



Frequently Asked Questions

FIA and FOA's Agreement in Principle on the Affiliation of the Organisations

- 1. Why create this affiliation of FIA and FOA under FIA Global?** FOA and FIA have enjoyed a strong and productive partnership over the last decade. But the significant reform efforts stemming from the financial crisis and the increasingly global nature of the listed derivatives markets, and how they are regulated, require us to forge a more formal relationship to meet the global challenges ahead. We are stronger working together than tackling global challenges independently.
- 2. What are the benefits of such an affiliation?** The combination of FOA and FIA, in conjunction with FIA's affiliate—FIA Asia, will enable the associations to speak as one global voice, strengthening the influence of the association both locally and worldwide. This new structure will allow us to pool and target resources and expertise wherever in the world that our collective members require such help. It also will help us to align our policies and strategies to create operational and regulatory efficiencies for our common global members.
- 3. What will happen to the individual affiliates—FIA, FOA and FIA Asia?** This structure is designed to build on the success of the underlying associations without diminishing their strengths. It will continue to recognise the importance of each individual association's ability to address regional issues affecting their membership. There is no substitute for on-the-ground expertise, relationships and know-how. However, FIA Global will enable the affiliates to have greater access to the different regions around the globe and help align policies across associations to better reflect the global nature of the listed derivatives business.
- 4. Will dues change for our memberships?** The board of each affiliate will continue to set the dues for its own organization and will be responsible for properly funding the activities of that entity. There is no plan to change the current dues structure for members of the underlying associations as a result of this agreement. All affiliates recognize that the current political climate has led to increased regulatory activity worldwide and resources are necessary to address this situation.

- 5. How will FIA Global be governed?** FIA Global will be governed by a 15-person board consisting of directors with global responsibilities who also sit on an underlying affiliate board as well as the chairs and chief executives of each of the affiliate boards to ensure regional representation.
- 6. Who will serve on the board of FIA Global?** In the coming weeks, the associations anticipate naming a founding FIA Global board derived from the underlying affiliate boards and representing global institutions and responsibilities.
- 7. What authorities will reside with FIA Global?** FIA Global is designed to be a coordinating body with limited reserved authority over its affiliate associations. These reserved powers include the ability to coordinate major policy and strategic decisions among underlying affiliates in order to be consistent across the global organisation.
- 8. Why change FOA's name to FIA Europe?** Just as we are attempting to align and develop a consistent voice and message worldwide, the success of this strategy is dependent on the consistency of the brand. By combining forces and aligning under one global brand, the confederation of FIA, FIA Asia, and the soon to be branded FIA Europe will speak with a global voice yet retain the ability to deal locally and regionally with legislators, regulators, and market participants.
- 9. What must occur to finalise this agreement and what is the timing?**
The FOA and FIA boards have approved this agreement in principle, allowing the respective chairmen of the associations to enter into the Heads of Agreement. The underlying affiliate associations must approve certain by-law changes that will incorporate these changes into their corporate documents. It is anticipated that such changes can be accomplished by the end of summer 2013.