



Federation of European National Collection Associations FENCA

(Founded 15 January 1993)

STATUTES

(Amendments: 16.06.1994, 11.05.1995, 19.06.1997, 18.9.1998, 25.09.2010,
27.09.2014, 17.10.2015)

§ 1 Name and form

1. The name of the federation is "Federation of European National Collection Associations". The official abbreviation is "FENCA".
2. FENCA is a professional body.
3. Its registered office is in Sandefjord, Norway.

§ 2 Business year

FENCA's business year runs from 1st January to 31st December.

§ 3 Purpose of the association

FENCA is a non-profit-making organisation.
Its aims are as follows:

1. To protect and take care of the interests of the member associations within Europe and in international institutions public and private.
2. To promote the development of European legislation in favour of the collection and debt purchase industry.
3. To promote the development of the following within the member associations and their members:
 - a) Ensuring that monies collected for clients are kept in separate accounts from the company monies and are properly ring-fenced as client money (clients' accounts).
 - b) Having in place appropriate insurance for the protection of the members' clients.
 - c) Establishing a complaints process – to investigate and mediate in disputes between agencies and their clients or debtors.
 - d) Establishing training facilities (schools/seminars) for their members.

e) Establishing basic rules and guidelines for contracts and agreements between the agencies and their clients.

§ 4 Rules

1. Upon joining FENCA and whenever membership is renewed member associations must confirm both for themselves and for their members that they work in compliance with the laws and rules of their respective countries.

The above constitute the basic rules of FENCA.

2. Additional rules or changes to existing rules may be adopted by FENCA, if a two thirds (2/3) majority of members present in person or by proxy vote in favour at an Annual General Meeting or at an Extraordinary General Meeting.

3. In certain cases where a member association is unable to immediately comply with a new rule, a two thirds (2/3) majority [voting in person or by proxy] of FENCA's Board of Directors may at its own discretion grant the member a special dispensation period in order to achieve compliance with the new rule.

This dispensation period shall not exceed two years and starts running from the day the FENCA board grants it.

§ 5 Membership

1. There are two categories of membership with FENCA:

- a) Full Membership,
- b) Affiliate Membership.

2. Only full members and affiliate members are entitled to use the logo of FENCA. The FENCA logo for full members has to be different to that for affiliate members.

3. Only national, non-profit-making associations of collection agencies and / or debt purchase companies can become full members of FENCA.

4. FENCA's Board of Directors decides at its sole discretion whom to admit as full member and as affiliate member. It is under no circumstances obliged to give reasons for any admittance to or refusal of membership. There is no right to appeal its decision.

5. There may be only one full member per country. Other associations from the same country are at the Board of Director's discretion eligible for membership but have no right to vote.

6. Whenever an additional association from the same country as an existing member applies for full membership they shall negotiate with the said existing member an agreement as to which association should be accepted as voting member. FENCA's Board of Directors shall help to promote such an agreement. If no agreement is reached, the existing full member

takes priority over other associations from the same country applying for full membership with voting right.

7. The following companies or organisations are eligible for Affiliate Membership:

a) Debt collection and / or debt purchase companies and / or other companies which are full members or affiliate members of FENCA's national member organisation in the country where their corporate headquarters are registered.

Once accepted as affiliate member of FENCA, membership in the national organisation must be upheld to maintain affiliate membership with FENCA.

b) Debt collection and / or debt purchase companies from any other country without a national organisation being a full member of FENCA.

c) National organisations of debt collection and / or debt purchase companies from outside Europe.

§ 6 Exclusion of Members and Cancellation of Membership

1. FENCA's Board of Directors can exclude a member by a two thirds (2/3) majority of board members voting in person or by proxy, if:

a) membership fee is not paid by the due date,

b) court proceedings or proceedings of similar public authorities lead to the judgment that a member has failed to comply with binding laws or similar regulations,

c) a member's behaviour jeopardizes FENCA's reputation,

d) a member fails to abide by the rules of this statute.

The member which is the subject of the proposed expulsion will be given notice and may make representations in writing to the Board as to their proposed expulsion.

2. A member can appeal to the next Annual General Meeting following the expulsion or any other action taken by FENCA's Board of Directors. The appeal has to be in writing and must be supported by written submission summarizing the basis of the appeal. It must be filed at FENCA's office within a time limit of one (1) calendar month after the action taken by FENCA's Board of Directors has been announced to the member. The filing of an appeal has no suspending effect and the expulsion remains in force pending the appeal outcome. FENCA's next AGM will consider the appeal and determine whether it should be upheld.

3. Membership ends automatically if:

a) a full member or affiliate member is liquidated or becomes insolvent,

b) a full member or affiliate member ceases to do business / to operate,

c) an event occurs or proceeding is taken against a member which has an equivalent effect, Membership fees for the current business year will not be refunded.

4. Membership can be resigned in writing. The resignation must be addressed to FENCA's office and be submitted three (3) months before the Annual General Meeting

§ 7 Membership Maintenance

1. Annual fees are decided by the Annual General Meeting upon proposal of FENCA's Board of Directors.

2. The first membership fee is due on the first day of the month following the day when FENCA's Board of Directors decides to accept the applicant as a new member.

3. The membership fee payable in the business year of the admission will be calculated pro rata temporis of the annual fee.

§ 8 General Meetings

1. Annual General Meeting

a) The Annual General Meeting (AGM) must be held before the end of October each year.

b) FENCA's Board of Directors decides about the exact date and where to hold the Meeting. The AGM should be held in a member country.

c) The invitation to the AGM must be sent to the members at the latest (3) calendar months in advance.

d) FENCA's Board of Directors sets up the agenda for the AGM. It must include the topics named in Appendix I to this statutes.

e) The agenda must be sent to the members at the latest one (1) calendar month before the meeting.

2. Extraordinary General Meeting

FENCA's Board of Directors will invite the members to an Extraordinary General Meeting no later than one (1) calendar month after more than 50 % of the full members have petitioned to do so. FENCA's Board of Directors can also convene an AGM, if it finds an Extraordinary General Meeting necessary.

3. Proceedings at General Meeting

a) General Meetings are competent to take decisions, if a quorum of 50% of the members is present in person or by proxy.

b) FENCA's President shall preside as Chairman at every General Meeting. In his absence FENCA's Board of Directors shall appoint the Vice-President or another board member to act as Chairman.

§ 9 Board of Directors

1. FENCA's Board of Directors receives its power from the Annual General Meeting and carries out the AGM's decisions.
2. The Board of Directors is comprised of a maximum of five (5) members, including the President, the Vice President and the General Secretary, and has the power to make decisions when a minimum of three (3) of the board members are present.
3. FENCA's Board of Directors has the power to take decisions when a minimum quorum of three (3) of the board members are present in person or by proxy. In case of equal votes for and against a proposal, the President has the deciding vote.
4. There shall be at least two board meetings during each business year.
5. If a board member for whatever reason resigns or fails to attend FENCA's Board of Directors, the other board members may co-opt any person eligible until the next General Meeting.
6. Board Membership can also be resigned. Board members have to declare their resignation in writing and address it to the Board as a whole or, in the event of resignation of all board members, to the General Annual Meeting.

§ 10 Election period/ Nomination

1. Board members are elected for a term of three years with the possibility of re-election for a maximum of two more terms.
2. Except for the President who has to be elected by the AGM, the functions of the Board members are decided by the President.
3. To be eligible for board membership a candidate must be a member of the national board of a FENCA full member or must be nominated by a National board of a FENCA full member.
4. Nominations for new Board Directors require:
 - a) a proposer;
 - b) a seconder (who must each be full members of FENCA); and
 - c) written consent from the nominated persons that they agree to their nomination
5. Nominations must be received in writing to FENCA's office at the latest one (1) calendar month before the AGM.

§ 11 The President of FENCA

1. The President will serve for a term of three (3) years with the possibility of re-election for one more term of three (3) years. After the second term he is no longer eligible to be a member of FENCA's Board of Directors.
2. The candidate seeking election to the position of President, can do so even though he may be nearing the end of the maximum nine years' term allowed on the board, his presidency overriding the long-stop restriction, but must stand down from the board at the end of the presidential term.
3. Any President re-elected for a second term of three years, must stand down at the maximum nine years' term allowed on the board, even though their presidential term has not expired.
4. The President chairs all meetings of FENCA's Board of Directors. In his absence the Vice President may take the chair or the board may select any other member to do so.

§ 12 Auditor

FENCA's accounts must be prepared by a professional licenced accountant and if necessary, audited if required by the laws of the country where the accounts are produced or at the demand of the majority of the membership at an AGM.

§ 13 Votes

1. On production of written authority from a national association any individual may serve as this association's representative in the AGM.
2. Only full members which have paid the annual membership fee are entitled to attend the AGM and to exercise voting rights.
3. Only full members have voting rights. Each full member has one vote. Decisions are taken by simple majority unless these statutes determine a different requirement.
4. Members who do not attend a meeting can vote by proxy by giving written authority and direction as to how their vote is to be made, to an individual attending the meeting and that written authority must be produced at or before the meeting. Authority cannot be given for items which are not on the agenda for the meeting.

§ 14 Modifications of Statutes

Changes to these statutes require a majority of three quarters (3/4) of full members present in person or by proxy.

Proposals for modifications must be sent in writing to FENCA's office at the latest one (1) calendar month before the General Meeting.



§ 15 Liquidating the Federation

A decision to liquidate FENCA requires a majority of three quarters (3/4) of full members present in person or by proxy.

A motion to liquidate FENCA must be sent in writing to FENCA's office at the latest two (2) calendar months before the next General Meeting.

Full members of FENCA must be informed in writing at least one (1) calendar month before the General Meeting.

Appendix 1 (Statutes of FENCA)

A G E N D A

**Annual General Meeting
of FENCA.
(cnf.: Statutes § 8)**

1. Constitution
2. Acceptation of the minutes from the previous AGM
3. Presentation of
 - The Annual Report
 - Balance Sheet and Accounts
4. Presentation and approval of
 - Business plan for the next year
 - Budget

 - Membership fee
5. Decision about
 - issues presented by the members. Proposals have to be in writing and sent to the Board of Directors at least one month before the meeting.
6. Election of officials to the Board