

**ARTICLES OF ASSOCIATION
of the
ASSOCIATION OF
CREDIT RATING AGENCIES IN ASIA**

PREAMBLE

We, the representatives of credit rating agencies in Asia, having committed ourselves to the vision of a prosperous region whose dynamism is nourished by sustained investor confidence and cross-border investment flows, supported by robust and vibrant capital markets, and ensured by the high quality and comparability of market information and by high standards of transparency, accountability and integrity among market participants; and

Realizing the worthwhile contribution that united and cooperative endeavors among credit rating agencies in the region can make to the attainment of this vision, do hereby organize on this day, the 14th of September, 2001, this Association of Credit Rating Agencies in Asia and adopt these Articles of Association.

ARTICLE I

NAME AND PURPOSE

(1) The name of the organization shall be the Association of Credit Rating Agencies in Asia, hereinafter referred to as the Association or ACRAA.

(2) The Association of Credit Rating Agencies in Asia is organized for the following purposes:

(a) To develop and maintain cooperative efforts that promote interaction and exchange of ideas, experiences, information, knowledge and skills among credit rating agencies in Asia and that would enhance their capabilities and their role of providing reliable market information.

(b) To undertake activities aimed at promoting the adoption of best practices and common standards that ensure high quality and comparability of credit ratings throughout the region, following the highest norms of ethics and professional conduct.

(c) To undertake activities aimed at promoting the development of Asia's bond markets and cross-border investment throughout the region.

ARTICLE II

MEMBERSHIP

(1) Any Asian credit rating agency is eligible to become a member of the Association.

(2) Admission to membership shall be effective upon the recommendation of the Executive Committee and approval of the Board of Directors.

(3) Members shall pay the Association such annual dues as may be determined by the Board of Directors from time to time. Membership fees shall be subject to an annual review by the Board of Directors. Fees are to be paid in full within forty-five (45) days from the start of the fiscal year.

(4) Each member shall be entitled to one representation in the General Meetings of the Association. Only designated officers of members who are registered with ACRAA may be nominated and elected to any position in the Association. A delegate representing a member shall, if required, present his authorisation to the General Meeting.

(5) A member may at anytime withdraw from membership provided the annual fees are paid up to the year of withdrawal. The withdrawal shall be effective upon receipt by the Secretariat of such written notice of withdrawal.

(6) A member may be suspended or expelled for cause by a two-thirds majority vote of the Board of Directors, provided the member subject of suspension or expulsion shall be given at least thirty (30) days' written notice and a reasonable opportunity to be heard and to defend itself. Any readmission of a suspended or expelled member by the Board of Directors must be ratified by a majority vote of a General Meeting. Members may also propose readmission of a suspended or expelled member at a General Meeting.

(7) A member shall have the right to propose its representative as a candidate for election to the Board of Directors.

ARTICLE III

BOARD OF DIRECTORS

(1) The affairs of the Association shall be governed and its business conducted by the Board of Directors, hereinafter referred to as the Board.

(2) The Board shall be composed of not more than nine (9) members elected for a term of two (2) years by members of the Association at a General Meeting. If a vacancy occurs between two election periods, the Board of Directors may appoint a replacement, upon recommendation by the Chairman.

(3) A duly elected member of the Board may designate an alternate director to represent him in the Board in his absence at any Board Meeting. Such person designated should be a senior executive of the institution giving due recognition to the seniority of the other Board members representing their respective organizations. An alternate director shall have the right to vote on behalf of the Director for whom he is an alternate and his presence can be counted for purposes of determining the quorum.

(4) The Board shall have the authority to –

- a) consider and approve applications for new membership;
- b) decide and act on all policy matters and projects to meet the objectives and purposes of the Association;
- c) receive and consider any suggestion or proposal from the members;
- d) adopt rules and procedures for the conduct of Board Meetings and the General Meetings;
- e) create such committees or similar subsidiary bodies as may be necessary or useful for the accomplishment of the Association's work, and to abolish the same in the Board's good judgment; and
- f) undertake any other business as authorized by these Articles of Association.

(5) The Board shall meet at least twice a year. No less than thirty (30) days notice of the Board Meeting shall be given. The presence of a simple majority of the members of the Board in a meeting shall constitute a quorum.

(6) The Board may also transact business by mail and make decisions by postal ballot.

(7) A Committee on Elections composed of at least three persons from among member credit rating agencies, shall be created to prescribe the manner and rules of nominating and electing the members of the Board of Directors and to conduct the same. The Chairman of the Association will appoint the members of this Committee with the confirmation of the Board.

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(8) The Board shall elect from among themselves a Chairman and a Vice Chairman who shall serve for a term of two years.

ARTICLE IV

OFFICERS

(1) The Chairman shall serve as the chief executive officer of the Association. He shall preside over all general meetings and meetings of the Board of Directors and the Executive Committee. He shall have the power to appoint members of committees that may be created by the Board subject to the approval of the Board. He shall perform such duties as may be imposed upon him by these Articles of Association and by-laws that may be adopted, and as may be directed by the Board. He shall report to the General Meetings the general condition of the Association and such other information as may be required by the Board of Directors.

(2) The Vice Chairman shall perform the duties of the Chairman during the Chairman's absence or temporary disability. In case of death, resignation or vacancy in the office of the Chairman, he shall become Chairman of the Association for the unexpired term.

(3) A Secretary-General shall be appointed by the Chairman and confirmed by the Board. He shall serve as Administrative Officer to organize and to provide staff function. He shall also be responsible for the financial affairs of the Association including presentation to the Annual Meeting of full financial statements audited by a Certified Public Accountant. He shall be responsible to the Chairman and the Board of Directors for the operations of the Secretariat.

(4) There shall be an Executive Committee accountable to the Board of Directors which shall have full authority to initiate action between meetings of the Board in accordance with policies and decisions undertaken by the Board at its previous meetings. In cases of exceptional circumstances, the Executive Committee may initiate a postal ballot to receive authority to undertake any given course of action. The members of the Executive Committee shall be the Chairman, the Vice Chairman and the Secretary-General.

ARTICLE V

GENERAL MEETING

(1) The General Meeting shall be held every year. No less than sixty (60) days notice of a General Meeting shall be given. No less than 40% of members present in person, or by proxy shall constitute a quorum.

(2) A General Meeting will also be called upon application, in writing, to the Executive Committee by 40% or more of members. Such a meeting shall hence be known as a Special Meeting. Applications for a Special Meeting must clearly state the purpose of such a meeting. A Special Meeting shall take place no later than ninety (90) days from the date of application. All members shall be given sixty (60) days notice of a Special Meeting, such notice shall include the names of the applicants and the purpose of said meeting. No less than 40% of Members shall constitute a quorum.

(3) In the case of a General Meeting, the date shall be determined by the Board of Directors in consultation with the host member. The Host countries for General Meetings shall be determined by the previous General Meeting.

(4) Special Meetings shall be hosted by the Chairman of the Association.

ARTICLE VI

SECRETARIAT

(1) There shall be a Secretariat of the Association headed by a Secretary General, which shall provide staff support to, and implement the policies of the Association, the Board, the Executive Committee, and the instructions of the Chairman.

The Secretariat shall keep in custody all the official records of the Association and, through the Secretary General, act as Secretary for the Meetings of the Association, the Board and the Executive Committee.

The Secretariat shall also have the responsibility of maintaining the financial records of the Association and, in general, the further responsibility of undertaking such work necessary or appropriate to pursue the purposes and objectives of the Association.

(2) The Secretariat shall have a staff appointed by the Secretary-General following a budget and guidelines established by the Board.

(3) The Secretariat shall be located in Metro Manila, Philippines.

ARTICLE VII

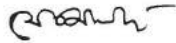
EFFECTIVITY

(1) These Articles of Association shall take effect upon approval by the majority of all members present at the General Meeting.

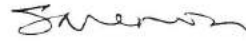
(2) Any amendment to these Articles of Association shall take effect upon approval by the vote of three-fourths (3/4) majority of members at any General Meeting or Special Members' Meeting called for the purpose.

(3) Proposals to amend these Articles of Association must be forwarded to the Secretariat, in writing, no later than thirty (30) days before a General Meeting or Special Meeting called for the purpose. The Secretariat shall forward all details of proposed amendments to all members, no later than fifteen (15) days before a General Meeting or Special Meeting.

SIGNED ON THIS 14TH DAY OF SEPTEMBER 2001 IN MANILA, PHILIPPINES



Muzaffar Ahmed
President and CEO
Credit Rating Information & Services Ltd.



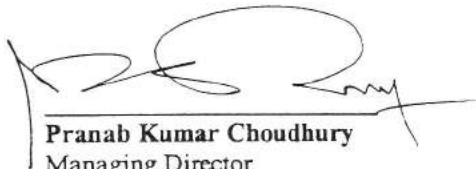
Suresh Menon
Executive Director
Rating Agency Malaysia Berhad



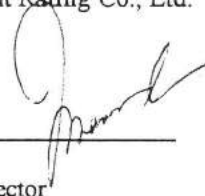
Rajagopalan Ravimohan
Managing Director
The Credit Rating Information Services of India Ltd



Fahcem Ahprad
President & CEO
JCR-VIS Credit Rating Co., Ltd.



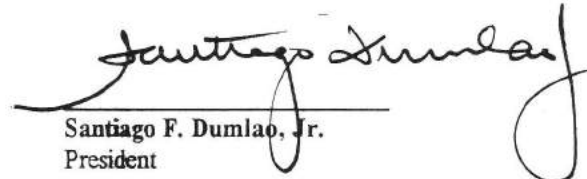
Pranab Kumar Choudhury
Managing Director
ICRA LIMITED



Javed Masud
Managing Director
The Pakistan Credit Rating Agency (Private)
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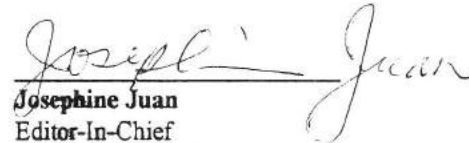
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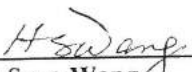
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(TRIS)




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Seoul Credit Rating & Information, Inc.

Ananta Wiyogo
President Director
PEFINDO Credit Rating Indonesia


WITNESSED BY:



Heh-Song Wang
Member of the Board, Asian Bankers Association
Senior Vice President & Chief Economist
International Commercial Bank of China



Julius Caesar Parreñas
Senior Adviser to the Chairman
Chinatrust Commercial Bank



Pradumna B. Rana
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Asian Development Bank



Yeah Kim Leng
Chief Executive Officer
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