



European Finance Association

Statutes

Article 1 - Name and Seat

The undersigned hereby establish an international non-profit association with scientific and pedagogical objectives called the European Finance Association (EFA).

This Association shall be governed by the dispositions of title III of the Belgian law of 27 June 1921 on non-profit associations, international non-profit associations and foundations.

The Association's registered office is presently established at Place De Brouckère 31, 1000 Brussels, Belgium. It can be moved to any other location in Belgium by a simple decision of the Executive Committee published within the month of the move in the annexes of *Le Moniteur belge*.

Article 2 - Aims

The aim of the association, which is non-profit seeking, is to provide a professional association to academics and practitioners interested in the fields of finance and economics and its applications, with the purpose of supporting, disseminating and stimulating high quality research in the field in Europe.

In particular, the association shall serve as a meeting and communication forum for its members resident in Europe and elsewhere. It will offer a network for the exchange of knowledge on an international level and provide a framework allowing for a better dissemination of information on research and teaching in finance and economics.

The association also aims to develop relations with any other professional and research-oriented associations which are active in the field of finance and economics, as well as with European or international committees and public bodies involved with political decision making in the field.

To achieve its objectives, the EFA will organise an annual conference and general membership meeting, support the publication of an academic journal and undertake any other activity it may deem appropriate to fulfill its above-mentioned aims.

To carry out its aims, the association may collect funds, receive donations and sponsorships, organise conferences, seminars and research tutorials, maintain a website, publish a newsletter and any other document relating to its purpose. The association may engage in any activity that enables it to fulfill its objectives and/or to facilitate the development of high quality research or teaching in the field of financial economics.

Article 3 - Members

- 3.1. Every physical person who is by profession involved or interested in research or teaching in the field of finance and economics is, irrespective of nationality, eligible to become member of the association (hereafter referred to as «individual members»). Applications for individual membership must be submitted to the association in compliance with the appropriate process – including the required information – as set forth by the Executive Committee. The Executive Committee decides regarding the applications.
- 3.2. Can also become members all officially recognized non-physical entities such as professional associations or commercial businesses, financial institutions, governmental institutions, universities and other organisations (hereafter referred to as «institutional members».) Applications for institutional membership must be submitted to the association in compliance with the appropriate process – including the required information – as set forth by the Executive Committee. The Executive Committee decides regarding the applications.
- 3.3. Members are physical persons or institutional bodies legally constituted under their own country's legislation.
- 3.4. Membership can be terminated:
 - a) upon decision of the member himself/herself, with effect three months after withdrawal has been communicated in writing to the Executive Committee;
 - b) if the membership fee remains unpaid one month after the beginning of the year to which it pertains;
 - c) by the General Assembly which can decide to suspend or exclude a member for serious misconduct. Prior to the next General Assembly, the Executive Committee can decide by a two third majority vote, to suspend any member whose exclusion is planned. Prior to all decisions of suspension or exclusion the member must be given the opportunity to present his/her arguments.

Individuals or institutions who are no longer members of the association have no claims on or rights to the association's resources and assets.

Article 4 - General Assembly

- 4.1. The General Assembly holds full authority and decision power to take all the actions needed to achieve the objectives of the association. Without prejudice to the powers explicitly devolved to it by other provisions of these by-laws, the General Assembly has full and exclusive power to decide, among others:
 - the definition of the general policy of the association;
 - the modification of the statutes;
 - the approval of the accounts;

- the voluntary dissolution of the association;
- the approval of changes in the membership fee;
- the designation and dismissal of Executive Committee members.

4.2. The General Assembly of the members of the association is held annually on the date and venue decided by the executive committee and upon convocation by the latter. The Executive Committee can also convene an extraordinary General Assembly should the interests of the association dictate it. An extraordinary General Assembly must be convened when 20% of the members demand to do so.

In all cases, the invitation to attend the General Assembly, and the agenda of the meeting must be sent to all members by mail or by any other means at least 30 days before the date of the General Assembly.

4.3. The President of the Association, or in his absence the Chairperson, the President-elect or another member of the Executive Committee chosen by the General Assembly, chairs the General Assembly.

4.4.

a) The quorum at the General Assembly includes the members of the Executive Committee present at the meeting plus all the non-Executive Committee members present at the meeting. The decisions of the General Assembly are valid only if at least one tenth of the members attending the annual conference or one twentieth of the total membership (should this last number be lower than the first) are physically present at the general membership meeting. If the quorum is not satisfied, a new General Assembly needs to be called. The decisions of this follow-up General Assembly will be valid no matter how many members attend it.

b) The election of the directors and the non-officer, non-director members of the Executive Committee if any, as well as the approval accounts can held through a vote of the full membership of the association outside the regular annual General Assembly. The votes can be held by mail, email or any other secure electronic medium and are organized by the Executive Secretary under the guidelines of the Executive Committee.

Provided all members in good standing have been notified and afforded the opportunity to vote, the results of these elections are valid if at least one thirtieth of the members express their vote. The outcome of these votes have to be ratified at the next scheduled General Assembly.

It is nevertheless required that the names and a brief bio of the candidates for director and for non-officer non-director members of the Executive Committee, the accounts and the auditor's review be communicated in advance to all members by mail, email, or any other secure electronic medium. A reasonable time period has to be provided to allow the members to make up their mind knowledgeable and convey their votes to the executive secretary.

c) In exceptional cases justified by urgency, the General Assembly can authorize a general membership to vote by mail, email or any other secure electronic medium. Provided all members in good standing have been notified and afforded the opportunity to vote, the results of these elections are valid if at least one thirtieth of the members express their vote. Decisions taken in this fashion have to be ratified by the General Assembly during its first subsequent scheduled meeting.

It is nevertheless required that the issues to be deliberated, the proposed actions and the recommendations of the Executive Committee are communicated in advance by means of an explanatory notice to all members by mail, email or any other mode of communication. A reasonable time period has to be provided to allow the members to be sufficiently apprised of the issues and to make their vote known to the president.

- 4.5. Only members that are physical persons are voting members. Every voting member has one vote. Decisions are taken by simple majority of the votes.
- 4.6. The decisions of the General Assembly are recorded in a register (minutes of the general assembly), which is kept at the headquarters (social seat) of the association by the secretary, who holds them at the disposal of the members.

Article 5 - Executive Committee

- 5.1. The Executive Committee holds all the association management and administrative powers, except those vested to the General Assembly. It can delegate some of its powers to representatives or ad hoc committees that it has itself selected, including powers specifically vested to the Executive Committees by the present statutes.
- 5.2. The Association is administered by the Executive Committee which includes the following members:

Officers

- the President;
- the Vice-President;
- the past Presidents for the 2 most recent years preceding the current year;
- the Editor(s) of the Journal of the association;
- the Executive Secretary;
- the Chairperson (if a Chairperson is elected by the General Assembly).

Directors

- 9 members elected at large by the General Assembly.

In addition, the Executive Committee can propose to the General Assembly to elect other members as non-officer, non-director members of the Executive Committee, for terms not exceeding 3 years and renewable only once. These members can be dismissed before the end of their term by the General Assembly upon proposal of the Executive Committee, whereby the concerned members cannot vote.

The General Assembly will approve the nominations of the members of the executive committee and can dismiss them at any time.

- 5.3. The Executive Committee shall consist of minimum 12 and maximum 18 members.
- 5.4.
 - (a) The President and the Vice-President are elected by the annual General Assembly upon nomination by the Executive Committee for a term of 1 year. Their term of office starts on the first of the year following their election. They can be dismissed by the General Assembly.
 - (b) The Executive Committee can propose to the General Assembly to elect a Chairperson of the Executive Committee. The Chairperson is elected by the annual General Assembly

upon nomination by the Executive Committee for a term of 3 years, renewable once for an additional term not exceeding 3 years. The term of office starts on the first day of the year following his/her election. He/she can be dismissed by the General Assembly.

5.5.

- (a) The outgoing President becomes automatically one of the 2 past Presidents member of the executive committee for the 2 years following the year s/he is president. The past Presidents can be dismissed by the General Assembly. The current Vice-President is nominated to be President for the year following his/her Vice-presidency. If the Vice-President is not capable or willing to assume this function, another candidate for President is nominated by the executive committee for election by the General Assembly.
- (b) A Chairperson can be nominated by the Executive Committee for election by the General Assembly. The Chairpeson will be chosen from among Past Presidents of the Association, or individuals with equivalent professional stature.

5.6. The Editor(s) of the Journal of the association is (are) appointed by the Executive Committee for a period not exceeding 3 years, renewable, and starting on January 1 of the year following his/her (their) appointment. The editor(s) can be dismissed from Editorship and the Executive Committee by other members of the Executive Committee, and the Publisher of the Journal will be asked to accept a substitute Editor.

5.7. The Executive Secretary is appointed and dismissed by the Executive Committee. The power to appoint, terminate as well as the functions of the Executive Secretary can be delegated. The rules pertaining to the functioning of the administrative secretariat are fixed by the Executive Committee. The Executive Secretary is nominated for a two years term and can be renewed in his/her post indefinitely. His/her role is purely consultative and has no vote in the Executive Meeting. He/she is in charge of establishing the minutes of the Executive Committee meetings.

5.8. The 9 elected Directors of the Executive Committee are elected by the General Assembly upon nomination by the Executive Committee such that the Executive Committee reflects reasonable representation according to geographical area, large and small universities and other organisations in the areas of finance and economics..

The Executive Secretary of the association provides for the organization of the aforementioned elections on the basis of the guidelines decided by the Executive Committee. The Directors so elected are in office for a term of three years. Their term of office starts on the first of January of the calendar year following their election. They can be dismissed by the General Assembly. In the case of resignation of a Director or election of one the Directors to an Officer role, an additional Director can be elected by the General Assembly for the remaining term of the outgoing Directors.

5.9. The regular annual meeting of the Executive Committee shall be held in connection with the annual conference and before the General Assembly.

A second meeting may be held following the General Assembly to consider matters arising there.

Special meetings, such as Interim Executive Committee Meetings, may be called by the President, the Chairperson, or upon the join request of a majority of the members of the Executive Committee.

The Executive Committee can validly convene if at least five of its members are physically present. Decisions are taken by simple majority of the votes.

In exceptional cases justified by urgency, the Executive Committee can authorise its member(s) to vote by mail, email, or any other secure electronic medium. Decisions taken in this way have to be ratified at first subsequent scheduled meeting of the Executive Committee.

It is nevertheless required that the issues to be deliberated are communicated prior to the meeting to all members by means of an explanatory notice, reasonably in advance of the meeting for members to be sufficiently apprised of the issues to express their views knowledgeably.

5.10.

- (a) The Executive Committee can authorise any member to participate in a meeting of the committee through all means of communication allowing for a collegial exchange (for example: teleconferencing).

Moreover, in exceptional cases justified by urgency, the Executive Committee can authorise its member(s) to participate in one of the committee's meetings by all other means of communication (for example email or fax). Decisions taken in this way have to be ratified during the following meeting.

A member participating in a meeting of the Executive Committee in one of the modes specified above is considered as present during the meeting and is able to express his vote according to the agreed mode.

It is nevertheless required that an explanatory notice covering all points of the agenda of the Executive Committee meeting be sent in advance by mail, email, or any other secure electronic medium to all members electing to use the exceptional agreed upon remote voting procedure.

- (b) The Executive Committee can also take decisions without convening its members physically but instead by organising the meeting by all means of communication that provide for a collegial exchange between members (for example: teleconferencing).

Moreover, in exceptional cases justified by urgency, the Executive Committee can take decisions without convening physically - but by all other means of communication (for example email or fax). Decisions taken in this way have to be ratified during the following meeting.

It is nevertheless required that the issues to be deliberated and the proposed actions are communicated in advance by means of an explanatory notice to all members by email, fax or any other secure electronic medium. A reasonable time period has to be provided to allow the members to make their views and their vote known to the president.

5.11. Except in the case of special proxies/ power of attorney, all deeds binding the association must be signed by two members of the Executive Committee who do not have to justify the powers endowed them towards third parties.

5.12. The Executive Committee, represented by its President or another member assigned by the President, pursues legal action as plaintiff as well as defendant.

Article 6 - President, Chairperson, Vice-President, Editor(s) and Executive Secretary

- 6.1.
 - (a) The President is the public representative and chief spokesperson for the association and chairs the General Assembly. He/she leads the day to day operations of the association. He/she serves as liaison personally or by delegation between the association and the “American Economic Association”, the “American Finance Association”, the “International Financial Management Association” and other associations. If the Association does not elect a Chairperson, the President chairs the Executive Committee.
 - (b) The role of the Chairperson is to provide continuity in strategic leadership, including addressing long term strategic issues with other associations, to raise long-term financial sponsorships, and to deal with unexpected issues not handled by the President. The Chairperson chairs the Executive Committee.
- 6.2. The Vice President is in charge of organizing the annual meeting. He/she will perform the duties of the President in his absence. Upon serving his tenure of office as Vice-President, he/she will normally be nominated to be President.
- 6.3. The Editor(s) of the Journal of the association is (are) responsible for soliciting, screening and publishing the articles in the Journal as well as promoting the Journal in any suitable way.
- 6.4. The Executive Secretary keeps the files, records and archives of the association as well as its accounts.

Article 7 - Finances

- 7.1. The structure and the amount of the fees payable by the members are fixed by the Executive Committee and submitted to the General Assembly for approval.
- 7.2. Payment of the membership fee includes the right to receive the journal of the association, provided the association publishes a journal, and to participate in the events organised by the organisation subject to the conditions decided by the Executive Committee. Those rights and all other membership rights are limited to the year for which membership fees have been paid.
- 7.3. The annual accounts of the association are prepared and submitted to the General Assembly, with the report of the auditor having reviewed them. The accounts are then communicated to the members.

Article 8 - Changes to the Statutes

Any change in the Statutes cannot be adopted unless the following provisions are satisfied:

- a) Proposals of statutes changes can be submitted by the Executive Committee or by 20% of the members of the association.
- b) The Executive Committee must submit the proposal for change as it was formulated, as well as an explanatory notice, its recommendation and a proxy voting form to the members by mail, email or any other means of communication to the members at least sixty days before the date of the General Assembly convened to rule on this modification.

- c) The General Assembly can validly vote on the proposal only if at least three fifths of the total membership, or three fifths of the members attending the annual conference (should this last number be lower than the first), are present in person or by proxy. If this quorum is not satisfied, the next General Assembly will definitely and validly rule on the proposal irrespective of the number of members in attendance. The invitation to the first General Assembly can in this respect include an invitation to a second General Assembly on a prespecified date, for the case that the quota of attendance defined above is not achieved during the first General Assembly that had been convened to decide on the proposal of modification.
- d) The proposal or all modifications thereof can only be adopted if they are approved by two thirds of the votes of the members present or represented. These modifications will only become effective after the requirements of title III of the law of the 27 June 1921 have been fulfilled.

Article 9 - Dissolution

The General Assembly can decide to dissolve the association, in accordance with the rules laid down for the modification of the statutes. If the dissolution is agreed, the General Assembly appoints an official liquidator, determines his powers and allots possible surplus from liquidation to a beneficiary(s) that should pursue similar objectives to those of the association.

Article 10 - Transitory Arrangement

All that has not been provided for by the present statutes is regulated by the dispositions of title III of the law of 27 June 1921 on non-profit making associations, international non-profit-making associations and foundations.
