

## Annex 2

### **Resolution of the Presidents Committee on transitional arrangements for the IOSCO Board**

**CONSIDERING** that the Presidents' Committee has passed a resolution to amend the IOSCO By-Laws and create a single IOSCO Board; and

**CONSIDERING** that the Presidents Committee anticipates determining the constitution of the IOSCO Board at its Annual Meeting in 2014 pursuant to Section 17 of the amended By-Laws; and

**CONSIDERING** that the membership has agreed that the functions of the Executive and Technical Committees should be merged together with those of the Emerging Markets Committee Advisory Board before 2014 pursuant to IOSCO's review of its Strategic Direction;

**IT IS AGREED to approve that the following transitional arrangements will take effect at the Annual Meeting in 2012 until the IOSCO Board is constituted:**

1. A transitional IOSCO Board shall be constituted by the Presidents Committee at the Annual Meeting in 2012 to perform the functions and exercise the powers of the IOSCO Board and to recommend the constitution of the IOSCO Board to the Presidents Committee as anticipated for 2014.
2. This transitional IOSCO Board shall be comprised of:
  - (a) the members of the existing Technical Committee<sup>1</sup>;
  - (b) the Chairman and Vice Chairman of the Emerging Markets Committee;
  - (c) the Chairman of each Regional Committee; and
  - (d) 2 ordinary members elected by each Regional Committee from among the ordinary members of that region.
3. The 2 members elected to the transitional IOSCO Board by the Regional Committees under paragraph 2(d) are not to include any of the members appointed or elected to the transitional IOSCO Board by virtue of paragraphs 2 (a), (b) or (c).
4. If the Chairman of a Regional Committee that would serve on the transitional IOSCO Board pursuant to paragraph 2(c) is a member of the existing Technical Committee,

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<sup>1</sup> These Members are the securities regulatory authorities of Australia, Brazil, China, France, Germany, Hong Kong, India, Italy, Japan, Mexico, the Netherlands, Ontario, Quebec, Spain, Switzerland, United Kingdom and the United States.

that Regional Committee will be entitled to elect one more ordinary member to the transitional IOSCO Board in addition to the 2 ordinary members under paragraph 2(d).

5. The Executive Committee and the Technical Committee shall cease to exist on the constitution of the transitional IOSCO Board. Any actions taken by the Executive and Technical Committees shall be deemed to have been taken by the IOSCO Board as the successor to these Committees.
6. The transitional IOSCO Board shall give consideration to what objective measures might better be used to determine the participation in the IOSCO Board of the members which regulate the largest capital Markets, and whether the composition of the IOSCO Board permits adequate contribution from the whole membership, including emerging markets, and revert to the Presidents Committee with a proposal for the ongoing IOSCO Board. The ongoing IOSCO Board shall have not more than 30 members.
7. The transitional IOSCO Board will cease to exist once the ongoing IOSCO Board is constituted.

**IT IS ALSO RESOLVED that the Presidents Committee agrees that the Executive Committee shall have the authority to do all that is deemed necessary prior to the Annual Meeting in 2012 for this Resolution to take effect at the Annual Meeting in 2012.**