



MEMORANDUM

To: CONCACAF Member Associations

From: General Secretariat

Re: Executive Summary of Revisions to CONCACAF Statutes

Date: January 25, 2016

This memorandum sets forth a summary of revisions to the CONCACAF Statutes as prepared by the Statutes Reform Committee; Article and paragraph numbers refer to the draft Statutes as revised. These revisions are based on the governance reform framework recommendations of the CONCACAF Special Committee dated July 4, 2015 (the “**Reform Framework**”) and recommendations set forth in the 2016 FIFA Reform Committee Report dated December 2, 2015 (including proposed revisions to the FIFA Statutes) that were approved by the FIFA Executive Committee on December 3, 2015 (the “**FIFA Reform Committee Recommendations**”), and include the clarifying, conforming and organizational amendments set forth below or otherwise indicated in the draft Statutes as revised.

RECOMMENDED REVISIONS IMPLEMENTING THE REFORM FRAMEWORK:

- Article 11, par. 2(d), Article 34, par. 3- Provides that a Member Association has the right to be provided with access to agendas of CONCACAF Council meetings and that such agendas will be publicly available on CONCACAF’s website.
- Article 22(m), Article 26, par. 3(e), Article 27, par. 1(n), Article 32, par. 3, Article 33, par. 2(m)(iv) and Article 33, par. 2(p) - Provides that the Congress has authority to review and approve on an annual basis, upon the recommendation of the CONCACAF Council (which recommendation is made upon the recommendation of the Compensation Committee) the remuneration and other compensation of (i) the members of the CONCACAF Council, (ii) CONCACAF representatives before FIFA, (iii) the chairpersons of the Audit and Compliance Committee, Finance Committee, Compensation Committee and the Governance Committee, and (iv) senior personnel of the General Secretariat, specifically the General Secretary, Chief Financial Officer, General Counsel and Chief Compliance Officer.
- Article 32, par. 1, 6 and 11, and Article 33, par. 2(f) - Provides that the CONCACAF Council shall include three “Independent Members” (in addition to the President, three vice-presidents, three “Member Association Members” (formerly referred to as “members”) and one “Female Member”), who are nominated by the CONCACAF Council and must qualify as “independent” (as defined). Each Independent Member must be a national of a country within a zone of the Unions and no Independent Member shall be from the same country as another Independent Member; there must be at a minimum one Independent Member that is a national from each zone.

- Article 32, par. 2 - Provides that CONCACAF Council members may serve a maximum of three (3) terms of four (4) years, and that no member may serve for more than twelve (12) years, whether consecutive or not.
- Article 32, par. 7 - Removes the requirement that CONCACAF Council candidates for President or Independent Member have played an active role in Association Football for two (2) of the last five (5) years before being proposed for a position on the CONCACAF Council.
- Article 33, par. 2(q) - Provides that the CONCACAF Council shall review and approve the remuneration of standing committee members.
- Article 37, par. 3 - Provides that the President is not an *ex-officio* member of the Independent Committees (Audit and Compliance and Compensation).
- Article 43 and Appendix - Creates a Compensation Committee (to be comprised entirely of Independent Members) and a Governance Committee, provides that the Audit and Compliance Committee is to be comprised entirely of Independent Members, provides that the Governance and Finance Committees must be chaired by Independent Members, and streamlines existing committees. Provides that Congress shall ratify appointments of Independent Members to the Audit and Compliance, Compensation, Finance and Governance Committees.

RECOMMENDED REVISIONS RELATING TO FIFA REFORM COMMITTEE RECOMMENDATIONS:

- Global - Changes the name of the Executive Committee to the “CONCACAF Council” and the name of the FIFA Executive Committee to the “FIFA Council”.
- Article 2 - Clarifies that among other objectives, CONCACAF will (g) draw up regulations “and provisions governing the game of Football and related matters,” (j) institute strong measures and campaigns against “discrimination” (among other matters), (l) disseminate information to “Member Associations and the public” on CONCACAF activities, (n) promote the development of women’s football and the full participation of women at all levels of football, including governance and in technical roles, and (o) use its efforts to ensure that the game of football is available to and resourced for all who wish to participate, regardless of gender or age.
- Article 3, par. 2 - Adds “disability” to the list of types of discrimination that is strictly prohibited and punishable by suspension or expulsion.
- Article 3, par 3. - Provides that CONCACAF shall be committed to respecting all internationally recognized human rights and shall strive to promote the protection of these rights.
- Article 9, par. 5 - Provides that Associate Members may not propose candidates to hold office on the CONCACAF Council, serve as members on standing committees, take part in FIFA final competitions or vote on FIFA matters unless otherwise permitted in accordance with the FIFA Statutes.
- Article 12, par. 1 - Adds provisions to existing Article 12 that Member Associations are required to (1) ensure that judicial bodies are independent (separation of powers), (2) avoid conflicts of interest in decision making, (3) have legislative bodies that are constituted in accordance with the principles of representative

democracy and taking into account the importance of gender equality in football, (4) produce and publish yearly independent audits of accounts, (5) produce documentation, financial records and provide additional information in response from inquiries from CONCACAF, the CONCACAF Council or any judicial body in connection with proceedings pursuant to the Statutes, the Code of Ethics or any Regulations and (6) take all necessary actions to enforce the obligations described in Article 12 and related statutory provisions.

- Article 32, par. 2 and Article 43, par. 8 - Provides that candidates for the CONCACAF Council, each standing committee and judicial body must pass an eligibility check carried out by the Ethics Committee.
- Article 33, par. 2(g) - Provides that the CONCACAF Council has the power to recommend members of standing committees and judicial bodies of FIFA.
- Article 33, par. 2(l) - Clarifies how the female member of the FIFA Council is proposed.
- Article 40, par. 1 - Clarifies that CONCACAF is entitled to have five (5) representatives on the FIFA Council, including one vice-president and four (4) members (was previously one vice-president and two members), and one position is reserved for a female member.
- Article 40, par. 2 - Provides that CONCACAF representatives to FIFA may not serve for more than twelve years (12), whether consecutive or not.
- Article 40, par. 4 - Expands the examples of playing an active role in Association Football to include as an adviser to FIFA, a confederation recognized by FIFA or a National Association.
- Article 40, par. 10 - Deletes provisions providing that the CONCACAF Representatives to the FIFA Council have no voting power at the CONCACAF Council.
- Article 43, par. 9 - Provides that committee composition, structure and responsibilities shall be stipulated in the CONCACAF Governance Regulations, and that the CONCACAF Council shall endeavor to ensure that membership of each standing committee reflects a reasonable balance among the three Unions.
- Article 45, par. 2 - Provides that chairpersons, deputy chairpersons and members of judicial bodies shall be appointed to four (4) year terms (was previously two (2)), and may not serve for longer than twelve (12) years, whether consecutive or not.

ADDITIONAL RECOMMENDED REVISIONS RELATING TO THE CONGRESS, CONCACAF COUNCIL, COMMITTEES, JUDICIAL BODIES, UNIONS AND/OR ZONES:

- Definitions, par. 39 - Defines “zone” and clarifies that Bermuda, French Guiana, Guyana and Suriname shall be deemed to be included in the Caribbean zone for purposes of the Statutes.
- Article 9, par. 7 - Allocates Bahamas and Bermuda to the CFU, instead of the NAFU, and deletes the notation “Notwithstanding their affiliation to NAFU, Bahamas and Bermuda will participate in the competitions of CFU.”

- Article 11, par. 2(a) - Clarifies that a Member Association has the right to be provided with timely notice of each Congress.
- Article 19, par. 5 and Article 43, par. 5 - Provides that the duties, composition and function of committees are defined in the Statutes “and any applicable charter or terms of reference.”
- Article 19, par. 6 - Conforming change to clarify that *ad hoc* committees may be established by the CONCACAF Council (pursuant to Article 44), as well as the Congress.
- Article 22(i) and Article 42, par. 5 - Provides that the Congress has authority to appoint and dismiss the General Secretary, upon the recommendation of the CONCACAF Council.
- Article 22(k), Article 26, par. 3(d), Article 27, par. 1(l) and Article 33, par. 2(m)(iii) - Clarifies that the budget to be approved by the Congress is presented/recommended by the General Secretariat annually.
- Article 22(l), Article 26, par. 3(h), Article 27, par. 1(m), Article 33, par. 2(j) and Article 59, par. 1 - Provides that the Congress has the authority to approve the appointment of the auditors and that the lead audit partner shall rotate at least every five (5) years.
- Article 22(p), Article 27, par. 1(r), Article 33, par. 2(i) and Article 43, par. 3 - Provides that the Congress has authority to ratify, upon the recommendation of the CONCACAF Council, the appointment and dismissal of the chairpersons, deputy chairpersons and members of the Independent Committees, and the appointments of independent members of the Finance Committee and Governance Committee.
- Article 32, par. 1 - Provides that the four (4) FIFA Representatives are members of the CONCACAF Council.
- Article 32, par. 12 and Article 40, par. 9 - Clarifies that a vice-president’s seniority is determined by reference to the length of time of such person’s service on the CONCACAF Council.
- Article 32, par. 13 - Clarifies that certain requirements relating to nationality shall not apply to the person filling a vacancy in the position of vice-president where that position has become vacant by reason of the most senior vice-president filling the position of President upon a vacancy in that position.
- Article 33, par. 1 - Enumerates the fiduciary duties applicable to CONCACAF Council members.
- Article 34, par. 3 - Provides that agendas for CONCACAF Council meetings (other than those regarding any executive session held without the presence of CONCACAF staff) shall be made publicly available to members of the CONCACAF Council via posting to the CONCACAF website.
- Article 35, par. 4 - Provides that CONCACAF Council members who may have a conflict may be required to provide information and answer questions in relation to the conflict.

- Article 36, par. 1 - Includes examples of the persons whom Congress can dismiss and the CONCACAF Council can provisionally dismiss from a position.
- Article 36, par. 3 - Provides that the Congress or CONCACAF Council can act to dismiss a person before providing an opportunity for the person to speak in his own defense under certain circumstances.
- Article 40, par. 9 - Provides that in the event of a person being appointed to fill a vacancy in the position of President, the automatic seat of the CONCACAF President does not affect the quota of the Union from which he or she originates.
- Article 43, par. 4 - Provides that standing committee chairpersons, deputy chairpersons and members shall be appointed to four (4) year terms (was previously two (2)).

RECOMMENDED REVISIONS RELATING TO QUORUM, VOTING AND/OR CALLING MEETINGS:

- Article 23, par 3. - Provides that a quorum is required for a second Congress when a member of the CONCACAF Council or FIFA Council is required to be elected at such Congress.
- Article 24, par 1. and 2. - Clarifies that proposals and motions are passed if supported by a majority of the Member Associations present and eligible to vote at the Congress (was previously votes cast), and that abstentions count as votes cast against where the vote required is a particular proportion of those present and eligible to vote.
- Article 24, par. 3 - Provides that voting in elections shall not be by a show of hands or roll-call, and that votes (other than elections) shall be taken by calling the roll upon a motion supported by $\frac{3}{4}$ of the Member Associations.
- Article 25, par. 1 - Provides that election of office-bearers at the Congress shall be by secret ballot (was previously a show of hands) and may be made by means of an electronic count.
- Article 28, par. 6 - Provides that an Extraordinary Congress is subject to the same quorum and voting requirements applicable to an Ordinary Congress (previously required $\frac{3}{4}$ of Member Associations to be present for Extraordinary Congress quorum purposes, and proposals or motions requiring approval of $\frac{3}{4}$ of Member Associations present and eligible to vote).
- Article 33, par. r - requires CONCACAF Council action to approve any material contract.
- Article 35, par. 3 - Provides that certain CONCACAF Council decisions require approval of $\frac{3}{4}$ of the votes present and eligible to vote (was previously votes cast), and lowers the dollar threshold for those decisions from USD 500,000 to USD 250,000.

ADDITIONAL RECOMMENDED REVISIONS:

- Article 1 - Clarifies that CONCACAF shall be a membership organization with members comprised of National Associations, and its place of business shall be in Miami.

- Article 6 - Combines previous Articles 4 and 6 relating to fair play, loyalty to CONCACAF, integrity and sportsmanship.
- Article 7, par. 2 - Clarifies that “formal decisions”, “announcements” and “official” correspondence of CONCACAF shall be published in the official languages of English, Spanish, French and Dutch.
- Article 8, par. 1, Article 13, par 1, Article 14, par. 1 and Article 22(g) - Provides that the Congress is authorized to admit, suspend or expel any Member Association “upon the recommendation of the CONCACAF Council.”
- Article 12, par. 1(a) - Provides that each Member Association is required to ensure that the statutes, regulations and decisions of FIFA and CONCACAF (including the FIFA and CONCACAF codes of ethics) are respected by its own Leagues, Clubs, Officials and Players (in addition to members).
- Article 12, par. 1(o) - Provides that Member Associations are required to maintain an updated register of authorized signatories and persons otherwise authorized to bind the Member Association.
- Article 12, par. 1(w) - Provides that Member Associations must refrain from maintaining Football relations with associations not affiliated with CONCACAF or any FIFA member unless the CONCACAF Council has provided prior written approval of such relations.
- Article 15, par. 3 - Provides that a resigning Member Association shall be required to present its audited financial statements “for the prior two fiscal years” and expands the scope of the confirmation that must be provided in relation to litigation to also encompass administrative, arbitral and investigative proceedings.
- Article 15, par. 4 - Provides that a resigning Member Association shall be required to provide its files and records to CONCACAF within a reasonable time of a request and that CONCACAF “may also request indemnification from such Member Association prior to accepting such resignation.”
- Article 18, par. 2 - Provides that honorary members may be suspended and/or expelled at any time by the Congress, and may resign.
- Article 21, par. 2 - Provides that a Member Association should notify the General Secretariat of the names of any replacements of any non-voting delegate to the Congress by no later than the day immediately prior to the date of such Congress.
- Article 22(a) and Article 29, par. 1 - Clarifies that amendments to the Statutes must also be submitted to FIFA for approval pursuant to the FIFA Statutes.
- Article 41 - Enumerates the responsibilities of the General Secretariat.
- Article 56 - Provides for the right of CONCACAF to audit any Member Association or Union receiving CONCACAF funds for a specific purpose to ensure that such funds are being used for said purpose.
- Article 57 and Article 58 - Deletes provisions relating to revenue and expenses.

- Article 61 - Provides that CONCACAF will provide prompt notice of any debit of Member Association accounts to settle amounts due.
- Article 71 - Provides that the Memorandum and Articles of Association of CONCACAF shall govern in the event of a conflict with the Statutes.

TRANSITIONAL PROVISIONS:

- Article 73 - Provides transitional provisions regarding the implementation of the Statutes:
 - All provisions take place immediately unless otherwise prescribed.
 - Transitions for term limits for existing members of the Executive Committee shall take into account their prior terms provided such member may serve the remaining term of his or her existing term plus one additional term.
 - All independent members of the CONCACAF Council and independent members of the committees must be elected at the next Ordinary Congress with their staggered terms to run from that Congress.
 - All governance provisions applicable to MAs whose statutes are not currently in compliance with Article 12 have until January 2017 to comply - all other governance guidelines and provisions shall be applicable immediately.
 - If the FIFA Statutes provision applicable to the expansion of the FIFA Council is not approved by the FIFA Congress, such provisions in the CONCACAF Statutes are deleted and inapplicable.
 - Provision that the President cannot be the President of a Member Association effective at the end of the next Men's World Cup.
 - Composition of standing committees to be determined by the CONCACAF Council.
 - CONCACAF Council shall delegate the conducting of eligibility check required to be conducted to a third party until the Ethics Committee is constituted.
 - The CONCACAF Council may determine whether any provision's compliance period should be extended but not past the next Men's World Cup.