

Change of CENL statutes

Actions required:

- Discussion on proposed changes to CENL statutes
- EC are asked to agree on the proposed changes

At its meeting on 28 September 2022 at the German National Library in Frankfurt, the EC stated that it is likely to become the new normal that not all its members will be able to attend an EC meeting. As the statutes require that that all members must be present in order to pass valid resolutions a solution has to be found here.

All EC members present agreed that for this reason the statutes should be amended so that a meeting will have a quorum even if not all members are present. The secretariat was asked to propose amendments of the statutes for discussion at its meeting in January 2023.

The latest change of the statutes was 3. October 2018. Article 14 of the statutes delivers the basis for any changes. According to Article 14, the EC may decide to amend the Statutes. Two-thirds of all EC members must agree to the amendment. The resolution must be confirmed by two thirds of the Board of Directors. The amendment becomes legally binding only when it is registered by a notary.

For the EC meeting in January 2023, the secretariat proposed some changes to the CENL statutes that were discussed. The Chair asked the secretariat to prepare an updated proposal.

The Secretariat hereby presents the updated proposal:

Proposed changes <updated after 23 January meeting>

The secretariat attentively proved the statutes and proposes changes in articles 5, 8 and 9.

The changes proposed for article 9 are intended to enable the EC to act even if one of its members is unable to attend one or more meeting. It will allow the Executive Committee to take decisions in reasonable time:

Executive Committee; the decision-making process.

Article 9.

2. All resolutions in respect of which no provisions to the contrary have been made in the present articles of Association will be adopted by an absolute majority of the votes cast in a meeting at which all **two thirds of the** members of the Executive Committee are present. ~~If not all the members are present, a second meeting will be convened and will be held no earlier than two and no later than four weeks after the first meeting. A valid resolution may be adopted in this second meeting, provided at least the majority of the members of the Executive Committee are present or represented, and provided the resolution is adopted by an absolute majority of the votes cast.~~

6. Two thirds of members of the Executive Committee attending the meeting either:

(a) in person;

(b) by telephone or videoconference; or

(c) by proxy from among the EC members,

shall constitute a quorum.

7. In urgent cases, resolutions of the Executive Committee may, instead of at a meeting, be passed in writing, provided that all members of the Executive Committee are familiar with the resolution to be passed and none of them objects to this decision-making process within ~~two (2) months~~ one (1) month upon receipt of the proposed resolution.

The change proposed for article 8 refers to the size of the Executive Committee.

So far, there is only a minimum size for the group. At the time being, the EC consists of 7 members which seems to be the right size. Given the fact that the foundation has (only) 46 members, 7 members mean that more than 15% of them are members of the EC.

Executive Committee, composition, appointment and resignation.

Article 8.

1. The foundation's Executive Committee will consist of a number of members, at least three persons <but no more than 7>, to be fixed by the Board of Directors. [...]

The change proposed for article 5 is a consequence of the changes proposed for article 9.

Directors.

Article 5.

[...]

3. A director will cease to be a director:

- a. as a result of his resignation as director of a national library;
- b. as a result of his death;
- c. by giving notice of termination;
- d. if he goes into bankruptcy, involuntary liquidation or applies for a suspension of payments;
- e. if he is made the subject of a guardianship order;
- f. as a result of his expulsion by the Board of Directors; a resolution to this end requires a majority of two-thirds of the votes cast in a meeting at which two-thirds of the foundation's directors are present or represented;
- g. as a result of his/her expulsion by the Executive Committee; a resolution to this end requires an absolute majority of the votes cast in a meeting at which ~~at least~~ two thirds of the members of the Executive Committee are present or represented. With due consideration of the preceding sentence, the Executive Committee may only resolve on the expulsion, if a director:

- fails to fulfil his/her obligations under Article 5 paragraph 2 during a period of more than twelve months (the "Default Period");
- received three months after the Default Period a written notice stating his/her default from the treasurer of the foundation (the "Notice"); and
- does not fulfil his/her financial obligations under Article 5 paragraph 2 within one month after receipt of the Notice.

[...]