

DFSB

DIGITAL FIDUCIARY
STANDARDS BOARD

ORGANIZATION CHARTER

Effective Date: 9/2025 | Current Version: 1.0

Statement of Independence

The Digital Fiduciary Standards Board, Inc. (DFSB) is an independent, member-driven standards body incorporated in the State of Florida as a nonprofit business league under Section 501(c)(6). DFSB is not a regulator, investment adviser, ratings organization, or enforcement agency. It sets voluntary standards, provides implementation guidance, and facilitates fiduciary-grade practices across the digital asset investment ecosystem.

Purpose and Authority

The Digital Fiduciary Standards Board establishes and maintains the Standards of Operational Excellence for digital-asset investment management. These Standards define the baseline fiduciary expectations for managers serving institutional and qualified investors in digital asset markets. The Standards represent industry consensus developed through consultation with allocators, managers, regulators, and service providers. They are designed to:

- Provide allocators with a clear framework for evaluating manager operational quality
- Give managers a practical roadmap to institutional credibility and fiduciary-grade operations
- Establish common terminology and expectations across the digital asset investment industry
- Support regulatory engagement by demonstrating market maturity and self-governance
- Reduce operational risk and enhance investor protection

The Standards are voluntary. Adoption demonstrates a firm's commitment to operating at a fiduciary-grade level of quality.

Governance Structure

Board of Directors

Composition and Authority

The Board of Directors is the governing authority for DFSB, responsible for strategy, standards approval, and financial oversight. The Board is balanced across four constituencies:

- **Signatory Members:** Senior leaders from firms adopting the Standards
- **Institutional Allocators:** Investment decision-makers from allocator organizations evaluating external managers
- **Service Providers:** Executives from custody, administration, and infrastructure firms
- **Independent Directors:** Academic researchers, former regulators, or technical experts without direct commercial interests.

Board size, term lengths, and constituency representation will be established in the Bylaws following the formation of the founding circle. Responsibilities include:

- Setting strategic direction for DFSB and the Standards
- Approving all changes to the Standards and Charter
- Standards development process oversight and publication approval
- Financial oversight and budget approval
- Executive Director appointment and evaluation
- Membership governance and dispute resolution
- Ensuring independence and integrity of the standards-setting process

Decision-Making

The Board meets quarterly with at least two in-person sessions annually. Directors must disclose conflicts of interest and recuse themselves from conflicted decisions. Simple Majority (operational matters, budget approval, committee appointments); Supermajority 66% (Standards adoption or amendment, Charter amendments). Signatory Members in Good Standing elect Board Directors per procedures established in the Bylaws.

Executive Leadership

Day-to-day management is led by an Executive Director (ED), supported by a virtual secretariat (contractors, secondments, fellows). The ED is appointed by and reports to the Board. The Board elects from among its members a Chair, Vice-Chair, Secretary, and Treasurer. The Chair provides strategic leadership and presides over Board meetings; the Executive Director manages operations, standards development, and member engagement.

Committees and Advisory Councils

The Board will establish Standing Committees (Finance & Audit, Governance & Nominations, Standards & Consultation Oversight, Regulatory Affairs) and Advisory Councils for broader stakeholder input (Regional Councils: Americas, EMEA, Asia-Pacific; Functional Councils: Regulatory Affairs, Technical Infrastructure, Academic & Research). Committee and Council structures will be formalized as DFSB scales. Advisory participation is non-voting.

Membership

DFSB is a member-driven organization with four membership categories:

- **Signatory Members (Voting):** Firms and organizations adopting DFSB Standards for their own digital asset portfolio operations, including investment managers, fund-of-funds, family offices managing their own capital, corporate treasuries, and institutional investors with internal digital asset management teams. Eligible to elect Directors and participate in governance.
- **Investor Chapter Members (Advisory, Non-Voting):** Institutional allocators and advisors evaluating and selecting external managers without operating their own

digital asset portfolios, including pensions, endowments, foundations, and investment consultants. No membership dues.

- **Service Provider Members:** Custodians, administrators, auditors, and infrastructure providers supporting the ecosystem.
- **Associates / Core Supporters:** Organizations providing outsized financial or technical contributions.

Detailed membership rights, obligations, and dues are established in the *Membership Framework*.

Standards Framework

The Standards are organized into six parts. They are principles-based rather than prescriptive and establish outcomes and expectations without mandating specific tools or implementations. This approach preserves flexibility, accommodates diverse business models, and remains relevant as markets evolve.

- Part I: Governance & Fiduciary Oversight
- Part II: Investment Management & Risk Discipline
- Part III: Financial Integrity & Safeguards
- Part IV: Technology & Infrastructure
- Part V: Compliance & Investor Relations
- Part VI: Human Capital & Sustainability

Comply-or-Explain Framework

Firms adopt the Standards on a comply-or-explain basis. This framework recognizes that operational excellence is contextual and scales to different firm profiles:

- **Comply:** Implement each Standard appropriately to firm size, complexity, and business model
- **Explain:** Document rationale and alternative approaches where full implementation is not feasible

Standards Development Process

All Standards follow a transparent development process:

- Identification — Market developments or stakeholder feedback identify need
- Drafting — Working Groups develop proposed Standard
- Public Consultation — 60-90 day public comment period
- Revision — Comments analyzed and draft revised
- Board Approval — Supermajority vote (66%) required
- Publication — Standard effective with implementation timeline
- Review Cycle — All Standards reviewed every 2-3 years

Critical issues may trigger fast-track updates with abbreviated consultation.

Compliance and Implementation

DFSB is not a regulator. Compliance is voluntary and follows a fiduciary-grade *comply-or-explain* model.

- **Required (Baseline):** All Signatory Members must submit annually: (1) Annual Officer Attestation—signed confirmation of Standards adoption, and (2) Manual-to-Standards Checklist—mapping of firm policies to each Standard. Evidence remains with the manager; allocators request it during due diligence.
- **Good Standing:** Current attestation on file with no outstanding compliance issues. Good Standing appears on the public register, signals active Standards maintenance to allocators, provides reputational benefit in due diligence, and is required for voting rights and Working Group participation. Lapsed attestations result in suspended Good Standing. Material misrepresentation may result in Board review and potential removal from the register.

Working Groups

The Board will establish Working Groups to draft and refine Standards in specific operational areas. Working Group structure, focus areas, and participation guidelines will be determined by the Board following its formation.

Potential working group areas may include:

- Custody & Asset Security
- Trading Operations & Counterparty Risk
- Risk Management & Valuation
- Governance, Compliance & Reporting
- Technology, Cybersecurity & Business Continuity
- DeFi & Protocol Risk
- Tokenization & Digital Asset Innovation
- Service Provider Standards & Ecosystem Development

Intellectual Property

The DFSB Standards, Charter, and related materials are published under open access. Firms may implement, reference, and distribute the Standards without license or fee. The DFSB name may be used to describe Standards adoption (e.g., "We operate in accordance with DFSB Standards") but does not imply certification or endorsement. Any commercial use or derivative products require prior written permission.

Amendments

This Charter may be amended by majority vote of the DFSB Standards Board following public notice. Material amendments affecting member rights or governance structure require stakeholder consultation (minimum 30-day comment period).

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