



CMT Association Board Meeting

February 13, 2018, 8:14 AM ET, ending at 9:13 AM ET, conducted by teleconference

Board Attendees:

President Craig Johnson, CFA, CMT
Vice President Scott Richter, CFA, CMT
Secretary Brett Villaume, CMT, CAIA
Director Salma Abdulla, CFA, CMT
Director William Kelleher, CFA, CMT
Director David Lundgren, CFA, CMT
Director Stella Osoba, CMT
Director Clint Sorensen, CMT
Executive Director Alvin Kressler
Past President/Director Phil Roth, CMT

Guests:

Stanley Dash, CMT, CMT Program Director

Absent:

Treasurer Sid Mokhtari, CMT
Director James Brodie, CMT
Director Jamie Coutts, CMT, CFTE

Meeting Minutes:

- Johnson presented for approval a consent agenda that included the following items:
 - The February 2018 board meeting agenda
 - The January 2018 board meeting minutes
 - 34 new members approved by the Admissions Committee (see Addendum)
 - 47 Members to be granted the CMT designation (see Addendum)

Villaume motioned to approve the above consent agenda items, Sorensen seconded, and the motion passed unanimously without objection.

- Kressler and Dash presented a proposal to grant an exemption from the CMT Level I exam to CFA charterholders. Kressler informed the Board that he met with representatives of FINRA who oversee waivers and exemptions in examinations. Kressler explained that the current exemption granted by FINRA by passing either CFA Level II exam or CMT Level II exam to the Series 86 exam only allows one to publish research relevant to one's discipline – fundamental research by CFAs and technical analysis research by CMTs. Because CMT is proposing a waiver to CFA charterholders, FINRA will require CFA charterholders to apply for the Series 86 exemption after completing the CMT Level II exam. There will be time and experience requirements besides the Level II exam, but as a CFA charterholder they will have already met the criteria. Kressler and Dash explained that there is some material on technical

analysis in the CFA Level I curriculum and the CMT Level I curriculum contains material on markets, microeconomics, options, foreign exchange, futures, fiscal policy, etc. of which a CFA charterholder would have knowledge. Dash informed the Board that the Curriculum and Test Committee met recently and voted to recommend approving the adoption of the Level I exemption for CFA charterholders. Some Board members questioned whether the Association has made operational adjustments to accommodate the potential influx of new test takers. Kressler responded that the number of Level III graders for the June 2019 exams will be increased and additional graders can be sourced as needed. Additionally, work is currently being performed to increase the test question bank for the Level II & III exams to provide more robust test preparation materials. Dash indicated that the Association will continue to use a remote grading process, which has worked very well, but will need to increase the number of graders and subject matter experts. Abdulla, who previously volunteered as a grader for the last few years, indicated that there is capacity for the graders to take on more exams, in her opinion. The exemption will be applicable for the November 2018 test administration.

Villaume motioned to approve granting an exemption to CFA charterholders in good standing enrolling in the CMT Program for the CMT Level I exam, beginning in the fall of 2018, Osoba seconded, and the motion passed with Roth abstaining.

- Kressler updated the Board on the proposed changes to the Constitution and By-Laws. The Board previously received copies of both documents with tracked changes and were asked to review. Kressler explained that 95% of the changes are “mechanical”, meaning they are changes intended to improve the relevance and usefulness of each, such as removing duplicates in the Constitution and By-Laws and making the Constitution a slimmer document by removing the operational and business matters, which belong in the By Laws. Sections 5.03 (board member eligibility standards and fitness for serving on the Board or any other leadership capacities) and 5.04 (terms of office) of the By-Laws have been rewritten to address specific issues that need improvement. A separate meeting of the Board will be held on Friday, February 16, 2018 via teleconference to discuss the issues in greater detail. Changes will be voted upon by the Board at the March meeting and will require the approval of the membership at the Annual Meeting. Villaume thanked Kressler for the detailed report on the changes to the Constitution and By-Laws. Additionally, Kressler proposed changing the frequency of Board meetings and the Board agreed to consider such changes.
- Richter provided an update on the work of the Compensation Committee, which includes Abdulla, Coutts, Johnson, Osoba, and Roth. The Committee is instituting governance best practices with respect compensation and is seeking to identify key performance indicators (KPI) for the executives. The IRS Form 990 requires specific ways to measure transparency and how to minimize conflicts of interest. The Association needs a written policy for executive compensation; Osoba is drafting a governance framework and hopes to have it completed later this week. Contracts are a way to provide continuity and a timeframe for the executives to complete assigned goals. The Committee will get feedback from the Staff on compensation structure. The Board discussed governance structure overall, including the appropriate powers and responsibilities of all Committees of the Board. Kressler will propose to the Audit Committee a list of Information Technology procedures and practices to mitigate exposure to risk that could adversely affect the Association. Kressler is currently documenting security procedures already in place and others that will be added that he anticipates will lower our insurance costs.



Kressler provided a thorough overview of all of the work being performed to address possible risks related to Information Technology, including server redundancy and Audit Committee oversight.

- Kressler addressed the Board Calendar for the balance of FY 2018. A survey was performed to evaluate Board members' opinions and the result was 50-50 to stay with monthly board meetings rather than move to quarterly meetings. Kressler explained the rationale of having quarterly meetings is to concentrate reporting of committee work and the assignment of new projects to committees, with more responsibility and interaction by the committees and board liaisons. Board members discussed the potential benefits and detriments of moving to a quarterly board meeting structure.

New Business

- Richter sent Board members a preparatory package for the 2018 Long Range Planning Committee, which included a summary of last year's LRPC meeting in NYC and a slide deck from our strategic IQ and SWOT analysis to review. Richter suggested that a video LRPC meeting take place in March to set the stage for the in-person meeting in April immediately following the Annual Symposium in New York.
- Villaume congratulated Kelleher on the agenda for the 2018 Annual Symposium. Kelleher commented on the ongoing effort to attract partners and sponsors for the Symposium and that assistance from the Board is beneficial. Johnson thanked Kelleher for all his hard work on the Symposium and for doing it as long as he has.

Roth motioned to adjourn, Richter seconded, and the meeting was adjourned at 9:13 AM ET.

The next CMT Board meeting is scheduled for Tuesday, March 13, 2018 at 8:10 AM ET

Respectfully Submitted,

Brett Villaume, CMT, CAIA
Secretary of the Board

Addendum

The following proposed 34 new Members were approved by the Admissions Committee and are now presented to the Board to be granted membership:

Burdette, Ian	Browning, John
Chang, Jae	Chia, Chih Siong Peter
Doshi, Hemal	Dworakowski, Noah
Erdmier, James	Escribano, Nicolas Garavito
Fickel, Dane	Fletcher, Darren
Gangahar, Kabir	Hester, William
Hoffman, Joseph	Hurd, Maria
Idrees, Shatha	Johnson, Joseph
Levin, Brad	Krishnamurthy, Sowmi
Kristufek, Chris	Manley, Nick
Mann, Fred	Marr, Charles
Mucci, Alexander	Peck, Paul
Peric, Vladimir	Sarkans, Karlis
Shang, Ran	Siena, Craig
Spoerl, Art	Solem, Samuel
Tavesirivate, Apiwat	Till, Adam
Tumolo, Mike	Williams, Glenn

The above named are now Members of the Chartered Market Technician Association.

The Admissions Committee presented 47 Members to be granted the CMT designation:

Burdette, Ian	Browning, John
Caron, John	Chang, Jae
Chia, Chih Siong Peter	Choquette, Patrick
Chu, Park Wing Hong	Dinani, Nikhil
Doshi, Hemal	Drakos, Pamela
Dworakowski, Noah	Erdmier, James
Escribano, Nicolas Garavito	Fickel, Dane
Fletcher, Darren	Gangahar, Kabir
Hester, William	Hoffman, Joseph
Hurd, Maria	Idrees, Shatha
Johnson, Joseph	Krishnamurthy Sowmi
Lacey, Adam	Levin, Brad
Luo, Xin	Manley, Nick
Mann, Fred	Marr, Charles
Mathis, Oliver Patrick	Mehta, Karan
Mucci, Alexander	Ouellete, Fabien



Peck, Paul	Peric, Vladimir
Raanan, Rodney	Sarkans, Karlis
Schaeffer, Daniel	Shang, Ran
Siena, Craig	Spoerl, Art
Solem, Samuel	Tavesirivate, Apiwat
Till, Adam	Tumolo, Mike
Williams, Glenn	VanLandingam, Brandon
Zangenhpour, Hessum	

The above-named individuals are now Chartered Market Technician charterholders.

APPROVED