



CFA UKRAINE SOCIETY
(Member Society of CFA Institute)

BYLAWS

As approved on August 06, 2009

ARTICLE 1 – FORMATION

- 1.1 Name.** The name of the corporation is “CFA Ukraine” (herein referred to as the “Society”).
- 1.2 Location.** The principal office of the Society shall be located at such place as the Board may determine from time to time.
- 1.3 Corporate Seal.** The Board shall have power to adopt and alter the seal of the Society.
- 1.4 Membership in CFA Institute.** The Society is a Member Society of CFA Institute.
- (a) As a Member Society, the Society:
- (i) operates autonomously in accordance with these Bylaws and applicable legislation;
 - (ii) adheres to the CFA Institute articles and bylaws;
 - (iii) works to enhance and build upon the principles and standards established by CFA Institute;
 - (iv) participates in various functions with other Member Societies; and
 - (v) comprises Regular Members, Affiliate Members, and Honorary Members, as detailed herein, of whom the Regular Member and Affiliate Members shall also be members of CFA Institute.
- (b) To the extent that there is any conflict between the Bylaws of the Society and the Bylaws of CFA Institute, those of CFA Institute shall take precedence and shall govern.
- 1.5 Mission and Statement of Purpose.**
- The Mission of the Society is** to bring value to our members and lead the investment profession in Ukraine by setting the highest standards of ethics, education, and professional excellence.

The Statement of Purpose is:

- (a) To promote the highest ethical standards in the Ukrainian investment community.
 - (b) To raise the standards of practice of financial analysis, investment advice and investment management.
 - (c) To promote the CFA® designation and assist CFA® candidates in Ukraine.
 - (d) To provide a platform for communication among our members, CFA Institute, other investment professionals, academic institutions and Ukraine's financial market regulators.
- 1.6 **Compliance.** All policies and activities of the Society are consistent with all applicable national and local issues.

ARTICLE 2 - DEFINITIONS

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

- 2.1 "Acceptable Professional Work Experience"** includes, as it relates to applicants seeking to become Regular Members or Affiliate Members, activities that consist to a majority extent of:
- (a) evaluating or applying financial, economic, and/or statistical data as part of the Investment Decision-Making Process involving securities or similar investments, which includes, but is not limited, to publicly traded and privately placed stocks, bonds and mortgages and their derivatives; commodity-based derivatives and mutual funds; and other investment assets, such as real estate and commodities, if these other investment assets are held as part of diversified, securities-oriented investment portfolios; or
 - (b) supervising, directly or indirectly, those who practice such activities; or
 - (c) teaching such activities.
- 2.2 "Affiliate Member"** is an individual who has met the membership requirements set forth in Section 3.3 of the Society Bylaws and whose membership has not been revoked or suspended.
- 2.3. "AGM"** is the Annual General Meeting of the Society Members.
- 2.4 "Board"** is the Board of Directors of the Society.
- 2.5 "Bylaws"** refers to the Bylaws of the Society as they may be amended from time to time.
- 2.6 "CFA Institute"** is a Virginia non-stock corporation.
- 2.7 "CFA Program"** is the Chartered Financial Analyst (CFA®) study and examination program developed and administered by CFA Institute.
- 2.8 "Chartered Financial Analyst®"** and **"CFA®"** are marks of CFA Institute that members authorized by CFA Institute may use as a professional designation.
- 2.9 "Code and Standards"** is the *Code of Ethics and Standards of Professional Conduct*, as amended periodically by CFA Institute.

- 2.10** “**EGM**” is the Extraordinary General Meeting of the Society Members
- 2.11** “**Honorary Member**” is an individual who has met the membership requirements set forth in Section 3.4 of the Society Bylaws and whose membership has not been revoked or suspended.
- 2.12** “**In Good Standing**” refers to a member who has paid all applicable CFA Institute dues in full, has submitted a Professional Conduct Statement to CFA Institute, and is not currently the subject of a Formal Proceeding or Disciplinary Sanction, as provided in the CFA Institute Bylaws.
- 2.13** “**Investment Decision-Making Process**” is the professional practice of financial analysis, investment management, security analysis, or other similar professions.
- 2.15** “**Member**” is an Affiliate, Regular or Honorary Member of the Society
- 2.14** “**Member’s Agreement**” is a document prepared by CFA Institute setting forth obligations and responsibilities that must be signed annually by every Regular Member and Affiliate Member.
- 2.12** “**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.
- 2.13** “**Regular Member**” is an individual who has met the membership requirements set forth in the Section 3.2 of the Society Bylaws and whose membership has not been revoked or suspended.

ARTICLE 3 - MEMBERSHIP

- 3.1** **Classes of Members.** The classes of members in the Society are Regular Members, Affiliate Members and Honorary Members.
- 3.2** **Regular Member.** To become a Regular Member of the Society, an individual must be a Regular Member of CFA Institute and fulfill such other requirements as the Society may impose consistent with the requirements established by CFA Institute.
- 3.3** **Affiliate Member.** To become an Affiliate Member of the Society, an individual shall:
- (a) qualify as, and upon becoming an Affiliate Member of the Society be accepted as, an Affiliate Member of CFA Institute, and
 - (b) have one year of Acceptable Professional Work Experience; and
 - (c) have passed Level I of the CFA Program or a self-administered standards of professional practice examination in a format established and approved by the CFA Institute Board of

Governors.

3.4 Honorary Members are nominated at the sole discretion of the Board because their presence within the Society could serve the Society's missions. An Honorary Member need not pay admission or membership fees, and shall not have the right to vote or nominate. The maximum number of Honorary Members of the Society at any point of time is 5 (five).

3.5 Member Responsibilities.

(a) Each Regular Member and Affiliate Member of the Society shall:

- (i) 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;
- (ii) be subject to the disciplinary jurisdiction and sanctions of the Society and CFA Institute;
- (iii) submit information relating to professional conduct and activities as the Society or CFA Institute may request;
- (iv) 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; and
- (v) maintain membership In Good Standing with CFA Institute.

3.6 Application for Membership. Any individual applying to become a Regular Member or an Affiliate Member of the Society shall file with CFA Institute and the Society an application for membership, along with additional information or documents as required by CFA Institute and the 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. Any individual applying for another class of membership shall follow such procedures as the Board shall establish from time to time.

3.7 Voting Rights. Regular Members In Good Standing have voting rights in the Society and each Regular Member In Good Standing shall be entitled to one (1) vote on each matter submitted to the Regular Members. Affiliate Members and other members do not have voting rights in the Society. Regular members who have retired status as defined in 3.12 do not have voting rights in the Society.

3.8 Dues. Any member who fails to pay annual Society membership dues in full shall be automatically suspended from membership in the Society. When payment is made in full, such member shall be automatically reinstated, subject to the Bylaws.

- 3.9 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.
- 3.10 Suspension or Revocation of Membership.** One's membership in the Society may be suspended or revoked at any time for any violation of Section 3.5, as determined and applied by CFA Institute. In the case of Regular Member and Affiliate Members, membership in the Society shall be suspended or revoked if their membership in CFA Institute is suspended or revoked. A member whose membership is revoked or suspended shall not be entitled to any rights or privileges of membership.
- 3.11 Membership List and Member Records.** The Society shall keep a list of the names, business addresses, business affiliations, and membership classifications of all Society members and such other records and information relating thereto as the Board shall determine. The Society shall provide to CFA Institute such information as CFA Institute may request and that relates to CFA Institute activities or to membership in CFA Institute.
- 3.12 Special Member Statuses.** Within the Regular Member and Affiliate Member Classes of membership, a retired status will be available. Members with a retired status will be granted a reduction in Society dues as determined by the Board.
- (a) A Regular Member or Affiliate Member of the Society may assume retired status if he or she:
- (i) has been a Regular Member or Affiliate Member of CFA Institute for one year
 - (ii) is not currently engaged in professional activities which qualify as Acceptable Professional Work Experience sufficient to receive the CFA charter or complete Regular Membership requirements;
 - (iii) completes an application provided by the Society; and
 - (iv) completes such other requirements as the Society may impose.

ARTICLE 4 - MEETINGS OF THE MEMBERS

- 4.1 Meetings.**
- (a) All meetings of the members shall be held at a suitable time and place, as determined by the Board.
 - (b) There shall be an Annual General Meeting (AGM) of the members.
 - (c) Special meetings including Extraordinary General Meetings (EGM) of the members shall be called:

- (i) by the Board or the President; or
 - (ii) by the Secretary, on receipt of a written petition signed by one-twentieth (1/20) of the Regular Members In Good Standing.
- (d) Only business within the purpose or purposes described in the meeting notice shall be conducted at a special meeting.

4.2 Notice.

- (a) Written notice of meetings shall:
- (i) state the date, time, and place of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called; and
 - (ii) be delivered, mailed, expressed, or sent by telegraph, facsimile, electronic mail, or other reliable printed or printable communication to each Regular Member In Good Standing to the address, as it appears on the Society membership records, not less than ten (10) or more than sixty (60) days before the meeting date unless a different notice period is required by law.
- (b) Notice of any meeting may be waived in writing signed by the member entitled to notice before or after the date of the meeting. A Regular Member who attends a meeting in person or by proxy:
- (i) waives objection to lack of notice or defective notice of the meeting unless the Regular Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and
 - (ii) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice unless the Regular Member objects to considering the matter when it is presented.

4.3 Quorum. At any meeting of the members, thirty percent (30%) of all Regular Members In Good Standing represented in person or by proxy at such meeting shall constitute a quorum for the transaction of business. If less than a quorum is present in person or by proxy, the President may adjourn the meeting to a fixed time and place determined by the President or Secretary.

4.4 Voting. A majority of the votes cast in person or by proxy, in hard or, when permitted by applicable by law, electronic form, at a meeting at which a quorum is present shall be required for adoption of any matter voted upon, except as otherwise required by the Bylaws, the Articles of Incorporation, or applicable law.

ARTICLE 5 - BOARD OF DIRECTORS

5.1 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.

5.2 Composition and Qualification.

- (a) The total number of Directors shall be 17 (seventeen) and shall be determined by the Board from time to time.
- (b) Only Regular Members In Good Standing are eligible for election and service as a Director.
- (c) The Board may form sub-committees from among its members or others, and shall specify the number of members for each sub-committee, its functions and specialization so as to refer the results of their studies and research work to the Board to decide.

5.3 Terms and Elections.

- (a) Directors shall be elected by vote of the Regular Members In Good Standing at the AGM for a term of two years commencing July 1 next following the date of the annual meeting of members and until their successors are chosen and qualified.
- (b) Members of the Board of Directors shall elect from among them a President, Vice President(s), Treasurer, and a Secretary at the Board of Directors first meeting and shall carry out the functions described in Article 6.

5.4 Vacancies. A Director's vacancy for any reason may be filled by the Board by the appointment of a successor for the unexpired term of the Director whose place is vacant.

5.5 Meetings.

- (a) Meetings of the Board shall be called by:
 - (i) the Board;
 - (ii) the President; or
 - (iii) the Secretary, on the written request of a majority of the Directors.
- (b) The date, time, and place of the Board meetings shall be designated by the Board, President, or Secretary.

5.6 Notice.

- (a) Regular meetings of the Board shall be held, with or without notice, at such dates, times, and places as the Board may determine by vote.
- (b) Written notice shall, when required, be sent by the Secretary and shall:
 - (i) state the date, time, and place of the meeting; and

- (ii) be delivered, mailed, or expressed to each Director at least fifteen (15) days before the meeting date or be given by telephone, telegraph, facsimile, electronic mail, or other reliable means at least twenty-four (24) hours before the meeting date.
- (c) The business to be transacted or the purpose of any Board meeting is not required to be specified in the notice or a waiver of notice of any Board meeting.
- (d) Notice of any meeting may be waived in writing signed by the individual entitled to notice before or after the date of the meeting.
- (e) A Director who attends a meeting in person or through the use of any means of communication by which all Directors may simultaneously hear each other during the meeting shall be deemed to have had timely and proper notice of the meeting.

5.7 Quorum. Except as otherwise provided in the Bylaws or by law, at any meeting of the Board, a majority of the Directors then serving who are present in person or through the use of any means of communication by which all Directors may simultaneously hear each other during the meeting shall constitute a quorum.

5.8 Voting.

- (a) Each Director shall be entitled to one (1) vote, which shall not be voted by proxy.
- (b) The act of a majority of the Directors voting at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in the Bylaws, the Articles of Incorporation, or by law.

ARTICLE 6 - OFFICERS

6.1 Number, Designation, and Qualifications.

- (a) The officers of the Society shall be a President, Vice President(s), Treasurer, Secretary, and such other officers as the Board may determine.
- (b) Only Regular Members In Good Standing may serve as an officer of the Society.
- (c) A person may hold more than one office at the same time provided that the President and Secretary may not be the same person.

6.2 President.

- (a) The President shall be the chief executive officer of the Society and, subject to the direction of the Board, shall:
 - (i) exercise general supervision and control of the affairs of the Society;
 - (ii) preside as "Chair" at all meetings of the members and Board;

- (iii) have such other duties and powers as prescribed in the Bylaws, the Articles of Incorporation, by the Board, and by law.
- (b) It shall be the President's duty to effectuate all orders and resolutions of the Board.

6.3 Vice President. The Vice President shall:

- (a) perform the duties of the President in his or her absence;
- (b) automatically become the President of the Society in the event of the President's incapacity, resignation, removal, or death, until such time as the Board may convene to appoint a new President pursuant to Section 5.4; and
- (c) have such other duties and powers as prescribed in the Bylaws, the Articles of Incorporation, by the Board, and by law.

6.4 Secretary. The Secretary shall:

- (a) act as secretary at all Board and member meetings, including maintaining minutes of such meetings;
- (b) maintain the corporate seal and certify the authenticity of Board actions and officer signatures;
- (c) notify the members and Directors of all meetings in accordance with the Bylaws;
- (d) comply with all requests for information from CFA Institute; and
- (e) have such other duties and powers as prescribed in the Bylaws, the Articles of Incorporation, by the Board, and by law.

6.5 Treasurer. The Treasurer shall:

- (a) oversee the receipt and disbursement of all funds;
- (b) maintain the Society's financial records and statements;
- (c) submit an annual financial statement and budget to the Board and such other statements as the President may require; and
- (d) have such other duties and powers as prescribed in the Bylaws, the Articles of Incorporation, by the Board, and by law.

6.6 Election and Term.

- (a) Elected Officers.
 - (i) The officers shall be elected by the Regular Members In Good Standing at each AGM.

- (ii) Each elected officer shall serve for a term of two years, commencing on July 1 following his or her election and continuing until the choosing and qualification of his or her successor.
- (b) **Appointed Officers.** Officer positions other than those listed in Sections 6.1 immediately above may be appointed by the Board at any time and shall hold office for such term as the Board may determine.
- 6.7 Delegation of Power.** In the case of the absence or disability of any Officer of the Society, or for any other reason deemed sufficient by the Board, the Board may, by vote of a majority of the Directors in office, delegate such Officer's power or duties to any other Officer or Director or may declare the office vacant.
- 6.8 Vacancies.** A vacancy in any office, except as otherwise provided in the Bylaws, may be filled by the Board for the unexpired term of the officer whose place is vacant and until a successor is elected or appointed.
- 6.9 Resignation.** Any Officer may at any time resign his or her office by delivering a resignation in writing to the Society at its principal office or to another Officer. Such resignation shall be effective upon receipt, or the date specified, and acceptance thereof shall not be necessary to make it effective unless it so states.
- 6.10 Removal.** Officers elected or appointed by the Board may be removed from their respective offices with or without cause by vote of a majority of the Directors then in office.

ARTICLE 7 - COMMITTEES

7.1 Creation and Requirements.

- (a) The Board may establish one (1) or more committees to perform such duties as prescribed by the Board, the Articles of Incorporation, or the Bylaws, provided that such duties are not prohibited by applicable law.
- (b) Except as otherwise provided in the Bylaws, each committee shall act under the supervision and control of the Board and the Board shall have the authority to remove any chair or member of a committee.
- (c) Except as permitted by law and specified in the Bylaws or a resolution of the Board, no committee shall perform any function of corporate power, policy-making, or management.
- (d) Each committee and subcommittee shall adhere to the same procedural requirements as applicable to the Board for notice of meeting, quorum, and voting.

7.2 Committee Chair and Members.

 Except as otherwise provided in the Bylaws:

- (a) the chair of each committee shall be a Regular Member In Good Standing;

- (b) the chair of each committee shall be appointed by the President of the Society, with the approval of the Board, to serve for a term of one (1) year or such longer period as the Board may determine and shall serve until his or her successor is selected and qualified, provided, however, that no individual shall serve as a committee chair for more than three (3) consecutive years except to the extent his or her successor has not been selected and qualified;
 - (c) each member of a committee shall be a Regular Member In Good Standing except to the extent that the Board shall determine otherwise; and
 - (d) the chair of each committee, with prior approval of the Board, shall appoint the other members of the committee to serve for a term of one (1) year or such longer period as the Board may determine and shall serve until his or her successor is selected and qualified, provided, however, that no individual shall serve as a member of a committee (including anytime as committee chair) for more than six (6) consecutive years except to the extent his or her successor has not been selected or qualified.
- 7.3 Subcommittees.** Except as otherwise set forth in the Bylaws, a committee may create one (1) or more subcommittees and shall determine the subcommittee chairs, members, and terms of members. All actions taken by subcommittees shall be subject to review and approval by the appointing committee, or as otherwise set forth in the Bylaws.
- 7.4 Reports of Committees.** Each of the committees shall submit a written report to the Board at least once each fiscal year covering the committee activities since the previous report.

ARTICLE 8 – FINANCES

- 8.1 Fiscal Year.** The fiscal year of the Society shall begin on July 1 of each year, unless otherwise determined by the Board.
- 8.2 Dues.**
- (a) The membership dues for the CFA Ukraine Society, payable annually on or before July 1, shall be determined by the Board.
 - (b) The annual membership dues and payment schedule may be changed as suggested by the Board with approval of two-thirds of the voting members of the Society's Annual Meeting.
 - (c) Each Member owes annual dues based on classification of membership, i.e. Regular or Affiliate (including Special Member Statuses). Honorary members are exempted. In addition to the dues set by the Society, the CFA Institute shall have the right to set and collect dues for each Member's membership in the CFA Institute and, if applicable, as a Charterholder.
 - (d) Any Member who has failed to pay the annual dues shall be automatically suspended from membership, without the necessity of any action by the Society or the CFA Institute, until payment is made, at which time such Member shall thereupon be reinstated, subject to these Bylaws.

- (e) No dues will be refunded.
- (f) Pursuant to an agreement between the Society and CFA Institute, CFA Institute will bill and collect membership dues for the Society.

ARTICLE 9 - PROFESSIONAL CONDUCT

9.1 Adoption. The Society adopts the CFA Institute Code and Standards, which are incorporated by reference. All Regular Members and Affiliate Members must comply with the provisions thereof.

9.2 Enforcement. The Society and its Board:

- (a) delegate to CFA Institute all authority and responsibility for enforcement of the Code and Standards with respect to all Regular Members and Affiliate Members of the Society; and
- (b) shall report to CFA Institute any violations of the Code and Standards that come to the Society's attention.

9.3 Charges. Any person may, in writing, address the Society or an officer or Director thereof concerning a charge or charges of breach of the Code and Standards by a member. The Board shall promptly forward all such complaints to the CFA Institute Professional Conduct Program. The complainant may request that the complaint remain sealed until it is received by CFA Institute.

ARTICLE 10 - AMENDMENT OF THE BYLAWS

10.1 Proposal for Amendment. A proposed amendment of the Bylaws shall be sponsored by at least two (2) Directors and shall be submitted to the Secretary at least seven (7) days before the next meeting of the Board. The Secretary shall forward the proposed amendment to all Directors at least three (3) days before the meeting.

10.2 Adoption of Amendment.

- (a) An amendment to the Bylaws shall be adopted when approved by a majority of the Regular Members In Good Standing voting in accordance with the requirements of the Bylaws.
- (b) Except to the extent prohibited by law, the CFA Institute Bylaws are incorporated by reference, and amendments to those Bylaws are also incorporated by reference without the necessity of further action.

ARTICLE 11 - INDEMNIFICATION

11.1 Indemnity. Every Director, officer, or Regular Member of the Society and their heirs, executors, and administrators, respectively, shall from time to time and at all times be

indemnified and saved harmless out of the funds of the Society, if the funds so permit, from and against:

- (a) all costs, charges, and expenses that such Director, officer, or Regular Member sustains or incurs in or about any action, suit, or proceeding that is brought, commenced, or prosecuted against him or her for or in respect of any act, deed, matter, or thing whatsoever made, done, or permitted by him or her in or about the execution of his or her duties pursuant to the Bylaws; and
- (b) from and against all other costs, charges, and expenses that he or she sustains or incurs in or about or in relation to the affairs of the Society except such costs, charges, or expenses as are occasioned by his or her own willful neglect or default.

ARTICLE 12 - DISSOLUTION

12.1 Procedure.

- (a) The Society may be dissolved by a three-quarter (3/4) vote of all Regular Members.
- (b) In the event of the liquidation or dissolution of the Society:
 - (i) no member shall be entitled to any distribution or division of its property or its proceeds; and
 - (ii) all funds and property of the Society shall be transferred to or applied for the benefit of one or more not-for-profit corporations or organizations, as then defined by the tax laws to which the Society must adhere, as selected by the Board, and by any court that may exercise jurisdiction over such liquidation or dissolution, if any.