

# **CFA West Michigan Society Bylaws**

## **ARTICLE I**

### **Name, Principal Office, Corporate Seal, Purpose and Fiscal Year**

Section 1. Name. The name of the corporation is the CFA West Michigan Society (herein referred to as the “Society”).

Section 2. Principal Office. The principal office of the Society shall be located at such place as the Board of Directors may determine.

Section 3. Corporate Seal. The Board of Directors shall have power to adopt and alter the seal of the Society.

Section 4. Purpose. The purposes of the Society are as set forth in the Charter.

Section 5. Fiscal Year. The fiscal year of the Society shall, unless otherwise determined by the Board of Directors, end on June 30.

## **ARTICLE II**

### **Membership**

Section 1. Classes of Members. There shall be two classes of members of the Society: Regular Members and Affiliate Members.

Section 2. Definitions of Financial Analyst. Regular Members and Affiliate Members. A financial analyst is an individual who evaluates or applies financial, economic and statistical data, as appropriate, as part of the investment decision-making process. Regular Members are persons (a) who have demonstrated high standards of professional competence and ethics through acceptable combinations of formal training and professional work experience in the investment decision-making process, (b) who have agreed to abide by the CFA Institute Code of Ethics and Standards of Professional Conduct as provided in Section 3 below, and (c) who have satisfied the other requirements of this Article II. Affiliate Members are persons (a) who have passed Level I of the CFA exam and (b) who have agreed to abide by the CFA Institute Code of Ethics and Standards of Professional Conduct as provided in Section 3 below, and (c) who have satisfied the other requirements of this Article II.

Section 3. Requirements for Regular Membership in CFA Institute and the Society. To become a Regular Member of the Society, an individual shall be a Regular Member of CFA Institute and shall fulfill such other requirements as the Society may impose consistent with the requirements established by CFA Institute.

The status of Regular Members of CFA Institute and Regular Members of the Society as of November 30, 1992, the effective date of the provisions in this Article II, shall not be affected thereby. Regular Members of CFA Institute as of November 30, 1992 shall thereafter be admitted as Regular members of any Member Society to which they apply.

The Society shall have the right to review all applications for Regular Membership in the Society including those from persons who hold the CFA charter, and from Regular Members of other Member Societies and of CFA Institute. In the event of disagreement concerning administration of membership requirements, the Society shall have the right to appeal to the CFA Institute Board of Governors or a committee established by the CFA Institute Board.

The Board of Governors of CFA Institute shall have the authority to make final determinations on the application of membership provisions contained in the Bylaws either itself or through a committee that it establishes.

Section 4. Requirements for Affiliate Membership in CFA Institute and the Society. To become an Affiliate Member of the Society, an individual shall be an Affiliate Member of CFA Institute, shall have passed the Level I CFA exam, and shall fulfill such other requirements as the Society may impose consistent with the requirements established by the CFA Institute.

Affiliate Members shall have all the privileges of Regular Members.

Section 5. Individual Membership in CFA Institute. Each Regular Member of the Society shall be a Regular Member in CFA Institute, and each Affiliate Member of the Society shall be an Affiliate Member in CFA Institute. Each Regular Member and each Affiliate Member shall cooperate fully with CFA Institute's objectives and activities, as applicable, and, more specifically, (a) shall adhere to its rules and regulations, including its Articles of Incorporation, Bylaws, Code of Ethics, and Standards of Professional Conduct and other rules relating to professional conduct, (b) shall be subject to the disciplinary jurisdiction of and sanctions by CFA Institute, (c) shall submit information requested by CFA Institute relating to professional conduct and activities, and (d) shall produce documents, testify, and otherwise cooperate in disciplinary proceedings of CFA Institute. Each Regular Member and each Affiliate Member of the Society shall execute a Member's Agreement stating that such member agrees to the foregoing as conditions of membership in the Society and in CFA Institute. Each Regular Member and each Affiliate Member of the Society shall complete and file with CFA Institute an initial and annual signed Member's Professional Conduct Statement, which shall be filed on or before a date designated by it.

Section 6. Admission of Members. Every person applying for Regular or Affiliate Membership in the Society must be sponsored by one CFA Charterholder and the applicant's supervisor, one of which must be a member of the Society. If the supervisor requirement cannot be met because the applicant is the principal of the firm, a student, retired, self-employed, or if providing a supervisor sponsor places the applicant in a

difficult professional position, then an additional sponsorship by a Regular Member of CFA Institute is required. Applications for Regular or Affiliate Membership shall be in writing and shall be submitted to the Society Secretary with a payment for annual dues, (or additional payment of dues, if appropriate) which will be returned in the event the application is not approved. All persons who have been awarded and retain the professional designation Chartered Financial Analyst are eligible to become Regular Members of the Society. Such persons shall be admitted as Regular Members upon satisfactory completion of the application procedures adopted by the Society including the provisions of this Section 6 and Section 3 above. The Society shall admit persons who hold the CFA charter as Regular Members.

Persons who are not CFA charterholders and who meet the requirements of Section 3 above are eligible to become Regular Members of the Society. Such persons shall be admitted as Regular Members upon satisfactory completion of the application procedures adopted by the Society. The Society shall admit such persons as their Regular Members upon admission as Regular Members of CFA Institute. Applications for membership must contain such additional information as is established by the Society Board.

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, 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.

The Board of Directors may establish a Membership Committee to review the qualifications of applicants for Regular or Affiliate membership and to make its recommendations thereon to the Board of Directors. If established, the Membership Committee shall consist of such number of members as the Board of Directors determines, all of whom shall be Regular or Affiliate Members appointed by the Board.

The Secretary shall keep a list of the names and addresses of all members of the Society and such other records and information relating thereto as the Board of Directors shall determine. The Board of Directors shall preserve its record and the records of the Membership Committee, if one is established, with respect to each applicant for membership for such period as the Board of Directors may determine.

Section 7. Resignation. Any member of the Society may at any time cease to be a member by submitting a resignation in writing to the President or Secretary of the Society. 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. CFA Institute shall be promptly notified of any such resignation.

Section 8. Dues. The annual dues for each fiscal year beginning July 1, 1993, for Society Members shall be determined by the Board of Directors from time to time. The dues of

the Society members shall be payable annually to the Society Treasurer. Any member who has failed to pay his annual dues shall be automatically suspended from membership without the necessity of any action by the Society, until payment is made, at which time such member shall thereupon be reinstated.

Section 9. Suspension or Expulsion. Any member may be suspended or expelled for non-payment of dues as provided in Section 8 above, or at any time pursuant to the procedures set forth in Article VII. CFA Institute shall be promptly notified of any such suspension or expulsion.

### **Article III**

#### **Meetings of Members**

Section 1. Time and Place of Meetings. All meetings of the members shall be held at a suitable time and place within or without the state of incorporation of the Society as determined by the Board of Directors.

Section 2. Annual Meeting. There shall be an annual meeting of the members, which shall be held in June of each year as determined by the Board of Directors. An annual meeting in lieu of the annual meeting may be held at a later date, with all the force and effect of an annual meeting.

Section 3. Special Meetings. Special meetings of the members may be called by the President, or upon written application by a majority of the Directors shall be called by the Secretary, or in the case of the death, absence, incapacity, or refusal of the Secretary, by any other officer. The call and the written application shall state the purpose for which the proposed meeting is to be held.

Section 4. Notice of Meetings. A written notice of each meeting of members containing the place, date and hour, and the purposes for which it is to be held, shall be sent to each Regular and Affiliate member by the Secretary or, in case of the death, absence, incapacity, or refusal of the Secretary, by another officer, at least ten (10) days before the meeting by electronic mail to the electronic mail address of each member as it appears in the records of the Society. Notice of a meeting need not be given to a member if a written waiver of notice, executed before or after the meeting by such member or an authorized attorney, is filed with the records of the meeting.

Section 5. Quorum. At any meeting of the members the Regular and Affiliate Members, present in person or represented by proxy, shall constitute a quorum. Though less than a quorum be present, any meeting of the members of the Society may without further notice to any member be adjourned to a different time and place. At any adjourned meeting at which a quorum shall be present, any business may be transacted which could have been transacted at the original meeting. When a quorum is present at any meeting, a majority of the Regular and Affiliate Members present in person or represented by proxy

shall decide any question brought before such meeting unless otherwise provided by law, by the Charter or by these Bylaws.

Section 6. Voting and Proxies. Each Regular Member and each Affiliate Member shall have one vote to be exercised in person or by proxy. Proxies must be in writing and filed with the Secretary of the meeting before being voted. The person named in a proxy may vote at any adjournment of the meeting for which the proxy was given, but the proxy shall terminate after final adjournment of the meeting. No proxy dated more than six (6) months before the meeting named in it shall be valid.

Section 7. Presiding and Recording Officers. The President shall preside at meetings of members or, in the President's absence, the Vice President. The Secretary of the Society shall act as Secretary of the meetings, and in the Secretary's absence, a Temporary Secretary shall be chosen at the meeting.

Section 8. Action by Consent. Any action to be taken by the members may be taken without a meeting if all of the members entitled to vote on the matter consent in writing to the action. The Secretary shall file the written consent with the records of the meetings of the members. Such consent shall be treated for all purposes as a vote at a meeting of the members at which a quorum was present and voting.

## **ARTICLE IV**

### **Board of Directors**

Section 1. Composition. The Board of Directors shall consist of the President, Vice President, Secretary, Treasurer, such other officers as the Board of Directors may appoint and non-officer directors. The maximum size of the Board of Directors shall be approved by the Regular and Affiliate Members at its Annual Meeting. Each Director must be a Regular or Affiliate Member of the Society.

Section 2. Election and Term. Directors shall be elected at the Annual Meeting of Members and commence their service on the following July 1<sup>st</sup>. The Directors will be classified by the length of their term. There will be three Classes: Class A, Class B, and Class C. Class A Directors will serve for a one—year term. Class B Directors will serve for two-year terms. Class C Directors will serve for three-year terms. The outgoing President of the Society will be appointed to a Class A Director position for the following year.

Section 3. Powers. The affairs of the Society shall be managed by the Board of Directors, which shall have and may exercise all the power of the Society to effectuate the purposes of the Society except those reserved to the members by law, by Charter, or by these Bylaws.

Section 4. Meetings and Notice. Meetings of the Board of Directors may be held within or without the state of incorporation of the Society as determined by the Board of Directors or the President.

The annual and regular meetings of the Board of Directors may be held without call or notice at any time and place determined by the Board of Directors, provided that any Director who is absent when such determination is made shall be given written notice by the Secretary of the time and place of such meetings.

Special meetings of the Board of Directors may be called by the President or three (3) or more of the Directors then in office. Written notice of any special meeting shall be given by the Secretary to each Director (i) by written notice delivered in person at least twenty-four (24) hours before such meeting, or (ii) by written notice mailed to arrive at his or her last known business or home address, at least seventy-two (72) hours before such meeting, or (iii) by written notice emailed at least seventy-two (72) hours before such meeting. Notice of a meeting need not be given to any Director if a written waiver of notice is executed before or after the meeting or if the Director attends the meeting without protesting, either prior thereto or at its commencement, the lack of notice.

A notice or waiver of notice of any meeting of the Board of Directors need not specify the purposes of the meeting.

Section 5. Quorum and Voting. Each director shall have one vote, which may only be exercised in person. The number of Directors required to constitute a quorum at any meeting of the Board of Directors shall be a majority of the Directors then in office. Though less than a quorum be present, any meeting may without further notice, be adjourned to a different time or place. At any adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the original meeting. If a quorum is present at any meeting, a majority of the Directors present may decide any question unless otherwise provided by law, by the Charter or by these Bylaws.

Section 6. Vacancy. A vacancy in the Board of Directors, may be filled by the remaining Directors then in office by the election of a successor to hold office for the unexpired term of the Director whose place is vacant.

Section 7. Resignation. Any Director may at any time resign by delivering a resignation in writing to the Society at its principal office or to the President or Secretary. 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.

Section 8. Removal. Any Director may be removed at any time with or without cause at any meeting of the members by a voted of a majority of the Regular and Affiliate Members at a meeting at which a quorum is present.

Section 9 Action by Consent. Any action to be taken by the Directors may be taken without a meeting if all of the Directors entitled to vote on the matter consent in writing

to the action. The Secretary shall file the written consent with the records of the meetings of the Directors. Such consent shall be treated for all purposes as a vote at a meeting of the Board of Directors at which a quorum was present and voting.

Section 10. Committees. The Board of Directors may elect from their own number or otherwise, as they may determine, any committees or advisory boards, the number comprising any such committee or advisory boards and the powers conferred upon the same to be determined by the Board of Directors unless otherwise provided by law, by the Charter or by these Bylaws. The President shall designate the Chairman of any committee or advisory board. Any committee to which powers of the Board of Directors are delegated shall be comprised solely of Directors.

All members of committees or advisory boards shall hold office until July 1 in the year next following the appointment or election, unless otherwise determined by the Board of Directors.

The President shall be an ex-officio member of all committees.

## **ARTICLE V**

### **Officers**

Section 1. Designation. The officers of the Society shall consist of a President, Vice President, Secretary, Treasurer, and such other officers as the Board of Directors may from time to time appoint.

A person may hold more than one office at the same time provided that the President and Secretary may not be the same person. If required by the Board of Directors, an officer shall give the Society a bond for the faithful performance of duties in such sum with such surety or sureties as shall be satisfactory to the Board of Directors.

Section 2. Appointment. The Board of Directors shall appoint the Society's officers. An Officer shall hold office for such a term as the Board of Directors may determine, not to exceed the term of that Officer's term of service on the Board of Directors. All Officers and Directors must be Regular or Affiliate Members of the Society.

Section 3. President and Vice President. The President shall be the chief executive officer of the Society and shall, subject to the direction of the Board of Directors, exercise general supervision and control of the affairs of the Society. The President shall have such further powers and duties as the Board of Directors shall determine.

The President, when present, shall preside at all meetings of the members and Board of Directors of the Society. In the President's absence, the Vice President shall preside.

The Vice President shall have such powers and perform such duties as may be determined by the Board of Directors. The Vice President shall have and may exercise all

the powers and duties of the President during the absence of the President or in the event of the President's inability to act and shall become President in the event of the President's death or resignation.

Section 4. Treasurer. The Treasurer shall have, subject to the direction of the Board of Directors, general charge of the financial affairs of the Society and shall keep full and accurate records thereof, which shall always be open to the inspection of the President or any Director. The Treasurer shall submit an annual financial statement and such other statements as the President may require. The Treasurer shall further render to the President and Directors, at the regular meetings of the Board of Directors, or whenever it may require it, a statement of the accounts of all transactions as Treasurer and of the financial condition of the Society.

Section 5. Secretary. The Secretary shall record and maintain records of the proceedings of all meetings of the members and of the Board of Directors in books kept for that purpose. The Secretary shall notify the members and the Directors of all meetings in accordance with these Bylaws. If the Secretary is absent from any meeting of the members or of the Board of Directors, a Temporary Secretary shall be chosen to exercise the duties of the Secretary at such meeting. The Secretary shall keep all the records of the Society not kept by the Treasurer.

Section 6. 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 a majority of the Board of Directors, the Board of Directors may delegate the officer's powers or duties to any other officer or Director, or declare the office vacant and elect a successor to serve until the next annual meeting of the members and until a successor is elected and qualified.

Section 7. Vacancies. A vacancy in any office may be filled by the Board of Directors by the election of a successor to hold office for the unexpired term of the officer whose place is vacant and until a successor is chosen and qualified.

Section 8. Resignation. Any officer may at any time resign such office by delivering a resignation in writing to the Society at its principal office or to the President or Secretary. 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.

Section 9. Removal. Officers elected or appointed by the Board of Directors may be removed from their respective offices with or without cause by vote of a majority of the Directors then in office.

## **ARTICLE VI**

### **Nominating Committee**



Section 1. Appointment and Composition. The Board of Directors shall appoint annually at least sixty (60) days prior to the annual meeting of members a Nominating Committee of three (3) persons, one of whom shall be designated Chairman.

Section 2. Duties. The Nominating Committee shall nominate persons to serve as Directors. The Secretary of the Society shall notify the Members of the nominations at least two weeks before the Annual Meeting of the Members. Any Regular or Affiliate Member of the corporation, however, may offer nominations from the floor at the annual meeting of the members, provided that such member has submitted to the Secretary not later than ten (10) days before the annual meeting of members, a notice signed by not less than seven (7) Regular or Affiliate Members of the corporation stating the names of the proposed nominees.

## **ARTICLE VII**

### **Code of Ethics and Standards of Professional Conduct**

Section 1. Adoption and Amendment. The Society hereby adopts the Code of Ethics and Standards of Professional Conduct of CFA Institute, and as they may be amended from time to time (together referred to herein as the “Code” and “Standards”). Regular and Affiliate Members of the Society shall comply with the provisions of the Code and Standards.

Section 2. Enforcement. The Society delegates to CFA Institute all authority and responsibility for enforcement of the Code and Standards with respect to the Regular and Affiliate Members of the Society. The Society shall report to CFA Institute any possible violation by such members of the Code or Standards that came to its attention. The membership in the Society of a person whose individual membership in CFA Institute as a Regular or Affiliate Member has been revoked or suspended by it shall be automatically revoked or suspended, as applicable. Any person whose membership in the Society has been revoked or suspended shall automatically cease to hold any position in the Society.

Section 3. Annual Statements. Each Regular and Affiliate Member of the Society shall submit to CFA Institute an annual signed Member’s Professional Conduct Statement, and shall furnish such additional information relating to professional conduct as may be requested by CFA Institute which shall be filed by a date designated by it. The Society, if requested by CFA Institute, shall collect such statements from all of its Regular and Affiliate Members and shall forward such statement to CFA Institute by the designated date. A Regular or Affiliate Member who has retired from the profession shall be excused from filing a Member’s Professional Conduct Statement upon the completion of a form prepared for that purpose by CFA Institute.

## **ARTICLE VIII**

### **Indemnification**

The Society shall indemnify each of its Officers, Directors and Committee Chairmen, whether or not then in office, (and his executor, administrator and heirs) against all reasonable expenses, including but not limited to counsel fees and amounts of judgments actually and necessarily incurred by him in connection with any litigation to which he may have been made a party because he is or was an Officer, Director or Committee Chairman of the Society. He shall have no right to reimbursement, however, in any matter in which he is adjudged liable for negligence or misconduct in the performance of his duties. The right to indemnity for expenses shall also apply to expenses of suits that are compromised or settled if the court having jurisdiction of the action shall approve the settlement. The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which such Officer, Director or Committee Chairman may be entitled.

## **ARTICLE IX**

### **Amendments**

Section 1. Power to Amend. The Bylaws of the Society may be amended as provided in Sections 2 and 3 below.

Section 2. Proposal for Amendment. A proposed amendment of the Bylaws shall be sponsored by at least five (5) Directors and shall be submitted to the Secretary at least seven (7) days before the next meeting of the Board of Directors. The Secretary shall forward the proposed amendment to all Directors at least three (3) days before the meeting.

Section 3. Adoption of Amendment. A proposed amendment shall be adopted upon vote by all Regular and Affiliate Members of the Society.

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June 2007

Article II Membership amended by Regular Members June 5, 2007 to allow for Affiliate Members and to eliminate Guest Members.

Article III Meetings of Members and Article IV Board of Directors amended by Regular Members June 5, 2007 to allow notification of meetings to be made by electronic mail rather than by telegrams and postage prepaid mail.

Article IV Board of Directors amended by Regular Members June 5, 2007 to provide for 1) direct election of all non-Officer Board Members and 2) establishing the maximum number of Board of Director positions.

Article IV Board of Directors amended by Regular Members August 10, 2010 to provide for (1) three classes of directors and that (2) the outgoing President of the Society will be appointed as a Class A (one-year) director for the following year.

Article V Officers amended by Regular Members August 10, 2010 to provide that the Board of Directors shall appoint the Society's officers, and that all officers and directors must be Regular or Affiliate members.

Article VI Nominating Committee amended by Regular Members August 10, 2010 to provide that the Nominating Committee shall nominate Directors, and that the Secretary shall notify Members of the nominations at least two weeks before the Annual Meeting of the Members.