

The Dutch Fund and Asset Management Association promotes the collective interests of asset managers operating on and from the Dutch market – both Dutch and foreign parties. Central to this the promotion of an optimal business climate for asset managers in the Netherlands. A level playing field for free supply of investment products and asset management services within the European Union and a broadening of the market for investment products are the main starting points.

Introduction

The business climate for asset managers changes rapidly. It is difficult for individual asset managers to keep up with the many changes, but these developments are a substantial influence on the conduct of their business operations. To unite forces, **DUFAS** was founded. DUFAS has the objective of promoting the collective interests of asset managers which are active in the Netherlands, by preparing for developments in the business climate of the very important financial sector. DUFAS does this both on the national and the international level. On the European level this is also done through the *European Fund and Asset Management Association* (EFAMA) in Brussels.

Setting

The playing field in which asset managers operate in the Netherlands, has changed significantly since the last decade of the last century. Numerous rules and regulations from Brussels have appeared in a relatively unregulated sector. These European directives have, with all their limitations, not stood in the way of the emergence of a European internal market for asset management, which has now spread its wings to new markets outside of Europe, such as Asia and South America.

The Financial supervision regulation is changed often. Not only as a consequence of European directives. DUFAS has for example asked for a more efficient structure, more speed and flexibility in time to market

for the introduction of new products by fund managers. This has resulted for the Netherlands in a supervisory system for funds which is unique in Europe: it supervises fund managers and not their products.

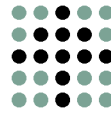
The costs of supervision increase ever more. The strong tendency of the legislator and the regulator to regulate the financial sector is not over yet.

In the European sphere the pace of change for the Financial sector is fast. The international platform of European Financial supervisors and regulators, CESR, the *Committee of European Securities Regulators*, since February 1st 2007 presided over by Eddy Wymeersch of the Belgian supervisor, has commiserated the broad area of operations of asset managers. Position paper after consultation paper is emitted by this Paris based organisation.

All this leads to many new rules and regulations with which asset managers are confronted.

The internationalisation of our sector also shows in the increasing demand for investment products on a European scale. This demand is stimulated on the one hand by the international tendency to (partial) individualisation of pensions. On the other hand the internet adds whole new dimensions to the cross border distribution of investment products.

In the area of taxation, DUFAS has accomplished a lot. The Netherlands still had rules that made the offering of Dutch investment funds on the European market difficult.



Among these for example a limitation on the percentage of foreign shareholders. Compared to countries such as Luxemburg this presented a competitive disadvantage to Dutch fund managers. Meanwhile as a result of DUFAS' actions, a major change has been made in the tax regime for the FBI ("fiscale beleggingsinstelling"), while in addition the VBI ("Vrijgestelde Beleggingsinstelling") can be used by Dutch fund managers to offer products on the European market from 2007. DUFAS also achieved the abolition of the capital tax and opened the debate on reduction of the dividend tax to 15%, to be followed by a plea for the abolition of the dividend tax.

In the area of asset pooling asset pooling DUFAS has conducted a strong lobby to create clear facilities for fiscal transparency of the Dutch FGR ("Fonds voor Gemene Rekening") and government efforts to achieve international recognition. DUFAS has also undertake to promote internationally the asset pooling possibilities of the Dutch FGR.

What is DUFAS?

DUFAS is an industry association of professional asset managers working in the Netherlands. DUFAS was founded on 14 January 2003 by founding fathers ABN-AMRO, Delta Lloyd, Fortis, ING, Lombard Odier, Optimix, Robeco and Wereldhave. DUFAS is located in The Hague.

DUFAS has been recognised by the Minister of Finance, the Nederlandsche Bank and the Authority for Financial Markets as the representative organisation for the Dutch asset management sector. The members of DUFAS together represent over 90% percent of the asset management market in the Netherlands. DUFAS is there for all professionals, big and small.

Goals

- ❖ Promotion of a good **business climate** in the Netherlands for the asset management sector.
- ❖ Promotion of the **collective interests** of asset management organisations working in or from the Netherlands.
- ❖ Promotion of and conservation of an **adequate functioning of the market** for asset management in and from the Netherlands.
- ❖ Promotion of a **level playing field** for asset management vis-à-vis other financial products and a free supply of all forms of funds within the European Union.

What does DUFAS do?

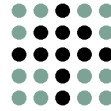
DUFAS concentrates on core business activities of its members and continually works on a better business climate in the Netherlands. The promotion of the commercial interests of our members comes first. DUFAS also influences new (inter)national legislation. Lobbying government institutions at home and abroad and coordinating input on and monitoring of legislative initiatives are important tools. Because of this international orientation the DUFAS acronym has only an English and not a Dutch translation.

By communicating well with its members about its activities an efficient exchange of ideas and expertise can take place. In this way DUFAS can also contribute substantially to the promotion and conservation of the asset management market and the good reputation of its members.

Structure of the association

The composition of the board is representative and consists of board representatives of members. The chairmanship revolves amongst members.

DUFAS represents over 90% of the Dutch asset management market.



From the board a Small Commission is formed, which consists of the chairman and vice-chairman. The Small Commission periodically meets to discuss current matters with the CEO of DUFAS.

Members and working method

DUFAS has both ordinary (voting) members (fund managers, asset managers, investment managers, pension providers and depositaries / custodians with a licence to operate from the Dutch supervisory authorities), and (non-voting) associated members: foreign financial institutions active on the Dutch market.

Decision making in the board and general assembly is done through the democratic principle of 'one man one vote'. Fundamental is that we serve the common interests of all members, large and small, equally.

Among the members are all large asset managers in the Netherlands, but also a representative number of smaller, more specialized parties. Open architecture, as well as asset- and pension pooling, facilities which have attracted much attention not in the least because of DUFAS, have also taken a number of international players and depositaries / custodians to the Dutch market and to DUFAS as an associated member.

DUFAS expects from the members an active involvement as far as is possible. Specialists of members are invited to join various committees and (ad hoc) working groups, who serve as knowledge base and consultation platform for DUFAS activities. These commissions are often supported by external ad-

visors: accountants, law firms, tax specialists. Through its specialised and involved committees DUFAS can, with a small staff be run very efficiently and effectively. The committees of members offer a substantial leverage on our result oriented output.

EFAMA

For our European affairs DUFAS also uses its membership of the European Fund and Asset Management Association (EFAMA), located in Brussels. DUFAS plays an active role in the activities of EFAMA.

Subscriptions

The subscription fee consists of a progressive graduated tariff, based on the size of the Assets under Management of the members. For 2008 a minimum fee of € 2.750,- applies and a maximum of € 50.000,- for members with a world wide AuM of over 125 billion. New members additionally pay a non-recurrent entry fee of € 2.500,-. For (foreign) as-

sociated members the membership fee is a fixed amount of € 10.000,-

DUFAS commissions

- European Affairs -
- Fiscal Affairs -
- Public Affairs -
- Technical Affairs -
- Reporting and IFRS -
- Real Estate Affairs -
- Handelssystematiek Funds -
- Risk Management -

Do you want to become a member?

On a request for admittance to membership is decided by the board

of DUFAS on recommendation of the CEO. In order to make such a request you need to address a written request to the CEO of DUFAS, mr. J.H.M. Janssen Daalen, accompanied by:

- a description of your activities
- the size of the AuM
- a specification of investment products
- the last annual; reports of investment funds



□ the name and coordinates of the board member who it is intended will represent your institution vis-à-vis DUFAS.

A current overview of the membership and more information on DUFAS can be found on www.dufas.nl.

Board of DUFAS

Chairman

Jan Lodewijk Roebroek (Fortis)

Vice-chairman

Eric (W.H.) van Houwelingen (Aegon)

Members

Ben Blocq (SNS)

Cees A. Boonen (Optimix)

Michel F.M. van Elk (ING)

Paul A.M. Gerla (Kempen/van Lanschot)

Fried (G.J.J.) van 't Hof (Dresdner/VPV)

Peter J.W.G. Kok (Delta Lloyd)

Aleid C. Kruize (Teslin)

Niek F. Molenaar (Robeco)

B.A.A.M. van der Stee (Blue Sky Group)

G.C.J. Verweij (Wereldhave)

CEO

Hans (J.H.M.) Janssen Daalen