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BYLAWS**CHAPTER I*****Form, name, head office, object, duration*****Article 1**

An international association was originally constituted under the name of “Association Européenne des Assurés de l’Industrie” and is currently under the name of “Fédération Européenne de Risk Management – Federation of European Risk Management Associations”, in abbreviated form: FERMA.

The association is subject to the prescriptions of chapter III of the law of 27 June 1921 on non profit associations, foundations and international non profit associations.

Article 2

The head office of the association was originally established at 45 Rue du Couvent, 1332 Genval (Belgium) and is currently established at Avenue Louis Gribaumont 1 / B.4 - 1150 Brussels (Belgium).

The head office of the association may be - by a simple decision of the Board of Directors - transferred within Belgium to a region which does not require the translation of the statutes to another national language.

Article 3

The association’s object is the study at international level of any issue related directly or indirectly to Risk management or insurance of any risks.

It represents its members in international organisations

It can organise or participate, either through direct representation or by special appointment of accredited representatives in any work, investigation, conference, meeting or congress directly or indirectly connected with risk management and insurance matters dealt with by the association.

Article 4

The association is constituted for an unlimited period of time.

CHAPTER II***Members*****Article 5**

The association is composed of voting effective members belonging to European countries, and honorary members. The founder organisations of the association are voting members ipso jure.

Only National Associations representing the interests of risk managers or insurance buyers can be admitted by the Board of Directors as voting members. National Associations are deemed to be any association, de facto and de jure, of several persons, individual and legal entities, concerned with the defence of these interests operating within a national boundary. The voting members pay a full membership fee. The membership fee, based on the number of active risk managers in the national association, is fixed annually by the Board of Directors.

Can be admitted by the Board of Directors in the capacity of honorary member, any individual person, who has, following advice of the Board, rendered remarkable services to the benefit of the association.

This admission is personal, non transferable and doesn’t give either the right to vote

or the duties of membership like the other categories of members.

Article 6

Admission of a new member is agreed upon by the Board of Directors on written application of the candidate or for honorary member upon the proposal of a Director.

Application for membership must be accompanied by a copy of the articles of constitution, a list of members and the Board members and a short report enabling the FERMA Board to understand fully the size and representative capacity of the applicant.

If an applicant is denied membership, he has the right to appeal against such decision at the next General Assembly which will decide when three-quarters of the votes of the members present and/or represented are cast for the same outcome.

Article 7

The quality of a member is related to the keeping of the requirements for its admission. Any member has to commit himself to inform without delay the Board of Directors of the loss of one of those.

A member may at any time by written notification to the Board of Directors, resign from the association.

Members who fail to pay their membership dues during two consecutive years shall lose, upon decision of the Board, their status of members of the association.

Members who act against the objectives or interests of the association can have their membership revoked by decision of the General Assembly taken by a majority of three-quarters.

Before its revocation, the member will have the possibility to be heard by the General Assembly.

Resigning members or members who cease to belong to the association for whatsoever reason shall have no claim to the contribution paid and shall not assert any claim to the patrimony of the association.

CHAPTER III **General Assemblies**

Article 8

The General Assembly is composed of all effective association members who have paid their membership due. The honorary members can be present at the General Assembly but they do not have voting rights.

Without prejudice to the other powers which are reserved by the law or by these statutes, the General Assembly has the following powers:

- *The amendments of the statutes, except for the transfer of the head office of the association that may be decided by a simple decision of the Board of Directors;*
- *The appointment and the removal of directors;*
- *The approval of the budgets and the annual accounts;*
- *The voluntary dissolution of the association;*
- *The exclusions of members*

Article 9

The Ordinary General Assembly shall legally convene once a year between 1st March and 30th June under the presidency of the Chairman of the Board of Directors or one member of the Executive Board, at the head-office or at any such place as indicated in the notice. Such notice shall be forwarded by registered letter or by any other means with delivery confirmation to all members at least 30 days before the date set for the meeting.

Any member who attends the General Assembly or is represented is considered as

having been regularly convened.

In addition, the General Assembly can be convened for an extraordinary meeting whenever the Board deems it necessary or on a signed requisition of at least one quarter of the members with indication of the motives thereof.

To be admitted to the General Assembly, any member can give mandate to another member of the association.

Any member cannot represent more than one other member.

Article 10

a) Except for the cases provided under article 11, and those where the law enforces other conditions of presence and/of majority, the General Assembly is regularly constituted and deliberate validly whatever the number of members having voting rights present, and the resolutions shall be taken by the simple majority of the voting rights, without taking into account the abstentions.

b) The votes are attributed per country.

c) The voting members of a single country are together entitled to a certain number of votes, fixed once a year in respect of the criteria and modalities described in article 10 d) hereafter.

d) The number of voting rights assigned per country is only calculated on the basis of the number of risk managers or insurance buyers (members) which the national associations of these countries are made up.

The assignment is:

- from 1 to 25 members 1 vote*
- from 26 to 50 members 3 votes*
- from 51 to 100 members 4 votes*
- from 101 to 250 members 5 votes*
- from 251 to 500 members 7 votes*
- from 501 members 9 votes*

The present or/and represented members of a country shall agree on the exercise of their vote.

e) Each national group shall remit, for the 31st December each year, the list of their risk & insurance managers members to the treasurer of the association, in order to fix, for the next calendar year, the number of votes entitled to each country. . The list that members provide each year makes a distinction of the categories its membership.

Each member who fails to communicate this information within the deadline will see their right to vote suspended until complete regularisation.

Article 11

Without prejudice of the article 55 of the law of 27 June 1921, any proposal of amendments to the articles of constitution and dissolution of the association shall emanate from the Board of Directors or at least a quarter of the voting members of the association.

At least one month in advance the Board of Directors shall inform the members of the association of the date of the General Assembly which will decide on this proposal.

The General Assembly can decide only if two-thirds of the voting members of the association are present and/or represented. The resolutions shall be taken at the majority of three-quarters. However, if this General Assembly, has not the two-thirds of the voting members, a new General Assembly shall be convened in the same conditions mentioned here above, which will decide finally on the proposal in question whatever the number of members be present and/or represented.

Amendments to the statutes regarding the object shall come into effect after the approbation by Royal Decree in conformity with the article 50 §3 of the law of 27 June 1921

and when the conditions of publicity required by the article 51 of the law of 27 June 1921 are completed.

Without prejudice of the article 56 of the law of 27 June 1921, the General Assembly shall fix the mode of dissolution and the liquidation of the association.

Article 12

The resolutions of the General Assembly are kept in a register signed by the Chairman and made available to all members.

This register is preserved at the registered office where all the members can take note of it.

The members can also request from the secretary-general a copy or, if necessary, an extract of the minutes of the general assemblies.

CHAPITRE IV **Administration**

Article 13

The association is administered by a Board of Directors composed by a number of Directors which is equal to half of the effective members (which will be rounded up).

The Board of directors is composed of minimum 7 members and of maximum 12 members.

The directors shall belong to groups which are voting members of the Association and shall be “risk manager or insurance buyer”.

The Directors are elected for a three year period by the General Assembly on request of the voting members of each country. The terms of office of retiring Directors may be renewed. The Directors are revocable by the General Assembly only on a decision taken by the majority of two thirds of the votes present or represented.

The term of office of a director is free of charge.

Article 14

The Board of Directors elects among its members a chairman, two vice-chairmen, and among or outside its members a secretary general and a treasurer, who form the Executive Board.

These terms of office are conferred for two years and are renewable following the formalities decided by the Board with a majority of two-thirds of votes present or represented.

The notice for the Executive Board is done under the same rules as the Board of Directors. Decisions are made at majority, by a majority of members being present or represented.

Article 15

a) The Board of Directors meets after due notice and under the chairmanship of its chairman or in his absence, of one of the members of the Executive Board.

Whenever the interests of the association require it or, failing that notice of the Chairman or one of the members of the restricted Board, the Board shall meet on the written request with due notice at least two Directors.

The notice for the board meeting should be sent by the President or by a member of the executive Board at least 30 days before the meeting by letter, electronic delivery or fax. The notice should mention the date, the time and location of the meeting and a precise agenda. Each director can renounce to contest, before or during the meeting, the absence or irregularity of the notice. In any case a director who attends or is represented at the meeting is considered as having been properly convened. Each director can be represented at the Board of directors by another director on presentation of a written proxy.

b) *The Board can decide only if the majority of members are present or represented.*

c) *The decisions are made by a majority of three-quarters of the votes present or represented for the following issues:*

- *Election of the Chairman (after eventually three turns of vote not securing a majority of the three quarters, a simple majority shall be sufficient);*
- *Decisions involving a financial stake higher than 250,000 Euro;*
- *Admission of new members within the association;*
- *Exclusion of a member failing to pay his membership due;*
- *Amount of membership due*

Other decisions are made by the simple majority of votes present or represented.

In the event of parity of votes, the vote of the Chairman or of a member of the Executive Board assuming his functions is preponderant.

d) *The proceedings are recorded in the minutes of the meeting signed by the Chairman or a member of the Executive Board.*

Article 16

The Board of Directors is invested with the widest powers under reserve of the rights of the General Assembly.

It settles any difficulty that could arise from the interpretation of the articles of constitution.

Article 17

Any deed binding the association shall be validly signed by the Chairman or two directors who do not need to justify a decision taken previously by the Board to third parties.

The Board can delegate specific powers, including that of representation.

Article 18

Legal procedures as plaintiff or defendant are conducted on behalf of the association by the Board of Directors, legal actions and proceedings of the chairman of the Board or of a member of the Executive Board, or of another member of the Board especially appointed by the chairman of the Board.

CHAPTER V **General Secretary and Treasurer**

Article 19

19. a: Secretary General

The legal duties and the supervision of the daily administration of the association are assumed by a secretary general chosen by the Board of Directors. The competence and tasks of the secretary general are defined by the Board of Directors.

19. b: Treasurer

The daily financial administration of the association is assumed by a treasurer chosen by the Board of Directors. The competence and tasks of the treasurer are defined by the Board of Directors.

These functions can be assumed by the same person or different persons.

CHAPTER VI **Budgets and accounts**

Article 20

The financial year shall end on the 31st December of each year and for the first time

on December 1975. The Board of Directors shall submit every year to the approval of the Ordinary General Assembly the accounts of the past year and the budget of the next year.

Article 21

The Association will produce a simplified bookkeeping relating at least to the movements of cash and on accounts, following the legal provisions.

However, if at the end of one of its financial years, the association comply two of the three criteria as mentioned in the article 53 of the law of June 27, 1921, it will have to comply with the provisions of the law of July 17, 1975 relating to the accountancy of the companies.

CHAPTER VII

The association's funds

Article 22

The funds of the association are comprised of the memberships, the donations accepted by decision of the Board, the income of its patrimony or its activity.

Article 23

With the exclusion of the gifts, any liberality to the benefit of the association whose value exceeds the sum of 100,000 Euro, will have to be authorized by Royal Decree.

CHAPTER VIII

Dissolution, Liquidation

Article 24

The association can be dissolved at any time by the General Assembly according to the terms of procedure as provided for the amendments to the articles of constitution.

Said assembly shall appoint the liquidator(s), determine their powers in compliance with the articles 19 and 19 bis of the law of 27 June 1921, and the destination of the balance of the liquidation which will be distributed to another association pursuing a similar objective.

Article 25

Any provision not mentioned in the statutes shall be resolved in conformity with the provisions of the law of 27 June 1921.”