

THE FINANCIAL MANAGEMENT ASSOCIATION INTERNATIONAL

BY-LAWS

ARTICLE I. AUTHORIZATION AND APPLICATION

These By-Laws pertain to the structure and operation of the Financial Management Association International, the semi-autonomous operating division of the Finman Corporation. The Constitution of this Corporation is the organic instrument under the terms of which these By-Laws are authorized.

ARTICLE II. PURPOSE

The purpose of this Association is to foster development in the field of finance with particular emphasis on financial management by:

1. Serving as a central focal point for exchange of ideas, techniques, and advances in the field.
2. Facilitating communications among members of government, business, and academic communities.
3. Encouraging pertinent research.
4. Publishing journals to aid in attainment of these objectives.
5. Aiding in the professional development of the Association's membership.

ARTICLE III. MEMBERSHIP

Section 1. CLASSES OF MEMBERSHIP

There will be three classes of membership:

1. Professional
2. Student
3. Library

and such other classes as the Board of Directors may authorize.

Section 2. DUES AND MEMBERSHIP YEAR

The Board of Directors shall have responsibility for drawing up and revising a schedule of membership dues and for establishing the dates of the membership year.

Section 3. SOLICITATION AND ACCEPTANCE OF MEMBERS

The President-Elect is responsible for establishing and implementing procedures for maintaining and increasing the membership of the Association. The Executive Director, acting for the President-Elect, will be authorized to accept members, but shall refer matters of general policy and may refer matters of specific application to the President-Elect.

Section 4. TERMINATION OF MEMBERSHIP

Any member may resign by submitting a written resignation to the Executive Director, but such resignation shall not relieve the member of the obligation to pay any dues, assessments, or other charges accrued and unpaid. Any member whose dues remain unpaid two months after billing will be dropped from the rolls.

Membership may be terminated by the Board of Directors for misconduct as determined by an investigation of FMA's Ethics Committee or another investigative body per the FMA's Code of Professional Conduct and Ethics.

The Board of Directors may establish additional criteria and procedures for suspension and cancellation of membership.

Section 5. MEETINGS OF THE MEMBERS

The regular annual meeting of the members shall be held at a time and place to be determined by the Board of Directors. The Board of Directors may call special meetings as necessary. Written notice of a meeting shall be delivered to each member at least thirty days in advance of its date. At any meeting, members in good standing present shall constitute a quorum, unless the President-Elect declares that the number present is not sufficient.

Section 6. VOTING RIGHTS

Each professional member shall be entitled to one vote on any issue submitted to a vote by members. The President-Elect may call for a secret ballot on any issue or may decide that the issue should be submitted to members for voting by mail. Voting by proxy will not be allowed unless previously authorized by the Board of Directors.

Section 7. STUDENT AFFILIATES

The Board of Directors may authorize student affiliates including the formation of student Honor Societies and student chapters. Members of student affiliates may be granted such privileges as determined by the Board of Directors.

Section 8. LOCAL CHAPTERS

The Board of Directors may provide for establishment and operation of local chapters of the Association, with the provision that all members of such chapters must be members of the Association.

ARTICLE IV. THE BOARD OF DIRECTORS

Section 1. MEMBERSHIP

The Board of Directors shall consist of the officers of the Association, the Chairperson of the Publications Committee, the Chairperson of the Trustees of the Finman Corporation, the Directors at Large, and affiliated directors appointed pursuant to agreements with outside organizations as approved by the Board of Directors.

Section 2. DIRECTORS AT LARGE

There shall be 12 Directors composed equally of two classes: Academic and Practitioner. Academic Directors shall be composed of three At-large Academic Directors, one European Regional Director, one Asian/Oceania Regional Director, and one At-large Regional Director. All Directors shall have the responsibility for aiding the organization in membership development and representation.

Section 3. GENERAL POWERS

The affairs of the Association will be managed by its Board of Directors.

Section 4. EXECUTIVE COMMITTEE

The immediate Past-President, the President, the President-Elect, the Secretary/Treasurer, and the Chairperson of the Board of Trustees shall constitute the Executive Committee of the Board of Directors; it shall be empowered to act for the Board in all matters in which the Board has jurisdiction. All actions of the Executive Committee shall be reviewed by the Board at its next meeting. The Executive Committee is responsible for control and supervision of the Association's administrative office, which includes authorizing payment of bills. The Executive Committee will hire an Executive Director with the approval of the Board of Directors of the Association and the Board of Trustees of the Finman Corporation. The official job description of the Executive Director

will be developed and periodically revised by the Executive Committee, subject to approval by the Board of Directors and the Board of Trustees.

Section 5. INVESTMENT COMMITTEE

The Executive Committee shall serve as the Investment Committee of the Association and shall develop, implement, and monitor policies governing the management of the Association's funds.

Section 6. COMPENSATION COMMITTEE

The Immediate Past President, Chairperson of the Board of Trustees, and Secretary/Treasurer shall serve as the Compensation Committee and shall determine the Executive Director's compensation and oversee the compensation of all employees.

Section 7. AUDIT COMMITTEE

The Executive Committee shall serve as the Audit Committee, hiring outside auditors as necessary, and develop, implement, and monitor policies governing the Association's financial controls.

Section 8. GLOBAL SERVICES COMMITTEE

The Global Services Committee will be composed of the Vice-President in charge of Global Services (chairperson of the committee), the European Regional Director, the Asia/Oceania Regional Director, the At-large Regional Director, and representatives (chosen by the VP-Global Services) who reside in each of the major regions of the world and in any country other than the U.S. having more than 75 Association members. The representatives will serve the same term as the VP-Global Services. The Global Services Committee shall be responsible for developing and recommending strategic directions in the global area, in particular, making the Association more accessible to members of the global finance community.

Section 9. MEETINGS OF THE BOARD

The regular annual meeting of the Board of Directors shall be held in connection with the annual meeting of the Association and before the meeting of the members. Special meetings may be called by the President, upon thirty days' notice in writing. Five members of the Board of Directors will constitute a quorum. However, if less than two-thirds are present, a mail ballot of the Board shall be used to decide an issue if three or more Board members request such a ballot due to the significance of the issue. The following will be invited to attend the Board meetings as observers: All officers elect, editors, members of the Board of Trustees, and members of the Global Services Committee.

Section 10. VACANCIES

Any vacancy occurring on the Board of Directors or among the officers may be filled by the Board; a director or officer so appointed shall serve during the unexpired term of the predecessor.

ARTICLE V. THE OFFICES

Section 1. OFFICES

The offices of the Association shall consist of:

1. President
2. President-Elect
3. Vice President in charge of the Program for the Annual Meeting
4. Vice President-Elect in charge of the Program for the Annual Meeting
5. Immediate Past Vice President in charge of the Program for the Annual Meeting
6. Secretary/Treasurer
7. Immediate Past President

8. Chairperson of the Student Chapter Committee
9. Chairperson of the Publications Committee
10. Vice President in charge of Financial Education
11. Vice President in charge of Practitioner Services
12. Vice President in charge of Global Services

Section 2. DUTIES OF THE OFFICERS

1. The President is the chief spokesman for the Association and shall preside at all meetings of the membership, the Board of Directors, and the Executive Committee. The President may call such meetings of the Board of Directors, Executive Committee and/or other committees as are needed and shall report to the Board of Directors of the Association.
2. The President-Elect shall serve as a general assistant to the President, carrying out such duties as may be assigned. The President-Elect shall act as the President in the event of the latter's absence or inability to serve. The President-Elect will also be responsible for developing the membership of the Association, monitoring the Association's placement services and will be an impartial representative of all members individually with power to investigate any matter and to make recommendations to the Officers and/or the Board of Directors.
3. The Vice President in charge of the Program for the Annual Meeting will determine the type of program to be offered and select the participants.
4. The Vice President-Elect in charge of the Program for the Annual Meeting shall serve as assistant to the Vice President in charge of the Program for the Annual Meeting.
5. Following review by both the Nominating Committee and the Executive Committee (see Article VI, Section 1), the Immediate Past Vice President in charge of the Program for the Annual Meeting shall serve as a member of the Board of Directors during the 12 months prior to becoming President-elect.
6. The Secretary/Treasurer will manage the financial affairs of the Association and the Finman Corporation, supervise bank accounts, deposit of receipts, payment of bills upon concurrence of the Executive Committee, investment of funds, insurance coverage, preparation of financial statements, preparation of tax reports, preparation of the annual budget, adherence to the budget and preparation of an annual audit, preside at meetings of the investment committee, the compensation committee, and the audit committee and, report to the Trustees of the Finman Corporation.
7. The Immediate Past President shall serve as Chairperson of the Nominating Committee.
8. The Chairperson of the Student Chapter Committee shall be responsible for control and supervision of FMA's Student Programs and National Honor Society.
9. The Chairperson of the Publications Committee shall be responsible for chairing the Publications Committee as it coordinates the efforts of the editors, periodically assesses membership satisfaction with the Association's publications, and advises the Board on matters of policy.
10. The Vice President in charge of Financial Education shall be responsible for developing and administering financial education activities as appropriate including developing sessions on financial education for the annual program and shall coordinate with the Editors of the Association's journals.
11. The Vice President in charge of Practitioner Services shall be the Chairperson of the Practitioner Directors and shall coordinate the efforts of the Practitioner Directors throughout the year. The Vice President in charge of Practitioner Services shall also be responsible for developing and administering services for practitioners.

12. Vice President in charge of Global Services shall chair the Global Services Committee and, in addition, shall be responsible for developing and administering services to assist FMA's members in globalizing their teaching, research, and practice.

ARTICLE VI. NOMINATIONS, ELECTIONS, APPOINTMENTS, TERMS OF OFFICE AND REMOVAL OF OFFICERS AND DIRECTORS

Section 1. NOMINATIONS FOR OFFICERS AND DIRECTORS

The Nominating Committee will consist of the Academic Directors, the Vice President in charge of Practitioner Services, the immediate Past President, and two at-large members. The at-large members shall be appointed by the President and shall not be current or recent members of the Board of Directors. The immediate Past President, when the committee is formed, shall serve as Chairperson of the Nominating Committee.

The Committee shall solicit nominees from the membership via a form during the prior election cycle. Upon approval of the Executive Committee, the Nominating Committee shall automatically place the most recent VP-Program on the ballot as a candidate for President, with the only opposition being a provision for a write-in candidate. This automatic placement shall be subject to review by both the Nominating Committee and the Executive Committee. The Committee shall nominate two candidates for each elected office and six candidates for three Academic Director positions. In selecting nominees for officers and directors, special consideration should be given to maintaining a balance among various schools, corporations, institutions, and geographic areas, including outside North America.

Prior to confirming the slate of election, the nominating committee will perform a vetting process. This will include a web search for any information about possible candidates and a request to nominees to disclose any information that may be relevant to the code of ethics and professional development (e.g., any forms of misconduct, including sexual harassment or discrimination) before finalizing the slate of candidates for election.

Section 2. ELECTION PROCEDURE

Prior to 120 days after the annual meeting, the Nominating Committee shall mail to each member a ballot to be returned in 30 days or less. The Chairperson of the Nominating Committee will be responsible for determining who received the majority of votes for each office.

Section 3. TIES

In the event of a tie vote for any elective office, the tie shall be resolved by mail ballot of the Board of Directors. If a tie occurs in a vote by the Board of Directors, the Nominating Committee shall determine the choice.

Section 4. TERMS OF OFFICE

Elected officers other than Vice President in charge of Financial Education and the Vice President in charge of Global Services will serve one-year terms, and directors at large will serve two-year terms starting after the annual meeting following their election. The Vice President in charge of Financial Education and Vice President in charge of Global Services will serve two-year terms starting after the annual meeting following their election. The Vice President-Elect in charge of the Program for the Annual Meeting and one-half of the directors at-large will be elected each year. The Vice President in charge of Financial Education and Vice President in charge of Global Services will be elected every other year. Terms of offices will start on the day following the last day of the Association's Annual Meeting. In the interval between election and assumption of office, they may attend meetings of the Board of Directors as observers. The Secretary/Treasurer, the Chairperson of the Student Chapter Committee, the Editor(s), the Chairperson of the Publications Committee, and the Vice President in charge of Practitioner Services will serve maximum appointed terms of five,

three, three, three, and three years respectively. These appointed officers may be re-appointed for up to one additional maximum term.

Section 5. APPOINTMENTS

1. Secretary/Treasurer, Editors, Vice President in Charge of Practitioner Services, Chairperson of the Publications Committee

A year before the expiration of their terms in office, a Search and Screening Committee shall be formed for the purpose of establishing policies to govern the next appointment and to select a nominee. This committee shall consist of three representatives of the Board of Trustees, appointed by the chairperson, and three representatives of the Board of Directors, appointed by the President. At least one member of the Board of Trustees and one member of the Board of Directors will be on the committee. A seventh person to serve as the chairperson of the committee will be appointed by the President and the Chairperson. Nominees and policies must be approved by a majority of both the Board of Directors and the Board of Trustees.

2. Chairperson of the Student Chapter Committee

A five-member Search and Screening Committee will be appointed to choose a nominee(s) for the position of Chairperson of the Student Chapters Committee-Elect. This Committee will consist of: the President of FMA; the chairperson of the FMA Board of Trustees; and, three members of the Student Chapters Committee. This committee will begin the Search and Screening process no later than 120 days prior to the expiration of the term of the Chairperson of the Student Chapters Committee. Nominees and policies must be approved by a majority of both the Board of Directors and the Board of Trustees.

Section 6. REMOVAL

An elected or appointed officer, director, or committee member of the Board of Directors may be removed from office for any of the following:

- Nonperformance of their duties (including failure to attend meetings)
- Conduct detrimental to the best interests of the Association by the affirmative vote of two-thirds or more of the directors present at a meeting of the Board of Directors and constituting a quorum for the purposes of conducting business at such meeting, provided that fourteen (14) days' prior written notice of such meeting is delivered by any member of the Board to each member of the Board of Directors
- Misconduct as determined by an investigation of FMA's Ethics Committee or another investigative body per the FMA's Code of Professional Conduct and Ethics

Any such notice shall specify that such meeting is for the purpose of voting on a resolution to remove a named officer, director, or committee member of the Association and shall describe the nonperformance or conduct deemed by the person issuing the said notice to be detrimental to the best interests of the Association and grounds for such removal with sufficient specificity so as to give reasonable notice of the alleged conduct. At any meeting held pursuant to this Section, the officer or director subject to removal shall have the right to appear with counsel of his/her choice, and shall have the right to present evidence on his/her behalf and to hear evidence in support of the charges made against him/her pursuant to reasonable rules established from time to time by the Board of Directors.

Section 7. REPLACEMENT OF OFFICERS AND DIRECTORS

The Board of Directors shall establish such policy as is necessary to govern the replacement of Officers and Directors.

ARTICLE VII. PUBLICATIONS

Section 1. PUBLICATIONS OF THE ASSOCIATION

The publications of the Association will include the journals *Financial Management* and *Journal of Applied Finance*, the Directory of Members, and such other publications as may be authorized by the Board of Directors. The Board, advised by the Publications Committee, will be responsible for making policy decisions in connection with all publications and will receive a report annually from the Editors.

Section 2. THE EDITORIAL STAFFS OF THE JOURNALS

The Editorial Staffs of each journal will consist of the Editor, Associate Editor(s), and others as appropriate. The function of these staffs will be to generate, solicit, and select materials for publication in the journals.

Section 3. THE EDITORS

The Editor of each journal will be in charge of the editorial staff of the journal and is responsible for the contents of the journal. The Editor will appoint all Associate Editors whose terms shall not exceed three years, subject to reappointment. The Editor will designate which member of the editorial staff is to serve as Editor pro-tem in the event of his/her absence or disability.

Section 4. DISTRIBUTION OF PUBLICATIONS

One copy of each publication of the Association shall be distributed to each professional member. The distribution of publications to other membership categories shall be determined by the Board of Directors.

ARTICLE VIII. COMMITTEES

The President shall have the power to appoint special committees as authorized by the Board of Directors.

ARTICLE IX. REPORTS

The officers, editors, and committee chairpersons have the responsibility to submit written reports at each regular meeting of the Executive Committee and/or Board of Directors. Written reports may be requested by the President at special meetings of the Executive Committee/Board of Directors. The Executive Director and Secretary/Treasurer have the responsibility to submit written operating reports covering the full range of their respective responsibilities to the Board of Directors and Chairperson of the Board of Trustees semiannually.

ARTICLE X. INDEMNIFICATION OF DIRECTORS, OFFICERS, MEMBERS OF THE BOARD OF TRUSTEES, COMMITTEE CHAIRS, COMMITTEE MEMBERS AND EMPLOYEES

The Association shall indemnify any officers, directors, or employees of the Association, or any former officers, directors, or employees of the Association, to the full extent permitted by New York law.

ARTICLE XI. AMENDMENTS

Amendments may be made to the By-Laws by a two-thirds majority of the Board of Directors at any meeting or by a two-thirds majority of the members voting in a mail vote. Amendments must be approved by the Board of Trustees.

ARTICLE XII. EFFECTIVE DATE

These By-Laws are designed to continue, to amplify, and to extend those contained in Report Numbers 1 and 2, both dated September 14, 1970, adopted by the Founders on October 15, 1970. As specified in Article IX of the Constitution of the Corporation, they were submitted to the Trustees of the Finman Corporation by mail prior to October 7, 1971; they became effective upon receipt of approval (by mail or in person at the Trustees of the Finman Corporation's meeting on that date) by a majority of the members of the Trustees of the Finman Corporation.

Amended:

September 1971
April 18, 1975
October 16, 1975
October 12, 1978
October 11, 1979
October 24, 1980
April 3, 1981
October 23, 1981
June 1, 1984
March 30, 1985
April 22, 1988
October 22, 1988
April 14, 1989
October 14, 1993
March 25, 1994
October 13, 1994
April 18, 1997
April 24, 1998
April 16, 1999
October 27, 2000
April 12, 2002
May 19, 2009
March 7, 2014
April 10, 2015
March 25, 2020