
Bylaws of Global Association of Risk Professionals, Inc.

ARTICLE I | OFFICES/CORPORATE STATUS

Global Association of Risk Professionals, Inc. ("GARP" or the "Association") shall maintain its principal offices in New York, New York or New Jersey, USA. The Association may also have offices at such other places both within and without the States of New York and New Jersey and the United States of America as the Board of Trustees may from time to time determine or as the affairs of the Association may require.

The Association shall be a not-for-profit entity. Any for-profit subsidiaries created by the Association's Board of Trustees shall be wholly-owned by the Association. Any change to the Association's not-for-profit status shall be first submitted to a vote of the Membership in accordance with Section 10, Article V herein.

ARTICLE II | PURPOSES

The purposes of the Association are as follows:

- a. to promote an exchange of views and to raise questions in the areas of risk management;
- b. to foster high standards of commercial honor and business conduct among its members;
- c. to provide forums for discussion of issues relevant to participants in the risk management profession;
- d. to establish educational standards in the professional practice of risk management;
- e. to develop and administer examinations designed to test individual competence and skill in the professional fields of knowledge pertinent to the risk management profession, including granting the right to use the Financial Risk Manager (FRM®) designation;
- f. to develop, establish, promulgate, and maintain the Association Code of Ethics and Standards of Professional Conduct for individuals professionally engaged in the risk management profession;
- g. to instruct and train Individual Members and Affiliate Members, Member Chapters and the general public in the sound and trustworthy principles, practices, and conduct with regard to the risk management profession;
- h. to inform its members of legislative and administrative developments affecting participants in the risk management profession and to represent effectively the common interests of its members before legislative and administrative bodies and international or quasi-public institutes, boards and other bodies; and
- i. to exercise any and all powers in carrying out the Association's purposes that may be conferred upon corporations formed pursuant to the Not-for-Profit Corporation Law of the State of New Jersey or that may be necessary or incidental to the powers so conferred.

ARTICLE III | MEMBERSHIP

SECTION 1. Eligibility. The Association shall have four (4) classes of members. The designation of each such class and the qualifications of the membership of each such class shall be as follows:

- a. **Fellow Member.** Each applicant seeking to become a Fellow Member shall be an individual who has satisfied:
 - i. the requirements to become an Individual Member;
 - ii. the requirements of the FRM Program as established by the Association and achieved the minimum passing score as determined in accordance with Article VI, Section 11.b. of the Bylaws; and

- iii. completed and submitted any additional application procedures or requirements established by the Association.

Upon satisfaction of the requirements in this Section 1.b. and acceptance by the Association, an applicant shall become a Fellow Member and be granted the right to use the FRM (FRM) designation.

- b. **Individual Member.** Any person or entity not eligible for membership in the Association as a Fellow Member and who provides professional risk management or similar services to corporations, partnerships, associations or persons (including, without limitation, law firms, accounting firms and consulting firms) may be eligible for election to membership in the Association as an Individual Member. To be eligible for election to membership in the Association as an Individual Member the applicant shall:
 - i. hold a bachelor's degree from an accredited academic institution or have equivalent education or work experience as determined by the Association;
 - ii. have attained at least three (3) years of acceptable professional work experience;
 - iii. at the time of their application be engaged in employment as an individual who provides professional risk management services;
 - iv. have signed and submitted to the Association a Membership Agreement stating that the applicant shall adhere to all applicable rules and regulations including the Certificate of Incorporation and Bylaws, the Code of Conduct and other rules relating to professional conduct and membership, which may be amended from time to time; and
 - v. annually pay membership dues.
- c. **Affiliate Member.** Any person not eligible for membership in the Association as an Individual Member but who has an interest in the risk management profession may submit an application for membership in the Association as an Affiliate Member.
- d. **Student Member.** Any person enrolled in a university and pursuing a degree in a financial- related field may submit an application for membership in the Association. Except as otherwise provided in these Bylaws, upon acceptance of the application by the Association, the Student Member shall be eligible for all benefits accorded an Individual Member upon paying an annual membership dues as set from time-to-time by the Board.

Fellow Members, Individual Members, Affiliate Members and Student Members shall have such rights and privileges as are provided in these By-laws and such additional rights and privileges (not inconsistent herewith) as may be provided by resolutions of the Board of Trustees. The Board of Trustees may further classify members of the Association for purposes of voting, the payment of dues, or for any other purpose deemed appropriate by the Board of Trustees, and may from time to time change such classification or the classification of any member.

SECTION 2. Election to Membership. Unless waived by the Board of Trustees, any applicant seeking election to any class of membership in the Association shall make written application, in a form containing information specified by the Board of Trustees, to the Secretary of the Association. Upon receipt of such application, the Secretary shall promptly furnish a copy thereof to the Board of Trustees or to such committee of the Board of Trustees as the Board may from time to time designate. The Board or such committee, as the case may be, shall cause such examination to be made as it deems appropriate to determine whether the applicant is eligible for membership and the appropriate class of membership. Members of the Association shall be elected by a majority vote of the whole Board of Trustees.

SECTION 3. Termination of Membership. Any member, with the exception of Affiliate Members who may terminate their membership in the Association at any time without notice, may terminate its membership in the Association at any time by giving notice in writing to the Secretary prior to the end of such calendar year of its intention to resign its membership or by not renewing its membership by failing to pay the annual dues when due and owing. Any member may be suspended or removed at any time by a vote of three-fourths of the Trustees present at any meeting of the Board of Trustees.

ARTICLE IV | DUES AND ASSESSMENTS

SECTION 1. Amount and Time of Payment. Members of each class of membership shall pay initial membership fees and annual dues in such amounts, in such manner and at such times as may from time to time be determined by the Board of Trustees. Each member shall receive written notice of its requisite amount of initial membership fees and annual dues.

SECTION 2. Assessments for Special Projects. The Board of Trustees may levy an assessment against a specified member of the Association, or levy pro rata assessments against several specified members for any special projects undertaken for which the Board of Trustees deems it appropriate to levy an assessment against such members, provided that no member shall become obligated to pay such an assessment without such member's consent. Payment by a member, in whole or in part, of any such assessment shall constitute such member's consent to such assessment.

SECTION 4. No Refunds. No initial membership fees, annual dues or assessments shall be refunded to any member whose membership terminates or is suspended for any reason.

ARTICLE V | MEETINGS OF MEMBERS

SECTION 1. Annual Meeting. A meeting of the members of the Association for the election of members of the Board of Trustees and for the transaction of such other business as may properly come before the meeting shall be held annually at such time and place as may be determined by the Board of Trustees.

SECTION 2. Special Meetings. In addition to such special meetings as are provided for by law or by the Certificate of Incorporation, special meetings of the members of the Association may be called at any time by the Board of Trustees or by the Chairman of the Board of Trustees and may be held at such time, on such day and at such place as shall be designated in the notice of such meeting.

SECTION 3. Attendance. The attendance at a meeting of the members of the Association of an officer, partner, principal, employee or other designee of an Individual Member, selected by such member, or of the Individual Member shall constitute attendance by such member at such meeting.

SECTION 4. Notice of Meetings. Except as otherwise provided by law, written notice of each meeting of members shall be given either by delivering a notice personally, or mailing by first class mail a notice to each member, or by delivering such notice electronically to each member entitled to vote at such meeting. If mailed, the notice shall be directed to the member in a postage-prepaid envelope at its address as it appears in the records of the Association unless, prior to the time of mailing, it shall have filed with the Secretary a written request that notices intended for it be mailed to some other address, in which case the notice shall be mailed to the address designated in such request. Notice of each meeting of members shall be in such form as is approved by the Board of Trustees and shall state the purpose or purposes

for which the meeting is called, the date and time when and the place where it is to be held, and shall be delivered personally or by mail or electronic means not more than 50 days and not less than 20 days before the day of the meeting. Except as otherwise provided by law, the business which may be transacted at any such meeting of members shall consist of and be limited to the purpose or purposes so stated in such notice. No notice need be given of any adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken.

SECTION 5. Waiver of Notice. Whenever notice is required to be given under any provision of law or of the Association's certificate of incorporation, as amended from time to time (the "Certificate of Incorporation"), or these Bylaws, a waiver thereof in writing or by telex, telegraph, electronic mail, cable or other form of recorded communication, signed by the member entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a member at a meeting of members shall constitute a waiver of notice of such meeting, except when the member attends such meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting of members need be specified in any waiver of notice unless so required by the Certificate of Incorporation.

SECTION 6. Organization and Conduct of Meeting. The Chairman of the Board of Trustees shall preside at all meetings of the members at which he or she is present. If the Chairman of the Board shall be absent from any meeting of the members of the Association, one of the Vice Chairmen shall preside at such meeting. In the absence of the Chairman and the Vice Chairmen, a chairman shall be elected by the plurality vote of the Fellow and Individual Members present to preside at such meeting. The Secretary of the Association or in his absence an individual designated by the person presiding a meeting of the members shall act as secretary of such meeting.

SECTION 7. Order of Business. The order of business at each meeting of members shall be as determined by the person presiding at such meeting or as may otherwise be determined by the vote of a majority of the Members present in person or by proxy and entitled to vote at such meeting.

SECTION 8. Adjournments. Any annual or special meeting of Members, regardless of whether Members attending such meeting shall constitute a quorum, may, by vote of the majority of such Members, be adjourned to a subsequent date.

SECTION 9. Quorum. A meeting of Members shall not be organized for business unless a quorum is present. The presence in person or by proxy of not less than one-half of the entire Membership shall constitute a quorum. Affiliate and Student Members shall not count toward the presence of a quorum. If a quorum is found to exist at a meeting of members, it shall be deemed to exist until adjournment notwithstanding the withdrawal of enough Members to leave less than a quorum.

SECTION 10. Voting. Each Fellow Member and Individual Member shall be entitled to one vote on all matters submitted to a vote of the membership. Except as may be required by law, Affiliate Members and Student Members shall not be entitled to vote. Subject to any provision of law, the Certificate of Incorporation, or these Bylaws, the affirmative vote of a majority of votes entitled to be cast by the Members present in person or by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the Members.

SECTION 11. Consent in Lieu of Meeting. Any action required or permitted to be taken by the Members at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority (or if a greater number is required by law, the Certificate of Incorporation or these Bylaws, such greater number) of the Members entitled to vote with respect to the subject matter thereof, and mailed to, and received by, the Secretary of the Association. Such consent shall have the same force and effect as a vote taken at a properly convened meeting of the members of the Association. A certificate of the Secretary or another officer of the Association with respect to such consent, or a signed copy of such consent (which may be executed in counterparts), shall be filed in the minute book of the proceedings of the members of the Association.

ARTICLE VI | BOARD OF TRUSTEES

SECTION 1. Powers. The management of the property, affairs, business and activities of the Association shall be vested in the Board of Trustees, which shall have all powers necessary and proper for the conduct of the Association's business and the advancement of its purposes.

SECTION 2. Qualifications of Trustees. Each member of the Board of Trustees elected in accordance with the procedures set forth in Section 4(g) of this Article must be a Fellow Member or an Individual Member. If, due to a merger, acquisition or for any other reason, more than one employee of any Member is serving as a Trustee, such Member shall cause one such employee to resign from the Board of Trustees effective with the date of the next meeting of the Board of Trustees. A Trustee, if any, appointed in accordance with the procedures set forth in Section 4(h) of this Article must be the President of the Association.

SECTION 3. Number. The number of Trustees which shall constitute the whole Board of Trustees shall be fixed from time to time by resolution of the Board of Trustees, but shall not be less than 3 nor more than 25. Any newly created trusteeships or any decrease in trusteeships (other than the trusteeship described in Section 4(i) of this Article) shall be so apportioned among the classes of Trustees described in Section 4(a) of this Article as to make Class A and Class B classes as nearly equal in number as possible. The number of Class C Trustees shall be set at the sole discretion of the Board and in accordance with Section 4(e) below. The Class A, B and C Trustees elected in accordance with the procedures set forth in Section 4(e) and 4(h) of this Article and the Trustee, if any, appointed in accordance with the procedure set forth in Section 4 (i) of this Article shall constitute the whole Board of Trustees.

SECTION 4. Election.

- a. The Trustees shall be elected or appointed in accordance with the procedures set forth in Sections 4(e), 4(h) and 4(i) of this Article and the Trustees referred to in Sections 4(b) and 4(d) shall be classified, with respect to the time for which they severally hold office, into two classes which shall be as nearly equal in number as possible, in each case to hold office until their successors are elected and qualified, except the following individuals who are Trustees as of the date of initial adoption of these Bylaws, and who shall serve until their successors shall be elected and qualified at the first elections to be held by the Association no later than June 2002: Robert Jarrow, Charles Smithson, Peter Tufano, David Shimko, Glenn Labhart, William Martin, Donald van Devender and Ken Abbott. Two classes of Trustees, Class A and Class B, shall be elected to succeed the initial Trustees at the first elections to be held no later than June 2002.
- b. At the annual meeting of members held in 2002, the Trustees in Class A ("Class A") shall be elected and qualified to serve as Trustees until the annual meeting of Members held in 2003 and until their successors shall be elected and qualified.

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- c. At the annual meeting of Members held in 2003 and at all subsequent annual meetings of Members at which the terms of office of Class A expire, Class A shall be elected to serve until the annual meeting of Members held in the second year following the year of their election and until their successors shall be elected and qualified.
 - d. Trustees in Class B ("Class B") shall be elected and qualified to serve as Trustees until the annual meeting of Members held in the second year following the year of their election and until their successors shall be elected and qualified.
 - e. Trustees in Class C ("Class C") shall be nominated by the Executive Committee and elected as Trustee by a simple majority vote of the Trustees present at the Board meeting when the vote is taken, shall serve for a period of one year following their election. A Class C Trustee upon the expiration of his or her term shall be eligible to stand for reelection upon nomination of the Executive Committee but shall not be eligible to vote on his or her re-nomination. Class C Trustees shall possess all the rights and privileges of a Class A and B Trustee except that they shall not be eligible for election as an officer of the Association pursuant to Article VIII. In no case shall Class C Trustees at the time of their election comprise more than 33% of the total number of Board Trustees as set by resolution of the Board pursuant to Section 3 of the Article.
 - f. If the number of Class A or B Trustees constituting the Board is changed by the Board of Trustees, any newly created trusteeship or any decrease in the number of trusteeships shall be so apportioned between the Class A and B Trustees as to make both classes as nearly equal as possible; provided, however, that no decrease of the number of Trustees shall shorten the term of any incumbent Trustee. Any increase or decrease of Class C Trustees shall not effect the number or proportion of Class A or B Trustees.
 - g. Except as set forth in Section 4(b) of this Article, all Class A and B Trustees shall serve until the annual meeting of members held in the second year following the year of their election and until their successors shall be elected and qualified. Trustees elected by the Board of Trustees pursuant to Section 15 of this Article shall serve for the term provided for in such Section. Any Trustee elected pursuant to Section 4(e) shall serve for a term of one year.

Any Trustee appointed pursuant to Section 4(i) shall serve a term of one year or as otherwise determined in the resolution of the Board of Trustees establishing the appointment of such Trustee.

- h) The Members of the Association shall elect Class A and Class B members of each Board of Trustees in accordance with the following procedures. At least 30 days prior to each annual meeting of the members of the Association or each special meeting called pursuant to Section 15 of this Article, the incumbent Board of Trustees shall, in the manner provided by Section 1 of Article VI, appoint a nominating committee consisting of members of the Board of Trustees to nominate candidates for election to the Board of Trustees at such annual or special meeting of members. No less than a majority of the members of the nominating committee shall consist of some or all of the Trustees elected pursuant to this Section 4(h) whose term of office is not expiring at the time of such meeting. The nominating committee shall, by resolution adopted by affirmative vote of a majority of the whole nominating committee, propose for each class of Trustees a number of candidates for the Board of Trustees equal to the number of Trustees to be elected in each such class at such annual or special meeting. A list of such nominees shall be delivered or mailed to all members of the Association not less than 20 days before the date of the annual or special meeting. Members of the Association may nominate candidates for election as Trustees in addition to those nominated by the nominating committee by submission of a nominating petition to the Secretary of the Association at least two weeks prior to such annual or special meeting, provided that the nominating petition relating to any such proposed nominee shall be effective only if it bears the signatures of no less than one (1) percent of those entitled to vote in accordance with Section 10 of Article V as determined by the President as per the Association's official records as of midnight of November 30 of the year immediately prior to the February election shall be memorialized in the official Minutes of the Executive Committee at its

December meeting. At such annual or special meeting, each Member of the Association (or its proxy) entitled to vote shall be requested to vote for a number of nominees equal to the number of Trustees to be elected. Ballots purporting to vote for a greater number of nominees shall not be counted. In any election of Trustees pursuant to Section 4(a) or Section 15 of this Article VI, the nominees in each class of Trustees for which one or more Trustees are to be elected at such election who are validly nominated under these Bylaws and who receive the greatest number of the votes cast among the persons nominated for such class, up to the number of Trustees to be elected in each such class in such election, shall be deemed elected.

- i. In addition to the Trustees elected in accordance with the procedures set forth in Subsection 4(h), the Board of Trustees may, by affirmative vote of a majority of the whole Board of Trustees, appoint the President of the Association as a Trustee of the Association by virtue of his or her office in the Association. The President may be appointed for a term of office as designated by the Board of Trustees (subject to annual reappointment by each new Board of Trustees at its organization meeting), but in no case shall the President's term of office continue if that individual ceases, for any reason, to be the President of the Association. The Board of Trustees will not be required to classify the trusteeship held by the President as described in Sections 3 and 4(a) of this Article.

SECTION 5. Place of Meetings. Meetings of the Board of Trustees may be held at any place, within or without the States of New York and New Jersey and the United States of America, from time to time designated by the Board of Trustees.

SECTION 6. Organization Meeting. A newly elected Board of Trustees shall meet and organize, and also may transact any other business which might be transacted at a regular meeting thereof, within two months after each annual meeting of members. Such organizational meeting may take place at the same place where such meeting of members took place, without notice of such meeting, or may be held at any other time or place which may be specified in a notice given in the manner provided in or pursuant to Section 7 or 8 of this Article for regular or special meetings of the Board of Trustees, or in a waiver of notice thereof

SECTION 7. Regular Meetings. Regular meetings of the Board of Trustees shall be held at such times as may be determined by resolution of the Board of Trustees and no notice shall be required for any regular meeting. Except as otherwise provided by law, any business may be transacted at any regular meeting of the Board of Trustees.

SECTION 8. Special Meetings; Notice and Waiver of Notice. Special meetings of the Board of Trustees shall be called by the Secretary on the request of the Chairman of the Board or one of the Vice-Chairmen or on the request in writing of any two other Trustees stating the purpose or purposes of such meeting. Notice of any special meeting shall be in form approved by the Chairman of the Board or one of the Vice-Chairmen, as the case may be. Notices of special meetings shall be mailed to each Trustee, addressed to him or her at his or her residence or usual place of business, not later than five days before the day on which the meeting is to be held, or shall be sent to him at such place by telex, telegraph, cable, email or other form of recorded communication or be delivered personally or by telephone not later than three days before such day of meeting. Notice of any meeting of the Board of Trustees need not be given to any Trustee if he shall sign a written waiver thereof either before or after the time stated therein, or if he shall attend a meeting, except when he attends such meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Trustees need be specified in any notice or written waiver of notice unless so required by the Certificate of Incorporation or by these Bylaws. Unless limited by law, by the Certificate of Incorporation or by these Bylaws, any and all business may be transacted at any special meeting.

SECTION 9. Organization of Meetings. The Chairman of the Board shall preside at all meetings of the Board of Trustees at which he is present. If the Chairman of the Board shall be absent from any meeting of the Board of Trustees, one of the Vice-Chairmen shall preside at such meeting, and in the absence of both the Chairman and the Vice-Chairmen, then the most senior officer of the Association present, if he is a member of the Board of Trustees, shall so preside unless the Board of Trustees shall otherwise provide. If no such officer is present at such meeting, one of the Trustees present shall be chosen by the members of the Board of Trustees present to preside at such meeting. The Secretary of the Association shall act as the secretary at all meetings of the Board of Trustees, and in his absence a temporary secretary shall be appointed by the person presiding at the meeting, unless the Board of Trustees shall otherwise provide.

SECTION 10. Quorum and Manner of Acting. At every meeting of the Board of Trustees a quorum shall consist of no fewer than 33% of the total number of Trustees constituting the whole Board of Trustees except that any such quorum shall consist of at least a majority of Class A and B Trustees. In no event shall a quorum consist of fewer than three Trustees. Except as otherwise provided by law or by the Certificate of Incorporation, or in the case of (i) filling a vacancy on the Board of Trustees, (ii) appointing committees, (iii) filling a committee vacancy, (iv) removing an elected officer or (v) amending these Bylaws (all of which require the vote of a majority of the whole Board of Trustees), the vote of a majority of the Trustees present at any such meeting at which a quorum is present shall be the act of the Board of Trustees. In the absence of a quorum, a majority of the Trustees present may adjourn any meeting, from time to time, until a quorum is present. No notice of any adjourned meeting need be given other than by announcement at the meeting that is being adjourned. Members of the Board of Trustees or any committee thereof may participate in a meeting of the Board of Trustees or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation by a member of the Board of Trustees in a meeting pursuant to Section 10 of this Article shall constitute his presence in person at such meeting.

SECTION 11. Voting.

- a. On any question on which the Board of Trustees shall vote, the names of those voting and their votes shall be entered in the minutes of the meeting if any member of the Board of Trustees so requests at the time.
- b. An act of a majority of the Board members voting at a meeting (including meetings called for the purpose of determining the minimum passing score(s) of the FRM examination) at which a quorum is present, shall be the act of the Board.

SECTION 12. Action Without a Meeting. Except as otherwise provided by law or by the Certificate of Incorporation, any action required or permitted to be taken at any meeting of the Board of Trustees or of any committee thereof may be taken without a meeting, if prior to such action all members of the Board of Trustees or of such committee, as the case may be, consent thereto in writing, and the writing or writings (which may be executed in counterparts) are filed with the minutes of proceedings of the Board of Trustees or the committee.

SECTION 13. Resignations. Any Trustee may resign at any time upon written notice of resignation to the Association. Any resignation shall be effective immediately unless a date certain is specified for it to take effect, in which event it shall be effective upon such date, and acceptance of any resignation shall not be necessary to make it effective, regardless of whether the resignation is tendered subject to such acceptance. If any person elected or appointed as a Trustee shall cease for any reason to be a Fellow or Individual Member of the Association, or the President of the Association or so appointed to the Board of Trustees, such person shall immediately cease to be a Trustee and shall be deemed to have resigned pursuant to Section 13 of this Article regardless of whether the Board of Trustees shall have received written notice of such resignation and without the necessity for any action by the Board of Trustees.

SECTION 14. Removal of Trustees. Any Trustee may be removed, either with or without cause, at any time upon the recommendation of the Board of Trustees, by action of a majority of the Members of the Association entitled to vote either at a meeting of such Members or, whenever permitted by law and the Certificate of Incorporation, without a meeting by their written consents thereto.

SECTION 15. Filling of Vacancies.

- a. Except as otherwise provided by law or the Certificate of Incorporation, in the case of any increase in the number of Trustees of any class, or of any vacancy in the Board of Trustees, the additional Trustee or Trustees may be elected, or, as the case may be, the vacancy or vacancies may be filled, either by the Board of Trustees at any meeting by affirmative vote of a majority of the remaining Trustees though the remaining Trustees be less than the quorum provided in Section 10 of this Article, or by a sole remaining Trustee or (b) except for a Class C Trustee by the requisite vote of the Members of the Association either at an annual meeting of members or at a special meeting of such members called for that purpose; provided, however, that any Class A or B Trustee elected by the Board of Trustees shall serve until the next annual meeting of members of the Association at which time the members shall elect a Class A or B Trustee to serve out the remaining balance, if any, of the original term of the new or vacated trusteeship (unless the Board of Trustees shall have reduced the number of Trustees). Any Class A or B Trustee chosen pursuant to Section 15 of this Article shall hold office for the remainder of the full term of the class of Trustees in which the new Trusteeship was created or the vacancy occurred and until such Trustee's successor shall have been elected and qualified, or until his earlier resignation or removal.

At any time a vote of Members of the Association is conducted at an annual or special meeting pursuant to Section 15 of this Article the nomination and election of any Trustee pursuant to such vote shall be conducted in accordance with the procedural requirements of Article VI, Section 4(g), provided, however, that each class of Trustees for which one or more candidates are nominated pursuant to Section 4(h) of this Article or this Section 15 of this Article shall be voted upon separately from any other class. Nothing in this Section 15(a) shall apply to any Trustee appointed by the Board of Trustees in accordance with the procedure set forth in Section 4(i) of this Article.

- b. In the case of a vacancy in the trusteeship previously held by the President appointed by the Board of Trustees in accordance with the procedure set forth in Section 4(i) of this Article, the number of Trustees that shall constitute the whole Board of Trustees shall be automatically reduced by one, until such time as another Trustee is appointed by the Board of Trustees pursuant to the procedure set forth in Section 4(i) of this Article.

SECTION 16. Annual Report. The Board of Trustees shall direct the Chairman and Treasurer of the Association to present at the annual meeting of the Members a report, certified by an independent or certified public accountant or a firm of such accountants selected by the Board, showing in detail the following:

- a. the assets and liabilities, including trust funds, of the Association as of the end of a twelve-month fiscal period terminating not more than six months prior to the said meeting;
- b. the principal changes in assets and liabilities, including trust funds, during said fiscal period;
- c. the revenue or receipts of the Association, both unrestricted and restricted, for the general and restricted purposes, during said fiscal period;
- d. the expenses and disbursements of the Association, for both general and restricted purposes, during said fiscal period; and
- e. the number of Members of the Association as of the date of the report together with a statement of increase or decrease in such number during said fiscal period, and a statement of the place where the names and places of residence of current Members may be found.

ARTICLE VII | COMMITTEES

SECTION 1. Constitution and Powers. The Board of Trustees may, by resolution adopted by affirmative vote of a majority of the whole Board of Trustees, appoint one or more committees of the Board of Trustees consisting of three or more members of the Board of Trustees. Each such committee shall have such powers as the Board of Trustees shall properly determine in accordance with the Not-for-Profit Corporation Law of the State of New Jersey.

SECTION 2. Place of Meetings. Meetings of any committee of the Board of Trustees may be held at such place as may be designated from time to time by the Board of Trustees or such committee.

SECTION 3. Meetings; Notice and Waiver of Notice. Regular meetings of any committee of the Board of Trustees shall be held at such times as may be determined by resolution either of the Board of Trustees or of such committee and no notice shall be required for any regular meeting. Special meetings of any committee shall be called by the secretary thereof upon request of any member thereof. Notice of any special meeting of any committee shall be in form approved by the Chairman of the Board or, in the absence of the Chairman of the Board, one of the Vice-Chairmen. Notices of special meetings shall be mailed or emailed to each member, addressed to him at his residence or usual place of business, not later than five days before the day on which the meeting is to be held, or shall be sent to him at such place by telex, telegraph, cable or any other form of recorded communication or be delivered personally or by telephone not later than three days before such day of meeting. Neither the business to be transacted at, nor the purpose of, any special meeting of any committee need be specified in any notice or written waiver of notice unless so required by the Certificate of Incorporation or these Bylaws. Notices of any such meeting need not be given to any member of any committee, however, if waived by him in the same manner as is provided in Section 8 of Article VI, and the provisions of such Section 8 with respect to waiver of notice of meetings of the Board of Trustees shall apply to any meeting of any committee as well.

SECTION 4. Organization of Meetings. The chairman, if any, of each committee shall preside at all meetings of such committee at which he is present. If such chairman shall be absent from any meeting of such committee, or if such committee shall not have a chairman, the most senior officer of the Association present, if he is a member of the committee, and, if not, the Trustee present who has served the longest as a Trustee shall preside at such meeting, unless the Board of Trustees, or the committee, shall otherwise provide. The Secretary of the Association shall act as secretary at all meetings of any committee and in his absence a temporary secretary shall be appointed by the person presiding at the meeting, unless the Board of Trustees, or the committee, shall otherwise provide.

SECTION 5. Quorum and Manner of Acting. One-third but in no event fewer than two of the members of any committee (except an Executive Committee) then in office shall constitute a quorum for the transaction of business, and the vote of a majority of those present at any meeting at which a quorum is present shall be the act of such committee. A majority but in no event fewer than three of the members of an Executive Committee then in office shall constitute a quorum for the transaction of business, and the vote of a majority of those present at any meeting at which a quorum is present shall be the act of the Executive Committee. In the absence of a quorum, a majority of the members of any committee present may adjourn any meeting, from time to time, until a quorum is present. No notice of any adjourned meeting need be given other than by announcement at the meeting that is being adjourned.

SECTION 6. Voting. On any question on which any committee shall vote, the names of those voting and their votes shall be entered in the minutes of the meeting if any member of such committee so requests.

SECTION 7. Records. All committees shall keep minutes of their acts and proceedings, which shall be filed with the minutes of the Board of Trustees meetings kept by the Association and shall be reported to the Board of Trustees at the next regular meeting of the Board of Trustees unless sooner submitted at an organization or special meeting of the Board of Trustees.

SECTION 8. Vacancies. Any vacancy among the appointed members of any committee of the Board of Trustees may be filled by affirmative vote of a majority of the whole Board of Trustees.

ARTICLE VIII | OFFICERS

SECTION 1. Elected Officers—Qualifications. The elected officers of the Association shall be a Chairman of the Board or two Co-Chairmen, one or more Vice-Chairmen, a President, a Secretary and a Treasurer. The Chairman of the Board or two Co-Chairmen and each Vice-Chairman shall be elected from among the members of the Board of Trustees. Each elected officer other than the President must be a Fellow Member or an Individual Member. Except as otherwise provided by the Board of Trustees, the President shall be a full-time employee of the Association selected by the Board of Trustees.

SECTION 2. Election and Term of Office of Elected Officers. So far as is practicable, all elected officers of the Association other than the President shall be elected at the organizational meeting of the Board of Trustees in each year. Subject to Sections 3, 4 and 10 of this Article, each elected officer shall hold office until the next organizational meeting of the Board of Trustees and until their respective successors shall be elected and qualified. The President shall hold office for such period as is approved from time to time by the Board of Trustees.

SECTION 3. Removal of Elected Officers. Any elected officer may be removed at any time, with or without cause, by an affirmative vote of a majority of the whole Board of Trustees at any regular meeting of the Board of Trustees or at any special meeting called for such purpose.

SECTION 4. Resignations. Any officer may resign at any time upon written notice of resignation to the Association. Any resignation shall be effective immediately unless a date certain is specified for it to take effect, in which event it shall be effective upon such date, and acceptance of any resignation shall not be necessary to make it effective, regardless of whether the resignation is tendered subject to such acceptance. If any person elected or appointed as an officer other than the Executive Trustee shall cease for any reason to be an officer, partner, principal or employee of the member with which such person was affiliated at the time of his election or appointment, such person shall immediately cease to be an elected officer and shall be deemed to have resigned pursuant to this Section 4 of Article VIII regardless of whether the Association shall have received written notice of such resignation and without the necessity for any action by the Board of Trustees.

SECTION 5. The Chairman of the Board. The Chairman of the Board or the Co-Chairmen shall preside at all meetings of the members of the Association and at all meetings of the Board of Trustees. If there shall be Co-Chairmen, each shall be entitled, severally, to exercise the full powers of the office of the Chairman of the Board. The Chairman of the Board or either Co-Chairmen shall be entitled to appoint such committees as may from time to time be provided for by these Bylaws or by resolution of the Board of Trustees or as he or they may deem necessary or desirable for the conduct of the business of the Association, subject in each case to the authority of the Board of Trustees.

SECTION 6. Vice-Chairmen. Each Vice-Chairman shall have authority to exercise all powers delegated to him by the Board of Trustees or the Chairman of the Board or either Co-Chairman. If the Chairman of the Board or both Co-Chairmen should for any reason be unable to act or if, subject to Section 10 of this Article, the office of the Chairman of the Board should at any time for any reason become vacant, the duties of the Chairman of the Board shall be carried on by the Vice-Chairmen, acting singly or together.

SECTION 7. The President. The President shall be the chief executive officer of the Association. The President shall report to the Chairman of the Board and shall be responsible for the management of all activities of the Association in a manner consistent with the policies established by the Board of Trustees. The President shall employ and may terminate the employment of members of the staff necessary to carry on the work of the Association and fix their compensation within the approved budget. The President shall define the duties of the staff, supervise their performance, establish their titles and delegate those responsibilities of management as shall be in the best interests of the Association. The President shall approve the expenditure of the monies appropriated by the Board of Trustees in accordance with the budget approved by the Board of Trustees. The President shall make periodic reports to the Board of Trustees concerning the programs and activities of the Association as directed by the Chairman of the Board.

SECTION 8. The Secretary. The Secretary shall perform all the duties usually appertaining to the office of Secretary. He or she shall attend to the giving of all required notices of meetings of the members, the Board of Trustees or any committee thereof. He or she shall keep minutes of all such meetings or, where some other person has kept such minutes, shall maintain custody of such minutes. He or she shall have charge of the corporate seal and shall have authority to attest any and all instruments or writings to which the same may be affixed.

SECTION 9. The Treasurer. The Treasurer shall have charge and custody of and have responsibility for all funds and securities of the Association and shall present an annual report of the finances of the Association and such interim reports as the Board of Trustees may from time to time require. In the absence of the Secretary, he or she shall have authority to attest any and all instruments or writings to which the corporate seal of the Association may be affixed.

SECTION 10. Vacancies in Elected Offices. In the case of the death, resignation or removal of any elected officer, a simple majority of the Board of Trustees may appoint a qualified person to serve out the remaining term of such officer.

ARTICLE IX | MISCELLANEOUS

SECTION 1. Seal. The Board of Trustees shall provide a suitable seal containing the name of the Association and the year of its incorporation. The seal shall be in the charge of the Secretary.

SECTION 2. Auditors. The Board of Trustees may each year designate a firm of certified public accountants to act as auditors for the Association for the current fiscal year.

SECTION 3. Limitation. No committee or officer shall have any power to incur or contract any liability in excess of specific appropriations made by the Board of Trustees.

SECTION 4. Investments. The Board of Trustees may authorize the investment of surplus funds of the Association in such securities or otherwise as it may deem proper, with full power to sell or exchange such securities, and it may delegate such power as it in its discretion sees fit.

SECTION 5. Powers of Execution. All contracts, leases and other instruments shall be signed in the name of the Association by the Chairman of the Board, one of the Vice-Chairmen or by any other Trustee or elected or appointed officer authorized to sign such instrument by the Board of Trustees, and those documents requiring the seal of the Association shall be attested by the Secretary or, in his absence, the Treasurer. All checks for payment of funds of the Association shall be signed by such elective or appointive officer or officers or such other person or persons as the Board of Trustees may from time to time designate.

SECTION 6. Fiscal Year. The fiscal year of the Association shall be fixed by resolution of the Board of Trustees.

SECTION 7. Indemnification. Any Trustee or elected or appointed officer of the Association acting with due authority on behalf of the Association shall be indemnified by the Association to the full extent permitted by the Not-for-Profit Corporation Law of the State of New Jersey or other applicable law.

SECTION 8. Amendments. The Bylaws may be altered, amended or repealed (i) by a vote of the majority of the Members present in person or by proxy at any annual or special meeting of the members, provided that, in the case of a special meeting, notice of such proposed alteration, amendment or repeal be included in the notice of meeting or (ii) except as otherwise expressly provided in any Bylaw adopted by the Members, by the Board of Trustees by affirmative vote of a majority of the whole Board of Trustees.

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