

# BYLAWS of Association for Financial Counseling and Planning Education, U.S.A. (the “Association”)

*(A Delaware Nonprofit Incorporated Association)*

## **ARTICLE I**

### ***Name***

The name of the Association is “Association for Financial Counseling and Planning Education, U.S.A.”.

## **ARTICLE II**

### ***Purposes, Tax-Exempt Status and Powers***

The Association shall have the purposes, tax-exempt status and powers set forth in the Certificate of Incorporation of the Association, as amended from time to time (the “Certificate of Incorporation”).

## **ARTICLE III**

### ***Offices and Fiscal Year***

1. Location. The principal office of the Association shall be located wherever the Board of Directors may determine within or without the State of Delaware.
2. Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors.
3. Registered Agent. The Executive Director (as defined below) shall maintain a registered office and agent for the Association in the State of Delaware.
4. Corporate Seal. The corporate seal of the Association shall be in such form as determined by resolution of the Board of Directors. The seal may be used by causing it or a facsimile thereof to be affixed or reproduced or otherwise. The seal may be altered from time to time by the Board of Directors.

## **ARTICLE IV**

### ***Executive Director***

5. General. The Association shall retain an executive director (the “Executive Director”) on a contractual or employee basis to implement the policies of the Board of Directors and execute its decisions at the direction and at the discretion of the Board of Directors. The Executive Director shall not be an officer of the Association or a member of the Board of Directors.
6. Duties and Responsibilities. Duties and responsibilities of the Executive Director shall include, but shall not be limited to, the following: provide stability and continuity for the Association; represent the Association’s membership; annual conference management; oversight of certification programs; operate and oversee the national office of the Association; assist in coordinating meetings of the Board of Directors; recordkeeping and financial management; preparation of monthly and annual financial reports and special financial reports, as needed; respond to inquiries about the Association; maintain membership records; print and distribute annual membership directory; coordinate membership mailings; maintain historical files; and perform additional duties as requested by the President and Board of Directors.

## **ARTICLE V**

### ***Certification Program***

7. The Association's certification program (collectively, the "Certification Program") is a critical component of the Association.
8. The purpose of the Certification Program is to develop standards and present credentials for professionals in the financial services industry.
9. Certification Council. The AFCPE Certification Council shall be established to oversee the Association's Certification Program. The Certification Council shall serve as an independent and autonomous unit of the AFCPE with respect to the development, administration, and oversight of all certification program policies, procedures, operations, and activities.
  - a. The Certification Council shall be solely responsible for all decisions and all certification program policies related to: eligibility requirements for initial certification and recertification; development, administration, and scoring of examinations; establishing a code of conduct and disciplinary policies and procedures; and oversight of certification program operations.
  - b. The authority of the Certification Council is limited to the authority granted in these Bylaws and by the AFCPE Board of Directors. The Certification Council does not have the authority to develop, implement, or approve professional educational courses or training programs or to develop, implement, or approve certification preparation courses. The Certification Council does not have the authority to create a budget deficit or to develop new certifications or terminate existing certifications without the express approval of the Board of Directors.
  - c. Composition and Voting. The Certification Council shall be composed of 7 qualified, voting Council members to include 3 individuals who hold the Accredited Financial Counselor (AFC) designation in good standing, 1 public member who is selected to represent consumers of an AFCPE Certificant's skill or service, and 3 individuals who are selected as Constituency Members to represent other stakeholder groups as defined in the certification program policies and procedures. The Certification Program Director will serve as a non-voting, *ex-officio* member of the Certification Council. Members of the AFCPE Board of Directors are ineligible to serve on the Certification Council. The process for selecting Council members will be defined in the policies and procedures of the certification program.
  - d. Qualifications and Terms. Terms served by Certification Council members will be for three (3) years. No Council member will serve more than two (2) consecutive terms of service. Term end dates will be staggered so that approximately one-third (1/3) of the positions expire each year. Qualifications for all Certification Council members will be established in the Certification Program policies and procedures.
  - e. The Certification Council shall have a Chairperson and Vice Chairperson who will be selected from among the voting Council members as established in the Certification Program policies and procedures. The officers shall perform duties as are usually assigned to such offices and as are authorized by the Certification Program policies and procedures. Each Officer shall serve for a one (1) year term, and shall be eligible for one (1) consecutive term in the same office if otherwise qualified.
  - f. Requirements for Certification Council meetings, quorums, voting, and minutes will be established in the Certification Program policies and procedures.

- g. Resignation, Removal, and Vacancy. Certification Council members may resign at any time by providing written notice to the Certification Council Chair or Certification Program Director. Vacancies shall be filled as directed by the Certification Council for the remainder of the term. A Council member may be removed for cause by a two-thirds (2/3) affirmative vote of the Council members.
  - h. The Certification Council may appoint committees and/or ad-hoc working groups as needed to perform the work of the Certification Program as may be determined by the Certification Council. All committees and/or working groups will act in an advisory capacity to the Certification Council.
10. Certification Program Management. The Certification Program shall be managed by a Certification Program Director, who may be an independent contractor or employee of the Association and who reports to the Executive Director; provided, that, if the Certification Program Director is the Executive Director, then such person shall report to the Board of Directors. In addition, other independent contractors and/or employees shall be hired as needed.
11. Board of Directors Meeting Attendance. The Certification Program Director shall attend meetings of the Board of Directors at the request of the President or Secretary for the purpose of ensuring the Board is informed of Certification Program activities and to promote communication between the Board and the Certification Council.

## **ARTICLE VI**

### ***Members***

12. Classes and Criteria of Membership; Constituencies. The Association shall have four classes of membership: Professional, Certification Candidate, Student, and Emeritus, each described as follows:
- a. Classes and Criteria of Membership.
    - i. Professional Membership. Professional Membership in the Association shall be open to individuals employed in, retired from, or studying in the field of personal financial counseling, planning or education.
    - ii. Certification Candidate Membership. Available to individuals currently registered in an AFCPE certification program.
    - iii. Student Membership. Student Membership in the Association shall be open to individuals studying full-time at the college or university undergraduate or graduate level.
    - iv. Emeritus Membership. Emeritus Membership in the Association shall be open to individuals who have reached full retirement age, as defined by Social Security Administration, and who have been a member of AFCPE for the 10 previous consecutive years.
13. Additional Classes of Membership. In addition to the four classes of membership described above, the Board of Directors may establish additional classes of membership and define the criteria for such additional classes of membership as the Board of Directors or Member Services Committee may determine from time to time.
14. Each member shall, at the time of paying annual dues to the Association, select to be a part of one of the six following membership constituencies: (i) Academia, (ii) Financial Industry, (iii) Government Agency, (iv) Military, (v) Private Practitioner, or (vi) Service (each, a "Constituency" and, collectively, the

“Constituencies”). The Board of Directors may remove any Constituency and establish and define additional membership constituencies from time to time, in its sole discretion.

15. Voting. (a) General. Each member shall be entitled to one vote on each proposal brought by the Association for a vote of the members. (b) Quorum. A majority of the voting members of the Association, present in person or represented by proxy, shall constitute a quorum for the transaction of business at any meeting of the members. When a quorum is present at any meeting, the vote of a majority of the voting members shall decide any proposal brought for a vote before such meeting, unless the proposal is one upon which by express provision of law or the Certificate of Incorporation a different vote is required. (c) Proxies. At any meeting of the members of the Association, a member may be represented and vote by proxy, authorizing a representative to vote on his/her behalf. Each proxy must be executed in writing or electronically by the member but need not be witnessed. Subject to the Certificate of Incorporation and applicable law, no proxy shall be valid after the lapse or termination of the membership relating to such proxy.
16. Membership Dues. Annual dues shall be determined by the Board of Directors. Members may renew or join membership at any time during the calendar year. Membership is rolling, so membership starts on the day a member pays their dues and is in effect for 1 year. An appropriate surcharge is added to the dues of members with mailing addresses outside the U.S.
17. Termination of Membership. Any member may be denied the privileges of membership and expelled from the Association by a majority vote of the Board of Directors or pursuant to policies and procedures established by the Association from time to time. Automatic termination shall result from (a) 4 nonpayment of annual dues (as discussed in the preceding paragraph), (b) failure to abide by the Bylaws, rules and regulations of the Association or (c) in accordance with other policies and procedures established by the Association from time to time. Any member may terminate his or her membership by submitting a written notice of termination to the Secretary of the Association. Any member who terminates his or her membership shall not be entitled to a refund of any dues or contributions previously paid or given to the Association.
18. Membership Reinstatement. A member whose membership has lapsed due to non-payment of annual dues may reinstate his or her membership by paying dues. Renewal goes into effect on the date the dues are paid. A member whose membership was revoked for (a) failure to abide by the Bylaws, rules or regulations of the Association, or (b) in accordance with other policies and procedures established by the Association may not reinstate his or her membership, unless otherwise decided by the Board of Directors, in its sole discretion.
19. Membership Not Assignable. No membership or any interest in the Association shall (a) be assignable inter vivos or pass to any personal representative, heir or devisee of any member or (b) pass by operation of law or otherwise.
20. Meetings of the Members. Any annual or special meeting of the members of the Association shall be held at such place as determined by the Board of Directors. Any such meeting shall reflect the purposes of the Association. Meetings of members may be held within or without the State of Delaware.
21. Investment Committee. (a) Membership. The Investment Committee shall consist of a minimum of three members of the Association (one member from each Constituency) appointed by the Board of Directors and the Treasurer of the Association, or have such other composition as determined by the Board of Directors. The Treasurer of the Association shall serve as Chairperson of the Investment Committee. (b)

Purpose and Responsibility. The purpose of the Investment Committee shall be to monitor the investment of funds pursuant to the current Investment Policy Statement in effect.

## **ARTICLE VII**

### ***Board of Directors***

22. General Powers. The property, business and affairs of the Association shall be managed under the direction of the Board of Directors as from time to time constituted. The Board of Directors shall consist of twelve (12) directors, but the number of directors may be increased to any number, not more than twenty-one (21) directors, or decreased to any number, not fewer than nine (9) directors, as determined from time to time by the Board of Directors, provided that no decrease in the number of directors shall shorten or terminate the term of any incumbent director. The President of the Association, as elected by the Board of Directors, shall be the Chairperson of the Board of Directors for as long as he or she is President.
23. Election and Classification of Directors. The Board of Directors shall be divided into three classes, designated Class I, Class II and Class III (each, a "Class" and, collectively, the "Classes"). Each Class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. Each Class shall be composed of directors representing at least one of each of the Constituencies, as determined by the Board of Directors from time to time. The terms for directors in each Class shall be determined by the Board of Directors prior to the first Annual Meeting of the Association's members; 5, provided, that, beginning in 2006, successors to the class of directors whose term expires at that annual meeting shall be elected for a three-year term. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, but in no case will a decrease in the number of directors shorten the term of any incumbent director. Members of the Board of Directors may serve no more than two consecutive three-year terms.
24. Meetings. Meetings of the Board of Directors, regular or special, shall take place at such time as the President or, in his or her absence, the President-Elect may designate, but in no event shall such meetings be convened less than annually. Meetings of the Board of Directors, regular or special, may be held at such place within or without the State of Delaware or by conference telephone or other communications equipment (as further described in Section 4 below), and upon such notice as described below. The Board of Directors shall meet at least annually. For a special meeting, notice shall be given to each Director either (a) five business days in advance of the meeting, if given personally or by facsimile or by electronic transmission, or (b) ten business days in advance of the meeting, if given by written notice deposited in the mail, in each case by the Secretary or by the officer or one of the Directors calling the meeting. Regular meetings of the Board of Directors may be held without notice as shall from time to time be determined by the Board of Directors; provided that any Director who is absent when such a determination is made shall be given prompt notice of such determination. A regular meeting of the Board of Directors may be held without notice immediately after and at the same place as the annual meeting of Members. Whenever written notice is required to be given to any Director, it may be given to such Director either personally or by sending a copy thereof through the mail, by facsimile, or by electronic transmission, charges prepaid, to the address supplied by the Director to the corporation for the purpose of notice. Whenever notice is required, a waiver thereof in writing signed by the Director or Directors entitled to such notice or a waiver by electronic transmission by the Director

or Directors entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Further, the presence of any Director at a meeting, in person or by other electronic means of attendance, without objection to the lack of notice of such meeting, shall also waive notice by such Director.

25. Participation. The Directors may participate in a meeting of the Board of Directors or a committee of the Board of Directors by means of conference telephone or by other communications equipment, including electronic communications, during a period specified in the call for the meeting, and such participation shall constitute presence in person at the meeting.
26. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.
27. Manner of Acting. The act of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by express provision of law or the Certificate of Incorporation. The director chairing the meeting shall only vote in case of a tie. In addition, the Board of Directors may approve an action by written consent of all directors. Directors may participate in a meeting, including exercising their voting privileges, by telephone or other electronic methods.
28. Action without a Meeting. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if all of the Directors entitled to vote with respect to the matter consent in writing or by electronic transmission and the writing or writings, or electronic transmission or transmissions, are filed with the minutes of proceedings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.
29. Compensation. Members of the Board of Directors shall serve without compensation.
30. Vacancies. A vacancy on the Board of Directors because of death, resignation, removal, disqualification, expansion of the number of members of the Board of Directors or otherwise may be filled by election by the members of the Board of Directors for the unexpired portion of the term. If such vacancy exists because of the absence of a member of the Board of Directors (i.e., due to death, resignation, removal or disqualification), then such vacancy shall be filled by a member of the same Constituency as his or her predecessor with respect to such vacancy.
31. Committees. The Board of Directors of the Association may designate one or more committees (each, a "Committee") to oversee, among other things, the following functions: educational programs; certification programs; membership and nominations; industry relations; professional development; and special projects. Participation on such Committees shall be open only to members of the Association who have been appointed by the Board of Directors of the Association. The Board of Directors may appoint or remove any member of any Committee, or dissolve any Committee, with or without cause. The initial Committees of the Board of Directors shall be as follows: (a) Executive Committee. (i) Membership. The Executive Committee shall consist of those members of the Board of Directors who are officers of the Association. (ii) Purpose and Responsibility. The responsibility of the Executive Committee is to make decisions on behalf of the Board of Directors when the Board of Directors is not in session on matters which, in the opinion of the Chairperson of the Board of Directors, should be acted upon before the next Board of Directors meeting, except to the extent, if any, that such authority shall be limited by resolution of the Board of Directors, provided, however, that neither the Executive Committee nor any other committee shall have the power to amend the Certificate of

Incorporation, adopt or amend the Bylaws, approve mergers or consolidations or other substantial disposition of assets, declare a position of the Board of Directors as vacant, elect successors to fill vacancies on the Board of Directors, elect or remove officers, confer honorary memberships, dissolve or liquidate the Association, or take any action inconsistent with an action of the Board of Directors. (b) Nominating Committee. (i) Membership. The Nominating Committee of the Board of Directors shall consist of the Past President and two members of the Board of Directors. The Chairperson of the Nominating Committee shall be the Past President; provided, that, if such individual chooses not to serve as Chairperson, has resigned as Chairperson or from the Nominating Committee or is not a member of the Board of Directors, then the Board of Directors shall appoint a Chairperson of the Nominating Committee from the membership of such committee. (ii) Purpose and Responsibility. The purpose of the Nominating Committee shall be to assist the Board of Directors in researching candidates to serve as officers and directors of the Association.

## **ARTICLE VIII**

### ***Officers***

32. **Officers.** The Association shall have the following officers, each of whom shall be an active member of the Association in good standing and a member of the Board of Directors: a President; a President-Elect; a Past President; a Treasurer; a Secretary; and such other officers as may be elected by the Board of Directors in accordance with the provisions of this Article.
33. **Election.** All officers of the Association shall be elected by the Board of Directors immediately following the Annual Meeting of members of the Association. These officers shall be elected for a term of one year. Each of these officers shall hold office until his or her successor shall have been duly elected or appointed. Incumbent officers may be re-elected for no more than one consecutive additional term to the subject office; however, a former officer may again be elected to the subject office after having vacated such office for at least one term.
34. **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by election by the members of the Board of Directors for the unexpired portion of the term.
35. **President.** The President shall be the individual who previously served as President-Elect, unless otherwise decided by the Board of Directors, in its sole discretion. The President shall be the principal executive officer of the Association and shall in general supervise the business and affairs of the Association along with the Executive Director. The President shall preside at the Annual Meeting of members of the Association. He or she may sign contracts or other instruments which the Board of Directors has authorized to be executed, except in the cases where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer of the Association and in general the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. No substantial unbudgeted expenditure shall be made for or on behalf of the Association without the authorization of the President or Treasurer.
36. **President-Elect.** The President-Elect shall be elected by the Board of Directors and shall be a member of the Board of Directors. In the absence of the President or in the event of the President's inability or refusal to act, the President-Elect shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions placed upon the President. The President-Elect shall perform such other duties as from time to time may be assigned to the President-Elect by the President or by the Board of Directors.

37. Past President. The Past President shall be the individual who served as President immediately preceding the current President unless otherwise decided by the Board of Directors, in its sole discretion. The Past President shall serve as Chairperson of the Nominating Committee and shall perform such duties as from time to time may be assigned to the Past President by the President or the Board of Directors.
38. Treasurer. The Treasurer shall be elected by the Board of Directors and shall be a member of the Board of Directors and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. The Treasurer shall serve as Chairperson of the Investment Committee and shall collaborate with the Executive Director on financial and budgetary matters.
39. Secretary. The Secretary shall be elected by the Board of Directors and shall be a member of the Board of Directors. The Secretary, or his or her designee(s), shall record and report the minutes of all meetings of the Board of Directors and the members.
40. Other Duties of Officers. Other responsibilities of the Association's officers are outlined in the Association's Operations Manual, as may be amended by the Board of Directors from time to time.

#### **ARTICLE IX**

##### ***Contracts, Checks, Deposits, Gifts and Funds***

41. Contracts. The Board of Directors may authorize the Executive Director or any officer or officers, agent or agents of the Association, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.
42. Checks, Drafts, Etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by the Executive Director or such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer.
43. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks or other depositories as the Board of Directors may select. All funds of the Association shall be segregated from, and may not be commingled with, any personal funds of the members of the Association.
44. Gifts. The Board of Directors may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes of the Association.

#### **ARTICLE X**

##### ***Books and Records***

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors. All books and records of the Association may be inspected by any member for any proper purpose at any reasonable time. The books of the Association may be kept (subject to any provision of law) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors.

#### **ARTICLE XI**

##### ***Amendment***



45. By Members: These Bylaws may be altered, amended or repealed, or new bylaws may be adopted, by the affirmative vote of a majority of the voting members of the Association at any annual or special meeting of the members at which a quorum is present.
46. By the Board of Directors: By the affirmative vote of a majority of its directors, the Board may consider amendments to the bylaws to address routine and administrative matters, or address urgent necessity, and may alter, amend, repeal, or enact new bylaws subject to the following restrictions:
47. The Board should provide at least ten days' prior notice of any bylaw change via email announcement to the current AFCPE membership roll.
48. The Board may not initiate bylaw amendments effecting changes to the voting structure of AFCPE, or imposing special assessments or membership requirements.
49. Bylaw amendments initiated by the Board shall be presented at the next full meeting of the membership in the following manner:
  - a. A bylaw amendment with less than 4/5ths of the full Board approving must be an item for new business and reconsideration of the membership at the next full membership meeting. A majority of the full membership in attendance must vote to confirm the amendment for its enrollment.
  - b. A bylaw amendment with 4/5ths of the full Board's approval will be enacted immediately, but the membership will be called to vote on that amendment at its next full meeting as an item for new business, and a majority of the then-voting membership in attendance must vote to confirm the amendment or it will be removed.