

Statutes

This document is a translation and shall be used only for information purposes. In case of doubt, the original German version shall apply.

Article 1

Name, legal form, duration and registered office

1. Under the name of

Schweizerischer Verband für Interne Revision (SVIR)
Association Suisse d'Audit Interne (ASAI)
Associazione Svizzera di Revisione Interna (ASRI)
Institute of Internal Auditing Switzerland (IIAS)

there is an association according to Art. 60 et seq. ZGB. It operates under SVIR, ASAI, ASRI or IIAS. The duration of the association is unlimited.

2. The IIAS is headquartered in Zurich.

Article 2

Purpose

The purpose of the association is

1. the consolidation as well as the training and further education of internal auditors of private, mixed-economy and public enterprises, of public administrations as well as of companies providing internal auditing services to client companies;
2. the creation and maintenance of a high quality standard of internal audits of affiliated legal entities and public institutions;
3. the professional promotion of the profession of internal audit;
4. the development and dissemination of principles and methods of professional excellence;
5. promoting the exchange of technical and sector-specific experience at regional, Swiss and international level.

As the national representative of the Institute of Internal Auditors (IIA Inc.) and as a member of the European Confederation of Institutes of Internal Auditing (ECIIA) and the Union Franco-phonie de l'Audit Interne (UFAI), IIAS maintains contacts with specialist institutions in Switzerland and abroad. It can join other national and international professional organisations.

Article 3

Membership and member categories

1. Natural and legal persons can become members of the association as long as they are willing to recognize and promote the aims and purposes of the association.
2. The IIAS comprises as membership categories individual members and corporate members.
3. Individual members are:
 - a. Active individual members: Natural persons (employees of company members or individuals) who are entrusted with internal auditing tasks;
 - b. Associated Individual Members: Natural persons who have an interest in the profession or in the educational work of the IIAS.
4. Corporate members are:
 - a. Companies with their own internal audit department:

Company members are legal entities or public law institutions whose internal audit meets the professional and operational requirements for high audit quality. The company is represented in the association by the active head of the internal audit. The following requirements must be fulfilled:

 - Location or organizational unit of the Internal Audit is based in Switzerland or the Principality of Liechtenstein;
 - Position in the company or in the public administration that guarantees an objective audit;
 - professional and managerial qualifications;
 - Organization that meets entrepreneurial requirements.
 - b. Company as a provider of internal auditing services:

Corporate members are companies that offer Internal Auditing Services and perform them in a manner that meets the requirements of Internal Auditing within the meaning of Art. 3 para. 4 a). These must meet the same requirements as a corporate member pursuant to Art. 3 para. 4 a). The corporate members concerned shall be represented by the head of the unit providing the internal audit service.
5. The Board of Directors shall issue regulations and the associated implementing provisions describing in detail the quality criteria for the admission of company members.
6. Membership of the association is accompanied by membership of The Institute of Internal Auditors, USA (IIA Inc.).

Article 4

Admission of members

1. Applications for admission must be submitted in writing to the body responsible for the relevant decision.
2. After reviewing the requirements pursuant to Art. 3, the Board of Directors shall decide on the admission of company members. The Managing Director is responsible for the admission of individual members.
3. The admission and allocation into a member category is to be communicated to the member in writing. The applicant may continue a negative decision within 30 days of notification to the General Assembly. Decisions regarding the admission and allocation of members do not require justification.
4. The association keeps a publicly accessible list of members of the company members as well as the active individual members who bear the title Certified Internal Auditor (CIA).

Article 5

Rights of members

1. The members are entitled to the services of the association. They enjoy preferential conditions compared to non-members.
2. Within the framework of the statutory division of competences, the members entitled to vote have the right to participate, to make statements and to make motions in all activities of the association.
3. The active individual and corporate members are entitled to vote and elect at the General Assembly in accordance with Art. 11 of the statutes. Associate individual members have no voting or election rights.

Article 6

Duties of members

1. The members undertake to accept the statutes and regulations, the resolutions of the General Assembly and all other bodies. They refrain from doing anything that could damage the reputation of the association or its members.
2. The members undertake to comply with the Articles of the IIAS and the regulations and guidelines of the Institute of Internal Auditors, USA (IIA Inc.) applicable to internal auditing when exercising their profession.

3. The members undertake to make themselves or qualified IR staff available for the association's work as far as possible.
4. The members are obliged to pay the annual membership fee determined by the AGM.

Article 7

Resignation and exclusion of members

1. Membership expires immediately upon death or, in the case of a legal entity, upon dissolution.
2. Withdrawal from the association is possible at the end of a financial year, subject to three months' notice; notices of withdrawal must be sent in writing to the office.
3. An exclusion of a member can be pronounced for the following reasons:
 - a. in the case of dishonourable conduct and in the case of obvious violation of the interests and efforts of the association;
 - b. in the event of a material breach of the obligations of members pursuant to Art. 6, lit. 0 and 2 of the Articles of association;
 - c. if a member does not pay due membership fees within 90 days of being sent a reminder;
 - d. the internal audit function is discontinued;
 - e. for other important reasons.
4. A corporate member may also be expelled if he no longer fulfils the conditions set out in Art. 3 of the Articles of association or the Regulations on Quality Criteria for Membership.
5. The Board of Directors is responsible for the exclusion of corporate members, the Managing Director for those of individual members.
6. As a rule, the decision to expel a member is taken only after the member has been heard, is communicated to the member in writing and applies immediately to individual members.
7. Corporate members are entitled to appeal to the General Assembly against the exclusion of the appeal with suspensive effect. The appeal must be submitted by registered letter within 30 days of receipt of the resolution of the Board of Directors.
8. Withdrawal or expulsion shall not relieve the member of any financial or other obligations to the association up to the time of withdrawal. In particular, it shall be liable for outstanding membership fees and those up to the end of the current financial year.

Article 8

Organs

The organs of the association are

- a. the General Assembly;
- b. the Board of Directors;
- c. the Executive Committee;
- d. the Managing Director;
- e. the Office;
- f. the Auditors

a. THE GENERAL ASSEMBLY

Article 9

Ordinary and Extraordinary General Assembly

1. The Ordinary General Assembly shall be held annually within the first six months of the year.
2. Place and date are to be announced to the members at least four months in advance according to the regulation, whereby a communication by e-mail or a publication on the homepage of the IIAS is enough.
3. Extraordinary General Assemblies shall be convened at the decision of the Board of Directors, at the written request of at least one tenth of the members entitled to vote or at the written request of the Auditors. If such a request is made, the Extraordinary Assembly Meeting shall be held within three months.

Article 10

Convocation, negotiation items, presidency

1. The invitation to the General Assembly shall be issued in writing by the president of the Board of Directors 20 days prior to the meeting, stating the business to be transacted.
2. Requests by members and organs to put items on the agenda for the General Assembly must be submitted in writing to the president of the Board at least 30 days in advance.
3. The Board of Directors may accept for examination any agenda items which have been put forward at the General Assembly and which are not listed in the invitation. Resolutions can only be passed on the items on the agenda. Proposals for the individual items on the agenda may be made at the General Assembly or in advance.

4. The president (if unable to do so, another member of the Board of Directors) chairs the General Assembly; he appoints a secretary and two tellers.

Article 11

Resolutions and voting rights

1. The General Assembly shall constitute a quorum regardless of the number of members present.
2. Unless the law or the Articles of association prescribe otherwise, resolutions and elections shall be held at the General Assembly by an absolute majority of the votes cast. Empty and invalid votes shall not be added to the total number of votes cast. The president shall also vote.
3. Resolutions and elections shall take place openly, unless the secret procedure is required for individual items on the agenda by a simple majority of the votes represented or by 1/5 of the corporate members represented at the General Assembly.
4. In the open procedure, each active individual member and each corporate member shall have one vote. Associated individual members shall have no right to vote and no right to vote.
5. In the secret procedure, active individual members shall each have one vote; corporate members shall have one vote per three employees or part thereof.
6. The member concerned shall be excluded from the right to vote when passing a resolution on his or her discharge, on a legal transaction or on a legal dispute between him or a related party and the association.
7. Absent members may be represented at the General Assembly by another member with written power of attorney, whereby one member may not simultaneously represent more than ten other members.
8. The resolutions passed at the General Assembly shall be recorded in the minutes.

Article 12

Jurisdiction

The General Assembly is the supreme organ of the association. It is responsible for the following business matters:

1. election and dismissal of the Board of Directors and its president;
2. election and dismissal of the auditors;
3. approval of the annual report of the board;

4. acceptance of the annual accounts audited annually by the Statutory Auditors and prepared by the Board of Directors for the attention of the General Assembly and acceptance of the Statutory Auditors' report;
5. approval of the compensation and expense regulations of the Board of Directors;
6. approval of the membership fees proposed by the Board of Directors;
7. discharge of the Board of Directors;
8. passing resolutions on appeals against the admission of members (pursuant to Art. 4 para. 3) and on appeals against the expulsion of members (pursuant to Art. 7 para. 7);
9. amendment of the Articles of association;
10. dismissal of governing bodies for important reasons;
11. dissolution of the association and use of the liquidation proceeds

B) THE BOARD OF DIRECTORS

Article 13

Board of Directors, Constitution, Eligibility, Term of office

1. The Board of Directors consists of at least 7 persons. Except for the president, the board constitutes itself. It elects one or more vice-presidents from among its members.
2. Only members or representatives of the corporate members may be elected to the Executive Committee of the association. In the event of resignation as a member, the status of a member of the Board of Directors shall expire without further ado. The majority of the board must consist of voting members.
3. The diplomas recognised by the profession shall be adequately represented among the members of the Board of Directors.
4. The members of the board and from among them the president are elected by the general assembly on proposal of the board.
5. The term of office for members of the Board of Directors shall be two years. Newly elected members shall enter the term of office of the members they replace. Re-election is possible, whereby the term of office is limited to a maximum of 6 terms of office (12 years). An age limit of 65 years applies to all members of the Board of Directors (the term of office expires at the age of 64).
6. The term of office of the president shall be two years. His term of office is limited to a maximum of 6 periods of office (12 years), whereby periods of office already completed as an ordinary member of the Board of Directors are to be deducted from this maximum

term of office. If the maximum term of office as president is not used, the president shall be entitled to resign as a simple member of the Board of Directors, whereby in calculating the maximum term of office as a simple member of the Board of Directors in accordance with Art. 13 para. 5, the terms of office as president shall also be taken into account.

Article 14

Meetings, Convocation, Resolutions, Compensation

1. The board shall meet at the invitation of the president as often as business requires, but as a rule once per quarter.
2. Each member of the board can demand in written form from the president the immediate calling of a meeting under indication of the reasons.
3. The further modalities of convening a meeting, the quorum, the passing of resolutions by the board and its rules of procedure shall be governed by the Organizational Regulations.
4. The board shall meet at the invitation of the president as often as business requires, but as a rule once per quarter.
5. Minutes shall be kept of the negotiations and resolutions and signed by the president and the secretary.
6. The activities of the president and the Board of Directors shall be compensated; the actual expenses shall be reimbursed. The Board proposes regulations for this, which are to be approved by the general assembly.

Article 15

Tasks and competences

1. The Board of Directors may pass resolutions in all matters which are not expressly reserved or transferred to the General Assembly or another organ of the association by law, the Statutes or regulations. In particular, it shall perform the following irrevocable and non-transferable tasks:
 - a. the ultimate direction of the association and the issuing of the necessary directives;
 - b. the determination of the organization;
 - c. the organisation of accounting, financial control and financial planning;
 - d. the adoption of resolutions on the budget;
 - e. the appointment and dismissal of the persons entrusted with the management of the association;
 - f. the ultimate supervision of the persons entrusted with the management, in particular with regard to compliance with the law, the Articles of association, regulations and directives.

- g. the names of those persons who have the legally binding signature for the association;
 - h. the preparation of the annual report and financial statements for the attention of the General Assembly;
 - i. the preparation of the further business of the General Assembly (in particular the determination of membership fees, the election of the Board of Directors and its president as well as the Auditors) and the execution of its resolutions;
 - j. the adoption of resolutions on the admission (pursuant to Art. 4 para. 2) and on the exclusion of company members (pursuant to Art. 7 para. 5);
 - k. the issue of regulations and implementing provisions.
2. The Board of Directors may assign the preparation and execution of its resolutions or the supervision of business to other organs, bodies or individual members. It must ensure adequate reporting.

Article 16

Delegation of the management board

1. The Board of Directors may delegate the management of the association in whole or in part to other bodies, in particular to the Managing Director or the Executive Committee, in accordance with the Organizational Regulations.
2. The Organizational Regulations regulate the conduct of business, determine the positions required for this purpose, describe their duties and, in particular, regulate reporting.

c) THE EXECUTIVE COMMITTEE

Article 17

Composition and task

1. The Executive Committee consists of the Executive Committee and the Managing Director in accordance with the Organizational Regulations. The Committee consists of the president, a vice president and at least one other member of the Board of Directors.
2. The duties of the Executive Committee are described in the Organizational Regulations. The Executive Committee prepares the financial affairs of the Executive Board and supports the Managing Director in the organisation of the office.

D) THE MANAGING DIRECTOR

Article 18

Assignment and task

1. The Managing Director reports directly to the Board of Directors.
2. In accordance with the Organizational Regulations, he is responsible for the operational management of the association's day-to-day business, represents the association internally and externally in consultation with the president of the Board of Directors, coordinates and facilitates the work of internal bodies such as committees and projects and supports the Board in strategic matters. He also oversees the office.

E) THE OFFICE

Article 19

Assignment and task

1. The office is responsible for all administrative tasks of the association and its institutions in accordance with separate specifications.
2. It has the necessary personnel required for this task and reports directly to the Managing Director.

F) THE AUDITORS

Article 20

Term of Office, Election Requirements, Method of Audit

1. The General Assembly elects an auditor for a period of two financial years. The mandate ends with the acceptance of the last annual financial statement. It may be extended for another two years at a time. Dismissal is possible at any time and without prior notice.
2. One or more natural or legal persons or partnerships may be elected as auditors. The auditors must be independent in accordance with Art. 69b para. 3 ZGB in conjunction with Art. 728 and 729 of the Swiss Code of Obligations.
3. The auditors carry out a limited audit of the annual financial statements in accordance with Art. 729 et seq. each year, unless an ordinary audit is required by law.
4. The auditors shall report and propose to the Board of Directors for the attention of the General Assembly.

Article 21

Authority to sign

The association shall be represented externally by two signatures. The Board of Directors appoints the authorised persons to sign.

Article 22

The financial year.

The fiscal year is the calendar year.

Article 23

Association assets, membership fees, and liability

1. The assets of the association consist of the annual membership fees, surpluses from the operating account, event fees and any contributions.
2. The Board of Directors recommends the membership fees for the current year to the General Assembly.
3. The association's assets shall be exclusively liable for the association's liabilities. The personal liability of the members for this is excluded.
4. Any personal claim of the members to the assets of the association is excluded.

Article 24

ERFA groups

1. The association maintains groups for the exchange of experience among the members (ERFA groups). The ERFA groups organise themselves based on regulations issued by the Board of Directors and regulate access to their specialist events on their own competence.
2. ERFA groups must be approved by the Board of Directors.

Article 25

Amendment of the statutes, dissolution of the association

1. Amendments to these statutes as well as the dissolution of the association can only be decided in the General Assembly with a majority of 3/4 of the votes represented.

2. In the event of dissolution, the General Assembly shall decide on the use of any liquidation surplus, whereby the funds in question shall be transferred to another tax-exempt corporation with a similar purpose.

These Statutes were approved by the General Assembly of the association on 6 June 2018 and replace those of 26 May 2016 and shall enter into force on 7 June 2018.

Institute of Internal Auditing Switzerland (IIAS)

The president:

The Managing Director:

Gabrielle Rudolf von Rohr

Denis Neukomm