

**CFA SOCIETY OF MINNESOTA
BYLAWS**

As updated January 2019

ARTICLE ONE

Name

Section 1. This corporation shall be known as the CFA Society of Minnesota (the Society) and shall be operated, when practical for all organizational and financial purposes, on a fiscal year beginning each September 1 and ending the following August 31.

Section 2. The principal office of the Society shall be located at 121 South Eighth Street, Suite 825, Minneapolis, MN 55402 or such place as the Board may determine.

ARTICLE TWO

Objectives

Section 1. The Mission and Vision of the Society shall be:

MISSION

To advance professional excellence while promoting ethical behavior and fellowship through development and engagement opportunities for our members.

VISION

We envision a CFA Society of Minnesota that is highly valued, well respected, and widely recognized by investors, academia, and the business community in our region.

ARTICLE THREE

Definitions

Section 1. For the purposes of the Bylaws, the following are defined terms that may be used herein, as appropriate, in the singular or plural form:

- 1.1 **“Board”** is the Board of Directors of the Society.
- 1.2 **“Bylaws”** refers to the Bylaws of the Society outlined herein, as amended from time to time.
- 1.3 **“CFA Institute”** is a Virginia non-stock corporation.
- 1.4 **“CFA Program”** is the Chartered Financial Analyst (CFA®) study and examination program developed and administered by CFA Institute.
- 1.5 **“Chartered Financial Analyst®”** and **“CFA®”** are marks of CFA Institute that members authorized by CFA Institute may use as a professional designation.
- 1.6 **“Code and Standards”** is the *Code of Ethics and Standards of Professional Conduct*, as amended periodically by CFA Institute.
- 1.7 **“Investment Professionals”** are individuals engaged professionally in the investment decision-making process, including financial analysis, investment management, securities analysis and other similar professions.

- 1.8 **“Non-material Revisions to Bylaws”** are minor revisions that generally do not change authorities defined in these bylaws, and do not revise the requirements for approval of amendments to these bylaws, changes required by the CFA Institute will also be considered “non-material”. Such revisions can be made at the discretion of the Board of the Society except any amendments to the Bylaws that change the quorum for member meetings, amend procedures for removing directors or filling vacancies on the board, increase the number of directors or amend their classifications, qualifications, or terms of office, amend procedures for removing or adding members or increasing or decreasing the vote ~~requires~~ **required** for a member action shall require member approval in accordance with these Bylaws.
- 1.9 **“Professional Conduct Statement”** is a form prepared by CFA Institute inquiring into a member’s conduct that must be signed and submitted on an annual basis by each member except those members excused under the CFA Institute Bylaws on or before a date designated by CFA Institute.
- 1.10 **“Regular Member”** is an individual who has met the membership requirements set forth in the Article 4 Section 2 of the Society Bylaws and whose membership has not been revoked or suspended.

ARTICLE FOUR

Membership

Section 1. Membership Types and Classifications. The Society recognizes four classes of active membership; Regular, Affiliate, Local-Only and Student. There shall be two status classifications: retired and active. The requirements and qualifications for membership in the Society shall be as outlined herein.

Section 2. Requirements for Regular Membership: To become a Regular Member of the Society, an individual must be a Regular Member of CFA Institute, apply and be approved for Society membership, and must be current with annual Society dues.

Section 3. Requirements for Affiliate Membership: Affiliate Membership is provided for persons who do not qualify for Regular membership through CFA Institute. To become an Affiliate Member of the Society, an individual must be an Affiliate Member of CFA Institute, apply and be approved for Society membership, and must be current with annual Society dues. Affiliate members shall have all the privileges of Regular members except the privilege to (a) vote and (b) hold any Executive Office of the Society.

Section 4. Requirements for Local-Only Membership: Local-Only Membership is provided for persons who do not qualify as Regular or Affiliate Member of CFA Institute or who do not wish to obtain the CFA designation. To become a Local-Only Member of the Society, an individual must apply and be approved for Society membership, and must be current with annual Society dues. Local-Only members shall have all the privileges of Regular members except the privilege to (a) vote and (b) hold any Executive Office of the Society.

Section 5. Requirements for Student Membership: To become a Student Member of the Society, an individual must be currently enrolled as a student in a relevant program at an accredited academic institution, apply and be approved for Society membership, and must be current with annual Society dues. Student members shall have all the privileges of Regular members except the privilege to (a) vote and (b) hold any Executive Office of the Society.

Section 6. Each Regular Member and Affiliate Member of the Society shall:

- (a) adhere to all applicable rules and regulations of the Society and of CFA Institute, including but not limited to their Articles of Incorporation, their Bylaws, the Code and Standards, and other rules; relating to professional conduct and membership, all of which may be amended from time to time;
- (b) be subject to the disciplinary jurisdiction and sanctions of the Society and CFA Institute;

- (c) submit information relating to professional conduct and activities as the Society or CFA Institute may request;
- (d) produce documents, testify, and otherwise cooperate in disciplinary proceedings of CFA Institute and adhere to such other applicable requirements as set forth from time to time by CFA Institute and the Society.

Section 7. Retired Member Status. Within the Regular, Affiliate and Local-Only classes of membership, a retired status will be available. Regular members who have retired status do not have voting rights in the Society. Members with a retired status may be granted a reduction in Society dues as determined by the Board. A member of the Society may assume retired status if he or she:

- (a) has been a Regular Member or Affiliate Member of CFA Institute for five years;
- (b) is not currently engaged in professional activities which qualify as Acceptable Professional Work Experience as defined by CFA Institute.

Section 8. Application for Regular or Affiliate Membership in the Society. Any individual applying to become a Regular or Affiliate Member of the Society shall file with CFA Institute an application for membership, along with additional information or documents as required by CFA Institute, and select CFA Minnesota as their Local Society. The Board shall have the right to review all applications for membership in the Society. In the event of disagreement concerning administration or interpretation of the CFA Institute requirements of Regular Members and Affiliate Members, the Society shall have the right to appeal to the CFA Institute Board of Governors. The CFA Institute Board of Governors, or a designated committee thereof, shall have the authority to make final determinations on the application of membership provisions.

Section 9. Application for Local-Only or Student Membership in the CFA Society of Minnesota. An individual desiring Local-Only or Student membership in the Society shall file an application for Membership to the Society, along with additional information or documents as required by the Society, after ensuring they do not qualify for Regular or Affiliate membership with CFA Institute. The Board of CFA Minnesota shall determine what eligibility criteria shall be applicable to Local-Only membership.

Section 10. Voting Rights. Regular Members have voting rights in the Society, and shall be entitled to one (1) vote on each matter submitted to the Regular Members. Other members do not have voting rights in the Society.

Section 11. Resignation. Any member may at any time cease to be a Member of the Society by submitting a notice of resignation to the Society President or Secretary. Such resignation shall be effective on receipt, or the date specified, and acceptance thereof shall not be necessary to make it effective unless it so states. The Society shall notify CFA Institute of the resignation of any Regular Member or Affiliate Member from the Society.

Section 12. Cancellation/Termination. The membership of any Member who violates member requirements or responsibilities, including non-payment of dues, may be cancelled or terminated at the discretion of the Society.

ARTICLE FIVE

Dues and Assessments

Section 1. Dues. Each member of this Society shall pay annual dues, in an amount determined by the Board.

Section 2. Non-payment of Dues. Any member who fails to pay annual Society membership dues in full shall be automatically suspended from membership in the Society except as otherwise set forth in these bylaws. When payment is made in full, such member shall be automatically reinstated, subject to the Bylaws.

Section 3. Collection of Dues. The Board may authorize collection of annual membership dues by CFA Institute.

Section 4. Armed Forces. Members, while on deployment with the Armed Forces of the United States, shall retain membership in good standing with the Society and shall not be required to pay annual membership dues to the Society while on deployment. No refund to such members of dues previously paid, however, shall be made. Such notices as are sent to members of the Society shall be sent, at the discretion of the Board, to members on deployment in the Armed Forces.

ARTICLE SIX

Board of Directors

Section 1. Authority and Responsibility. All corporate powers shall be exercised by or under the authority of, and the business of the Society managed under the direction of, the Board, subject to the Bylaws, the Articles of Incorporation, and applicable law. The Board may delegate responsibilities to the Executive Committee as needed. The Board may delegate operational authority as needed.

Section 2. Composition. The Board shall consist of the four Officers described in Article Seven and the Immediate Past President of the Society who shall serve one additional term as a Director At Large, and at least six but no more than twenty additional Regular, Affiliate or Local-Only members, serving as Directors At Large and as Committee Chairs. Additional Regular, Affiliate or Local-Only board members shall serve staggered three (3) year terms.

Section 3. Removal or Resignation. Any member of the Board who fails to attend three (3) consecutive meetings, unless excused by the Board, shall forfeit the office. In the event of resignation or the inability of any Officer or member of the Board to perform his or her duties, the Board may elect the successor, who shall hold office through the remainder of the vacant term as long as all requirements of these bylaws are met.

Section 4. Assignment of Responsibility. The Board may engage professional management and assign specific responsibilities and duties to said management including an Executive Director, who shall be an Ex-Officio, non-voting member of the Executive Committee.

Section 5. Meetings. The Board shall meet at least four (4) times per year, at a time and place, and in a form determined by the President. The initial Board meeting shall be no more than sixty (60) days after the end of the fiscal year of the Society. One-half-plus-one members of the Board shall constitute a quorum. Unless otherwise provided in these bylaws, a majority of the votes of a quorum are required for approval. The Board Members are considered to be in attendance at meetings when they attend in person or via telephone or other electronic devices. The Board shall have power to adopt all necessary rules to implement such policies and for the conduct of business of the Society. Meetings of the Board shall be called by the President upon five days-notice to all directors of the date, time and place of the Board meeting. The Directors consent to the delivery of electronic communication of notice.

Section 6. Compensation. Members of the Board of Directors shall not receive any compensation for their service on the Board.

ARTICLE SEVEN

Officers and Their Duties

Section 1. The Officers of the Society and the duties to be performed by such Officers shall be as follows:

- 1.1 The President shall be the Executive Officer of the Society and shall conduct the meetings of the Society according to Roberts' Rules of Order, except as otherwise provided in these Bylaws. The President shall, during the term of office, serve as Chair of the Board.

- 1.2 The Vice President shall take the place of the President in the event the latter is unable to perform his or her duties. The Vice President shall, with the President, coordinate Strategic Plan development and implementation.
- 1.3 The Treasurer shall oversee collection of member dues, keep the books of the Society according to accepted accounting practice, and shall report the condition of the treasury of the Society at any time requested by the Board. The Treasurer shall deposit the funds of the Society in a recognized banking institution for the account of the Society. At the end of each fiscal year, the Treasurer shall engage an outside accounting firm to audit the financial records and prepare appropriate reports for filing with government agencies as required. Additionally, the Treasurer shall serve as Chair of the Business & Financial Management Committee. The Treasurer and Committee develop policies, procedures and strategies for the investment of Society funds. Such policies and procedures may be implemented upon approval from the Board of Directors.
- 1.4 The Secretary shall oversee the following duties:
 - (a) Proper approval and filing of minutes of meetings of the Board;
 - (b) Proper notification of Board and Member meetings;
 - (c) Maintenance of the membership records of the Society and reporting of changes in membership records to the CFA Institute as required.
 - (d) Voting processes, including motions at meetings and annual election of Officers and Directors, assuring quorum and compliance with these bylaws.
 - (e) Maintain the Board of Directors Manual, and assure copies are distributed or available electronically to each new board member as they join.
 - (f) Interpret and consider proposals for amendments to the Bylaws, and recommend such proposals and findings to the Board of Directors for action.

Section 2. The four Officers plus the Immediate Past President plus the Ex-Officio Executive Director (non-voting committee member) shall compose the Executive Committee.

Section 3. Election and Term. Officers shall be Regular Members elected at the Annual Meeting of the Society, and shall serve for a term of two (2) years, commencing on September 1 following election and continuing until the selection and qualification of a successor.

Section 4. Vacancies. Vacancies shall be filled by appointment of the Executive Committee for the remainder of the term, and ratified at the following Annual Meeting.

ARTICLE EIGHT

Methods of Selecting Officers, Directors, and Committees

Section 1. Selection. At least three months prior to the Annual Meeting of the Society, the Board shall appoint a Nominating Committee consisting of three Board members and two Regular members of the Society to nominate candidates for Officers and Directors for the ensuing term. Officers and Directors to be elected for the ensuing year shall be nominated from among the Membership of the Society. The Nominating Committee shall notify the Secretary of its nominees at least sixty (60) days before the Annual Meeting. The names of the Nominating Committee Members and of those nominated shall be included in the notice covering the Annual Meeting, which shall be mailed or electronically distributed at least fourteen (14) days before the meeting.

Section 2. Election. The election of Directors shall be ratified at the Annual Meeting of the Society. Directors shall serve for a period of three (3) years commencing September 1 following election, or until successors have been elected or appointed, after which they may be re-elected annually.

Section 3. Voting. Officers and Directors shall be elected through a vote of the Regular members.

Section 4. The Officers and Directors of the Society shall be elected in the following order:

1. President
2. Vice President
3. Secretary
4. Treasurer
5. Directors

Section 5. There shall be the following permanent Committees:

1. Executive Committee
2. Business and Financial Management Committee
3. Education Committee
4. Career Development Committee
5. Membership and Ethics Committee
6. Programs Committee
7. Public Awareness and Advocacy Committee
8. Strategic Planning Committee

Section 6. Committees Chairs. Committees Chairs shall be appointed by the President with the approval of the Board except as otherwise set forth in these bylaws. Each Committee Chair may appoint Committee members as deemed necessary.

Section 7. Special Committees. Ad Hoc Committees and Sub Committees may be created by the President, or may be authorized by the Board. Such Committees shall be established in accordance with these bylaws, and shall disband upon the completion of their particular task or upon the order of the Board.

ARTICLE NINE

Duties of the Standing Committees

Section 1. The Executive Committee shall be comprised of the Officers of the corporation with the Executive Director serving as a non-voting member. The Executive Committee shall act only in the interval between the meetings of the Board of Directors, and shall at all times be subject to the control and direction of the Board. To the extent determined by the Board, and as permitted by law, the Executive Committee shall have the authority of the Board of Directors in the management of the business of the corporation. The Board may authorize the Executive Committee (excluding the Executive Director) to (i) arrange for periodic evaluation of the Executive Director's performance by the Board; (ii) determine the compensation to be paid to the Executive Director; (iii) review and approve the executive compensation plan and periodically review executive compensation (including total compensation, base salaries, annual incentives, deferred compensation, special benefits, and executive perquisites) and any employment agreements for the Executive Director; (iv) recommend to the Board any substantial changes to compensation policies and pension plans; and (v) arrange for periodic review by the Board of the succession plan for the office of the Executive Director.

Section 2. The Business and Financial Management Committee shall assist, support, and advise the Treasurer in the discharge of his/her duties as described herein. The Committee may appoint an Assistant Treasurer. The Assistant Treasurer should be a Regular member, serving as Director At Large. The Assistant Treasurer may take the place of the Treasurer in the event the latter is unable to perform his or her duties and upon Board appointment (refer to Article 7, Section 4 Vacancies).

Section 3. The Education Committee, with a focus on students, recent graduates and individuals at all levels looking to pursue the CFA designation, shall develop and offer programs for improving skills valuable within the profession and shall promote awareness of the CFA charter and careers in the investment industry. It shall also oversee the society scholarship program, participation in the Institute Research Challenge

program, and shall act as liaison to both local educational institutions and prep course service providers, as appropriate.

Section 4. The Career Development Committee shall focus on the enrichment and growth of members' careers. The committee will focus on increasing the awareness of the CFA brand among local employers, providing career development resources and programming, and providing local networking opportunities and activities.

Section 5. The Membership and Ethics Committee shall review applications for student and local-only membership (in cases when CFA Institute is not involved). The chair of the Membership and Ethics Committee shall be a point of contact for the CFA Institute regarding investigations of ethical violations; and charges of violation of rules of professional ethical conduct or other ethical consideration as they pertain to matters not governed by CFA Institute. The Membership and Ethics Committee shall also be available to potential and current members regarding membership questions. Additionally, the committee shall be engaged in efforts to facilitate enhancing member value (including, but not limited to, social engagements, mentoring programs, new charterholder celebration events, etc.).

Section 6. The Programs Committee shall provide advice, event topics, and speakers; and have discretion to arrange high quality innovative programming for members of the Society at reasonably frequent intervals on subjects related to financial analysis, market insight and other topics of general interest to the members.

Section 7. The Public Awareness/Advocacy Committee shall develop the Society brand awareness strategy; implement the publicity strategy; spearhead Society communications in the geographic area on advocacy and policy issues; and develop and maintain relations with the local media and policy makers.

Section 8. The Strategic Planning Committee shall maintain the Mission, Vision and Strategic Objectives of the Society and lead the development and implementation of the Society's Strategic Plan and Annual Plan.

Section 9. Authority to Conduct Business. No committee, subcommittee, task force or other working group of the Society shall have any other authority, including any authority to act on behalf of the Society, unless specifically authorized by the Board of Directors.

ARTICLE TEN

General

Section 1. Annual Meeting. A regular Annual Meeting for the ratification of election of Officers and Directors shall be called by the President near the end of each fiscal year. Ballots will be distributed electronically to all Regular Members in advance of the annual meeting. Regular members are entitled to one vote. Ballots returned prior to the annual meeting will be counted for the determination of a quorum. A minimum of forty (40), or fifteen per cent (15%) of the total of such membership, whichever is less, shall constitute a quorum at any business meeting.

Section 2. Special Meetings. Special meetings may be called by the President on the President's own initiative, at the discretion of the Board, or on a written petition of fifteen per cent (15%) of the Regular members. The Board of Directors shall set a record date of not more than 60 days and not less than 14 days prior to a Member Annual or Special Meeting to determine the members entitled to notice and to vote at the Annual Meeting.

Section 3. Amendments. Amendments to these Bylaws shall be approved by the Board and adopted when approved by a majority of the Regular Members voting in accordance with the requirements of the Bylaws. Non-material Revisions to Bylaws must be approved by the Board.

Section 4. Impeachment. Impeachment of any Officer or Director shall be by a three-quarters (3/4) vote of the Regular members.

Section 5. Dissolution. The Society may be dissolved by a three-quarter (3/4) vote of the Regular members. In the event of the liquidation or dissolution of the Society:

- (a) no member shall be entitled to any distribution or division of its property or its proceeds, and
- (b) all funds and property of the Society shall be transferred to or applied for the benefit of one or more corporations or organizations qualifying under sections 501(c)(3) or 501(c)(6) of the Internal Revenue Code of 1954, as it may from time to time be amended, or similar provisions of any subsequent legislation, as selected by the Board and by any court that may exercise jurisdiction over such liquidation or dissolution, if any.

ARTICLE ELEVEN

Code of Ethics and Standards of Professional Conduct

Section 1. This Society hereby adopts the Code and Standards as they exist and as they may be amended from time to time. Members of this Society shall comply with the provisions of the Code and Standards.

Section 2. This Society hereby delegates to CFA Institute all authority and responsibility for enforcement of the Code and Standards with respect to all Regular and Affiliate Members of this Society and of the CFA Institute. Violations of the Code and Standards by non-Institute, local-only members shall result in the immediate termination of membership. This Society shall report to CFA Institute any possible or alleged violation of the Code or Standards which comes to its attention as pertains to all members of the Society with the understanding that such reporting makes no implication of guilt or innocence or as to whether the act is in actual violation.

Section 3. A person whose individual membership with CFA Institute has been revoked or suspended shall automatically have membership in this Society revoked or suspended, as applicable.

ARTICLE TWELVE

Indemnification

Section 1. Indemnity. The Society shall indemnify director, officer, member or employee of the corporation to the extent permitted or required by Minnesota law.

Amendments

July 2018

Non-material change to rename the Employment Committee to the Career Development Committee approved by Board of Directors

January 2019

Non-material change to update the mission statement approved by Board of Directors