

EFMD
International Not-for-Profit Association, Brussels

Statutes¹

Name and registered offices

Article 1. An international not-for-profit association has been constituted called “**EFMD**”.

This association with scientific and pedagogical objectives is governed by the Belgian law of 27th June 1921 relative to not-for-profit associations, international not-for-profit associations and foundations.

The registered offices are located in the Brussels metropolitan area. They are currently established at 1050 Ixelles, rue Gachard, 88, box 3. The registered offices can be transferred to any other location in the Brussels metropolitan area by simple decision of the Board of Directors to be published in the Annexes of the Belgian Monitor.

Object

Article 2. The Association is non-profit making; its purpose is to contribute to improving the quality of management education, training and research taking into account principally the economic, social and cultural context in Europe. It is also firmly dedicated to the worldwide exchange of experiences and ideas in this field. The expression "management education, training and research" must be understood to include all activities intended to improve the level of competencies of individual managers and the quality of management in human organisations.

The activities undertaken by the Association to meet this objective include notably:

- a) the definition, implementation and support of the appropriate initiatives at the European level within the context of an overall assessment of the needs and the most suitable strategies;
- b) the actions which tend to promote the professional competencies of anyone active in management development either as a teacher, researcher, administrative officer, manager, consultant, head of vocational training or anyone with similar duties;

¹ The statutes of EFMD have been published in French in accordance with Belgian law. The present document is a translation of these published statutes.

- c) actions and projects with the aim of promoting educational, training and research institutions in the management field, including for third parties in Europe and elsewhere in the world, as well as any activity which could normally be undertaken by such an institution;
- d) actions tending to stimulate a dialogue between the categories of persons with the afore-mentioned professional qualifications and their organisations and the persons and organisations which they serve in the public service and in industry;
- e) all actions which could contribute to achieving the association's objectives and to developing the above-mentioned activities as well as any other activities related to these objectives.

Membership

Article 3. Two categories of members are established: "institutional members" and "individual members".

The "institutional member" category is open to institutions and other organisations active in Europe in management education and development which meet the admission criteria as defined by the terms of Articles 4 and 5.

The "individual member" category is open to persons who have a professional interest in management education, development and research and who meet the admission criteria as defined by the terms of Articles 4 and 5.

The status of "associate member" can be given for a limited period of time to persons or institutions which wish to support the Association's objectives and participate in some of its activities but which do not or do not yet meet the criteria for admission as defined by the terms of Articles 4 and 5.

In addition, the status of "international affiliated member" can be granted to institutions which meet the criteria for admission as defined by Articles 4 and 5 but which are based outside of Europe.

Article 4. Membership status is granted for an unlimited period of time and is subject to the terms of Article 5.

Any application for membership must be supported by two members of the Association belonging to the "institutional members" or "individual members" category.

Membership status is granted by the Board Committee which makes its decision based on the criteria stipulated in the present statutes and in respect of the conditions decided upon by the Board of Trustees and subject to ratification by the General Assembly.

Article 5. The criteria for admission of institutional and individual members are based on:

a) For institutional member candidates:

- objectives, policy and structure of the establishment;
- activities;
- resources;
- special contribution to management development.

b) For individual member candidates :

- qualifications;
- experience;
- responsibilities;
- special contribution to management development;
- their belonging to an institution or other organisation, which does not have the status of institutional member, although it could qualify for this status.

The status of "international affiliated member" is based on the same criteria as the status of institutional member.

The criteria listed above under a) and b) can be clarified and/or supplemented by the Board of Trustees.

The guidelines concerning the granting of "associate member" status are defined by the Board of Trustees upon proposal by the Board Committee.

Membership terminates:

- with the death, dissolution or bankruptcy of a member;
- at the request of the member himself with a one-year prior written notice given to the Director General;
- when the membership fees are still outstanding in the year following their due date;
- following a decision justified by the Board of Trustees and subject to ratification by the General Assembly after the member concerned has been given the opportunity to present his opinion.

Individual or institutional members and a fortiori the establishments or persons benefiting from the status of affiliated member or associate member have no rights to the assets of the Association.

Article 6. The General Assembly has full powers to enable the aims of the Association to be fulfilled. The following are notably within the competencies of the General Assembly:

- amendments to the statutes;
- the ratification of new members and exclusions of members as decided upon by the Board Committee;
- the appointment, discharge and dismissal of members of the Board of Trustees;
- the approval of the management of the Association, the financial outlook and the accounts;
- the dissolution of the Association.

Article 7. The General Assembly is made up of institutional and individual members who have voting rights.

Institutions or persons benefiting from the status of affiliated member or associate member may take part in the General Assembly but only with consultative rights.

The General Assembly meets at least once a year either at the registered offices or at any other location indicated on the official summons signed by the President of the Board of Trustees or in his name by the Director General. The official summons should be sent at least one month prior to the date set for the General Assembly.

An extraordinary General Assembly can also meet after being convened by the President of the Board of Trustees or in his name by the Director General:

- at the request of at least 20% of the members from the individual or institutional members category;
- upon the joint request of the Board Committee and the Director General.

The official summons will be sent by electronic mail and include an agenda.

The institutional and individual members can give a proxy in writing to another member; however, no member may represent more than ten members.

A minimum of 1/3 of the voting members or their duly appointed representatives are required to form a quorum.

Article 8. Apart from exceptional cases as stipulated in these statutes, decisions are made by simple majority of the members present or represented; all members of the Association are informed thereafter of the decisions made.

The Minutes of the General Assembly should be signed by the Director General and the President of the Board of Trustees and are kept at the registered offices of the Association by the Director General who will hold them at the members' disposal.

Board of Trustees

Article 9. The body responsible for the Association's general policy is the Board of Trustees which is composed of a minimum of 10 members and a maximum of 30 members.

The Board of Trustees includes:

- representatives of the institutional members elected by the General Assembly following their proposal by the Board or by at least five institutional members
- one or several individual members elected by the General Assembly upon proposal by the Board or by at least five individual members.

The proposals for nomination to the Board of Trustees should be addressed to the registered offices of the Association at least 15 days prior to the General Assembly.

The Board should present before the election the proposed nominations which would be the most suitable to the Association's interests. The Board should make every effort to ensure insofar as possible a reasonable balance between the various countries and the different types of institutional members, industrial organisations or educational and research establishments,

The proportion of individual members in the Board should not exceed 10%.

Article 10. The Board members are appointed for a 2-year mandate. The mandate of the outgoing administrators is renewable.

Article 11. The members of the Board of Trustees can be dismissed by the General Assembly by a 2/3 majority vote of the members present or represented.

Article 12. The Board of Directors appoints its President and Vice-President(s) among its members. Their mandates effective for a 2-year period are renewable. The President and Vice-President(s) of the Board are President and Vice-President(s) of the Association.

The Board of Directors can invite any member of the Association or more exceptionally any non-member to attend its meetings as an observer.

Article 13. Subject to attribution by the General Assembly and the powers granted to the Board Committee by these statutes, the Board of Trustees exercises the following duties:

- the definition of the general policy and strategy of the Association;
- the financial policy;
- the Annual Report and accounts to be presented to the General Assembly;
- the appointment and dismissal of the Director General;
- the appointment and dismissal of the members of the Board Committee;
- the supervision of the activities of the Board Committee and the Director General.

Article 14. Legal actions either as a plaintiff or defendant are acted upon by the Board of Trustees represented by its President or a Board member appointed by the President for that purpose.

Article 15. The Board of Trustees meets at least twice a year and is convened by the President of the Board by electronic mail.

The Board of Trustees can also be convened by the President at the request of 1/3 of its members to the President. The official summons will be sent by electronic mail and include an agenda.

The Director General attends the meetings of the Board of Trustees without any voting rights.

A Board member can give a proxy to another Board member. However, one Board member cannot hold more than one proxy.

The Board of Trustees can make valid decisions only when at least 1/3 of its members are present or represented.

The decisions of the Board of Trustees are made by majority vote of the Board members present or represented. In the event of a tie, the President's vote is decisive.

The decisions are recorded in the Minutes of the Board of Trustees' meeting. These Minutes should be signed by the President and the Vice-President of the Board of Trustees and kept at the registered offices of the Association by the Director General who will hold them at the disposal of the members of the Board of Trustees and the Association.

Board Committee

Article 16. Besides the Director General who is a member by right, the Board Committee includes four to eight other members who are nominated by the Board of Trustees from among its members.

The Board Committee appoints its President and Vice-President from among its members.

The members of the Board Committee are appointed for a 2-year period. Outgoing members are eligible for reappointment.

The members of the Board Committee can be dismissed by the Board of Trustees following a 2/3 majority vote of the members present or represented.

Article 17. The Board Committee fulfills the administrative duties in compliance with:

- the aims and goals of the Association;
- the general strategy and policy and the financial policy as defined in the guidelines issued by the Board of Trustees.

The Board Committee carries out its duties under the supervision of the Board of Trustees. The President of the Board Committee (or the Vice-President should the President be unavailable) reports to the Board of Trustees on the progress of its activities during each of the Board of Trustees' two annual meetings or at the request of the Board of Trustees.

The Director General is responsible for carrying out the decisions of the Board Committee with regard to the daily management.

The Board Committee can also assign any duties or powers it considers necessary to the Director General or to the Director General and one or several other persons.

The Board Committee can also entrust special powers to one or several persons of its choice.

Article 18. The Board Committee meets at least four times per year; two of these meetings should take place at the same time as the Board of Trustees' meeting.

The Board Committee also meets upon the official summons by its President at the request of at least 50% of its members addressed to the President. The official summons should include an agenda.

The Board Committee can make valid decisions only when at least half of its members are present.

The decisions of the Board Committee are taken by a majority vote of the members present. In the event of a tie, the President's vote is decisive.

The decisions are recorded in the Minutes of the Board Committee meeting.

After approval by the Board Committee, these Minutes should be kept at the registered offices by the Director General who should hold them at the disposal of the members of the Board Committee and the Board of Trustees.

Director General

Article 19. The Director General of the Association is appointed by the Board of Trustees. His/her term of duty is in principle for a three-year period unless a remarkably justified decision of the Board of Trustees stipulates otherwise. This term of duty can be renewed.

The Director General should not be a member of the Association nor of the Board of Trustees during his/her term of duty.

The Director General is automatically a member of the Board Committee. In addition, he/she is responsible for the daily management of the Association including the execution of the decisions of the Board Committee.

The Director General may authorize one or more persons to act on his/her behalf to carry out the daily management.

The Director General acts in compliance with:

- the aims and goals of the association;
- the general strategy and policy and the financial policy as defined in the guidelines issued by the Board of Trustees;
- the decisions adopted by the Board Committee.

The Director General can be dismissed by the Board of Trustees by a 2/3 majority vote of the members present or represented.

In the event of a vacancy in the position of the Director General, the Board of Trustees should appoint a replacement as rapidly as possible. The powers and duties of the Director General are assumed by the President of the Board of Trustees or any other Board member appointed by the President during the period strictly needed for the replacement of the Director General.

Representation of the Association

Article 20. The Association is validly represented by:

- the Director General within the limits of the daily management;
- the Director General acting jointly with another member of the Board Committee in acts exceeding the daily management; these persons need not prove to third parties the powers entrusted to them for this purpose;
- persons holding special powers within the limits of their duties.

Finance, budget and accounts

Article 21. The annual dues to be paid by the members of the Association should be determined by the General Assembly upon recommendation of the Board.

The amount of the annual membership fee is indexed each year in accordance with Article 1728 bis of the Code of Civil Law. The base index is that of December 2003. It is agreed that the amount obtained after calculation is rounded up to the nearest Euro.

Article 22. The financial year ends on 31st December of each year.

The Board should annually submit the accounts for the closing year and the financial outlook for the upcoming year to the General Assembly for approval.

Article 23. The Association draws up its annual accounts consistent with the law of 17th June 1975 relative to business accounting.

The audit of the accounting is under the control of one or several statutory auditors appointed by the General Assembly among the members of the “Institut des Réviseurs d’Entreprises”. He/she will report to the Board of Trustees, the Board Committee and the General Assembly.

Amendment of the statutes and dissolution of the Association

Article 24. The President of the Board of Trustees should inform the members of the Association about any proposal to amend the statutes or to dissolve the Association. The members should be informed at least two months prior to the General Assembly which should rule on the proposal.

No decision will be binding unless at least 2/3 of the voting members of the Association or their duly appointed representatives have cast their ballots. Any decision on these two issues requires a 2/3 majority vote of the members or their duly appointed representatives.

If the General Assembly thus convened does not meet the requirements formulated above, another General Assembly should be convened under the same conditions. This reconvened General Assembly will validly make the final decisions based on a 2/3 majority of the members present or their duly appointed representatives regardless of the number of these members present or represented.

Changes to the statutes will only become effective after having completed the formalities required by Article 50§3 of the Belgian law of 27th June 1921 and after their publication in the Annexes of the Belgian Monitor in accordance with Article 51§3 of the mentioned law.

The General Assembly will set the means for dissolving and liquidating the Association.

Miscellaneous clauses

Article 25. Any omission from the present statutes is governed by the provisions of Title III of the Belgian law of 27th June 1921 on not-for-profit associations, international not-for-profit associations and foundations.