basis of being the first to apply for the role of host for that year's meeting.

4.2 Quorum for the General Meeting

More than one-half (1/2) of all ACG Members need to be present at the General Meeting in order to satisfy the quorum.

4.3 Voting at the General Meeting

Any resolution put to a vote at the General Meeting shall be approved by more than one-half (1/2) of the votes of participants at the meeting, unless specified otherwise in the ACG Charter. Each ACG Member participating at the General Meeting is entitled to one vote.

4.4 Minutes of the General Meeting

All matters taken up during the General Meeting shall be recorded in the minutes. The minutes shall be prepared by the ACG Secretariat and circulated to all ACG Members.

4.5 Other Decisions

If the ACG Secretariat thinks it necessary and appropriate to make a decision by members' votes, then after appropriate disclosure of an issue to the members, the ACG Secretariat may ask members to vote by appropriate means, including e-mail, post or fax, and the decision made shall be approved by more than one-half (1/2) of the votes of ACG Members, unless specified otherwise in the ACG Charter.

Each ACG Member is entitled to one vote.

Article 5

Committees:–

5.1 Task Forces

- a. A Task Force may be formed by ACG Members at the General Meeting.
- b. A Task Force shall undertake studies, projects and activities delegated to it at the General Meeting. A Task Force may at any time initiate studies, projects and activities which they consider appropriate.
- c. A Task Force shall make reasonable efforts to disseminate results and information arising from the studies, projects and activities via reports / presentations at the General Meeting, newsletters and/or website releases.
- d. Members of each Task Force shall elect a Task Force convener.

5.2 Working Groups

A Working Group may be formed by ACG Members at the General Meeting as ad-hoc group, focusing on specific issues within the scope of ACG's purpose but are not delegated to Task Forces.

Article 6

The Secretariat:–

A host member of the General Meeting shall be elected as ACG Secretariat and the Chairman will be appointed by the General Meeting for the functions of organizing meetings of the members and coordinating the activities of and disseminating information among members of ACG. The term as a Secretariat shall begin upon the election of the Secretariat during the General Meeting and end upon the election of a new secretariat at the next General meeting.

Article 7

Amendments to the Charter:–

Any amendment to this Charter shall be valid if approved by at least two-thirds (2/3) of all ACG Members present at the General Meeting.

Article 8

Dissolution:–

The ACG shall not be dissolved unless approved by at least two-thirds (2/3) of all ACG Members present at the General Meeting.