



Resolution of the Presidents Committee
on
The imposition of sanctions upon the Superintendencia Nacional de
Valores of Venezuela for repeated failure to pay membership contributions

(Resolution 3/2019)

CONSIDERING that Article 14.1 of the IOSCO By-laws states that annual membership contributions for the calendar year are required to be paid before 30 June of that year and that the annual contribution will be deemed outstanding if the member does not make the payment by that date;

CONSIDERING that the Superintendencia Nacional de Valores of Venezuela has an outstanding balance with IOSCO of 162.872 Euros, corresponding to ten prescribed financial contributions for the period 2009-2018;

CONSIDERING that Article 77 of the IOSCO By-laws states that the Presidents Committee may, upon recommendation of the IOSCO Board, impose sanctions upon members for repeated failure to pay contributions;

CONSIDERING that the Resolution of the IOSCO Presidents Committee on Graduated Measures for members who fail to pay their annual contribution (Resolution 7/2013), states that the IOSCO Board may recommend to the Presidents Committee the exclusion from membership of members that have outstanding dues of four or more membership contributions;

CONSIDERING that Article 78 of the IOSCO By-laws states that before the IOSCO Board recommends that the Presidents Committee impose sanctions against a member, the IOSCO Board must give that member:

- a) reasonable notice of its intention to recommend the imposition of sanctions; and
- b) an opportunity for that member to make representations concerning the intended recommendation.

ACKNOWLEDGING that Presidents Committee agreed in November 2017 to suspend the membership of the Superintendencia Nacional de Valores of Venezuela until the 2018 annual meeting of the Presidents Committee as a result of their non-payment of annual contributions (Resolution 4/2017);

CONSIDERING that given the Superintendencia Nacional de Valores of Venezuela has not responded in any manner to the request from the PC and the notice from the Board to address this situation, the IOSCO Board agreed at its meeting on 18 October 2018 to propose the application of Stage 5 of the Graduated Measures, which would entail the exclusion of the SNV as a member of IOSCO as a result of their repeated non-payment of their annual financial contributions.

CONSIDERING that the IOSCO Board agreed to inform the Superintendencia Nacional de Valores of Venezuela of its intention to seek approval from the Presidents Committee to impose the above mentioned sanction, and, in accordance with the provisions in Part 12 of the By-Laws, the Board agreed to provide the Superintendencia Nacional de Valores of Venezuela 30 calendar days to

communicate formally in writing and to make any representations or settle the outstanding balance before it formally recommends to the PC the imposition of the referred sanctions;

CONSIDERING that the Superintendencia Nacional de Valores of Venezuela has been duly informed by the Secretary General and given reasonable notice of the Board's intention to recommend the imposition of sanctions and has been provided the opportunity to make any representations, and not having responded satisfactorily to the request;

IT IS AGREED: To apply Stage 5 of the Graduated Measures and to exclude the Superintendencia Nacional de Valores of Venezuela from the membership of the Organization.