

**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)**

*§ 1 Name and form*

1. The name of the federation is "Federation of European National Collection Associations". The official abbreviation is FENCA.
2. For the time being FENCA is to be a professional body and for that purpose the registered office is in Sandefjord, Norway.

*§ 2 Business year*

FENCA's business year runs from 1<sup>st</sup> of September to 31<sup>st</sup> of August.

*§ 3 Aims*

FENCA is a non profit-making organization without business activities of its own, and aims to:

1. Protect and take care of the interests of the member associations within Europe and in international institutions, public and private, and promote the development of European legislation in favour of the collection industry and debt purchasing industry.
2. Promote the development within the member associations and their members of the following:
  - 1) Ensuring that monies collected for clients are kept in separate accounts from the company monies (clients' accounts).
  - 2) Having in place appropriate insurance for the protection of the members' clients.
  - 3) Establishing a complaints process – to investigate and mediate in disputes between agencies and their clients or debtors.
  - 4) Establishing training facilities (schools/seminars) for their members.
  - 5) Basic rules and guidelines for contracts and agreements between the agencies and their clients.

## *§ 4 Rules*

1. The member associations must confirm that they, and their members:

a) work in accordance with the laws and rules of their respective countries.

b) maintaining confidentiality in relation to client and debtor information and work in accordance with the national laws on Data Protection and similar legislation.

2. The above constitute the basic rules of FENCA at the point of formation. It is intended that a more sophisticated and comprehensive set of Rules will be developed as FENCA's aims are being achieved.

3. Additional rules may be adopted by FENCA if a 2/3 majority votes in favour at an Annual General Meeting or at an Extraordinary General Meeting.

4. In certain cases where a member association is unable to immediately comply with a new rule, then a 2/3 majority of the FENCA board may give the member a special dispensation during which period the member is required to achieve compliance with the new rule. This dispensation may last for up to 2 years.

5. Only national association members of FENCA ("full members") and affiliate members of FENCA can use the logo of FENCA. The FENCA logo for full members will be different to that for affiliate members.

## *§ 5 Membership*

1. Full members of FENCA must be national, non - commercial unions of collection agencies and / or unions of debt purchasing agencies, which take care of the professional interest of their members.

1) Admission to membership is decided by the Board of Directors at their sole discretion. The Board of Directors is not obliged to give the reason for the refusal and there is no right of appeal.

2) Each European country can only have one representation in FENCA. If there is more than one association in a country, the associations themselves have to agree on a common representation.

2. Affiliate members of FENCA can be:

1) Debt collection and / or debt purchasing companies

a) Which are members of the full members of FENCA

b) From any other country where FENCA doesn't have a full member

2) National associations of debt collection and / or national association of debt purchasing companies outside of Europe

## *§ 6 Membership Cessation and Cancellation*

1. Expulsion of a member on grounds of non-payment of subscription or non-compliance of the statute is to be decided by the Board of Directors.
2. Complaints against expulsion can be made to the General Meeting. The complaints must be in writing and be made at the latest one (1) month after the expulsion. If a member is expelled, the membership fee will not be refunded.
3. If a member association is liquidated or liquidates itself the membership will automatically be cancelled.
4. Resignation must be submitted three (3) months before the Annual General Meeting in written form.

## *§ 7 Membership Maintenance*

1. Annual fees are decided by the AGM on proposal of the Board of Directors.
2. The first membership fee will payable by the member from the first day of the month following the date of acceptance of the member to FENCA by the Board of Directors.
3. The membership fee payable by the member will be calculated *pro rata temporis* of the annual fee.

## *§ 8 Organisation*

### *1. Annual General Meeting*

- 1) The Annual General Meeting will be held before the end of October, each year, at a time and place decided upon by the Board of Directors. The AGM must be held in a member country and notification to members must be given at least three (3) months before the meeting.
- 2) The items for The Annual General Meeting are to be decided by the Board of Directors but must include the items stated in Appendix I. The agenda must be circulated at least one (1) month before the meeting.

### *2. Extraordinary General Meeting*

The Board of Directors shall summon the members to an Extraordinary General Meeting one (1) month after at least half of the members have presented reasons for such a meeting in writing, or if the Board of Directors decide it is necessary.

### 3. Board of Directors

1) The Board of Directors receives its power from the General Meeting and carries out its decisions.

2) The Board of Directors is comprised of a maximum of five (5) members, including the President, the Vice President and the Secretary, and has the power to make decisions when a minimum of three (3) of the board members are present. In case of equal votes for and against a proposal, the President has the deciding vote.

3) There shall be at least two board meetings during a business year.

### 4. Election period/Nomination

1) The Board of Directors is elected for a term of three years. A Board Member can be reelected, after the first term, for a maximum of two more terms. As long as new election will not be successful the Board remains the same.

2) To be eligible to be appointed to the Board of Directors, the candidate must be a member of a National board of a FENCA member or appointed by a National board of a FENCA member..

3) Nominations for new Board Directors require:

- a) a proposer;
- b) a seconder; and

c) written consent from the nominated persons that they agree to their nomination

4) Nominations must be made in writing to the Secretary and must be received no later than 28 days before the AGM.

### 5. Auditor

The FENCA accounts will be audited by a professional licensed auditor chosen by the Board (the "Auditor"). The Auditor will be appointed for a period of two years.

#### *§ 9 Votes*

1. On production of written authority from a national association an individual from that national association will be eligible to be the national association's representative.. The representative does not have to be a member of the National board.

To participate in the AGM the individual is obliged to pay the annual fee.

2. Only full members have voting rights. Each full member has one vote. Decisions can be made by simple majority, except where the vote relates to matters of statutes and regulations where a majority of 2/3 of the members is

required.

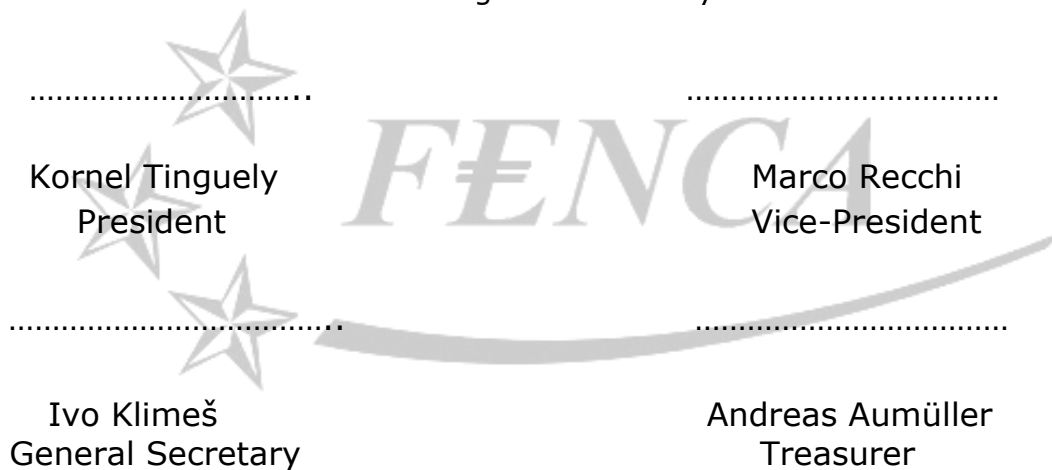
3. Members who do not attend a meeting can vote by proxy by giving written authority and direction as to how their vote is to be made, to an individual attending the meeting and that written authority must be produced at the meeting. Authority cannot be given for items which are not on the agenda for the meeting.

### *§ 10 Modifications of Statutes*

These statutes can be modified by a 2/3 majority of the members in a lawfully summoned General Meeting. Suggestions for modification must be presented to the Board of Directors in writing at least 28 days before the General Meeting.

### *§ 11 Liquidating the Federation*

A decision to liquidate FENCA requires a 2/3 majority in a lawfully summoned General Meeting. A suggestion to liquidate FENCA must be made in writing to the Board of Directors at least 60 days before the next scheduled General Meeting. The members must be informed in writing at least 28 days 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

*FENCA*