

feaco

**FEDERATION EUROPEENNE DES ASSOCIATIONS DE CONSEILS
EN ORGANISATION**

**CONSTITUTION AS MODIFIED BY DECISION OF THE PRESIDENTS
ON
24 November 2005**

ENGLISH VERSION

TITLE I- ASSOCIATION

Article 1 - Name/Governing Law/Offices

An association has been formed entitled “European Federation of Management Consultants (F.E.A.C.O.), hereafter referred to as “the FEACO”.

The association formed conforms to the law of 1st July 1901 and the decrees of 16th August 1901 and of 12 April 1939.

The registered office is in Paris.

TITLE II - OBJECTIVES/PROFESSION

Article 2 - OBJECTIVE

To assist in promoting and developing the profession of Management Consulting in Europe and globally by providing support to its constituent National Association membership in those areas where a collective voice is stronger than the sum of its individual members.

Article 3 - DURATION

The duration of the Federation is not limited.

Article 4 - MANAGEMENT CONSULTANCY

4.1. Management consulting is the rendering of independent advice and assistance about management issues.

This typically includes identifying and investigating problems and opportunities, recommending appropriate action and helping to implement those recommendations.

4.2. Key fields of activity of management consultancy, which are relevant to membership of a national association, are set out in Annex B of the bylaws.

Article 5 - QUALIFICATIONS OF THE MANAGEMENT CONSULTANCIES

5.1. The statutes of the member national associations shall include the minimum criteria for membership of a management consultancy as set out in the bylaws in Annex A, covering Independence, Expertise, Ethics, Length of Experience, Qualification and Verification.

5.2. A member of the Federation shall ensure that it does not take into its own membership any consultancy which does not at all times maintain the highest ethical standard in the professional work undertaken and, in matters relating to a client's affairs, act solely in the interests of the client.

Where a consultancy is a subsidiary of a parent body, which is not in the public practice of management consultancy, all advice will be untied and independent of any influence of that parent body according to FEACO's Definitions (Annex B) and Guidelines for Professional Conduct and Best Practice.

TITLE III - MEMBERS

Article 6 - MEMBERS

6.1 Full Membership

The association of management consultancies and consultants representing the profession in each country may become a member of the Federation. Membership is restricted to one association from each country.

6.1.1. To become a member of the Federation, an association must give an undertaking that its members (whether individuals or firms) comply with the standards and Guidelines for professional conduct and best practice for management consultants, as recognised by the Federation.

6.2 Associate Membership

Associate membership is open to organisations who meet the minimum qualification criteria for membership and who subscribe to the Guidelines for Professional Conduct and Best Practice. There are the following groupings of associate members:

6.2.1 National Associations of at least two years standing that are deemed to be the single representative of management consultancy in that country. This type of Association must be upgraded to full membership after five years, the organisation having been deemed to be able to meet its full obligations.

6.2.2. National Associations of five or more years standing which can show that a sufficient element of their work relates to a management consultancy activity. The election of such Associations to associate membership must be on the proposal of the full member of FEACO in whose country that Association resides.

6.3. Affiliate Membership

Organisations who meet the minimum qualification criteria for membership, who subscribe the Guidelines for Professional Conduct and Best Practice and who fall within one of the two categories indicated below, may be invited by the Executive Committee to become affiliate Members:

6.3.1. Multinational Firms which are full members of FEACO member associations in the majority of countries where they are present.

6.3.2. Professional Organisations from outside Europe.

In view of the internationalisation and globalisation of management consulting markets and services, such membership is considered an excellent contribution to the development of the profession, FEACO and its members.

Admission to the Federation requires acceptance of these statutes and rules.

6.4. Procedure

Professional organisations of management consultants wishing to be admitted as a full, associate or affiliate member of the Federation, and having been in existence for at least one year, should address their application for admission to the Chairman, together with a copy of their statutes and code of conduct and best practice, a list of members and the name of one national association or a member of The Executive Committee who will act as moral and professional referee.

Admission of new members must be approved by two thirds of the members present or represented at the General Assembly. The vote may be done by mail.

On receipt of an application for membership, it is the duty of the Chairman and the Executive Committee to satisfy themselves that the application is worthy of consideration before submitting it to the Assembly: members must be provided with the necessary information to enable them to make their decision.

Article 7 - RIGHTS AND DUTIES OF MEMBERS

7.1. Members have the right to:

- Take part in General Assemblies and other meetings of FEACO
- Acquire the publications of FEACO at fixed rates.
- Submit any questions of mutual professional interest, which they wish to have placed on the agenda for the next General Assembly.
- Show on letterheads and documents that they are members of FEACO; this applies equally for members of the national associations. These rights shall be exclusive and shall not be transferable.

7.2. Members have the duty:

- To participate in the activities of FEACO
- To promote and safeguard the objectives of FEACO as provided for in article 2 of this Constitution.
- To pay FEACO an annual subscription fee according to the terms of payment as fixed by the General Assembly.
- To observe the provisions of this Constitution and the bylaws.

The members can be required to pay for the debts of the Federation up to a maximum of one full year annual subscription as determined by the yearly General Assembly.

Article 8 - RESIGNATIONS

8.1. A member can resign from FEACO by sending his resignation by registered mail to the Chairman.

8.2. Resignations come into effect six months after the date of receipt by the Chairman. The full annual subscription remains due and payable for the financial year in which the resignation comes into effect.

Article 9 - WARNING AND EXCLUSION

9.1. The Chairman may send a warning to any member who does not comply with the requirements of the statutes or bylaws of FEACO or who does not conform to decisions of the General Assembly.

9.2. Members seriously prejudicing the interests of the FEACO, failing to heed the warnings of the Chairman, or not fulfilling their financial obligations towards FEACO, may be excluded from membership by a decision of the General Assembly.

A resolution for the exclusion of members must be submitted to the General Assembly by the Chairman, either on his own behalf or at the request of a member. Two months notice of the intention must be given to all member associations, and a report must be submitted to the next General Assembly, on the facts causing the request for exclusion.

9.3. To be valid an exclusion must be passed by a majority of at least two-thirds of the members present or represented at the General Assembly, provided the parties receive one month's notice of the proposed action.

9.4. The General Assembly, without disclosing any reason, may decide upon exclusion.

TITLE IV - ORGANISATION

Article 10 – THE ORGANS OF FEACO

10.1. The General Assembly, defines general policy, handles the elections and exercises general control over FEACO

10.2. The Executive Committee, is the executive organ of FEACO;

10.3. General Secretaries' Committee, may provide advice to the Executive Committee and is chaired by one of the Secretaries General.

10.4. The Manager, manages the day to day business of FEACO. He/she can act under a mandate of the Executive Committee.

10.5. The Auditor,

10.6. Special Committees, Task Forces and Working Groups, are convened by the Executive Committee to study specific problems or are established for special projects.

Article 11 - GENERAL ASSEMBLY

11.1. The activities of FEACO shall be determined by its General Assembly which is authorised and entitled to exercise all powers

11.2. The General Assembly shall meet at least once a year.

11.3. An extraordinary General Assembly may be convened by the Executive Committee whenever desirable or when requested by at least a quarter of the voting members, in writing, with one month's notice.

11.4. The General Assembly shall consist of full members of FEACO. Each full member is entitled to two delegates but is only entitled to one vote. Associate and Affiliate members should be present, but have no vote. The authorised representative of a member (see art. 6.1.) may be represented by proxy. All persons appearing by proxy must present written proof of such proxy or any changes. One authorised representative can carry not more than two proxies.

11.5. Subject to exceptions by law or specified in the constitution, the General Assembly's resolutions must be passed by an absolute majority of votes. The Chairman has a casting vote only in case of equal votes.

11.6. For the purpose of the General Assembly, at least half the members shall be present or represented, in order to constitute a quorum.

11.7. The notice convening the General Assembly must be issued in writing at least one month before the date of the meeting.

11.8. The Chairman shall chair the meetings. The agenda may be changed by vote of a majority of the members present and voting. If the Chairman is not available, one of the Vice Chairmen will chair the meeting.

11.9. Additional business dealt at the meetings cannot be voted upon at the meeting. A written ballot can be taken, for such matters within 21 days after the meeting.

11.10. The General Assembly, ordinary or extraordinary, is authorised to:

- Elect the Chairman, Honorary Chairmen and the members of the Executive Committee.
- Elect an auditor.
- Approve applications for admission of membership.
- Approve proposals for withdrawal or exclusion of membership.
- Decide on appeals against resolutions of the Executive Committee insofar as such appeals are admissible.
- Fix the dates and places of future General Assembly and other meetings.

- Approve the accounts of the previous financial year after the report of the auditor.
- Approve budgets presented by the one of the Secretaries General on behalf of the Executive Committee and determine the subscription fees of members.
- Modify the statutes (see art. 20.2).
- Approve such rules as may be found desirable.
- Decide on the dissolution of the Federation and appoint liquidators (see article 20).

Article 12 – CHAIRMAN, HONORARY CHAIRMAN, VICE CHAIRMEN and SECRETARIES GENERAL

12.1. The Chairman

The Chairman is invested with the full executive power of the Federation. He/she may delegate part of it to members of the Executive Committee. He/she will chair the meetings of the General Assembly, National Presidents and the Executive Committee. He/she shall be responsible for promoting the standing of FEACO externally and to the membership.

12.2 The Honorary Chairman

The title of Honorary Chairman may be granted for undetermined duration by the General Assembly on proposal of the Executive Committee. The title of Honorary Chairman shall not be exclusive; more persons may carry this title. Honorary Chairmen shall have the right to participate in meetings of the Executive Committee, the General Assembly and the Secretaries General. The Honorary Chairman shall not have voting rights.

12.3. The Vice Chairmen

The Vice Chairmen's role is complementary to the Chairman's. He/she will assist the Chairman in his task and chair the meetings of the General Assembly, National Presidents and the Executive Committee in absence of the Chairman.

12.4. The Secretaries General

The Secretaries General will act as deputies to the Chairman and be responsible for overseeing the administrative aspects of the Federation.

Article 13 - EXECUTIVE COMMITTEE

13.1. FEACO is administered by an Executive Committee composed of not less than four directors and not more than ten directors. The number of directors and their positions are agreed by the General Assembly.

13.2. The Executive Committee will normally consist of the Chairman, two Vice Chairmen, the Secretaries General and up to seven other members.

13.3. A minimum of four of the directors will be members of the profession and the remainder may be either professionals or general secretaries of national associations being full members of FEACO. The directors who are members of the profession will at all times be members of the executive body of their national associations, or officially delegated by the latter, and shall be ineligible to remain on the Executive Committee once they cease so to be. Each country that is represented by a member association in the FEACO can send only one person to become a member of the Executive Committee. This rule does not include the Secretaries General.

The directors who are members of the profession must be principals in a member firm of a national association being a full member of FEACO. They are elected for a three-year term. Where a member resigns during his term of office, another 'qualified' member will fill his position from that National Association for the outstanding part of his term.

A year, in the context of this article, runs from 1st January to 31 December.

13.4. The Chairman is elected for two years from amongst the Executive Committee Members, and his tour on the Executive Committee shall cease on completion of his appointment as Chairman rather than after three years on that Committee. A limited extension may be agreed on a vote of the General Assembly. He/she must be a member of the profession and throughout his term a member of the executive body of his national association.

13.5 The Vice Chairmen are chosen by the Executive Committee from amongst the Executive Committee members, on proposal of the Chairman, for the duration of a normal term of service of the Chairman. To secure continuity in the ExCo it would be helpful if one of the Vice Chairmen become the successor of the outgoing Chairman. For the same reason it would be helpful if the outgoing Chairman continue on the ExCo as a director for a certain period of time.

13.6. The Secretaries General will be executive staff members of national associations. He/she shall be proposed by the Chairman and elected by the Executive Committee and hold office for at least two years.

13.7. The Executive Committee meets at least twice a year and shall be chaired by the Chairman, or in his absence, one of the Vice Chairmen.

- Nobody, except members of the Executive Committee, may attend its meeting without the Chairman's formal authorisation.
- It shall not transact any business unless a quorum of at least half of its members is present.
- On request of at least three directors a meeting must be convened, giving one month's notice.

13.8. Each member shall have one vote, except that the Secretaries General have no voting right in the Executive Committee. A member who is unable to attend can vote by proxy through another director.

Decisions are taken by simple majority of the members present or represented. If the votes are equally divided the Chairman shall have the casting vote.

Decisions of the Executive Committee will be notified to national associations in due time. The statutes shall be recorded signed by the Chairman and kept by the Manager who shall make them available to FEACO members.

13.9. Resolutions of the Executive Committee will be legally binding on all FEACO members, who have the right to send a written protest to the Committee and if it maintains its attitude to send an appeal to the General Assembly. An appeal to the General Assembly will not affect the Committee's resolution until a decision has been taken on it by the General Assembly.

13.10. In case of a vacancy arising amongst members of the Executive Committee a replacement acceptable to the Executive Committee will be nominated. He/she will serve the remaining period of the outgoing member.

The function of Member of the Executive Committee is not paid. Only justified expenses may be reimbursed.

13.11. The Chairman and the Secretaries General are each authorised to sign on behalf of FEACO. They may authorise a member of the Executive Committee e.g. a Vice Chairman or the Manager within specified boundaries, in agreement with Article 19.

13.12. Any differences of a professional nature arising between members of FEACO or individual members of the various affiliated national associations may be

submitted to the Executive Committee for an opinion. There is no right of appeal to the General Assembly.

13.13. At least once a year the Executive Committee shall prepare a report covering the previous period's activities, which will be submitted to the General Assembly by the Chairman. The Chairman shall also prepare and present an annual plan and budget for the succeeding year for consideration of the Executive Committee and submission to the General Assembly for approval.

Article 14 – SECRETARIES GENERAL COMMITTEE

14.1. The Secretaries General Committee has an advisory role to the Executive Committee. The Secretaries General Committee is composed of the General Secretaries of each National Association, which is a full, associate or affiliate member of FEACO.

14.2. The Committee may meet prior to each meeting of the General Assembly and of National Presidents and shall be chaired by one of the Secretaries General.

14.3. The Committee shall have no executive powers.

Article 15 - MANAGER

15.1. The Manager is appointed and dismissed by the Executive Committee.

15.2. He/she shall act as Secretary to the General Assembly

15.3. There is no time limit to his/her appointment. He/she may or may not be a member of the profession.

Article 16 - THE AUDITOR

The General Assembly will elect an auditor for three years. He/she will examine the accounts of the FEACO yearly and prepare his report annually for the General Assembly.

Article 17 - SPECIAL COMMITTEES

17.1. Special Committees may be nominated by the Chairman after consultation with the Executive Committee. Such Committees will comprise a leader and one or

more members according to needs. They are entrusted with the study of particular projects.

17.2. It is a principle of FEACO, that the majority of its work is undertaken by Task Forces and Working Groups.

17.3. There shall be no limit to the numbers participating in such voluntary Task Forces and Working Groups subject to restrictions that:

17.4. Each representative must be a member of a practice that has membership of a national association, which is a member or associated-to FEACO.

17.5. No practice may have more than one representative on each respective body.

17.6. Each body may set up working parties to undertake specific work but such parties will be subject to the direction of the Task Force/Working Group and may not act independently of its parent body.

17.7. Each body shall elect its own Chairman, who shall be the only spokesperson of that body. He/she may, subject to the prior approval of the Chairman of FEACO and the Executive Committee issue letters and statements on behalf of FEACO on his body's work but this only through the FEACO Secretariat, which will act as Secretary to each Task Force/Working Group.

17.8. Each body shall submit to the Executive Committee for prior approval any decisions that may have direct impact upon FEACO's official position.

17.9. Each Task Force/Working Group will have a 'sponsor' member on the Executive Committee who shall keep liaison with respective Chairman and report progress at each Executive Committee meeting. The chairman of each body, in conjunction with the sponsor shall submit an annual report on their body's activity to the General Assembly .

17.10. Each Task Force/ Working Group will be self funding, and have no call on FEACO for financial support, except in the provision of meeting rooms in the FEACO offices and for mail outs. Specific exceptions to this rule must be approved by the Executive Committee.

17.11. When a Task Force/Working Group envisages that they may incur an expense that could reflect on FEACO, such an action shall be notified to the Executive Committee prior to embarkation.

17.12. The FEACO Secretariat will provide the secretary for each body and be responsible for the maintenance of a roll of each body's participants and the issue of

agendas and minutes. Copies of agendas/minutes of each meeting will be distributed to national associations as well as to the members of each Task Force/Working Group.

17.13. Each Task Force/ Working Group may entitle itself with the FEACO initials, but may only issue documents through the FEACO Secretariat.

17.14. Meetings will take place at the most convenient venue for participating members, though Brussels will generally be regarded as the preferential location.

17.15. Meetings should take place at intervals not exceeding three months, though working parties (without the support of the FEACO secretariat) may be set up when quarterly meetings are insufficient to meet the requirements of the Task Force/Working Group.

17.16. They may be invited to attend meetings of the Executive Committee for those subjects only, for which they have responsibility.

TITLE V - FINANCES

Article 18 - SUBSCRIPTION

18.1. The annual subscription payable by the member associations is fixed by the General Assembly. The subscription will become payable on the first day of each financial year.

18.2. Those member associations who do not pay their subscription for the year in which the subscription is due, shall, on the approval of the General Assembly, be expelled and shall not be permitted FEACO membership without reapplying for membership.

18.3. The annual subscription due to the member associations shall be determined by the General Assembly to cover the normal expenses of FEACO. If additional finance is required for specific projects, the General Assembly shall be invited to agree the programme.

18.4. The annual subscription will be invoiced at least three months prior to its becoming due for payment.

18.5. Subscription funds may not be used for any object other than that of FEACO.

Article 19 - FINANCE

19.1. The financial year shall be coincident with the calendar year. (January 1 - December 31).

19.2. The funds of FEACO shall be administered by the Secretaries General, assisted by the Manager. Finances and funds shall be administered solely at the administrative office of FEACO. All documentation concerning finances and funds shall be administered entirely and originally at the administrative office. The members of FEACO shall at any time on written request be allowed to examine these documents.

19.3. 19.3. Funds of FEACO, which are not immediately required for its purposes, may be invested in securities as may be considered appropriate by the Executive Committee.

19.4. Proper accounts shall be kept of the sums of money received and expended by FEACO and of the property, credits and liabilities of FEACO. The books and accounts shall be examined at least once a year by the auditor.

19.5. At least once a year, one of the Secretaries General assisted by the Manager shall provide the General Assembly through the Executive Committee an income and expenditure account for the period since the last preceding account, together with a balance sheet dated as at the last day of the accounting period. This balance sheet shall be accompanied by a report of the auditor together with a recommendation for acceptance by the Executive Committee. The account balance sheet and report shall be distributed to the authorised representatives (see article 6.1.) not less than one month before the next General Assembly meeting.

TITLE VI - DISSOLUTION

Article 20 - LIQUIDATION

20.1. Dissolution and liquidation of FEACO may be proposed by the Executive Committee at the General Assembly, or by one third of the members. If liquidation is agreed, it will be carried out by the Executive Committee or by a liquidation commission nominated by the General Assembly.

20.2. In case of dissolution, the administration expenses will be settled first, followed by the liquidation charges, then any other expenses already agreed.

20.3. The General Assembly may dispose of the remaining assets at its own discretion, once all the liabilities of the Federation have been met.

TITLE VII - MISCELLANEOUS

Article 21 - STATUTES

21.1. The original of these statutes is in English. Translations into French necessary for registration in France will be made by a sworn translator.

21.2. These statutes may be amended, modified or supplemented at any meeting of the General Assembly. The affirmative vote of two thirds of the represented votes in this meeting, whether in person or by proxy shall be required for the adoption. Notice of the proposed amendments, together with its text shall be mailed to the members by the Manager at least 30 days before the meeting at which the proposal shall be submitted to vote.

Article 22 - FORMALITIES

22.1. Legal questions concerning FEACO and third parties will be submitted to the appropriate Court of the place where FEACO has its administrative office.

22.2. In case of any dispute between FEACO and its members, all members agree to a final settlement by arbitration at the International Chamber of Commerce in Paris, governed by the respective rules.

Feaco Constitution Bylaws

Annex A

MINIMUM QUALIFICATION CRITERIA FOR MEMBERSHIP OF A NATIONAL ASSOCIATION

Membership of a National Association federated to FEACO is open to all management consultants as defined in the introduction, on the basis of qualification and election. Whilst each National Association may demand differing levels of qualification, all have to adhere to the minimum criteria set out below

1. INDEPENDENCE

The management consultancy must be clearly identifiable with a formal status and known principals. It must be in the public practice of management consultancy, be financially viable and self supporting, and independent to the extent that it is free to give unbiased professional advice to clients and to select, train and control its staff without reference to, or control by, a permanent body which is not in the public practice of management consultancy.

2. EXPERTISE

The consultancy must practice primarily as a management consultancy and be qualified to analyse problems, to give advice, and to assist in implementing such advice over a representative cross-section of clients in a significant area of at least one key field of activity.

3. ETHICS

The management consultancy shall periodically (ideally annually) re-affirm that it maintains at all times the highest professional and ethical standards, and that it adheres to its Code of Professional Conduct and Best Practice set out in the By Laws of the National Association.

4. LENGTH OF EXPERIENCE

The consultancy must have been in the public practice of management consultancy for a minimum of three years, preferably five years. Where a consultancy is already member of a National Association federated to FEACO, and applies for membership

to another National Association equally federated to FEACO, this minimum period may be reduced.

5. QUALIFICATION

The management consultancy must demonstrate a depth of intellectual and technical knowledge achieved through a combination of university grade or equivalent qualifications and management consultancy experience.

6. VERIFICATION

The management consultancy accepts that as an integral part of its membership of a National Association that its qualifications shall be verified prior to its election to membership, and subsequently either on a change of status of the consultancy or at such periodic intervals as are laid down by the National Association.

Feaco Constitution Bylaws

Annex B

DEFINITIONS

A consultancy in the public practice of management consultancy is one whose work is untied in that the majority of its work, measured in value done each year, has been for clients not tied organisationally to its parent company or group or companies or public body.

The following are considered the key fields of activity of Management Consultancy:

1. Corporate strategy and organisation development
2. Financial and administration systems
3. Human resources (including executive search and interim management)
4. Production and services management (including technology, logistics, R&D/
Innovation and quality control)
5. Marketing and corporate communication
6. Information technology and systems
7. Project management
8. Economic and environmental studies