

CFA SOCIETY OF MINNESOTA

BYLAWS

As amended through June 7, 2005

ARTICLE ONE

Name

Section 1. This Society shall be known as the CFA Society of Minnesota and shall be operated, where practicable for all organizational and financial purposes, on a fiscal year beginning each July 1 and ending the following June 30.

ARTICLE TWO

Objectives

Section 1: The aims of the Society shall be to:

Establish and maintain a high standard of professional ethics among financial analysts;

Encourage members to improve analytical techniques and proficiency through continuing education;

Foster the interchange of ideas and information among the financial community;

Promote the proper public understanding of the function of financial analysts, their contribution to the appropriate determination of value of financial instruments and the operation of the financial markets; and

Engage in such other activities as may be suitable to such an organization through advocacy of the profession and the financial well being of our clients.

ARTICLE THREE

Membership

Section 1. Definition of Financial Analyst and Financial Analysis. A financial analyst is an individual who spends a substantial portion of time collecting, evaluating or applying financial, economic, or statistical data as appropriate in the investment decision-making process. This process is referred to as financial analysis.

Section 2. There shall be three classes of members of this Society; Regular, Affiliate, and Retired. The requirements and qualifications for membership in the Society shall be in accordance with the Bylaws of the CFA Institute.

Section 3. Minimum Requirements for Regular membership. Regular members shall be defined as persons who have (1) a bachelor's degree from an accredited academic institution or equivalent education or work experience, (2) four years experience in financial analysis as defined in Section 1 herein, (3) passed Level I of the CFA Examination administered by the CFA Institute or such other appropriate examination as may be approved by the Investment Analysis Standards Board, and (4) at the time of admission as a Regular member, meets at least one of the following requirements:

- a) Is practicing, teaching financial analysis, or is supervising directly or indirectly those who so practice; is a CFA® Charterholder; or
- b) Is a Regular member of a constituent society.

Section 4. Requirements for Affiliate Membership. Affiliate membership is provided for persons who do not qualify as Regular members. Affiliate members shall have all the privileges of Regular members except the

privilege to (a) vote, (b) hold any office of the Society, and c) to be a Regular member of the CFA Institute. Affiliate members must meet the requirements of one of the following classes of Affiliate membership:

- a) A former Regular member who no longer qualifies as a Regular member because of a change of occupation;
- b) A person actively engaged in financial and/or treasury functions, who would not otherwise qualify as a Regular member defined above; or
- c) A person who has all the qualifications for Regular membership, as provided in Section 3 hereof, except that the person (1) need not have passed the CFA Level I examination and, (2) has four years of the practice requirement provided in Section 3 hereof.

Section 5. Individual Membership in the CFA Institute and additional Requirements. Each Regular and Affiliate member shall cooperate fully with the CFA Institute's objectives and activities, as applicable, and, more specifically, (a) shall adhere to their rules and regulations, including their 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 the CFA Institute, (c) shall submit information requested by the CFA Institute relating to professional conduct and activities, and (d) shall produce documents, testify, and otherwise cooperate in disciplinary proceedings of the CFA Institute. Each Regular and 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 the CFA Institute. Each Regular and Affiliate member of the Society shall complete and file with the CFA Institute an initial and an annual, signed Member's Professional Conduct Statement.

Section 6. Retired members are defined as members who have reached age fifty (50) and are no longer engaged in active professional practice on a salary or fee basis. Retired members shall have all the privileges of Regular members except the privilege to (a) vote, (b) hold any office of the Society,

Section 7. An individual desiring membership in the Society shall make written application on the membership application and sponsor forms provided by the CFA Institute. He or she must be sponsored by their immediate supervisor and one Regular member of the Society in good standing. If the applicant does not have an immediate supervisor, then a second sponsor is required who is a Regular member in good standing of the Society. No more than one of the sponsors shall be associated with the same organization as the applicant. If, however, the person seeking membership in this Society already is a Regular member in good standing of another constituent CFA Institute Society, then the sponsorship requirements shall be waived.

ARTICLE FOUR

Officers and Their Duties

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

Section 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 of Directors.

Section 2. The First Vice President shall take the place of the President in the event the latter is unable to perform his or her duties. The First Vice President shall also interpret and consider proposals for amendments to the Bylaws, and shall recommend such proposals and findings to the Board of Directors for action.

Section 3. The Second Vice President shall serve as Chair of the Programs Committee.

Section 4. The Treasurer shall collect dues from members, 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 the Board of Directors shall direct. The Treasurer shall deposit the funds of the Society in a recognized banking institution for the account of the Society. The investment of funds of the Society shall be at the discretion of the Treasurer with the approval of the Board of Directors. At the end of each fiscal year, the Treasurer shall engage an outside accounting firm to review the financial records and prepare the appropriate reports for filing with government agencies as required.

Section 5. The Secretary shall keep the Minutes of the Board of Directors meetings, which shall be submitted for approval at the next meeting of the Board of Directors. It shall be the duty of the Secretary to:

- a) Give notice of and make arrangements for all business meetings of the Society, including a brief statement of the purpose of such meetings. Under ordinary circumstances, notification of all such business meetings shall be made at least ten (10) days in advance;
- b) Notify applicants of their election to membership in the Society;
- c) Maintain the membership records of the Society and report changes in membership records to the CFA Institute as required; and
- d) Serve as Chair of the Ethics Committee.

Section 6. The Board of Directors shall consist of the five said Officers, the Immediate Past President of the Society, who shall serve one term as a Director, and six additional Regular members, serving as Directors. The six additional members of the Board of Directors shall serve staggered two-year terms.

At least three months before the Annual Meeting of the Society, the Board of Directors 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.

The Board of Directors shall meet at least four (4) times a year, at a time and place to be determined by the President. The initial Board of Directors meeting shall be no more than sixty (60) days after the end of the fiscal year of the Society. Seven (7) members of the Board shall constitute a quorum. 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 of Directors to perform his or her duties, the Board shall elect the successor, who shall hold office until the next Annual Meeting. The general policies of the Society shall be approved by the members of the Society. The Board of Directors shall have power to adopt all necessary rules to implement such policies and for the conduct of business of the Society.

Section 7. The Board of Directors may delegate responsibilities to the Executive Committee from time to time.

Section 8. The Board of Directors 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.

ARTICLE FIVE

Methods of Selecting Officers, Directors, and Committees

Section 1. Officers shall be elected at the Annual Meeting of the Society and shall serve for a period of one year or until their successors have been elected and qualified. Officers and Directors to be elected for the ensuing year shall be nominated from among the Regular members of the Society by the Nominating Committee herein before described. The Nominating Committee shall notify the Secretary of its nominees at least thirty (30) days before the Annual Meeting. The names of the Nominating Committee 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. At the Annual Meeting, additional candidates from among the Regular members of the Society may be nominated for any of the elective offices from the floor, provided they have agreed to serve if so elected.

Section 3. Officers and Directors shall be elected through a vote of the Regular members present at the Annual Meeting as specified in Article Eight, Section 1. Vacancies shall be filled as herein before provided.

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

- President
- First Vice President
- Second Vice President
- Treasurer

Secretary
Directors

Section 5. There shall be the following permanent Committees:

Education Committee
Employment Committee
Ethics Committee
Membership Committee
Programs Committee
Public Awareness/Advocacy
Special Events Committee

The Second Vice President shall serve as Chair of the Programs Committee. The Secretary shall serve as Chair of the Ethics Committee. Chairs of the other Committees shall be appointed by the President, with the approval of the Board of Directors. Each Committee Chair may appoint Committee members, either Regular or Affiliate, as deemed necessary. The Committee shall automatically disband on the subsequent election.

Section 6. Special *Ad Hoc* Committees may be created by the President, or they may be authorized by the Board of Directors. Such Committees shall be established in accordance with the procedure outlined in Section 5 and shall disband upon the completion of their particular task or upon the order of the Board of Directors.

ARTICLE SIX

Duties of the Standing Committees

Section 1. The Education Committee shall develop and offer to the members programs for improving analytical techniques and advancement within the profession.

Section 2. The Employment Committee shall act as a clearinghouse for the membership of the Society, collecting and furnishing information on employment.

Section 3. The Ethics Committee shall review and make recommendations concerning: the Code of Ethics and Standards of Professional Practice, compliance with rules and regulations of this Society, the CFA Institute, and any government regulatory body; and charges of violation of rules of professional ethical conduct or other ethical consideration as they pertain to matters not governed by the CFA Institute. (See Article Nine below, Section 3)

Section 4. The Membership Committee shall review applications for membership or for change in membership status in accordance with the CFA Institute Bylaws and make its recommendations for approval by the Board of Directors.

Section 5. The Programs Committee shall, with approval of the Board of Directors, arrange to provide speakers to address the members of the Society at reasonably frequent intervals on subjects related to, financial analysis and other topics of general interest to the members.

Section 6. The Public Awareness/Advocacy Committee shall be the Primary liaison between the Center for Financial Market Integrity and the Society; develop the Society marketing and advertising strategy; recommend how to use the CFA Institute promotion allowance; implement the promotional strategy; spearhead Society communications in the geographic area on advocacy and policy issues; and develop and maintain relations with the local media.

Section 7. The Special Events Committee shall plan activities or events as determined by the Board of Directors.

ARTICLE SEVEN

Dues and Assessments

Section 1. Each member of this Society shall pay annual dues, as specified by the Board of Directors, which shall be billed and collected by the Treasurer.

Section 2. Members whose dues are not paid within a reasonable amount of time beyond the beginning of the fiscal year shall be dropped from the membership rolls in compliance with CFA Institute policies and procedures.

Section 3. Members, while serving with the Armed Forces of the United States, shall retain membership in good standing in the Society and shall not be required to pay annual membership dues to the Society while in the Armed Forces. No refund to such members of dues previously paid, however, shall be made. Such notices as are mailed to members of the Society shall be mailed, at the discretion of the Board of Directors, to members in the Armed Forces

Section 4. The Board of Directors may authorize collection of annual membership dues by the CFA Institute.

ARTICLE EIGHT

General

Section 1. A regular Annual Meeting for the election of Officers and Directors shall be called by the President near the end of each fiscal year. Regular members present at the meeting may vote for such officials. 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 may be called by the President on the President's own initiative, at the discretion of the Board of Directors, or on a written petition of fifteen per cent (15%) of the Regular members.

Section 3. Amendments to these Bylaws shall be approved by the Board of Directors and adopted by a three-quarters (3/4) vote of the Regular members present at any business meeting.

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

Section 5. 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 of Directors and by any court that may exercise jurisdiction over such liquidation or dissolution, if any.

ARTICLE NINE

Code of Ethics and Standards of Professional Conduct

Section 1. This Society hereby adopts the Code of Ethics and Standards of Professional Conduct of the CFA Institute as they exist and as they may be amended from time to time (referred to herein as the "Code" and "Standards"). Members of this Society shall comply with the provisions of the Code and Standards.

Section 2. All members of this Society shall submit to the CFA Institute an annual signed statement certifying that such person has not knowingly violated the Code or Standards during the preceding year, and shall furnish such additional information relating to professional conduct as may be requested by the CFA Institute. Such annual statements shall be on a form provided by the CFA Institute and shall be filed by a date designated by it.

Section 3. This Society hereby delegates to the CFA Institute all authority and responsibility for enforcement of the Code and Standards with respect to all members of this Society and of the CFA Institute. This Society shall report to the 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 4. A person whose individual membership in the CFA Institute has been revoked or suspended by it shall automatically have membership in this Society revoked or suspended as applicable.