

SECTION V

THE DISCIPLINARY COMMITTEE

Article 33

1. The disciplinary committee shall have five members elected by the general assembly from among the chairpersons of the Board of Directors, management or executive committee of Association members with their head offices in Portugal or CEOs of Association members that have their head offices abroad.
2. The members of the disciplinary committee shall be elected for three years and may be re-elected.
3. The general assembly shall choose the disciplinary committee member who shall serve as chairperson and his substitute in cases when he is unable to attend.

Article 34

1. Only the persons elected as members of the disciplinary committee may serve thereon and no form of representation, delegation, replacement or transfer is allowed.
2. Membership is inherent in the position of chairperson of an Association member's Board of Directors, management or executive committee or of CEO of an Association member that has its head offices abroad. Persons ceasing to occupy these positions may no longer be members.
3. The position is occupied free of charge, unless otherwise decided by the general assembly.

Article 35

If the chairperson leaves his position before the end of the term of office for which he was elected, a new chairperson shall be elected within 60 days of the position falling vacant to serve the rest of the period. The substitute shall take over the chairperson's duties while the position is vacant.

Article 36

1. The duties of the disciplinary committee are as follows:
 - a) To ensure that current standards and practices in the banking system are respected and to exercise disciplinary power over members for infringement of the deontological rules and practices governing banking activity;
 - b) To exercise disciplinary power on any other terms assigned to it in the codes of conduct provided for in the Securities Code and General Law on Credit Institutions and Financial Companies.
2. The disciplinary committee shall have regulations on its disciplinary powers and disciplinary procedures, which shall be subject to approval by the general assembly.

Article 37

1. The disciplinary committee shall meet whenever convened by its chairperson or two other members.
2. The committee may only make decisions with the majority of its members present.

3. Unless a qualified quorum is required, decisions shall be made by the majority of votes of the members present and there shall be no abstentions. The chairperson shall have the deciding vote.
4. No committee members may participate or vote on matters in which they have an interest on their own behalf or on behalf of the Association member to which they belong.

Article 38

Appeals against decisions of the disciplinary committee shall be lodged with the general assembly.