

BYLAWS FOR THE CFA SOCIETY OF DALLAS-FORT WORTH

as Amended on March 17, 2005

ARTICLE I

Name Principal Office Corporate Seal Purpose and Fiscal Year

Section 1. **Names**: The name of the Society is "The CFA Society of Dallas/Fort Worth" (herein referred to as the "Society"). (A non-profit Corporation established under the laws of the State of Texas, May 5, 1972).

Section 2. **Corporate Office**: The principal office of the Society shall be located in the city of Dallas, County of Dallas, State of Texas. The Board of Directors may change the location of the principal office and establish such other offices as it deems appropriate.

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.

Section 6. **Membership CFA Institute**: The Society is a Member of CFA Institute. To the extent that there is any conflict between the Membership or Professional Conduct sections of the Bylaws of the Society and the Bylaws of CFA Institute, those of CFA Institute shall take precedence and shall govern.

ARTICLE II

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:

Section 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.

Section 2. **"Affiliate Member"** is an individual who has met the membership requirements set forth in Article III, Section 3 of the Society Bylaws and whose membership has not been revoked or suspended.

Section 3. **CFA Institute** is a Virginia non-stock corporation.

Section 4. **"Board"** is the Board of Directors of the Society.

Section 5. **"Bylaws"** refers to the Bylaws of the Society as they may be amended from time to time.

Section 6. **"CFA Program"** is the Chartered Financial Analyst (CFA[®]) study and examination program developed and administered by CFA Institute.

Section 7. "Chartered Financial Analyst®" and "CFA®" are marks of CFA Institute that members authorized by CFA Institute may use as a professional designation.

Section 8. "Code and Standards" is the *Code of Ethics and Standards of Professional Conduct*, as amended periodically by CFA Institute.

Section 9. "In Good Standing" refers to a member who has paid all applicable local Society and 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.

Section 10. "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.

Section 11. "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.

Section 12. "Regular Member" is an individual who has met the membership requirements set forth in the Article III, Section 2 of the Society Bylaws and whose membership has not been revoked or suspended.

ARTICLE III

Membership

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

Section 2. Minimum Requirements for Regular Membership: Each person hereafter admitted as a Regular Member shall:

- (1) Be accepted as a Regular Member of CFA Institute, and
- (2) Fulfill the sponsorship requirement as outlined in Article III, Section 4.

Section 3. Minimum Requirements for Affiliate Membership:

To become an Affiliate Member of the Society, an individual shall:

- (1) Be accepted as an Affiliate Member of CFA Institute,
- (2) Fulfill the sponsorship requirements as outlined in Article III, Section 4,
- (3) Have one year of Acceptable Professional Work Experience, and
- (4) Be currently or previously enrolled as a candidate in the CFA Program.

Section 4. Sponsorship Requirements: Every person applying for Regular or Affiliate Membership in the Society must be sponsored by One Regular CFA Institute member and the applicant's supervisor, one of which must be a member of the Society. In the event that the supervisor requirement is unable to be fulfilled 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.

Section 5. Privileges of Membership: Each Regular Member shall have all privileges including being entitled to one vote on each matter submitted to a vote of the members. Affiliate Members shall have all the privileges of Regular Members except the privilege (a) to vote, (b) to hold any office of the Society, and (c) to be a Regular Member of CFA Institute.

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

- (1) 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;
- (2) be subject to the disciplinary jurisdiction and sanctions of the Society and CFA Institute;

- (3) submit information relating to professional conduct and activities as the Society or CFA Institute may request;
- (4) 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
- (5) maintain membership In Good Standing with CFA Institute.

Section 7. 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. Under the auspices of the Board of Directors, Regular and Affiliate Members shall be elected by a majority vote of the Membership Committee. It shall be the responsibility of the Membership Committee, and they are so charged, to determine that each regular and affiliate applicant will contribute to the objectives of the Society, as described in Article IV of the Articles of Incorporation of the Society, before voting favorably on admission. An applicant shall not be considered a member until he is given formal notice of his acceptance by the Membership Committee. In the event of disagreement concerning administration or interpretation of 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.

Section 8. Members Ceasing to Engage in Investment Analysis: Any Regular or Affiliate Member may be asked to retire or resign if and when he ceases to spend at least one quarter of his time engaged in Acceptable Professional Work Experience.

Any question as to how much time a member spends in this capacity shall be determined by the Membership Committee, and its determination shall be binding, except that it shall be subject to review by the Board of Directors.

Section 9. Retired Members: A member may become a Retired Member of the Society if he:

- (1) has been a Regular Member or Affiliate Member of CFA Institute for five (5) years;
- (2) is no longer substantially engaged in the professional practice of financial analysis, investment management, securities analysis, or other similar profession for compensation;
- (3) completes an application provided by the Society; and
- (4) fulfills such other requirements as the Society may impose.

Retired Members shall pay local Society dues, in addition to CFA Institute dues. Retired Regular Members shall retain their right to vote.

Section 10. Resignation: Any member of the Society may, at any time, cease to be a member by submitting a notice of 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. The Society shall notify CFA Institute of the resignation of any Regular Member or Affiliate Member from the Society

Section 11. Dues: The annual dues for each fiscal year beginning July 1, for Society members shall be as determined by the Board of Directors from time to time. Society dues shall be in addition to, and not in lieu of, CFA Institute dues. Any member who fails to pay Annual Society membership dues in full by such date shall be automatically suspended from membership in the Society, without the necessity of any action by the Society, until payment is made at which time such members shall thereupon be reinstated.

Pursuant to an agreement between the Society and CFA Institute, CFA Institute will bill and collect membership dues for the Society.

Section 12. Suspension or Expulsions: Any membership in the Society may be suspended or revoked at any time for any violation of Article III, Sections 6 or 11 or at any time pursuant to the procedures set forth in Article VII. In the case of Regular Members and Affiliate Members, membership in the Society shall be suspended or revoked if his 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.

Section 13. Checks and Conveyances: All checks or demands for money and notes of the Society shall be signed by either the President, the Vice President, the Programming Chair, the Treasurer or such other person or persons as the Board of Directors may from time to time designate. Any conveyances or the execution of contracts by the Society shall be upon the instruction of the Board of Directors and in the manner that the Board shall prescribe.

ARTICLE IV

Meeting of Members

Section 1. Place of Meeting: All annual and special meetings of the members shall be held at the principal and registered office of the Society in Dallas, Texas or at such other place within or without the State or Texas as shall be determined by the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 2. Annual Meeting: An annual meeting of the members shall be held at a time in May or June selected by the Board of Directors at least four (4) weeks in advance with written notice given to all members at least two (2) weeks in advance of the meeting date. At this meeting, the officers and directors for the forthcoming fiscal year shall be elected and any other proper business may be transacted.

Section 3. Special Meetings: Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute or the Articles of Incorporation, may be held at the discretion of the President or Board of Directors upon written notice given to all members at least two (2) weeks in advance of the meeting date. When instructed by written application signed by ten percent (10%) of the Regular Members of the Society and filed with the Secretary, the Board of Directors shall call a special meeting within two (2) weeks from the date of the filing of the application.

Section 4. Business at Special Meetings: Business transacted at special meetings shall be confined to the purpose or purposes stated in the notice.

Section 5. Regular Meetings: Regular meetings as arranged by the Vice President-Program Chairman to further the goals of the Society, as outlined in the Articles of Incorporation of the Society, may be held from time to time with adequate notification of time and place to be made to all members by the Secretary.

Section 6. Quorum: At any meeting of the members, twenty percent (20%) of the Regular Members In Good Standing present in person or represented by proxy, shall constitute a quorum. If less than a quorum is represented, the President may adjourn the meeting to a fixed time and place determined by the President or Secretary.

Section 7. Majority Vote and Proxies: When a quorum is present at any meeting, each Regular Member shall be entitled to one vote, and action shall be taken by means of a majority vote of the Regular Members represented in person, or by proxy. Proxies must be in writing, email included, 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 three (3) months before meeting named in it shall be valid.

Section 8. Contested Elections: In uncontested elections, a voice vote may be taken, but in contested elections, secret written ballots of Regular Members will be utilized. Ballots will be taken for each office separately, and the candidate receiving the majority of votes for each office shall be declared elected.

Section 9. Reports: The President, Vice Presidents, Vice President-Program Chairman, Secretary, Treasurer, the Membership Committee Chairperson, and any other Committee Chairpersons as the President may decide shall submit a report to the membership on their work during the year at the annual meeting. These reports shall be submitted in written form and shall be included in the written minutes of the annual meeting.

Section 10. 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 at all meetings, and in the Secretary's absence, a temporary Secretary shall be chosen.

Section 11. Action by Consent: Any Action to be taken by the members may be taken without a meeting if a quorum 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 meeting of the members. Such consent shall be treated for all purpose as a vote at a meeting of the members at which a quorum was present and voting.

ARTICLE V

Board of Directors and Committees

Section 1. General Powers: The affairs of the Society shall be managed by a Board of Directors. The Board may exercise all such powers of the Society and do all such lawful acts and such things as are not prohibited by statute by the Articles of Incorporation, or that are not by these Bylaws directed or required to be exercised or done by the members.

Section 2. Number of Directors: Effective as of June 30, 2002, the total number of Directors, including *ex officio* Directors, shall be an odd number no less than thirteen (13) and no more than twenty-one (21).

Section 3. Qualifications, Elections and Terms: Only Regular Members In Good Standing are eligible for election and service as a Director. The President, three Vice Presidents, Secretary, Treasurer, and if available and willing to serve, four (4) immediate past Presidents shall serve as *ex officio* Directors. The remaining positions shall be filled by Regular Members elected at the annual meeting of the members. The term of each Director shall be 2 years and no Director shall serve for more than three (3) consecutive terms.

Section 4. Vacancies: Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of the majority of the remaining Directors, even though such majority may constitute less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 5. Resignation/Removal: Any Director may resign at any time. If the members of this Society are not entitled to cumulative voting in the election of the Directors, the Board of Directors may, by majority vote of the Directors then in office, remove a Director for cause. If the members of this Society are entitled to cumulative voting in the election of Directors, the member entitled to vote in the election of Directors may remove a Director with or without cause; provided, however, that no Director may be removed when the votes cast against his removal would be sufficient to elect him if cast cumulatively at an election of Directors at which the same number of voted were cast and the entire Board, or the entire class of Directors of which he is then a member, were then being elected.

Section 6. Regular Meetings: A minimum of six (6) Regular meetings of the Board shall be held each year at such time and place within or without the State of Texas and with such notice or without notices as shall be determined from time to time by the Board. Regular Meetings may be held either in person or by teleconference.

Section 7. Special Meetings: Special meetings of the Board may be called by the President on one day's notice to each Director. Special meetings shall be called by the President or the Secretary in like manner or like notice on the written request of any two (2) Directors.

Section 8. Quorum and Voting: At all meeting of the Board, a majority of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business; and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute, the Articles of Incorporation, or these Bylaws. If a quorum is not present at any meeting of Directors, the Directors present thereat may adjourn the meeting, without notice other than announcement at the meeting, until a quorum shall be present.

Section 9. Action by Written Consent: Any action required or permitted to be taken by the Board of Directors under the applicable provisions of the statutes, the Articles of Incorporation, or these Bylaws, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the members of the Board of Directors.

Section 10. Committees: There shall be at least three (3) principal committees: The Membership Committee, The Programming Committee, and The Nominating Committee. Other committees may be

appointed from time to time by the President or majority of Directors as the need arises. The committees shall be temporary with the term of service expiring at each annual meeting. The newly elected President may, at his option, reappoint committee members for an additional year.

Section 11. Membership Committee: The Membership Committee Chairman shall be appointed by the President. The Committee may consist of any number as shall be determined by the Board up to five (5) members appointed by the Chairman and shall be responsible for approval of applicants for regular or affiliate membership.

Section 12. Programming Committee: The Programming Committee Chairman shall be appointed by the President and may consist of any number as shall be determined by the Board from time to time.

Section 13. Nominating Committee: The Nominating Committee Chairman shall be appointed by the President. The Committee shall consist of any number as shall be determined by the Board from time to time.

Section 14. Professional Ethics Committee: The Professional Ethic Committee Chairman shall be appointed by the President on an ad hoc basis should circumstances require.

ARTICLE VI

Officers

Section 1. Designation: The officers of the Society shall be a President, three Vice Presidents, a Secretary, a 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 a 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. Election: The President, three (3) Vice Presidents, Secretary, and Treasurer shall be elected by the Regular Members at the annual meeting of members and shall hold office for one year commencing on July 1 next following the date of annual meeting of members and until their respective successors are chosen and qualified. All other officers may be appointed by the Board of Directors at any time and shall hold office for such term as the Board of Directors may determine. The number of terms an officer may serve shall not be limited. All officers must be Regular Members of the Society.

Section 3. 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.

Section 4. Vice President: 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 5. Vice President-Programs Chairman: The Vice President-Programs Chairman shall have the responsibility to arrange for programs, speakers, meeting places and dates of regular meetings. These programs take place regularly in accordance with the guidance of the Board of Directors.

Section 6. Vice President – Membership Chairman: The Vice President-Membership Chairman shall have the responsibility to manage membership applications, recruit new members, and act as a liaison to the CFA Institute Candidate & Member Services department. The Membership Chairman will also be responsible for answering questions regarding membership requirements, status, classes, privileges and responsibilities.

Section 7. Secretary: The Secretary shall record and maintain records of the proceedings of all meetings of the members and the Board of Directors in books kept for that purpose. The Secretary shall notify the members and Directors of all meetings in accordance with these Bylaws. The Secretary shall keep a current list of names and addresses of all members of the Society. If the Secretary is absent from any meetings of the members or the Board of Directors, a temporary Secretary shall be chosen to excise the duties of the Secretary at such meeting.

Section 8. 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 of 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 account of all transaction as Treasurer and of the financial condition of the Society.

Section 9. 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 of 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 or qualified.

Section 10. 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 11. 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 12. 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 VII

Code of Ethics and Standards of Professional Conduct

Section 1. Adoption and Amendment: The Society hereby adopts the CFA Institute Code of Ethics and Standards of Professional Conduct, 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 hereby 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 which come to its attention.

Section 3. Annual Statements: Each Regular and Affiliate Member of the Society shall submit annually to CFA Institute a Professional Conduct Statement and shall furnish such additional information relating to professional conduct as may be requested by CFA Institute and 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 statements to CFA Institute by the designated date.

Section 4. 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 VIII

Indemnification

Section 1. Indemnification: 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:

- (1) 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 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

- (2) 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 IX

Dissolution

Section 1. Procedure: 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:

- (1) no member shall be entitled to any distribution or division of its property or its proceeds; and
- (2) 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.

ARTICLE X

Amendment to Bylaws

Section 1. Proposal for Amendment: A proposed amendment of the Bylaws shall be sponsored by at least fifty percent (50%) of the Directors and shall be submitted to the Secretary at least seven (7) days before the next meeting.

Section 2. Adoption of Amendment: 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. 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.