



## Bylaws

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## ARTICLE I

### NAME AND LOCATION

The name of the Association is ASSOCIATION OF PROFESSIONAL RESERVE

ANALYSTS, a Wisconsin nonprofit mutual benefit corporation, hereinafter referred to as the "Association". The principal office of the Association shall be located at W175 N11117 Stonewood Dr., Suite 204, Germantown, WI.

## ARTICLE II

### DEFINITIONS

**Section 2.1** The definitions contained in the governing documents of the ASSOCIATION of PROFESSIONAL RESERVE ANALYSTS STANDARDS governing documents are incorporated by reference herein.

**Section 2.2 "APRA"** shall mean and refer to the governing documents of ASSOCIATION of PROFESSIONAL RESERVE ANALYSTS.

**Section 2.3 "Member"** shall mean an entity or person who conducts reserve studies.

**Section 2.4 "Affiliated Member"** shall mean an entity or person who ascribes to the APRA Code of Ethics as enumerated in the APRA Standards, does not conduct reserve studies and does not have APRA voting privilege.

## ARTICLE III

### MEETING OF MEMBERS AND VOTING

**Section 3.1 Annual Meeting.** The annual meeting shall be set by the Board so as to coincide with the Annual Symposium.

**Section 3.2 Special Meetings.** Special meetings of the members of the Association shall be promptly scheduled by the Board in response to a vote of the Board itself or upon receipt of a written request for a special meeting signed by members representing at least five percent (5%) of the total voting power of the Association.

**Section 3.3 Notice and Place of Meetings.** Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call a meeting, by personal delivery or mailing a copy of such notice postage prepaid at least fifteen (15) but not more than thirty (30) days before such meeting to each member addressed to the members address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of the notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. If action is proposed to be taken at any meeting for approval for any of the following proposals, the notice shall also state the general nature of the proposal; membership action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s):

- (1) removing a director without cause;
- (2) filling vacancies on the Board of Directors by members;
- (3) amending the Articles of Incorporation; and/or
- (4) approving a contract of transaction in which a director has a material financial interest.

Meetings shall be held at a meeting place determined by the Board. Special meetings called pursuant to Section 6.2 of the governing documents shall satisfy the notice requirements contained in Article VI.

**Section 3.4 Quorum.** The presence (either in person or by proxy), at any meeting of members entitled to cast fifty-one percent (51%) of votes of the total voting power of the Association, shall constitute a quorum for any action except as otherwise provided in the governing documents or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, a majority of the members entitled to vote at such meeting shall have the power to adjourn the meeting to a date not less than five (5) days or more than thirty (30) days from the meeting date, at which meeting the quorum requirements shall be reduced to at least twenty-five percent (25%) of votes of the total voting power of the Association. The reduced quorum provisions of this Section shall not apply to any meeting at which a vote is taken to increase membership fees pursuant to Article VII , Section 7.2 of the governing documents. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice the time and place of the adjourned meeting shall be given to Members according to Section 3.4 hereof. The members present at a duly called or held meeting at which a quorum is present may continue to do business *until* adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

**Section 3.5 Proxies.** At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his membership, or upon receipt of notice by the Secretary of the Board of the death or judicially declared incompetency of any member. The proxy shall not be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy, except that the maximum term of any proxy shall be three (3) years from the date of execution. Every proxy continues in full force and effect until revoked by the person executing it prior to the vote pursuant thereto, except as otherwise provided in this section. Such revocation may be effected by a written notice delivered to the Association stating that the proxy is revoked or by a subsequent proxy executed by the person executing the prior proxy and presented to the meeting, or as to any meeting by attendance at such meeting and voting in person by the person executing the proxy. The dates contained on the forms of proxy presumptively determine the order of execution, regardless of the postmark dates on the envelopes in which they are mailed. Any form of proxy or written ballot distributed by any person to the membership of the Association shall afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted upon, except it shall not be mandatory that a candidate for election to the governing body be named in the proxy or written ballot. The proxy or written ballot shall provide that, where the member specified a choice, the vote shall be cast in accordance with that choice. The proxy shall also identify the person or persons authorized to exercise the proxy and the length of time it will be valid.

**Section 3.6 Voting.** The Association shall have one (1) class of voting membership:

- (1) Voting Member shall mean any member in good standing. A member has one (1) vote.
- (2) The number of elected Board members from one company shall be limited to one individual having the majority of votes.
- (3) Only members having the PRA Designation may be elected to the Board Any action by the Association which must have the approval of the members before being undertaken shall require the vote or written assent of seventy-five percent (75%) of the membership.

## ARTICLE IV

### BOARD OF DIRECTORS

**Section 4.1 Number of Directors.** The affairs of the Association shall be managed by a Board of not less than five (5) or more than eleven (11) directors who must be members of the Association.

**Section 4.2 Term of Office.** At the first meeting of the Association the members shall elect the directors for a term of two (2) years, except that for this first election of 1996, three (3) members of the board shall be elected for one (1) year only. At each annual meeting thereafter the members shall elect those directors as necessary to fill open positions. Each term will then be for three (3) years.

**Section 4.3 Removal.** Unless the entire board is removed from office by the vote of Association members, an individual member shall not be removed prior to the expiration of his term of office if the number of votes cast against his removal would be sufficient to elect the Board member if voted cumulatively at an election at which the same total number of votes were cast and the entire number of Board members authorized at the time of the most recent election of the Board member were then being elected. In the event of death or resignation of a director, his successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of his predecessor. If a director is removed from office, he or she shall not be replaced by the remaining Board members; his term shall be completed by a director elected by the Association pursuant to Section 5.1 hereof.

**Section 4.4 Compensation.** No director shall receive compensation for any service he or she may render the Association. However, any director may be reimbursed for his actual expenses incurred, if reasonable, in the performance of his duties.

**Section 4.5 Action Taken Without a Meeting.** The directors shall have the right to take action in the absence of a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as that taken at a meeting of directors. An explanation of the action taken shall be mailed to the members within three (3) days after the written consents of all Board members have been obtained.

**Section 4.6 Indemnification.** Each present and former director, officer, employee or other agent of the Association shall be indemnified by the Association to the fullest extent authorized under California Corporations Code Section 7237, or any successor statute, and may advance to any such person funds to pay expenses that may be incurred in defending any action or proceeding unless it is determined that such person was not entitled to indemnification under this Section 4.6.

## **ARTICLE V**

### **ELECTION OF DIRECTORS**

**Section 5.1 Election of Directors.** The first election of the Board shall be conducted at the first meeting of the Association. At such election, the members or their proxies may cast, in respect each vacancy, as many votes as their are entitled to exercise under the provisions of the Governing documents and these Bylaws. The persons receiving the largest number of votes shall be elected. No cumulative voting shall be utilized during any election. Voting for directors shall be by secret written ballot. Whenever two or more candidates or seated directors are employed by the same company or subsidiary of that company, the candidate or director with the most votes shall be elected to the Board. In no case, shall more than one director employed by the same company or subsidiary of that company serve on the Board at the same time.

**Section 5.2 Candidates for Directors.** Candidates for election to the board shall be limited to members of APRA in good standing who hold the PROFESSIONAL RESERVE ANALYST (PRA) designation.

## **ARTICLE VI**

### **MEETINGS OF DIRECTORS**

**Section 6.1 Regular Meetings.** Regular meetings of the Board of Directors shall be held at least quarterly at such place determined by the board and at such hours as may be fixed from time to time by resolution of the Board. Should such meeting fall upon a legal holiday, then the meeting shall be held at the same time on the next day that is not a legal holiday. Notice of the time and place of meeting shall be mailed to the board members and shall be communicated to Board members not less than four (4) days prior to the meeting. Notice

of a meeting need not be given to any Board member who has signed a waiver of a written consent to holding of a meeting.

**Section 6.2 Special Meetings.** Special meetings of the Board of Directors shall be held when called by written notice signed by the President. The notice shall specify the time and place of the meeting and the nature of the special business to be considered. The notice shall be sent to all Directors not less than seventy-two (72) hours prior to the scheduled time of the meeting provided, however, the notice of the meeting need not be given to any Board member who signed a waiver of notice or a written consent to holding of the meeting.

**Section 6.3 Quorum.** A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

**Section 6.4 Open Meetings.** All meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board.

**Section 6.5 Executive Session.** The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, disciplinary matters and business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

## ARTICLE VII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

**Section 7.1 Duties.** It shall be the duty of the Board of directors to:

- (1) Maintain the Association in accordance with Article VIII, Section 8.8 of the Governing documents.
- (2) Maintain insurance as required by Article III, Section 3.3 (4), Article VII, Sections 7.2 and 7.3 of the Governing documents.
- (3) Discharge by payment if necessary any lien against the Association and assess the cost thereof to the member or members responsible for the existence of such a lien, provided that such member(s) is given notice and the opportunity to be heard by the Board prior to discharge of the lien.
- (4) Fix, levy, collect and enforce membership fees.
- (5) Pay all expenses and obligations incurred by the Association in the conduct of its business including, without limitation, all licenses, taxes or governmental charges levied or imposed against the property of the Association.
- (6) Cause to be kept a complete record of all its acts and to present a statement thereof to the members at the annual meeting of the members or at any special meeting where such a statement is requested in writing by one (1) of the members.
- (7) Supervise all officers, agents and employees of the association, and to see that their duties are properly performed.

(8) Review on at least a quarterly basis a current reconciliation of the Association's operating accounts, the current year's actual expenses compared to the current year's budget and an income and expense statement for the Association's operating accounts. In addition, the Board shall review the latest account statements prepared by the financial institutions where the Association has its operating accounts.

(9) Require one signatures for the withdrawal of monies from the Association's operating accounts, which signatures shall be members of the Board.

(10) Enforce these Bylaws, the Governing documents, and other instruments for the ownership, management and control of the Association.

**Section 7.2 Powers.** The Board of Directors shall have power to:

(1) Employ a Director as provided in Article IV, Section 4.4 of the Governing documents.

(2) Adopt and enforce rules in accordance with the Governing documents.

(3) Enforce these Bylaws and the Governing documents in accordance with the Governing documents.

(4) Contract for goods and/or services in accordance with Article IV, Section 4.4 of the Governing documents.

(5) Delegate its authority and powers to committees, officers and employees of the Association. The following powers, however, may not be delegated:

(a) To make capital expenditures;

(b) To levy fines, hold hearings, or impose discipline;

(c) To file suit.

(6) Determine the fiscal year of the Association.

**Section 7.3 Prohibited Acts.** The Board of Directors shall not take any of the following actions, except with the vote or written consent of fifty-one percent (51%) of the total voting power of the Association.

(1) Enter into a contract with a third person wherein the third person will furnish goods or services for the Association for a term longer than one (1) year with the following exceptions:

(a) Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration; provided that the policy permits short rate cancellation by the insured.

(2) Pay any compensation to any members of the Board or to the officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board may cause a member or officer to be reimbursed for expenses incurred in carrying on the business of the Association.

(3) Fill a vacancy on the Board created by the removal of a Board member.

**ARTICLE VIII**

## **OFFICERS AND THEIR DUTIES**

**Section 8.1 Enumeration of Officers.** The officers of the Association shall be President and Vice President (who shall at all times be members of the Board of Directors), a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution designate.

**Section 8.2 Election of Officers.** The election of officers shall take place at the first meeting of the Board of Directors and following each annual meeting of the members.

**Section 8.3 Term.** The officers of the association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she resigns, or shall be removed, or otherwise be disqualified to serve. The President shall not succeed his or her term and shall become Past President and Director at Large and who votes on matters before the Board of Directors only in the event of a tie vote or to form a quorum to conduct business and provide advice to the elected board at a regularly scheduled board meeting.

**Section 8.4 Special Appointments.** The Board may elect such other officers as the affairs of the Association may require, each of who shall hold office for such period, have such authority, and perform such duties as the Board may determine from time to time.

**Section 8.5. Resignation and Removal.** Any officer may be removed from office by the Board with or without cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein. The acceptance of such resignation shall not be necessary to make it effective. This section shall not apply to the removal of Directors from the Board.

**Section 8.6 Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve the remainder of the term of the officer he or she replaces.

**Section 8.7 Multiple Offices.** The offices of the Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to this Article VIII, Section 8.4.

**Section 8.8 Duties.** The duties of the officers are as follows:

- (1) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall cosign all checks and promissory notes.
  
- (2) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge any other duties as may be required of him by the Board.
  
- (3) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; shall serve notices of the meetings of the Board and of the members; and shall keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.
  
- (4) The Chief Financial Officer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse funds as directed by resolution of the Board of Directors; shall cosign all checks and promissory notes of the Association; shall keep proper books and accounts; shall prepare



and distribute financial statements and reports to each member as required in Article IX of these Bylaws.

## ARTICLE IX

### REQUIRED FINANCIAL STATEMENTS AND REPORTS

**Section 9.1 Financial Information.** The following financial information shall be regularly prepared and distributed by the Board to all members of the Association regardless of the number of members or the amount of assets of the Association.

(1) A pro forma operating budget for each fiscal year consisting of at least the following information shall be distributed not less than forty-five (45) days nor more than sixty (60) days prior to the beginning of the Association's fiscal year. The budget shall include all of the following:

(a) The estimated revenue and expenses on an accrual basis.

(2) A review of the financial statement of the Association shall be prepared in

accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy for any fiscal year in which the gross income of the Association exceeds seventy-five thousand dollars (\$75,000.00). The review of the financial statement shall be distributed within one hundred twenty (120) days after the close of each fiscal year.

(3) A report consisting of the following shall be distributed within one hundred twenty (120) days after the close of the fiscal year.

(a) A balance sheet as of the end of the fiscal year.

(b) An operating (income) statement for the fiscal year.

(c) A statement of changes in financial position for the fiscal year.

(d) For any fiscal year in which the gross income to the Association exceeds seventy-five thousand dollars (\$75,000.00), a copy of the review of the annual report prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy.

(e) Any information required to be reported under California Corporations Code Section 8322.

(f) If the report referred to in three (3) above is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association that the statement was prepared from the books and records of the Association without independent audit or review.

(4) In lieu of distributing the financial statement required by Sections 9.1 (2) and 9.1 (3)(d) above, the Board may elect to distribute a summary of the statement to all members, with a written notice (in 10-point bold type) on the front page of the summary that the financial statement is available at the Association's business office or at another suitable location within the Project's boundaries, and that copies will be provided upon request and at the Association's expense. The Association must mail a copy of the financial statement to any member requesting same, by first class U.S. mail at the Association's expense and delivered within five (5) days.

**Section 9.2. Statement Regarding Member Defaults.** In addition to financial statements, the Board shall annually distribute with sixty (60) days prior to the beginning of the fiscal year a statement of the Association's policies and practices in enforcing its remedies against members for defaults in the payment of regular and special membership fees and a statement of the place where names and addresses of the current members are located.

## ARTICLE X

### COMMITTEES

**Section 10.1 Appointment of Committees.** The Board of Directors shall appoint such committees as they shall deem appropriate.

## ARTICLE XI

### BOOKS AND RECORDS

**Section 11.1 Inspection by Members.** The membership register, including mailing addresses and telephone numbers, books of account, minutes of meetings of the members of the Board, and committees shall be made available for inspection and copying by any member of the Association, or by his duly appointed representative, at a time and for purpose reasonably related to his interest as a member, at the office of the Association or at such other place as the Board shall prescribe.

**Section 11.2 Rules for Inspection.** The Board shall establish reasonable rules with respect to:

- (1) Notice to be given to the custodian of records by the member desiring to make inspection;
- (2) Hours and days of the week where such inspection may be made;
- (3) Payment of the cost of reproducing copies of documents requested by a member.

**Section 11.3 Inspection of Directors.** Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extra copies of documents at the Association's cost.

## ARTICLE XII

### AMENDMENTS

**Section 12.1 Time, Place and Requirements Governing Amendments.** These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members, and simple majority of the votes of members in good standing.

**Section 12.2 Hierarchy of Governing Documents.** In case of any conflict between these Bylaws and the Articles of Incorporation, the Articles shall control.