



CCP RESEARCH FOUNDATION  
Conduct, Culture, People



The Conduct Costs  
Project Association

- Rules and Member Benefits -

## **The Conduct Costs Project Association**

The CCP Research Foundation has formed a new association for those who want to continue to have access to the detailed data that underpins the Project's famous "league tables" and participate in project-related events.

This document describes the Rules and Member Benefits of the Conduct Costs Project Association.

Further information can be found on the Foundation's website [www.ccpresearchfoundation.com](http://www.ccpresearchfoundation.com) or by contacting its Managing Director, Roger McCormick ([roger.mccormick@ccpresearchfoundation.com](mailto:roger.mccormick@ccpresearchfoundation.com)).

## **1. Name and Objects**

- 1.1. The name of the association (the "Association") is The Conduct Costs Project Association.
- 1.2. The Association is run by the CCP Research Foundation CIC (the "Foundation") on the basis of the terms set out herein. Its purpose is to provide the Member Benefits (as defined) in return for Sub fees (as defined). The Sub fees accrue to the account of the Foundation in order to service those Member Benefits and to further the objects of the Association as set out below.
- 1.3. The objects of the Association are:
  - a) better awareness of issues related to the costs of poor conduct by financial institutions by, amongst other things, the dissemination amongst the Association's members or relevant data;
  - b) participation in discussions related to the issues referred to in (a) above; and
  - c) furthering better understanding of such issues.

## **2. Management**

- 2.1. The Association shall be managed by a committee (the "Committee") comprised of (a) the Directors (the "Directors") for the time being of CCP Research Foundation CIC (the "Foundation") (b) one member of the Advisory Board of the Foundation and (c) one person who is, or represents, a member of the Association.
- 2.2. The quorum for meetings of the Committee shall be three.
- 2.3. Decisions shall be taken by majority vote provided at least one of the Directors votes in favour.
- 2.4. The Committee members referred to in 2.1 (b) and (c) above shall be selected by the Directors and shall be expected to serve for two years although they may be removed by the Directors (and replaced by them) at the Directors' discretion.
- 2.5. The Committee shall meet at least once every quarter at a place in the UK selected by the Directors, provided that meetings may be held by telephone or by round-robin email.
- 2.6. The Chairman of the Committee (who shall have a casting vote) shall be selected by the Directors from time to time.

## **3. Meetings of Members**

- 3.1. The Committee shall call a meeting of all fully paid up members of the Association (the "Members") at least once a year.
- 3.2. Meetings of the Members shall take place in the UK at a place notified to the Members by the Committee, with a minimum of two weeks' notice.

## **4. Subscription and Member Benefits**

- 4.1. The standard level of subscription fees ("Sub fees") required to be paid by Members shall be as determined by the Directors from time to time.
- 4.2. Sub fees shall be for membership for a calendar year (i.e. from January to December inclusive); no part-year fee shall be available unless the Directors determine otherwise.
- 4.3. Payment of the Sub fee shall entitle the Member to the benefits described in Appendix A to these rules (the "Member Benefits") for the year to which the Sub fee applies and provided the Member complies with these rules.
- 4.4. If a Member breaches any of these rules, its membership may be cancelled or suspended by the Committee.
- 4.5. The Committee shall have complete discretion as to whether or not to accept a new Member to the Association or to allow a Member to renew its subscription.
- 4.6. The Committee may waive or modify subscription requirements for any member or category of member in its absolute discretion.
- 4.7. Payment of the Sub fee does not cause Member Benefits to be available for all the companies in a Member's group of companies. If membership is required on a group basis, the applicable Sub fee shall be as determined by the Directors.
- 4.8. If a Member wished to renew its membership for a new calendar year, it shall pay the applicable Sub fee no later than 15th January in that year.
- 4.9. Payment of Sub fees shall, unless the Committee otherwise determines, be made by direct transfer to such account as the Committee may determine and notify to Members for the purpose.

## **5. Data Benefits**

- 5.1. The rules in this paragraph 5 apply to the benefits set out in paragraphs 1 and 2 of Appendix A and to Appendix B (the "Data Benefits").
- 5.2. No Member shall allow the data that are the subject of the Data Benefits (the "Data") to be published or to be disclosed or transferred at any time to any third party. Employees and officers of a Member are not third parties for this purpose. However, companies in the same corporate group as a Member are third parties unless group membership has been obtained (see Rule 4.6).
- 5.3. All Members shall take all reasonable steps to ensure that any person employed by them, and any officer, who has access to the data is aware of the restriction referred to in Rule 5.2 and complies with it and with the spirit of it.
- 5.4. If a Member becomes aware of any breach by it, or by any person associated with it, of any rule set out in this paragraph 5 it shall immediately supply full details to the Committee and take all reasonable steps to ameliorate the consequences. This is without prejudice to possible application of Rule 4.4.

## **6. Relationship with the Foundation**

- 6.1. The Foundation, which is a Community Interest Company and the owner of all intellectual property in the Data, has given the Association the right to confer the Data Benefits as described in these rules.
- 6.2. The Foundation shall be entitled to benefit, as a third party, to the application of these rules and to take such action as it thinks fit to enforce the rules or claim any remedy for any breach of them.
- 6.3. No Member shall challenge the Foundation's intellectual property rights in the Data.
- 6.4. The Foundation may use the Data for its various purposes as it thinks fit but it shall not make the Data generally available to the public.
- 6.5. The proceeds of all subscriptions shall accrue (and be transferred) to the Foundation's account, for it to use as it thinks fit in its absolute discretion.

## **7. Relationship with the Directors**

- 7.1. The Directors shall be honorary Members but they, and any entity controlled by them, or any of them, may use the Data as they think fit provided they shall not make the Data generally available to the public.
- 7.2. The Directors shall continue to use all reasonable endeavours to operate the Conduct Costs Project in a manner that causes the International Table of bank conduct costs to continue to be published on the Conduct Costs website (set out in the Foundation's website) during the period September 2014-December 2014.

## **8. Winding up**

- 8.1. The Association shall be wound up upon a decision to that effect by the Committee.
- 8.2. The winding-up of the Association shall not entitle the Members to the return of any Sub fees unless the winding-up takes place in a year (the "Relevant Year") at a time before the Data Benefits made available to Members have included the Data related to the previous year's International Table, in which case the Members shall be entitled to a refund of Sub fees for the Relevant Year.
- 8.3. Upon winding-up (a) any and all assets and liabilities of the Association shall be transferred to the Foundation and (b) these rules, except those set out in paragraphs 5, 6, 7 and 9, shall cease to have effect (but without prejudice to any rights or claims that may have previously arisen).

## **9. Liability**

- 9.1. The Directors, the Committee and the Foundation shall not have any liability of any kind whatsoever to any Member or any other person (a) for any act or omission in relation to the affairs of the Association or the Foundation (including, without limitation, as regards the accuracy or otherwise of the Data) if they have acted in good faith (b) for any such act or omission that occurred more than six months before the relevant claim or (c) for any amount above the amount of the Sub fee payable and paid by that Member and applicable to the year when the claim is made.

## **10. Effect of, and alterations to, these rules**

- 10.1. These rules are intended to have contractual effect and the resulting contractual relationship shall be governed by English law.
- 10.2. These rules may be altered by the Committee at any time provided that (a) the alteration is notified to all Members and (b) the alteration takes effect only at the commencement of a new membership year.
- 10.3. These rules may be altered at any time with effect from the date specified by the Committee provided the alteration has been, or is, within a subsequent period of three months, approved (a) by a 75% vote of the Members, either in a Members meeting or by round-robin resolution and also (b) by the Committee.
- 10.4. The Appendices shall be deemed to be part of these rules.

# Appendix A

## Member Benefits

Members shall be entitled to the following benefits:

- 1) Subject to the Association rules, to be sent by the Directors: the detailed data supporting only the compilation of the International Table of bank conduct costs results (or any partial table that relates to banks that are named in such International Tables), published (in each case) by the Conduct Costs Project at <http://conductcosts.cpresearchfoundation.com/conduct-costs-results> (the “Data”), in substantially the form shown in Appendix B and in read only .pdf format.
- 2) to have the right to use the Data as they think fit subject to compliance with these rules and to applicable requirements of law;
- 3) to receive copies of any commentary published by the Directors on the Data;
- 4) to have comments by them on the Data, or related matters, published on the Conduct Costs website (subject to approval by the Committee);
- 5) to receive from the Directors responses to any reasonable questions regarding the data (but not responses that would require further material, research or expense);
- 6) to attend, free of charge, such events in the UK as may be arranged by the Directors regarding the Conduct Costs Project from time to time; and
- 7) to receive notice of, and attend, meetings of the Members.

# Appendix B

## Sample CCP “Data” forms:

CCP1 Forms provided to Members will be in substantially the same form as depicted below:

ROYAL BANK OF SCOTLAND  
Form CCP1

Name of bank / group	Date	Event description	Full name of legal entity involved (and place of incorporation and principal place of business)	Source of information	Code (See CCP2)	Jurisdiction where event occurred (e.g., where fine imposed)	Name of regulator or other authority	Amount <sup>1</sup> [GBP M]	Any specific observations of compiler
2009									
RBS	31/03/2009	Fine paid. RBS GC failed to report transactions & correct trade execution time in TRACE-eligible securities to TRACE within 15 minutes of the execution time, showing a pattern or practice of late reporting without exceptional circumstances as well as failed to show the correct execution time on brokerage order memoranda.	RBS Greenwich Capital Incorp in CT, USA w business in Greenwich, CT	Disciplinary and Other FINRA Actions Reported for March 2009	DIS, CON, OPE	DC, USA	FINRA	0.010	—
								Total (CC 2009): GBP 0.01 M	

<sup>1</sup> These figures should be read subject to the points made under “Notes on the Interpretation of the Figures”.  
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ROYAL BANK OF SCOTLAND  
Form CCP1

Name of bank / group	Date	Event description	Full name of legal entity involved (and place of incorporation and principal place of business)	Source of information	Code (See CCP2)	Jurisdiction where event occurred (e.g., where fine imposed)	Name of regulator or other authority	Amount <sup>1</sup> [GBP M]	Any specific observations of compiler
Provisions as at 31 December 2013									
RBS	31/12/2013	Financial Provision: - against the Settlement in relation to investigations into submissions, communications and procedures around the setting of the London Interbank Offered Rate (LIBOR).	RBS Securities Japan	Full Annual Results 2013, 27/2/2014 and 03_RBS_2013_PressR_USDOJ.pdf 03a_RBS_2013_Plea agreement.pdf 03b_RBS_2013_DPA.pdf	MAB, CON, PVN	USA	USDOJ	30.168	As part of the agreement with the DOJ, RBS plc entered into a Deferred Prosecution Agreement in relation to one count of wire fraud relating to Swiss Franc LIBOR and one count for an antitrust violation relating to Yen LIBOR.
RBS	31/12/2013	Financial Provision: - against the Settlement in relation to investigations into submissions, communications and procedures around the setting of the London Interbank Offered Rate	The Royal Bank of Scotland Group plc (RBS Group) Incorporated in UK w/ business in Edinburgh, Scotland	Full Annual Results 2013, 27/2/2014 and 03_RBS_2013_PressR_USDOJ.pdf	MAB, CON, PVN	USA	USDOJ	60.335	As part of the agreement with the DOJ, RBS plc entered into a Deferred Prosecution Agreement in relation to one count of wire fraud relating to Swiss Franc LIBOR and one count for an antitrust violation relating to Yen LIBOR.

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Figure 1 – CCP1 Form for The Royal Bank of Scotland (period 2009-2013).



CCP3 Forms provided to Members will be in substantially the same form as depicted below:

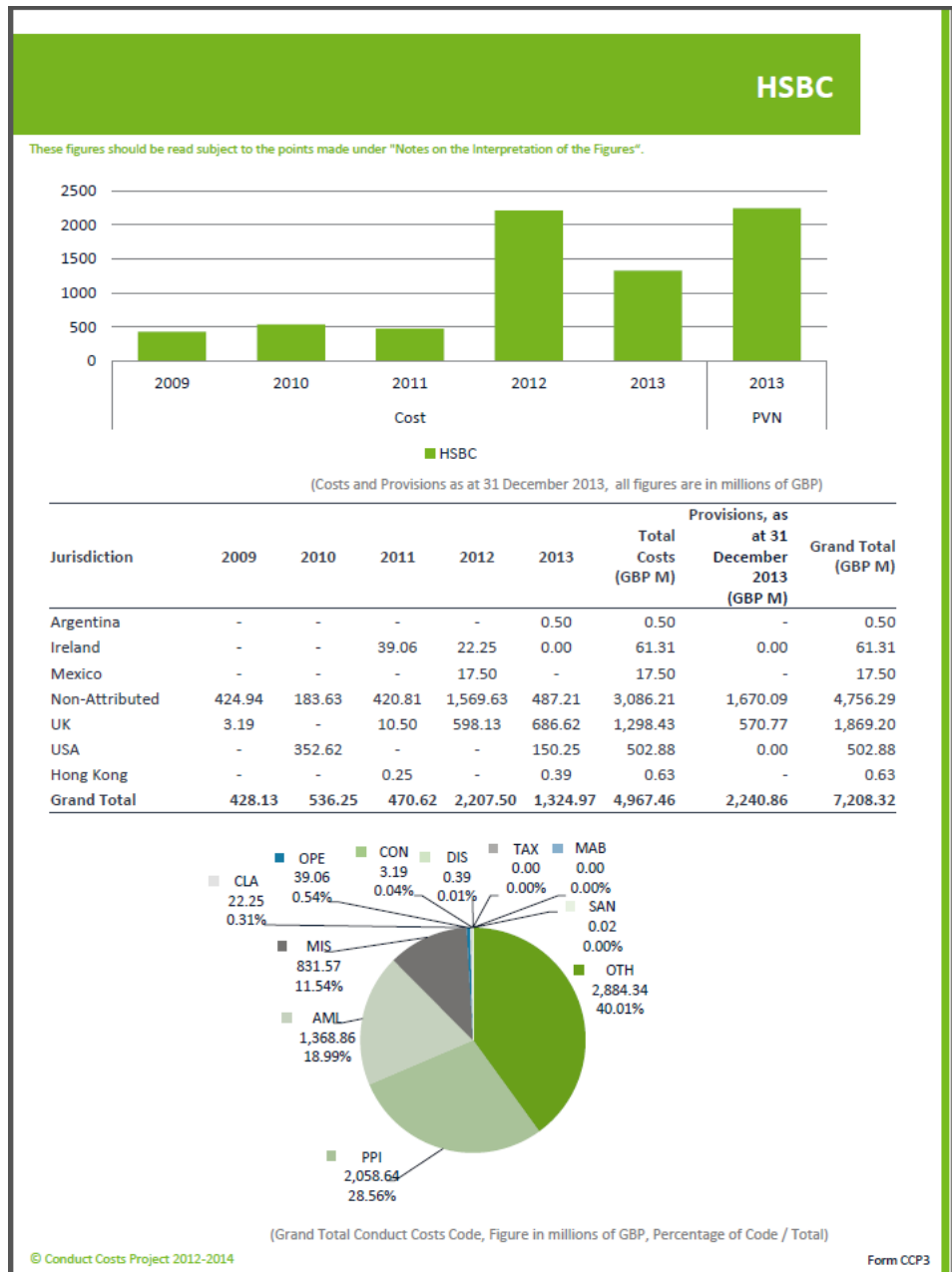


Figure 2 – CCP3 Form for HSBC (period 2009-2013).