

CHARTERED FINANCIAL ANALYST SOCIETY EAST AFRICA CONSTITUTION AND RULES

ARTICLE 1 – FORMATION

- 1.1 NAME. The name of the society shall be “CHARTERED FINANCIAL ANALYST SOCIETY EAST AFRICA”. (In this constitution referred to as “the Society”)
- 1.2 Location. The principal office of the Society shall be located at such place as the Board of Governors (the “Board”) may determine.
- 1.3 Corporate Seal. The Board shall have the power to adopt and alter the seal of the Society
- 1.4 Membership in CFA Institute. This Society is a Member Society of CFA Institute. To the extent that there is any conflict between the Constitution of the Society and the Bylaws of CFA Institute, those of CFA Institute shall take precedence and shall govern
- 1.5 Statement of Purpose.
- i. Promote the highest ethical standards and integrity among financial market stakeholders;
 - ii. Promote the Chartered Financial Analyst Charter and the high standards for which it stands;
 - iii. Promote financial market development within East Africa with particular attention to Capital Market development;
 - iv. Enhance financial knowledge amongst members in order to heighten financial literacy among investors within the East African region; and
 - v. Promote the high standards of service to investors and to Society.
 - vi. The society has non-political objects
- 1.6 TERRITORY. The society constituent states are Kenya, Uganda, Tanzania, Rwanda and Burundi. The head office will be situated in Kenya.

ARTICLE 2 – DEFINITIONS

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

- 2.1 “Acceptable Professional Work Experience” shall mean that work experience as defined by the CFA Institute Board and shall include those activities related to the professional practices of financial analysis, investment management, securities analysis, or other similar activities;
- 2.2 “Affiliate Member” is an individual who has met the membership requirements set forth in Section 3.3 of the Society Constitution and whose membership has not been revoked or suspended;
- 2.3 “Annual Meeting”
- 2.4 “Board” is the Board of Directors of the Society;
- 2.5 “Board Member” refers to any component of the Board of Directors of the Society
- 2.6 “Constitution” refers to the Constitution of the Society as they may be amended from time to time;
- 2.7 “CFA Institute” is a Virginia non-stock corporation;
- 2.8 “CFA Program” is the Chartered Financial Analyst (CFA®) study and examination program developed and administered by CFA Institute;
- 2.9 “Chartered Financial Analyst®” and “CFA®” are marks of CFA Institute that members authorized by CFA Institute may use as a professional designation;
- 2.10 “Chair”
- 2.11 “Code and Standards” is the Code of Ethics and Standards of Professional Conduct, as amended periodically by CFA Institute;
- 2.12 “Committees”
- 2.13 “Local Member” is an individual who has met the membership requirements set forth by the Board in Section 3.5
- 2.14 “Member(s)” refers to any class of membership;
- 2.15 “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;

- and
- 2.16 “Officer”
- 2.17 “Professional Conduct Statement” is a form prepared by CFA Institute inquiring into a member’s conduct that must be signed and submitted on an annual basis by each member except those members excused under the CFA Institute Bylaws on or before a date designated by CFA Institute.
- 2.18 “Regular Member” is an individual who has met the membership requirements set forth in Section 3.2 of the Society Constitution and whose membership has not been revoked or suspended; and
- 2.19 “Investment Decision-Making Process” is the professional practice of financial analysis, investment management, security analysis, or other similar professions

ARTICLE 3 – MEMBERSHIP

3.1 Classes of Members:

Membership in the Society shall consist of the following Members: Regular Members, Affiliate Members

3.2 Regular Member Status:

To become a Regular Member of the Society, an individual must be a Regular Member of CFA Institute and fulfil such other requirements as the Society may impose consistent with the requirements established by CFA Institute, and

- (a) Have a bachelor’s degree or equivalent education/work experience; and
- (b) Have passed Level I CFA exam; or
- (c) Have passed CIPM Program Level II Exam

3.3 Affiliate Member Status:

To become an Affiliate Member an individual shall qualify as, and upon becoming an Affiliate Member of the Society be accepted as, an Affiliate Member of CFA Institute, and

- (a) have one year of Acceptable Professional Work Experience; and
- (b) have passed Level I of the CFA Program or a self-administered standards of professional practice examination in a format established and approved by the CFA Institute Board of Governors; or
- (c) have completed and passed the CFA Institute Investment Foundations Program

3.4 Professional Leave Member Status:

(a) Within the Regular Member and Affiliate Member Classes of membership, a Professional Leave status will be available. Members with a Professional Leave status may be granted a reduction in Society dues as determined by the Board.

- (b) A Regular Member or Affiliate Member of the Society may assume Professional Leave status if he or she:
 - (I) has been a Regular Member or Affiliate Member of CFA Institute for at least one (1) year at the time of applying for Professional Leave status;
 - (II) is not currently engaged in professional activities which qualify as Acceptable Professional Work Experience sufficient to receive the CFA charter or complete Regular Membership requirements;
 - (III) completes an application provided by the Society; and
 - (IV) completes such other requirements as the Society may impose.
 Professional Leave Member shall i) notify CFA Institute and the Society if Professional Leave status changes and ii) be listed as " Professional Leave " in the CFA Institute Membership Directory.

3.5 Other Membership Status:

The Board may introduce local membership as required at their sole discretion and set out the requirements for such membership.

- 3.6 Regular Member and Affiliate Member Responsibilities:
Each Regular Member and Affiliate Member of the Society shall have the following responsibilities:
- (a) 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, Constitution, the Code and Standards, and other rules relating to professional conduct and membership, all of which may be amended from time to time;
 - (b) be subject to the disciplinary jurisdiction and sanctions of the Society and CFA Institute;
 - (c) submit information relating to professional conduct and activities as the Society or CFA Institute may request;
 - (d) 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
 - (e) maintain membership with CFA Institute.
- 3.7 Application for membership:
- (a) Any individual applying to become a Regular Member, or an Affiliate Member of the Society shall file an application for membership, along with additional information or documents as required by CFA Institute and the Society;
 - (b) The Board shall have the right to review all applications for membership in the Society;
 - (c) In the event of disagreement concerning administration or interpretation of the CFA Institute requirements of Regular Members and Affiliate Members, the Society shall have the right to appeal to the CFA Institute Board of Governors; and
 - (d) The CFA Institute Board of Governors, or a designated committee thereof, shall have the authority to make final determinations on the application of membership provisions. Any individual applying for another class of membership shall follow such procedures as the Board shall establish from time to time.
- 3.8 Voting Rights:
- (a) Regular Members shall be entitled to one (1) vote on each matter submitted to the Regular Members;
 - (b) Affiliate Members do not have voting rights in the Society
- 3.9 Dues:
- (a) CFA Institute shall have the right to establish and collect dues for Regular and Affiliate Members of CFA Institute;
 - (b) Any Member who fails to pay annual Society membership dues in full shall be automatically suspended from membership in the Society. When payment is made in full, such member shall be automatically reinstated, subject to the Constitution.
- 3.10 Resignation:
- (a) Any member may at any time cease to be a member of the Society by submitting a notice of resignation to the Society President or Secretary;
 - (b) Such resignation shall be effective on receipt, or the date specified, and acceptance thereof shall not be necessary to make it effective unless it so states; and
 - (c) The Society shall notify CFA Institute of the resignation of any Regular Member or Affiliate Member from the Society.
- 3.11 Suspension or Revocation of Membership:
- (a) Membership in the Society may be suspended or revoked at any time for any violation of Section 3.8., 3.9. and 3.10., as determined and applied by CFA Institute;
 - (b) Suspension and / or revocation of Regular and / or Affiliate Members' membership by

CFA Institute, shall trigger the suspension /revocation of the membership by the Society. A member whose membership is revoked or suspended shall not be entitled to any rights or privileges of membership.

3.12 Membership List and Member Records:

- (a) The Society shall keep a list of the names, business addresses, business affiliations, membership classifications, and such other records and information relating thereto as the Board shall determine. The Society shall provide to CFA Institute such information as CFA Institute may request and that relates to CFA Institute activities or to membership in CFA Institute.
- (b) All personal data will be kept in accordance with all applicable data privacy and confidentiality laws.

ARTICLE 4 – MEETINGS OF THE MEMBERS

4.1 Annual General Meeting:

An annual meeting of the Members shall take place, the specific date, time and location of which shall be determined by the Board. The agenda meeting shall be published no less than twenty-one (21) days in advance of the date of the meeting.

4.2 Regular Meetings

Regular meetings of the Members shall be held on such dates and at such times and locations as determined by the Board.

4.3 Special Meetings:

Special meetings of the Members may be called by:

- (I) the Board or the Chair; or
- (II) the Secretary, upon receipt of a written petition signed by at least (a) one-twentieth (1/20) of the Regular Members and (b) ten (10) Affiliate Members.

The business transacted at such a Special Meeting shall be limited to the purposes stated within the Written Notice.

4.4 Written Notices

Written Notice of meetings shall be given to each Regular Member. Reasonable notice given to Regular Members should be not less than ten (10) or more than thirty (30) days prior to the meeting unless a different notice period is required by law.

Written Notice shall:

- (a) state the date, time, and place of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called; and
- (b) be delivered, mailed, expressed, or sent by facsimile, electronic mail, or other reliable printed or printable communication to each Regular Member to the address, as it appears on the Society membership records;
- (c) Notice of any meeting may be waived in writing signed by the member entitled to notice before or after the date of the meeting. A Regular Member who attends a meeting in person or by proxy:
 - (I) waives objection to lack of notice or defective notice of the meeting unless the Regular Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and
 - (II) waives objection to consideration of a particular matter at the meeting that is not

within the purpose or purposes described in the meeting notice that unless Regular Member objects to considering the matter when it is presented.

4.5 Written Notice of any Special Meeting shall include a statement of the precise purpose(s) of the meeting.

4.6 Quorum:

The Quorum for the transaction of business for Annual Meetings shall be not less than a third (1/3) or 50 members in attendance in person or by proxy. If less than a quorum is present in person or by proxy, the Chair may adjourn the meeting to a fixed time and place determined by the Chair or Secretary.

4.7 Voting:

- (a) Each Regular Member in good standing shall be entitled to cast one (1) vote on all matters submitted.
- (b) Vote can be done in person or by proxy, in hard or, when permitted by law, electronic form.
- (c) The vote of a majority of the Regular Members present at a meeting at which a quorum is present shall be the act of the membership; except as otherwise required by the Constitution, the Articles, or applicable law.

4.8 List of Regular Members Entitled to Vote:

- (a) the officer who has charge of the membership roster shall prepare and make, at least ten (10) days before every Meeting, a complete list of the members entitled to vote at the meeting;
- (c) the record date for determining the Members entitled to vote is less than ten (10) days before the meeting date, the list shall reflect the members entitled to vote as of the tenth day before the meeting date, arranged in alphabetical order. Such list shall be open to the examination of any Regular Member; and
- (d) Each Regular Member entitled to vote at a meeting of members may authorize another Regular Member(s) to act for such individual by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period;
- (e) A Regular Member may revoke any proxy by attending the meeting and voting in person or by delivering to the Secretary of the corporation a revocation of the proxy or a new proxy bearing a later date.

4.9 Minutes of the Meetings:

Minutes of each meeting shall be recorded by the Secretary or designated Board Member or staff member. These minutes shall be placed in the official records of the Association.

ARTICLE 5 – BOARD OF DIRECTORS

5.1 Authority and Responsibility:

- (a) All corporate powers shall be exercised by or under the authority of, and the business of the Society managed under the direction of, the Board of Directors, subject to the Constitution, the Articles of Incorporation, and any applicable law;
- (b) The Board is responsible for overall policy and direction of the Society, and delegates responsibility of day-to-day operations to the Society staff and Committees
- (c) Even though Board Members serve voluntarily and without compensation (other than reasonable expenses) they have fiduciary duties. They are required to act reasonably and in the best interest of the Society, to avoid negligence or fraud, conflicts of interest, and to be responsible for similar obligations, including but not limited to:
 - (I) The duty to act in the best interest of the society.
 - (II) The duty to avoid conflicts of interests.

- (III) The duty to respect corporate opportunities. This duty prohibits competition by a Board Member with the Society itself. A corporate opportunity is defined as a business prospect, idea or investment that is related to the activities or programs of the society and the board member knows, or should know, would be in the best interests of the society to accept or pursue.
 - (d) The Board Members are required to exercise ordinary and reasonable care in the performance of their duties, exhibiting honesty and good faith.
- 5.2 Composition and Duties:
- (a) The total number of Directors shall be in no event fewer than nine (9) or greater than (9) Directors, including ex officio Directors. The Board may include up to (i) four (4) Officers, and (5) Directors.
 - (b) The Officers of the Board shall consist of: The President, Vice President, Treasurer, Secretary. Officers have the authority to legally bind the Society.
 - (c) The Board may from time to time designate Ex-officio Director to attend Board meetings. Ex-officio representatives may generally be designated among previous Board Members available and willing to serve such as the immediate past Society President. Ex-officio Director have no authority to legally bind the Society.
 - (d) Only Regular Members in good standing are eligible for election and service as a Board Members.
- 5.3 Terms:
- (a) No Board Members shall serve more than three (3) consecutive full terms of two (2) years in the same capacity
 - (b) In no event a Board Member shall serve more than 3 mandates (six (6) years in total).
 - (c) However, notwithstanding anything to the contrary, the President, Vice President, Treasurer, and Secretary may each serve as ex officio Director for a term concurrent with his or her respective term as a Board Member.
- 5.4 Elections:
- (a) Board Members shall be elected by a vote of the Regular Members at the Annual Meeting of members commencing the date of said Annual Meeting and until their successors are chosen and qualified at the next Annual Meeting;
 - (b) The terms of the Directors, excluding ex officio Directors, shall be staggered so that one-half (1/2) of the Directors are elected each year.
- 5.5 Vacancies
- A Director's vacancy for any reason may be filled by the Board by the appointment of a successor for the unexpired term of the Director whose place is vacant.
- 5.6 Removal and Resignation
- (a) A Director or Officer who is absent from three (3) consecutive meetings of the Board, or from four (4) meetings of the Board in any calendar year, shall be deemed to have resigned unless such absences are excused by the affirmative act of the Board.
 - (b) Any Board Members may resign at any time by providing written notice to the President or the Board. Such resignation shall take effect at the time specified in the notice, or if no time is specified, at the time such resignation is received.
- 5.7 Meetings
- (a) Meetings of the Board of Directors shall be called by:
 - (I) the Board;
 - (II) the President; or
 - (III) the Secretary, upon the written request of a majority of the Directors.
 - (b) The date, time, and place of the Board meetings shall be designated by the Board,

President of the Board of Directors or Secretary.

5.8 Written Notice

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

5.9 Quorum

Except as otherwise provided in the Constitution or by law, at any meeting of the Board, a majority (50%) of the Directors then serving who are present in person or through the use of any means of communication by which all Directors may simultaneously hear each other during the meeting shall constitute a quorum.

5.10 Voting

- (a) Each Director, including ex officio Directors, shall be entitled to one (1) vote, which shall not be voted by proxy; and
- (b) The act of a majority (50%) of the Directors voting at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in the Constitution, the Articles of Incorporation, or by law.

ARTICLE 6 – OFFICERS

6.1 Number, Designation, and Qualifications.

- (a) The Officers of the Society shall be a President, Vice President, Treasurer, Secretary, and such other officers as the Board may determine;
- (b) Only Regular Members may serve as an Officer of the Society; and
- (c) The Board shall include Representation from countries with a minimum of 70% of board representation per country
- (d) No officer may serve more than three (3) succeeding full or partial terms in any one Officer role; however, a person who has previously served as an Officer may be elected to another officer role thereafter and may also again be elected to the previous Officer role six (6) years after having last served in that role.

6.2 The President shall, subject to the direction of the board:

- (a) exercise general supervision and control of the affairs of the Society;
- (b) preside as “Chair” at all meetings of the members and Board;
- (c) unless otherwise appointed as a member thereof, be an ex officio, nonvoting member of each Society committee;
- (d) have such other duties and powers as prescribed in the Constitution, the Articles of Incorporation, by the Board, and by law; and
- (e) it shall be the President’s duty to effectuate all orders and resolutions of the Board.

- 6.3 The Vice President shall:
- (a) perform the duties of the President in his or her absence;
 - (b) automatically become the President of the Society in the event of the President's incapacity, resignation, removal, or death, until such time as the Board may convene to appoint a new President pursuant to Section 5.3; and
 - (c) have such other duties and powers as prescribed in the Constitution, the Articles of Incorporation, by the Board, and by law.
- 6.4 The Secretary shall:
- (a) act as secretary at all Board and member meetings, including maintaining minutes of such meetings;
 - (b) maintain the corporate seal and certify the authenticity of Board actions and officer signatures;
 - (c) notify the members and Directors of all meetings in accordance with the Constitution;
 - (d) comply with all requests for information from CFA Institute; and
 - (e) have such other duties and powers as prescribed in the Constitution, the Articles of Incorporation, by the Board, and by law.
- 6.5 The Treasurer shall:
- (a) oversee the receipt and disbursement of all funds;
 - (b) maintain the Society's financial records and statements;
 - (c) submit an annual financial statement and budget to the Board and such other statements as the President may require; and
 - (d) have such other duties and powers as prescribed in the Constitution, the Articles of Incorporation, the Board, and by law.
- 6.6 Election and Term:
- (a) Elected Officers:
 - (I) The President, Vice President, Treasurer, Secretary shall be elected by the Regular Members at the Annual Meeting of members; and
 - (II) Each elected officer shall serve for a term of two (2) years, commencing his or her election at the Annual Meeting of members and continuing until the choosing and qualification of his or her successor at the next Annual Meeting of Members.
 - (b) Appointed Officers:
 - (I) Officer positions other than The President, Vice President, Treasurer, Secretary may be appointed by the Board at any time and shall hold office at the pleasure of the Board and for such term as the Board may determine.
- 6.7 Vacancies:
A vacancy in any office, except as otherwise provided in the Constitution, may be filled by the Board for the unexpired term of the officer whose place is vacant and until a successor is elected or appointed.
- 6.8 Delegation:
- (a) In case of the absence of any Officer, or for any other reason that the Board may deem sufficient, the Board may at any time and from time to time delegate all or any part of the powers or duties of any Officer to any other Officer or to any Director or Directors, or to Society staff; and
 - (b) Subject to applicable law and any applicable fiduciary duty to which an Officer may be subject, any Officer may delegate all or any portion of such Officer's responsibilities to Society staff provided that the delegating Officer supervises the activities of such delegate.

ARTICLE 7 – COMMITTEES

7.1 Creation and Requirements:

- (a) The Board may establish one (1) or more Committees to perform such duties as prescribed by the Board, the Articles of Incorporation, or the Constitution, provided that such duties are not prohibited by any applicable law;
- (b) Board Committees shall have no less than two (2) members;
- (c) Except as otherwise provided in the Constitution, each committee shall act under the supervision and control of the Board and the Board shall have the authority to remove any chair or member of a Committee;
- (d) Except as permitted by law and specified in the Constitution or a resolution of the Board, no Committee shall perform any function of corporate power, policy-making, or management; and
- (e) Each Committee and subcommittee shall adhere to the same procedural requirements as applicable to the Board for notice of a meeting, quorum, and voting.

7.2 Committee Chair:

- (a) the Chair of each committee shall be a Board Member;
- (b) the Chair of each Committee shall be appointed by the President of the Society, with the approval of the Board, to serve for a term of one (1) year or such longer period as the Board may determine and shall serve until his or her successor is selected and qualified, provided, however, that no individual shall serve as a committee chair for more than three (3) consecutive years except to the extent his or her successor has not been selected and qualified;
- (c) each member of a committee shall be a Regular Member except to the extent that the Board shall determine otherwise; and
- (d) the Chair of each Committee, with prior approval of the Board, shall appoint the other members of the committee to serve for a term of one (1) year or such longer period as the Board may determine and shall serve until his or her successor is selected and qualified, provided, however, that no individual shall serve as a member of a committee (including anytime as committee chair) for more than six (6) consecutive years except to the extent his or her successor has not been selected or qualified.

7.3 Subcommittees:

- (a) Except as otherwise set forth in the Constitution, a committee may create one (1) or more subcommittees and shall determine the subcommittee chairs, members, and terms of members. All actions taken by subcommittees shall be subject to review and approval by the appointing committee, or as otherwise set forth in the Constitution.

7.4 Reports of Committees

- (a) Each of the committees shall submit a written report to the Board at least once each fiscal year covering the committee activities since the previous report.

ARTICLE 8 - TRUSTEES

- (a) All land, buildings and other immovable property and all investments and securities which shall be acquired by the society shall be vested in the names of not less than three trustees who shall be members of the society and shall be appointed at an annual general meeting for a period of three (3) years. On retirement such trustees shall be eligible for re-election. A general meeting shall have the power to remove any of the trustees and all vacancies occurring by removal, resignation or death, shall be filled at the same or next general meeting.

- (b) The trustees shall pay all income received from property vested in the trustees to the Treasurer. Any expenditure in respect of such property which in opinion of trustees is necessary or desirable shall be reported by the trustees to the Board which shall authorize expenditure of such moneys as it thinks is fit.

ARTICLE 9 - AUDITOR

- a) An auditor shall be appointed for the following year by the annual general meeting. All the society's accounts, records and documents shall be opened to the inspection of the auditor and CFA Institute at any time. The Treasurer shall produce an account of his receipts and payments and a statement of assets and liabilities made up to a date which shall not be less than six weeks and not more than three months before the date of the annual general meeting. The Auditor shall examine such annual accounts and statements and either clarify that they are correct, duly vouched and in accordance with the law or report to the society in what respect they are found to be incorrect, un-vouched or not in accordance with the law.
- b) A copy of the auditor's report on the accounts and statements together with such accounts and statements shall be furnished to all members at the same time as the notice convening the annual general meeting is sent out. An auditor may be paid such honorarium for his duties as may be resolved by the annual general meeting appointing him.
- c) No auditor shall be an office bearer or a member of the Board of the society.

ARTICLE 10 – FINANCES

10.1 Fiscal Year:

- (a) The fiscal year of the Society shall begin on 1 September to 31 August of each year, unless otherwise determined by the Board.

10.2 Dues:

- (a) The Board shall establish, and may change, dues for members of the Society;
- (b) For Regular Members and Affiliate Members, Society dues shall be in addition to, and not in lieu of, CFA Institute dues;
- (c) Such dues may be set at levels and for classification of members as determined by the Board; and
- (d) Pursuant to an agreement between the Society and CFA Institute, CFA Institute will bill and collect membership dues for the Society.

- 10.3 The Society shall keep correct and complete copies of its Articles of Incorporation and Constitution, accounting records, minutes of meetings of the members and meetings and proceedings of the Board and all committees having the authority of the Board to the extent required by the law.

ARTICLE 11 - CHAPTERS

Chapters of the society may be formed with the approval of the Board and CFA Institute and the respective governing law.

ARTICLE 12 - AMENDMENTS TO THE CONSTITUTION

12.1 Proposal for Amendment:

A proposed amendment of the Constitution shall be sponsored by at least 60% Directors and shall be submitted to the Secretary at least seven (7) days before the next meeting of the Board. The Secretary shall

forward the proposed amendment to all Directors at least three (3) days before the meeting.

12.2 Adoption of Amendment:

An amendment to the Constitution shall be adopted when approved by 60% the Regular Members voting in accordance with the requirements of the Constitution.

Except to the extent prohibited by law, the CFA Institute Bylaws are incorporated by reference and amendments to this Constitution are also incorporated by reference without the necessity of further action.

ARTICLE 13 - DISSOLUTION

- a. The society shall not be dissolved except by a resolution passed at a general meeting of members by vote of three-quarter (3/4) of the Regular Members present. The quorum at the meeting shall be as shown in Article 4.6. If no quorum is obtained, the proposal to dissolve the society shall be submitted to a further general meeting which shall be held one month later. Notice of this meeting shall be given to all members of the society at least 14 days before the date of the meeting.
- b. Provided, however, that no dissolution shall be effected without prior permission in writing of the Registrar, obtained upon application to him made in writing and signed by three of the office bearers.
- c. When dissolution of the society has been approved by the Registrar no further action should be taken by the Board or any office bearer of the society connection with the aims of the society other than to get in and liquidate for cash all the assets of the society. In the event of the liquidation or dissolution of the Society:
 - i. No member shall be entitled to any distribution or division of its property or its proceeds; and
 - ii. All funds and property of the Society shall be transferred to or applied for the benefit of one or more not-for-profit corporations or organizations, as then defined by the tax laws to which the Society must adhere, as selected by the Board, and by any court that may exercise jurisdiction over such liquidation or dissolution, if any.

ARTICLE 14 – STANDARDS AND DISCIPLINARY PROCESS

14.1 Disciplinary Sanctions and Grounds for Discipline:

- (a) CFA Institute shall have a Professional Conduct Program that may investigate and conduct disciplinary proceedings in connection with the professional conduct of Regular and Affiliated members as set forth in the Rules of Procedure;
- (b) CFA Institute shall have the authority to impose disciplinary sanctions upon Regular and Affiliated members as set forth in the Rules of Procedure. The disciplinary sanctions that may be imposed, include (but not limited to) revocation of membership, revocation of the right to use the CFA designation and prohibition from participation in the CFA Program,

14.2 Revocation of membership for inactive members:

- (a) The board shall have the power to remove inactive members;
- (b) A member shall be notified in writing of any proposed membership revocation and shall be given an opportunity to be heard by the board;
- (c) The revocation of membership notice must explain the following:
 - (I) State what the Member must do in order to remedy the situation; or state that the Member must write to the Board giving reasons why the Board should not terminate the Member's Membership; and
 - (II) State that if the Board terminates the member's membership, the member may appeal to the Society.

- (d) If the member desires to be heard, the member must provide a written request for a hearing within thirty (30) days after the date of the Board's notice;
- (e) Upon receipt of the written request for a hearing, the Board shall set a time and date for such hearing, which shall in no event be less than thirty (30) days after such request;
- (f) While the appeal is being considered by the Board, the member shall enjoy all membership privileges the member was entitled prior to the process of revocation for inactivity.

ARTICLE 15 – PROFESSIONAL CONDUCT

The Society adopts the CFA Institute Code and Standards, which are incorporated by reference. All members must comply with the provisions thereof.

Enforcement - The Society and its Board:

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

Charges:

- (a) 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.
- (b) The Board shall promptly forward all such complaints regarding any Regular Member or Affiliate Member to the CFA Institute Professional Conduct Program. The complainant may request that the complaint remain sealed until it is received by CFA Institute.

ARTICLE 16 – LIMITATION OF LIABILITY & INDEMNIFICATION

- 16.1 The personal liability of the Board Members, Committees Members, Director, and Officers of the Society is hereby eliminated to the fullest extent permitted by the law, to the extent such personal liability arises (i) because the person being held liable was or is a Board Members, Committees Members, Director, and Officer arises (ii) from acts done or omissions made within the scope of duty to the Association, in good faith by such person and in a manner that such person reasonably believed to be in or not opposed to the best interests of the Society.
- 16.2 Every Board Member, Committees Members, Director, and Officers of the Society and their heirs, executors, and administrators, respectively, shall from time to time and at all times be indemnified and saved harmless out of the funds of the Society, if the funds so permit, from and against:
- (a) all costs, charges, and expenses that such Director, officer, or member sustains or incurs in or about any action, suit, or proceeding that is brought, commenced, or prosecuted against him or her for or in respect of any act, deed, matter, or thing whatsoever made, done, or permitted by him or her in or about the execution of his or her duties pursuant to the Constitution; and
 - (b) from and against all other costs, charges, and expenses that he or she sustains or incurs in or about or in relation to the affairs of the Society except such costs, charges, or expenses as are occasioned by his or her own willful neglect or default.

ARTICLE 17 - INSPECTION OF ACCOUNTS AND LIST OF MEMBERS

The books of account and all documents relating thereto and a list of members of the society shall be available for inspection at the registered office of the society by any officer or member of the society on giving not less than seven days' notice in writing to the society.

Signed by

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Chair of the Board

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Secretary of the Board

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Treasurer of the Board