

BYLAWS OF THE RISK AND INSURANCE MANAGEMENT SOCIETY, INC.

ARTICLE 1. NAME, PURPOSE, LOCATION, AND RESTRICTIONS

§1.1 Name. The name of the Corporation is the Risk and Insurance Management Society, Inc. (“Society”), a not-for-profit corporation incorporated in the State of Illinois.

§1.2 Location. The principal office of the Society is located in New York, New York or elsewhere as determined by the Board of Directors.

§1.3 Definition of Risk Management. As used within these Bylaws, “risk management” means the process and discipline of assessing risk in order to make more informed decisions and to implement measures for balancing an organization’s desired levels of risk and reward. Based on an organization’s particular mission and objectives, such risk may include strategic, operational, financial, hazard, or other specific risks and sub-risks.

§1.4 Purposes. The purposes of the Society, as set forth in its Articles of Incorporation, include:

- (A) Providing opportunities for dialogue, education, advancement, and improvement in the risk management discipline through meetings, seminars, communications, publications, and other programs and activities;
- (B) Articulating and advocating the interests of the risk management discipline before legislative, administrative, and judicial branches of local, state, provincial, and national governments; and
- (C) Promulgating policies and conducting activities for the betterment of all those individuals or organizations involved in some aspect of the risk management discipline.

§1.5 Restrictions. All policies and activities of the Society must be consistent with:

- (A) Applicable national, state, provincial, and local antitrust, trade regulation, or other legal requirements; and
- (B) Applicable tax exemption requirements, including:
 - (1) No part of the net earnings of the Society may inure to the benefit of any director or officer of the Society, or any private person, except that reasonable compensation may be paid for services actually rendered to or for the Society and the Society may provide reasonable reimbursements and advances to such persons as permitted under the Illinois Not-For-Profit Act (“Act”), and no director or officer of the Society, or any private person, is entitled to share in the distribution of any of the assets of the Society upon the dissolution of the Society; and
 - (2) Notwithstanding any other provisions of these Bylaws, the Society is organized and at all times must be operated exclusively as a corporation not organized for profit, and the Society

may not conduct or carry on any activities not permitted to be conducted or carried on by an organization described in Section 501(c)(6) of the Code, and exempt from taxation under Section 501(a) of the Code.

ARTICLE 2. MEMBERS

§2.1 Membership Qualifications. A person or organization that is involved in or associated with the risk management discipline is eligible for Society membership.

§2.2 Regular Membership. A person who holds a membership in one of the classes described in this Section 2.2 is eligible to vote and may serve in any Society-elected or Society-appointed capacity. For purposes of these bylaws, a person who holds one of these membership categories and who pays regular dues is a Regular Member.

(A) **Organizational Membership.** An organization that employs a person with risk management responsibilities is eligible for organizational membership. For its dues, an Organizational Member may designate two Professional Members. The Primary Professional Member exercises the Organizational Member’s voting rights in the Society. A Secondary Professional Member may exercise the Organizational Member’s voting rights only in the absence of the Primary Professional Member. An Organizational Member may designate additional Professional Members for a fee set by the Board of Directors.

(1) **Professional Member.** A person who is employed by or otherwise works exclusively for an Organizational Member and who provides risk management services as described in Section 1.3 to the Organizational Member is eligible for Professional Membership.

(B) **Individual Membership.** A person who holds an individual membership is not required to hold a Chapter membership.

(1) **Individual Professional Member.** A person who provides risk management services as described in Section 1.3 exclusively for one organization is eligible for Individual Professional Membership.

(2) **Individual Young Professional Member.** A person who provides risk management services as described in Section 1.3 exclusively for one organization and who is under age 26 is eligible for Individual Young Professional Membership.

(3) **Individual International Professional Member.** A person who provides risk management services as described in Section 1.3 exclusively for one organization and who works primarily outside of North America is eligible for Individual International Professional Membership.

§2.3 Non-Voting Membership. Except as provided elsewhere in these Bylaws, a person who holds a membership in one of the classes described in this section 2.3 is not eligible to vote and may not serve in any Society-elected capacity. A person holding one of these memberships may be appointed to serve as a non-voting advisor to a Society committee or council.

- (A) **Honorary Member.** The Board of Directors may confer an Honorary Membership upon an individual according to terms specified by the Board of Directors. An Honorary Member pays no dues.
- (B) **Educational Member.** A person who is a full-time faculty member at an accredited college or university is eligible for Educational Membership.
- (C) **Student Member.** A person who is enrolled as a full-time student at an accredited college or university and who is not eligible for membership in any other membership class is eligible for Student Membership.
- (D) **Associate Member.** A person who furnishes goods or services to the risk management community and who is not eligible for Professional or Individual Membership is eligible for Associate Membership. A person who satisfies the eligibility requirements in this section and who is under the age of 26 is eligible for a Young Associate Membership.
- (E) **Retired Member.** A person who was a Professional Member, Educational Member, or Associate Member and who no longer works in any capacity in the risk management field is eligible for Retired Membership. Except as provided for elsewhere in these Bylaws, a Retired Member retains all the rights and privileges of the Retired Member's membership class upon retirement. A Retired Member may decide not to join a chapter.
- (F) **Transitional Membership.** A Professional Member or Associate Member who separates from employment is eligible for Transitional Membership. A Transitional Membership expires after two years or when a Transitional Member accepts new employment. If a Transitional Member is appointed to a Society committee prior to becoming a Transitional Member, the Transitional Member may complete the remainder of the term. A Transitional Member may not stand for election as a Society officer or director, or be appointed to a Society committee; provided, however, that an Immediate Former President who is a Transitional Member may serve as an ex officio, voting member of the Board of Directors and the Nominating Committee.

§2.4 Applications for Membership. An applicant for membership must submit a completed application form to the principal office of the Society.

§2.5 Admission of Members. If an applicant satisfies the Society's criteria for membership, as determined in the reasonable discretion of the Society, the Society will admit the applicant as a member.

§2.6 Resignation. A member may resign by submitting a written resignation to the principal office of the Society. Resignation is effective upon receipt or upon such date specified in the resignation. A resignation does not relieve a member from liability for dues accrued and unpaid as of the date of resignation.

§2.7 Expulsion. The Board of Directors may expel a member for adequate reason by a two-thirds, affirmative vote. Grounds constituting "cause" are determined by the Board of Directors in its sole discretion. A member who fails to pay dues or to meet the criteria for membership is expelled without advance notice to the member or deliberation by the Board of Directors. If a member is proposed for expulsion for another reason, the Society will provide the member with advance written notice including the reason for the proposed expulsion, opportunity to contest the proposed expulsion in writing or in person before the Board of Directors, and final written notice of the Board's decision.

§2.8 Dues. A member must pay Society and, if applicable, chapter dues. The Board of Directors establishes the dues for each Society membership class. A chapter establishes its chapter membership dues. A member who fails to renew their membership by their renewal deadline forfeits all rights and privileges of membership. The Society does not refund dues. Society dues are collected in U.S. dollars.

ARTICLE 3. MEETINGS OF MEMBERS

§3.1 Annual Meeting. The annual membership meeting takes place during the opening general session of the Society's annual conference and exhibition. If the Society does not hold an annual conference, the annual membership meeting takes place in the month of April at a location to be determined by the Board of Directors.

§3.2 Special Meetings. A special meeting of the membership may be called by (a) majority vote of the Board of Directors; or (b) written demand to the President by at least one-tenth of the regular membership. The person or persons calling the special meeting may designate the location for the meeting.

§3.3 Place and Notice of meeting. If the Board of Directors calls an annual or special meeting, the Board of Directors must designate the place for the meeting. The Society will deliver written or printed notice of the meeting to the regular membership not less than 5 nor more than 60 days prior to the meeting. The notice must include the place, date, hour, and purpose of the meeting. The Society may deliver the notice personally, by mail, by facsimile, or by electronic transmission. If the Society delivers the notice by mail, notice is deemed delivered when deposited in the mail addressed to the Regular Member at the address as it appears in the Society's records.

§3.4 Quorum. Two percent of the regular membership constitutes a quorum at an annual or special meeting.

§3.5 Manner of Acting. A majority of those voting is required to carry a matter when a quorum is present unless otherwise provided for in these Bylaws or Illinois law.

ARTICLE 4. CHAPTERS

§4.1 Chapters. If at least 10 Regular Members or individuals eligible for regular membership wish to form a chapter, they may petition the Society for a charter. The petition must include: (a) the names of at least 10 Regular Members or persons who are eligible for regular membership who will join the chapter if the charter is granted; (b) a chapter constitution and bylaws; (c) a list of provisional officers; and (d) the proposed geographic area from which chapter members will be solicited.

§4.2 Organizational Requirements. If the Society grants a chapter charter, a chapter: (a) must incorporate as “The _____ Chapter of the Risk and Insurance Management Society, Inc.” under the laws of the host state, province, or locality and conduct business as a not-for-profit corporate entity; (b) must comply with the Constitution and Bylaws of the Society and with the policies of the Society; (c) may not incur financial or other obligations for which the Society may be responsible; (d) must comply with all national, state, provincial, and local statutes and regulations pertaining to not-for-profit entities, including the filing of any and all forms required for the operation of such entities; and (e) must maintain a membership of at least six (6) Regular members.

§4.3 Membership. Except for a member granted an exemption by the Society or as otherwise provided in these Bylaws, a member must maintain a chapter membership.

§4.4 Meetings. A chapter must meet at least 4 times each year, and must designate one of those meetings as the chapter’s “annual meeting.”

§4.5 Dues Collection. A chapter collects chapter dues unless the chapter requests the Society to collect them. If a chapter requests the Society to collect chapter dues, the Society will remit dues to the chapter as soon as practicable after receipt.

§4.6 Revocation of Chapter Charter. The Board of Directors may revoke a chapter’s charter at any time upon a two-thirds, affirmative vote of the entire board. For the revocation to be effective, the Society must provide the chapter with (a) at least 60 days’ advance notice of the proposed revocation vote; (b) the rationale for the proposed revocation; and (c) the opportunity to contest the revocation in writing. If the Board revokes a chapter’s charter, the chapter’s board of directors must cause all necessary forms and documents to be filed with all appropriate national, state, provincial, and local governmental entities. The Society will maintain copies of all such forms and documents filed. Upon revocation of its charter, a chapter’s board of directors must cause the chapter’s outstanding financial obligations to be settled, and must transfer all remaining assets in accordance with the chapter’s bylaws and applicable law.

ARTICLE 5. CHIEF EXECUTIVE OFFICER

§5.1 Chief Executive Officer. The Society’s chief employed staff person is the chief executive officer (“CEO”). The CEO carries out the directives of the Society’s Executive Committee and Board of Directors,

and directs the activities of the Society’s staff. The CEO is hired by the Executive Committee, subject to confirmation by a majority of the full Board. Unless otherwise agreed to by the Board of Directors, the terms of the CEO’s employment by the Society are governed by, and construed under, an executive employment agreement executed between the CEO and the Society.

ARTICLE 6. BOARD OF DIRECTORS

§6.1 Definition of Board of Directors Slate. As used within these Bylaws, “Board of Directors’ slate” means the group of candidates standing for election as the Society’s officers and directors.

§6.2 Purpose and Composition of the Board. The governing body of the Society is the Board of Directors. The Board establishes Society policy and monitors implementation of policy by the Society’s employed staff under the direction of the CEO. The Board consists of no fewer than seven (7) and no more than thirteen (13) Regular members. These voting members include the directors, four officers, and the immediate former president.

§6.3 Director Election and Term of Office. The Board slate shall be elected each year by the affirmative vote of a majority of the Regular Membership voting where a quorum is present. Voting will be conducted by electronic ballot. For purposes of Board elections, a quorum shall be defined as at least two percent of the Regular Membership. A director serves a three-year term beginning on January 1 of the year immediately following election and ending on December 31 of the third year immediately following election. A director may serve one successive three-year term if nominated and elected. Officer elections and terms are discussed in Section 7.3 herein. In order to remain eligible to continue to serve a director, an individual must attend at least two of the meetings of the board each calendar year. Any director who does not meet this attendance requirement shall be deemed to have resigned his or her position as a director and shall not be eligible to be re-nominated as a director for a period of twelve (12) months from the date of resignation.

§6.4 Director Vacancies. The Nominating and Governance Committee may appoint a replacement director whenever a sitting director resigns or otherwise leaves the Board with more than one year left in his/her term unless the departing director will leave the Board of Directors with fewer than the minimum number of members as described in §6.2, in which case the Nominating and Governance Committee must fill the vacancy. The replacement director’s term will be the unexpired portion of the departing director’s term. The Nominating and Governance Committee is not obligated to appoint a replacement director if a sitting director resigns or otherwise leaves the Board with one year or less remaining in his/her term.

§6.5 Regular Meetings. The Board of Directors meets at least annually at whatever time and place it selects. A majority of the Board forms a quorum; a majority of votes is required to carry a matter when a quorum is present unless otherwise provided by these Bylaws or Illinois law. Proxy voting is not permitted. If each board member can hear the others, the Board may meet by electronic means.

§6.6 Special Meetings. The President may call a special meeting of the Board to consider urgent business that cannot wait until the next regular Board meeting. A special meeting may take place by conference call or by other electronic means, including e-mail. For any action taken during a special meeting to be valid, a quorum must participate and a majority of those voting must support the action. The Board must memorialize an action taken during a special meeting by a written consent, which must be signed by each board member who voted in support of the action and which must describe the action taken and authorized.

§6.7 Removal. A director may be removed, without cause, as determined by a two-thirds vote of the Regular Membership voting where a quorum is present. For purposes of director removal, a quorum shall be defined as at least two percent of the Regular Membership.

§6.8 Compensation. A director does not receive compensation for service, but is entitled to reimbursement for expenses according to the Society's reimbursement policy.

ARTICLE 7. OFFICERS

§7.1 Officers. The officers of the Society are the President, the Vice President, the Secretary, and the Treasurer.

§7.2 Qualifications. A Regular Member is eligible to serve as an officer. An officer may not hold more than one elected office at the same time. Except for the President, an officer may serve successive terms if nominated and elected. In order to remain eligible to continue to serve as an officer, an individual must attend at least two of the meetings of the board each calendar year. Any officer who does not meet this attendance requirement shall be deemed to have resigned his or her position as an officer and shall not be eligible to be re-nominated as an officer or director for a period of twelve (12) months from the date of resignation.

§7.3 Election and Term of Office. The Regular Membership votes on the officer slate as part of the Board of Directors' election detailed in Section 6.3 herein. An officer serves a one-year term beginning on January 1 and ending on December 31.

§7.4 Duties. The President presides at the annual membership meeting and meetings of the Board of Directors. If the President is not available, the Vice President will act in place of the President. The Secretary records the minutes of the Board of Directors' meetings and maintains the records of the Society. The Treasurer provides regular financial reports to the Board of Directors.

§7.5 Vacancies. The Nominating Committee must fill any officer vacancy for the unexpired portion of the term; provided, however, that in the event of a vacancy in the office of the President, the Vice President automatically fills the balance of the President's unexpired term, and the Nominating Committee shall not be required to fill the corresponding vacancy in the office of the Vice President. A Vice President fulfilling such an unexpired term is eligible to be elected to a full term as President upon nomination by the Nominating and Governance Committee.

§7.6 Removal. An officer may be removed, without cause, as determined by a two-thirds vote of the Regular Membership voting where a quorum is present. For purposes of officer removal, a quorum shall be defined as at least two percent of the Regular Membership.

§7.7 Compensation. An officer does not receive compensation for service, but is entitled to reimbursement for expenses according to the Society's reimbursement policy.

ARTICLE 8. COMMITTEES

§8.1 Executive Committee. The Executive Committee consists of the President, Vice President, Secretary, Treasurer, and Immediate Former President. The President chairs Executive Committee meetings and conference calls. The Executive Committee supervises and evaluates the performance of the CEO, and addresses other time-sensitive matters as directed by the President. The Executive Committee may not approve the Society's budget, make changes in membership dues, or amend the Society's Constitution and Bylaws. The Executive Committee must update the Board of Directors at least annually on the performance of the CEO.

§8.2 Nominating and Governance Committee. The Nominating and Governance Committee consists of no more than seven Regular Members elected by the Regular Membership, and the Immediate Former President, who serves as an *ex-officio*, voting member. A Regular Member who has prior service on the committee is eligible to serve as chair or vice chair. The Board nominates the chair, who then stands for election by the Regular Membership. The chair nominates the members of the committee, who then stand for election by the Regular Membership. The Nominating and Governance Committee slate shall be elected each year by the affirmative vote of a majority of the Regular Membership voting where a quorum is present. Voting will be conducted by electronic ballot. For purposes of such elections, a quorum shall be defined as at least two percent of the Regular Membership. A member serves a three-year term beginning on March 1. The chair and vice chair each serve two-year terms beginning on March 1. Except when a member completes the unexpired portion of a departing member's term, a member may not serve successive terms as a member, chair, or vice chair. If a vacancy occurs on the committee, the chair will appoint a replacement to complete the unexpired portion of the departing member's term.

Each fall, the committee must prepare and deliver to the Regular Membership a Board of Directors' slate. The Nominating Committee develops its own criteria for identifying and recruiting directors but consults with the Board of Directors to determine whether the Board requires incoming directors to possess specific skill sets or experience.

The Nominating and Governance Committee also (1) oversees the orientation and training of new Board members, (2) assists with the development of Board members during their terms of service, (3) reviews and recommends modifications, as appropriate, to the Society's governance structure, committee structure, and governance documents, including the bylaws and governance policies, and (4) considers other governance issues that arise, and makes appropriate recommendations to the Board.

§8.3 Audit Committee. The Audit Committee consists of no more than 5 Regular Members, at least three of whom are members of the Board of Directors. The Board of Directors appoints the committee chair and vice chair from among the three Board members serving on the committee. The committee: (a) selects the Society's independent auditors; (b) reviews and approves the independent auditors' fees; (c) reviews the audit report and management letter; (d) presents the audit report and management letter to the Board of Directors; and (e) reviews volunteer Statements of Disclosure for any set of facts or circumstances that may reflect an actual, potential or apparent conflict of interest.

§8.4 Other Committees. The Board of Directors may appoint whatever other committees are necessary. A Regular Member may serve as a voting member of a committee. Except as otherwise provided in a committee mandate, a non-voting member may serve only in an advisory, non-voting capacity on a committee. Committees comprised only of directors are Board committees, and may be delegated Board authority. All other committees are advisory committees.

§8.5 Councils. The Board of Directors may establish Councils if the Board determines that it would benefit from the views of external parties. Council membership will be open to non-Professional Members and, as needed, to individuals who are not members of the Society; provided, however, that the Council Chair and Vice Chair positions must be held by Professional Members.

ARTICLE 9. MISCELLANEOUS PROVISIONS

In this article, "volunteer" means a Society member who serves as a Society officer, director, or committee member, or who serves as a chapter officer or director.

§9.1 Rules. The Board of Directors may establish rules that are consistent with the Bylaws for the policies, procedures, and programs of the Society. Except as provided for elsewhere in these Bylaws, Robert's Rules of Order govern matters of parliamentary procedure.

§9.2 Indemnification. The Society will indemnify a Volunteer or employee against all expenses and liabilities imposed by reason of the Volunteer's or employee's service with or on behalf of the Society to the extent permitted by the Illinois Not-for-Profit Corporation Act.

§9.3 Amendment. If the Board of Directors receives at least 30 days' notice of a proposed Bylaw amendment, the Board may adopt the amendment by a two-thirds, affirmative vote of the entire Board. The amendment takes effect immediately upon adoption by the Board.

§9.4 Dissolution. If the membership votes to dissolve the Society for any reason, the Board of Directors must ensure that the Society's outstanding financial obligations are settled, and must transfer all remaining assets to one or more tax-exempt entities in the risk management field. The Board of Directors will identify the entity or entities to receive the remaining assets.

§9.5 Fiscal Year. The Society's fiscal year begins on January 1 and ends on December 31.