

## INTERNATIONAL FEDERATION OF TECHNICAL ANALYSTS, INC.

### BYLAWS

#### ARTICLE I OFFICES, AGENT, LANGUAGE

**Section 1. Offices and Agent:** The Federation shall maintain a registered office and registered agent in the State of Delaware, United States of America, as determined by the Board of Directors. The Federation may have such other offices within or without Delaware and such other registered agents as the Board of Directors may from time to time determine.

**Section 2. Seal:** The corporate seal of the Federation, if any, shall be in such form as the Board of Directors shall prescribe.

**Section 3. Principal Office:** The principal office of the Federation shall be at such location as the Board of Directors may from time to time determine.

**Section 4. Official Language:** The official language of the Federation shall be English.

#### ARTICLE II STATUS, PURPOSES, RULES

**Section 1. Corporate Status:** The Federation is organized as a non-stock, non-profit corporation in the State of Delaware, United States of America. The Federation shall operate as a tax-exempt organization under Section 501(c)(6) of the United States Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Code) (“the Code”).

**Section 2. Definitions:** For purposes hereof, the terms set forth below shall have the following meanings:

- (a) “Federation” shall mean the International Federation of Technical Analysts, Inc.
- (b) “Technical analysis” shall mean the study and analysis of the relationships, with respect to stocks, commodities, bonds, currencies, and other investment vehicles, between price, value, supply and demand, flow of funds, investor behavioural patterns and psychology, the results of which are utilized by investors to preserve and enhance the value of their capital investments. Technical Analysis is used to develop forward looking trading, investing and risk management strategies.
- (c) “Full Member Society” shall mean an organization which is a member of the Federation, as defined in Article III, Section 2(d) of these Bylaws, and which is entitled to voting rights.
- (d) “Developing Member Society” shall mean an organization which is a member of the Federation, as defined in Article III, Section 2(d) of these Bylaws, and which is not entitled to voting rights.

- (e) “Member Society” shall mean an organization which is defined in these Bylaws as either a Full Member Society or a Developing Member Society.
- (f) “IFTA Colleague” shall mean an individual who is a member of a Full Member Society or a Developing Member Society.
- (g) “IFTA Liaison” shall mean the individual who is a member of a Full Member Society and who is appointed by that Full Member Society to exercise that Full Member Society’s rights, including voting rights, as a member of the Federation. An IFTA Liaison may also hold the position of IFTA Director.
- (h) “Director” shall mean an individual who is a member of a Full Member Society and who is elected by the IFTA Liaisons of the Full Member Societies, or appointed by the Federation’s Board of Directors in the event of a vacancy, to serve on the Board of Directors of the Federation.
- (i) “Officer” shall mean an individual who is a Director and who is elected or, in the case of a vacancy appointed, by the Board of Directors to serve as President, Vice President, Secretary or Treasurer of the Federation.
- (j) “Executive Committee” shall mean the officers of the Federation, together with one other Director elected by the Board of Directors; the Executive Committee shall be authorized to act on behalf of the Board of Directors when the Board is not in session.
- (k) “Nominating Committee” shall mean the committee appointed annually by the Board of Directors to develop and recommend to the Board a slate of nominees for election to the Board of Directors.
- (l) “Chief Staff Executive” shall mean the chief support staff executive, appointed from time to time by the Board of Directors under the provisions of Article VII, Section 11 of these Bylaws. The Chief Staff Executive shall be responsible for the day-to-day operation of the affairs of the Federation in accordance with the terms of the agreement between the Federation and such person or the professional services supplier employing such person.

**Section 3. Purposes:** The purposes for which the Federation is established are as set forth in the Federation’s Articles of Incorporation and shall include the following:

- (a) To foster the establishment and welfare of societies of technical analysts around the world, dedicated to the exchange of information, development of and education with respect to technical analysis;
- (b) To provide a centralized, international entity for the exchange of information, practices, local customs and developments in all matters concerning the practice, development and advances related to technical analysis of markets;
- (c) To increase and disseminate professional knowledge in technical analysis through support of research, meetings, conferences, publications, ongoing education and accreditation;
- (d) To encourage the wider use of technical analysis in the financial sector generally and to also promote a better understanding of technical analysis in the general community.
- (e) Subject to the provisions of Article II, Section 4(e) hereof, to establish mutually beneficial

relationships with financial industry regulators, exchanges and professional societies where appropriate;

- (f) To foster and establish educational standards, certification and IFTA-recognized accreditation programs in technical analysis at the Member Society level and for the Federation;
- (g) To develop and administer examinations designed to test knowledge in the field of technical analysis;
- (h) To encourage the highest standards of professional ethics and professional competence among technical analysts worldwide; and
- (i) To encourage the interchange of material, ideas, information and general support among Member Societies for the purpose of adding to the knowledge of the members of the individual member societies.

**Section 4. Rules:** The following rules shall conclusively bind the Federation and all persons acting for or on behalf of it:

- (a) No part of the net earnings of the Federation shall inure to the benefit of, or be distributable to, its Member Societies, Directors, officers, or other private persons, except that the Federation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein;
- (b) All activities of the Federation shall be conducted consistent with applicable federal, state and local antitrust, trade regulation, tax and other laws and regulations;
- (c) All meetings of the Federation shall, to the extent not inconsistent with rules, policies or procedures duly adopted by the Board of Directors, be subject to the most recent edition of Robert's Rules of Order, Newly Revised.
- (d) Each Member Society is an autonomous entity, and the Federation has no authority or power over the Member Society except to the extent permitted by the Articles of Incorporation, these Bylaws or applicable law.
- (e) Should IFTA wish to initiate contact with financial industry regulators or exchanges within a jurisdiction of a Member Society, IFTA must obtain the approval of the Member Society(s) within that jurisdiction in advance prior to such contact. IFTA shall be relieved of this obligation under this rule where the said Member Society is determined by the IFTA Board of Directors to be in material breach of these Bylaws.

## ARTICLE III MEMBER SOCIETIES

### Section 1. Membership Classes and Representation:

- (a) Membership in the Federation shall be available to organizations of technical analysts throughout the world. Membership shall be granted to any eligible entity upon approval of an application submitted to the Board of Directors of the Federation. The Federation shall have two classes of membership, namely, Full Member Societies and Developing Member Societies.
- (b) Each Member Society of the Federation shall appoint in writing one member in good standing (“IFTA Colleague”) as its representative who shall be entitled to exercise that Member Society’s membership rights with respect to Federation matters (“IFTA Liaison”).

**Section 2. Membership Criteria:** To be eligible to apply for membership in the Federation, an organization of technical analysts must meet the following criteria:

- (a) The applicant shall be prepared to accept and maintain an obligation to act in a manner that supports the aims and objectives of the Federation and to provide mutual support to other Member Societies of the Federation.
- (b) The applicant shall be a legal entity holding non-profit status or its equivalent, as determined by the Board of Directors, with registration in a recognized legal jurisdiction.
- (c) The applicant shall be determined by the Federation’s Board of Directors to be an organization in good standing in the jurisdiction of its organization.
- (d) Unless otherwise approved by the IFTA Board of Directors, the applicant shall not hold membership in any other international association, union, federation or similar body dedicated to technical analysis.
- (e) Unless otherwise approved by the IFTA Board of Directors, the applicant shall have at least 20 individual members in good standing (“IFTA Colleagues”) at the time of application for membership as a Developing Member Society, and at least 25 individual members in good standing at the time of application for membership as a Full Member Society.
- (f) A Developing Member Society shall generally not be eligible to apply for membership as a Full Member Society until it has been a Developing Member Society for a period of two years; a Developing Member Society which has not applied for and been admitted to the Federation as a Full Member Society within four years of becoming a Developing Member Society shall lose its status as a Developing Member Society of the Federation. The Board of Directors, by a two-thirds vote, may admit a Developing Member Society to Full Member Society status in advance of the two year development period.
- (g) The applicant shall have adopted and require that its members subscribe to a code of ethical conduct and a governance structure not inconsistent with those of the Federation.
- (h) The applicant shall hold regular, recurring meetings of its members.

- (i) The applicant's members shall be engaged in technical analysis.
- (j) Although IFTA's general policy is to have one Member Society per jurisdiction, the Board may, when it determines that it is in the best interest of the Federation to do so, approve an application for membership submitted by a candidate society from a jurisdiction already served by a Member Society; in making that determination, the Board shall solicit and consider the views of such existing Member Society. The Board may also, when it determines that it is in the best interest of the Federation to do so, approve a membership application submitted by a candidate society representing multiple jurisdictions.

**Section 3. Form of Application for Membership:** Application for membership in the Federation shall be made in writing upon a form approved by the Board of Directors and addressed to the President or a designated Director who manages membership applications. Applicants will be advised of the supporting documentation required in connection with an application.

**Section 4. Election of Member Societies:** Completed applications for membership shall be submitted to the Board of Directors for its consideration. Upon approval of an application by a majority vote of the Board of Directors, the applicant shall be notified and, upon payment to the Federation of the applicable annual dues, the applicant shall become a member of the Federation. A member shall be deemed in good standing unless it is delinquent in its financial or other obligations to the Federation for greater than ninety days.

**Section 5. Member Society Voting Rights:**

(a) IFTA Liaisons of Full Member Societies in good standing shall be entitled to vote on behalf of the Full Member Society they represent. Proxy voting is permitted in all instances and may be exercised by any IFTA Colleague properly appointed as a proxy. Electronic voting is permitted when so determined by the Board of Directors. Developing Member Societies shall not have voting rights. The procedures for voting shall be in accord with the provisions in most recent edition of Robert's Rules of Order, Newly Revised, to the extent not specifically stated in these Bylaws. Voting will be conducted on a proportional vote basis.

(b) A proportional vote shall require a poll of Full Member Societies. Each Full Member Society shall have one vote for every IFTA Colleague who is a member in good standing of such society. For the purpose of determining the proportional votes of Full Member Societies, each Full Member Society shall be deemed to have the number of IFTA Colleagues identified on December 31 of the prior year in the IFTA census, provided, however, that no Full Member Society shall be entitled to more than twenty percent (20%) of the total number of eligible votes.

**Section 6. Membership Dues and Assessments:** The Board of Directors shall establish proposed membership dues and assessments from time to time, based on the forward financial plan of the Federation. Proposed membership dues and assessments along with forward budgets will be presented to the Full Member Societies at the Annual General Meeting for ratification. Annual dues shall be based upon the number of IFTA Colleagues in each Member Society and shall be due in January of each calendar year. Annual dues for new Member Societies shall be pro-rated based on the quarter of the year in which membership in the Federation is granted. Each Member Society shall be obligated to pay its dues and assessments in full for any calendar year in which membership has been held. No dues will be refunded. Resignation, suspension or expulsion will not relieve a Member Society from its obligation to pay its dues and assessments for the fiscal year in which it resigned or was suspended or expelled.

**Section 7. IFTA Annual Reporting Obligations:** At least fourteen days prior to each year's Annual General Meeting of the Member Societies, IFTA will provide an IFTA President's report to each IFTA Liaison for distribution to the Member Society's Board of Directors, or similar governing body. The President's report shall contain:

- (a) Details of the achievements and challenges of the Federation in the past financial year;
- (b) A set of Financial Accounts for the previous financial year, including a statement from the Audit Committee and/or the External Auditor;
- (c) A set of non-audited accounts, tables and footnotes that provide detailed information on the financial management of the Federation
- (d) A listing of IFTA Directors' attendance at minuted meetings (both in-person and electronic) over the past year and the various committees where the individual Directors have served;
- (e) A forward strategic plan for the Federation containing any significant budgetary considerations with any proposal for a change in the quantum of annual dues and assessments.

**Section 8. Member Society Annual Reporting Obligations:** At least fourteen days prior to each year's Annual General Meeting of the Member Societies, each Member Society shall provide the following to the Federation:

- (a) An annual report on recent developments of the Member Society, as well as material challenges that may face the Member Society;
- (b) An up-to-date total of the number of IFTA Colleagues of the Member Society and also, subject to all applicable data protection and privacy legislation or regulation, the name and technical analysis qualifications of each IFTA Colleague of the Member Society;
- (c) The names and contact details for the Member Society's Board of Directors and appointed IFTA Liaison;
- (d) The most recent set of Financial Accounts of the Member Society;
- (e) Details of any changes or revisions to its Bylaws or organizing document and confirmation in writing that the Member Society continues to meet the minimum requirements of membership in the Federation, as amended from time to time; and
- (f) Confirmation in writing that the Member Society is not subject to any regulatory disciplinary action.

**Section 9. Resignation from Membership:** Any Member Society may resign from membership in the Federation by providing written notice of resignation to the President. Resignation shall not operate to relieve a Member Society from its obligation to pay dues or assessments due to the Federation as of the date of resignation from membership.

**Section 10. Termination/Suspension of Membership:**

- (a) Any Member Society whose dues or assessments, or any part thereof, are delinquent for a period exceeding sixty (60) days from the designated payment due date shall receive written notice of the delinquency. Should payment not be received within thirty (30) days of the date of the notice, the Executive Committee may suspend the Member Society without hearing or further notice. A suspended Member Society shall lose all of its membership privileges until reinstatement of membership. Should the open amount remain unpaid for an additional thirty (30) days, the issue will be again referred to the Board of Directors. In such circumstances the Board may elect to terminate the membership of the delinquent Member Society at that time or may, under conditions of extreme emergency, elect to provide an official time extension for payment. Any membership so terminated may be reinstated by the Board of Directors after full payment of delinquent dues and upon such other terms and conditions as the Board of Directors may determine.
- (b) The Board of Directors by a two-thirds vote may suspend a Member Society for cause other than non-payment of dues or assessments after giving the Member Society at least thirty (30) days notice of a hearing before the Board on the matter, at which time the Member Society may be represented by counsel if it so elects. "Cause" shall include loss of eligibility for membership, failure to comply with these Bylaws or any rules or procedures adopted by the Board of Directors, or any act deemed by the Board of Directors not to be in the best interest of the Federation.
- (c) Where the Board of Directors have suspended a Member Society under Article III, Section 10 (b) of the Bylaws, the President shall present a motion to the next meeting of Member Societies to convert the suspension of a Member Society for "cause" to expulsion. Any vote by Full Member Societies to expel a Member Society will be a proportional vote in accord with Article III, Section 5 (d) of these Bylaws.

**Section 10. Re-Admission to Membership:** Any organization which has resigned from membership in the Federation while in good standing may be re-admitted to membership only by re-applying for membership and completing the membership application process. Any organization which has resigned or been expelled from membership while not in good standing may be re-admitted to membership only by first becoming current in its financial obligations to the Federation and then re-applying for membership and completing the membership application process. Any organization which has been expelled from membership for cause may be re-admitted to membership by re-applying for membership, completing the membership application process and demonstrating to the satisfaction of the Board of Directors that the circumstances leading to the expulsion no longer exist.

## ARTICLE IV MEETINGS OF MEMBER SOCIETIES

**Section 1. Annual Meeting:** An Annual General Meeting of the Member Societies ("AGM") shall be held at such time and place as the Board of Directors may determine, for the transaction of all proper business that may come before the meeting, including without limitation the consideration of any necessary resolutions and a review of both IFTA and Member Societies' activities in the prior year and their goals for the coming year. The AGM will be scheduled to occur not less than 9 months nor more than 15 months following the prior AGM.



**Section 2. Special Meetings:** Special meetings of the Member Societies may be called at any time by the Executive Committee or the Board of Directors. Special meetings of the Member Societies may also be called by the IFTA Liaisons representing one-third of the Full Member Societies or by Full Member Societies holding one-third of the proportional membership votes. A special meeting called by Member Societies will be convened by the Executive Committee within thirty days of the receipt of a written request signed by the required number of IFTA Liaisons.

**Section 3. Notice of Meetings:** Written notice stating the place, day and hour of a meeting of the Member Societies shall be delivered to all Member Societies at least two months prior to each AGM and at least twenty-one days prior to any special meeting of the Member Societies. A draft agenda for each meeting of the Member Societies shall be delivered to all Member Societies at least fourteen days prior to each meeting. Any notice required or permitted hereunder may be communicated in person, by mail, by facsimile, by electronic communication, or by any other means permitted by the General Corporation Law of the State of Delaware (“the Law”). IFTA Liaisons may participate in any meeting of the Member Societies by conference telephone or other remote communications technology pursuant to which all participants may communicate simultaneously with each other.

**Section 4. Order of Business:** The Executive Committee may, by resolution, prescribe the order of business at meetings of the Board of Directors and meetings of the Member Societies. Meeting agendas shall be determined by the President following consultation with the Executive Committee.

**Section 5. Quorum, Majority Rule, Voting:** One-half of the Full Member Societies by proportional vote count in accord with Article III, Section 5 (b) of these Bylaws, represented in person or by proxy shall constitute a quorum at any membership meeting. Unless otherwise required by law or these Bylaws, a majority vote at a meeting at which a quorum is present shall be required for the Member Societies to act.

**Section 6. Voting in Person or by Proxy:** At any meeting of Member Societies, any Member Society entitled to vote may vote either in person through its IFTA Liaison or by proxy authorized via electronic mail (provided that the Member Society shall state or submit information from which it can be determined that the proxy was duly authorized by the Member Society’s IFTA Liaison) or executed in writing by the Member Society’s IFTA Liaison or by his or her duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy. The proxy may be exercised by any IFTA Colleague.

**Section 7. Action by Written Consent:** To the extent permitted by the Law, the Member Societies may take action other than at a meeting if a written consent or consents, setting forth the action taken, shall be signed by the IFTA Liaisons of the Full Member Societies having not less than the minimum number of votes that would be necessary to take action at a meeting at which all Full Member Societies were present and voted. Such written consents, which may be communicated electronically, shall bear the date of signature of each Member Society’s IFTA Liaison and shall be delivered to the Federation. Prompt notice of the taking of any corporate action without a meeting by less than unanimous written consent of the Full Member Societies shall be given to those Member Societies which have not consented in writing.



## **ARTICLE V BOARD OF DIRECTORS**

**Section 1. General Powers:** The business and affairs of the Federation shall be managed by or under the direction of the Board of Directors.

**Section 2. Qualifications and Composition:**

- (a) To be eligible to serve as a Director of the Federation, an individual must be an IFTA Colleague in good standing in a Full Member Society and may not be the IFTA Liaison of such Full Member Society.
- (b) The number of Directors constituting the entire Board of Directors shall be not less than 7 or more than 15; the precise number of Directors shall be recommended to the AGM each year by the outgoing Board of Directors, and confirmation of this recommendation shall be an item of business on the AGM agenda prior to the election of Directors. The tenure of incumbent Directors on the Board of Directors shall not be affected by an increase or decrease in the number of Director positions.
- (c) The position of Director is a voluntary, unpaid position but the position still requires significant skill, effort and time. Candidates for, and holders of, the position of Director are expected to be able to apply the skill, effort and time necessary in performing the tasks of Director. If, during a Director's term it becomes apparent that the Director cannot contribute the necessary skills, effort or time to the task the Director should tender their resignation.

**Section 3. Terms:** Each Director of the Federation may serve up to two consecutive three-year terms where they have been elected to the position; a Director's term shall commence upon the conclusion of the AGM at which the Director is elected or at which the results of the Director election are announced. A Director shall hold office for the term for which he or she is elected and until the end of the meeting at which her or his successor has been elected and until such successor has qualified, or until the Director's prior death, resignation or removal. Director terms shall be staggered such that approximately one-third of the Directors shall be either re-elected or replaced every year. The Board shall have the power to designate one or more available positions with terms of less than the standard three years so that the number of Director terms expiring in future years will remain approximately equal. Persons who have served two consecutive elected terms as a Director must stay off of the Board for at least one year prior to becoming eligible to serve again as a Director.

**Section 4. No Compensation:** Unless otherwise specifically determined by the Board of Directors, the Federation will not compensate Directors for their activities related to the Federation and the Board of Directors including, but not limited to, their time, travel expenses or other direct expenses.

**Section 5. Resignation:** A Director may resign at any time by providing written notice of intent to resign to the President or, in the case of the resignation of the President, to the Executive Committee. A Director shall be deemed to have resigned if he or she is no longer a member of a Full Member Society in good standing, or if he or she is absent from three consecutive meetings of the Board of Directors without reasonable cause approved by the Board.

**Section 6. Removal:** A Director or the entire Board may be removed at any time for cause by a majority vote of the Full Member Societies; for purposes hereof, "cause" shall be deemed to include violating any Bylaw or other duly adopted rule of the Federation, becoming incapable of managing his or her affairs,

engaging in conduct in violation of the Federation's conflict of interest or ethics policies, or taking any other action deemed not to be in the best interest of the Federation. Any such vote will be conducted in accord with parliamentary procedure and the vote will be calculated in accord with Article III, Section 5 of these Bylaws.

**Section 7. Vacancies:** Any vacancy occurring because of the death, resignation or removal of a Director may be filled by the Board of Directors for a term concluding at the next AGM.

**Section 8. Nominations to the Board:**

- (a) At least ninety days before the AGM, the Board of Directors shall, within the limits established by these Bylaws, propose to the Full Member Societies in writing the total number of Directors for the next year, the number of directorships to be filled for the next year at the AGM and the specific terms of these directorships. At the AGM and prior to the election of Directors, the Full Member Societies will vote to confirm the number of Directorships and the proposed terms of Director positions.
- (b) All Full Member Societies shall be invited to identify potential candidates for consideration by the Nominating Committee
- (c) Generally every candidate for the position of Director must be both nominated and endorsed by the Full Member Society serving the jurisdiction of the candidate's domicile. In circumstances where an active and valued member of a Member Society is domiciled outside the jurisdiction of that Member Society then that Member Society may apply to the IFTA Board to pass a resolution to permit that Member Society to nominate and endorse the candidate.
- (d) No candidate for the position of Director may hold an elected position in any other association, society or similar body dedicated to technical analysis unless that organisation is also a Member Society of the Federation.
- (e) Every nomination for the position of Director must be submitted at least 60 days before the AGM and be accompanied by a written submission including the candidate's name, curriculum vitae, letter of nomination and endorsement from the Full Member Society and the candidate's consent to act as a Director of the Federation.
- (f) The Nominating Committee shall compile the "Complete Nominations List" from the nominations and endorsements received from the Member Societies and will then prepare a sub-set of this list known as the "Recommended Nominations List" based on a review of all candidate information and related enquiries. The Recommended Nominations List shall be provided to the Board of Directors for its approval; as far as possible, the Recommended Nominations List shall include at least one candidate for each open seat on the Board.
- (g) Once the Board approves the Recommended Nominations List submitted by the Nominating Committee, the Recommended Nominations List shall become the "Approved Nominations List".
- (h) Candidates for the position of Director may withdraw their name from consideration at any time up to the calling of the election of Directors by the Chair at the AGM.
- (i) Both the "Complete Nominations List" and the sub-set "Approved Nominations List", along with all associated curriculum vitae and the letters of endorsement from the Full Member Societies, will be

provided by the Board to all Full Member Societies at least thirty days before the AGM.

**Section 9. Election of the Board:**

- (a) Directors may be elected by the Full Member Societies at any Meeting of the Members.
- (b) Prior to the election of Directors, the Chair of the Meeting may submit a motion to the Meeting to modify the number of Directors or the term of vacant Director positions up for election, provided, however, that the details of such were previously advised to the Member Societies. The motion will be submitted to the vote of the Full Member Societies.
- (c) If there are more nominations for the position of Director on the “Complete Nominations List” than Director positions available, the vote shall be conducted by using a pre-prepared written ballot. The written ballot will list all valid nominations from both the Complete Nominations List and the Approved Recommended Nominations List; the candidates on the Approved Recommended Nominations List may be identified by order, heading or other means if so desired.
- (d) The election of Directors will be in the form of a proportional vote by which each Full Member Society endorses the name of the Member Society on the written ballot and then selects its preferred candidates up to the number of positions to be filled. The Chair will appoint tellers who will examine the written ballots and apply the proportional voting in Article III, Section 5(d) of these Bylaws to establish a final count for each candidate; candidates will be allocated to positions and longer terms in the order of the highest vote count or, if this count is not conclusive, by their order on the written ballot.

**ARTICLE VI  
MEETINGS OF THE BOARD OF DIRECTORS**

**Section 1. Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as shall be determined by resolution of the Board. There shall be a minimum of one meeting per year. After the time and place of such regular meetings have been so determined, no further notice of such regular meetings need be given. Reasonable notice of any change in the place or time of holding any regular meeting, or of any adjournment of a regular meeting to reconvene at a different place, shall be given to all Directors.

**Section 2. Annual Meeting:** The annual meeting of the Board of Directors shall take place immediately upon the conclusion of the AGM. At its annual meeting the Board of Directors shall (a) elect the officers of the Federation and members of the Executive Committee from among the Directors, and (b) consider such other matters as may properly be brought before the Board.

**Section 3. Special Meetings.** Special meetings of the Board of Directors for any purpose or purposes may be called by the President or upon the request of a majority of the Directors, which request shall state the purpose(s) of the proposed meeting. Notice of all special meetings shall be given to each Director, stating the time and place thereof and the purposes for which such meeting is convened, not less than three days before the meeting. The business transacted at all special meetings of Directors shall be confined to the subject(s) stated in the notice and to matters germane thereto, unless all Directors of the board are present at such meeting and consent to the transaction of other business.

**Section 4. Notice of Meetings:** The Secretary shall cause the Board of Directors to be notified of the times and places of the meetings of the Board of Directors. Any notice may be given personally, by mail (including electronic communication), or telephone (including facsimile communication).

**Section 5. Quorum.** A majority of the number of Directors in office shall be necessary to constitute a quorum for the transaction of business, and the act of a majority of the Directors present at such meeting shall be the act of the Board, except where otherwise provided by statute or these Bylaws.

**Section 6. Informal Action by the Board of Directors:** Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting provided that all Directors have been notified in writing of such action and that a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Voting may be by mail, electronic mail or any other means of electronic transmission (including facsimile transmission), provided that the Director shall state, or submit information from which it can be determined, that the method of voting chosen was authorized by the Director.

**Section 7. Meeting by Remote Communications Technology:** A meeting of the Board of Directors may be convened in whole or in part through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other simultaneously. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

## ARTICLE VII OFFICERS

**Section 1. Officers:** The Officers of the Federation shall be a President, one or more Vice Presidents, a Secretary and a Treasurer, each of whom must be a Director of the Federation.

**Section 2. Election and Term of Office:** Each year the newly elected Board of Directors shall, at its annual meeting following the conclusion of the AGM, elect the Officers of the Federation and elect one Director, who is not also an officer, who will serve on the Executive Committee. The election shall be conducted in the manner determined by the Board of Directors. Each Officer and the non-officer Director member of the Executive Committee shall be elected for a term of one year. There shall be no limit upon the number of consecutive one-year terms a Director may serve in the same office.

**Section 3. No Compensation:** Unless otherwise specifically determined by the Board of Directors, the Federation will not compensate elected officers for their activities related to the Federation including, but not limited to, their time, travel expenses or other direct expenses.

**Section 4. Resignation:** An officer may resign at any time by providing written notice to the President or, in the case of the resignation of the President, to the Executive Committee. An officer or a non-officer Executive Committee member shall be deemed to have resigned if he or she is no longer a member of a Full Member Society in good standing, or if he or she is absent from three consecutive meetings of the Board of Directors or the Executive Committee without reasonable cause approved by the Board of Directors.

**Section 5. Removal:** An Officer of the Federation or a non-officer member of the Executive Committee

may be removed by a majority vote of the Board of Directors whenever in its judgment the best interests of the Federation would be served thereby.

**Section 6. Vacancies:** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term of said office.

**Section 7. President:** The President shall be the Chief Executive Officer of the Federation and, subject to the control of the Board of Directors, shall in general supervise and direct all of the affairs of the Federation. The President, Vice President or Chief Staff Executive under delegated authorities, at the President's direction, shall sign or countersign all contracts and may sign other instruments of the Federation, as authorized by the Board of Directors. The President shall, with the approval of the Executive Committee, appoint Chairpersons of any Standing or Special Committees. The President shall preside at all meetings of the Executive Committee, Board of Directors and Member Societies. In the event that the President is unable to preside at any such meeting, the Executive Committee shall appoint a Vice President to preside in place of the President. The President, or a duly appointed representative in the President's absence, shall be the officially authorized spokesperson of the Federation. Each year the President shall provide a report on the condition of the Federation to the Board of Directors and the Member Societies.

**Section 8. Vice-President:** A Vice-President designated by the Board of Directors shall act in the place of the President when the President is unable to act, and shall perform such additional duties as may be prescribed by the Board of Directors.

**Section 9. Secretary:** The Secretary shall be responsible

- (a) To assure that accurate minutes of the proceedings of the Executive Committee, the Board of Directors and the Member Societies are made and archived;
- (b) To assure that Federation notices are made as required, including notices of meetings;
- (c) To assure that notification of nomination and election to an office, or appointment to a committee, is given and that governing documents and instructions are provided to such persons;
- (d) To assure the maintenance and safekeeping of official documents of the Federation, including the Certificate of Incorporation, Bylaws and all duly adopted policies and procedures;
- (e) To sign or countersign all contracts and other instruments of the Federation as authorized by the President or the Board; and
- (f) To perform such additional duties as may be prescribed by the Board of Directors.

**Section 10. Treasurer:** The Treasurer shall be responsible for all funds and other assets of the Federation, in collaboration with the President and any professional service provider acting under delegated authority in accord with policy established by the Board of Directors. The Treasurer, with the President, shall have the authority to open and close bank accounts of the Federation. The Treasurer shall periodically render a report of all actions taken as Treasurer and of the financial condition of the Federation. Each year the Treasurer shall report such activity to the Board of Directors and Member Societies. The Treasurer will cooperate fully with the Board Audit Committee or the external auditor appointed under these bylaws from time to time.

**Section 11. Professional Services:** The Board of Directors shall be authorized to engage providers of professional services to the Federation, either directly as employees of the Federation or indirectly as independent contractors. The duties, responsibilities and delegated authorities of professional service providers to the Federation shall be set forth in written agreements approved by the Board of Directors.

## **ARTICLE VIII EXECUTIVE COMMITTEE**

**Section 1. Executive Committee:** The Executive Committee of the Board of Directors will be composed of the Officers of the Federation as identified in these Bylaws, together with one additional non-officer Director elected by the Board of Directors. The Executive Committee will execute the decisions of the Board of Directors and will have full authority to act on behalf of the Federation when the Board is not in session. The Executive Committee will minute all decisions taken and will table these minutes at the following Board Meeting.

**Section 2. Meetings.** The Executive Committee shall meet at the call of the President, but not less frequently than quarterly. In connection with its meetings, the Executive Committee shall follow procedural rules for Board of Directors meetings set forth in Article VI of these Bylaws.

**Section 3. Quorum.** The quorum for the Executive Committee is a majority of its elected members.

## **ARTICLE IX COMMITTEES**

**Section 1. General.** The Board of Directors may designate committees consisting of one or more Directors or IFTA Colleagues tasked with making recommendations to the Board of Directors or the Executive Committee and carrying out policies of the Board in specific policy areas. Unless otherwise provided in these Bylaws, the Board of Directors shall appoint the chairs and members of all committees of the Federation. A Director need not chair each committee, but each committee shall have assigned to it a Director who shall serve as liaison between the Board and the committee. In addition to Directors, IFTA Colleagues from Member Societies shall be eligible to serve on committees. Two standing committees are provided for in these Bylaws and other committees may be designated as determined by the Board of Directors.

**Section 2. Audit Committee.** The Board of Directors shall designate an Audit Committee; the Audit Committee shall consist of at least two Directors other than the Treasurer who shall be responsible to oversee the annual review of the Federation's finances and tax return preparation and filing and to prepare a report to the Annual General Meeting.

**Section 3. Nominating Committee.** The Board of Directors shall appoint a Nominating Committee, to include at least two Directors and at least two IFTA Colleagues not on the Board of Directors, one of whom shall be nominated by one of the four largest Full Member Societies and one of whom shall be nominated by one of the remaining smaller Full Member Societies. The President will rotate the Full Member Societies asked to nominate an IFTA Colleague to the Nominating Committee annually. The Nominating Committee shall be responsible for identifying, recruiting, developing and recommending potential Directors for the Federation. The Nominating Committee will use its best endeavours to involve Member Societies in the



nomination process.

## **ARTICLE X FINANCIAL: BOOKS AND RECORDS**

**Section 1. Fiscal Year:** The fiscal year of the Federation shall be the calendar year or as otherwise determined from time to time by the Board of Directors.

**Section 2. Contracts:** The Executive Committee may authorize any officer or officers, agent or agents of the Federation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Federation, and such authority may be general or confined to specific instances.

**Section 3. Checks, Drafts, Etc.:** All checks, drafts, electronic transfer or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Federation, shall be signed or approved electronically by such officers, agent or agents of the Federation and in such manner as authorized by these Bylaws, or as shall from time to time be determined by resolution of the Executive Committee.

**Section 4. Deposits:** All funds of the Federation shall be deposited from time to time to the credit of the Federation in such banks, trust companies or other depositories as the Board of Directors may select.

**Section 5. Books and Records:** The Federation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of meetings of the Member Societies, the Executive Committee, the Board of Directors and the committees of the Federation.

**Section 6. Audits:** The Federation may have an annual external audit or review of its financial accounts and records, in the manner to be determined by the Board of Directors.

## **ARTICLE XI INDEMNIFICATION**

**Section 1. Right to Indemnification:** The Federation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a “proceeding”) by reason of the fact that he, or a person for whom he is the legal representative, is or was a Director, officer or other volunteer of the Federation or is or was serving at the request of the Federation as a Director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys’ fees) reasonably incurred by such person, provided that (a) such indemnification is required by the Law; or (b) such indemnification is permitted, but not required, by the Law and such indemnification obligation is covered by insurance purchased by the Federation for such purpose. If an indemnification obligation is not imposed by the Law and is not covered by the Federation’s insurance, such indemnification shall be at the discretion of the Board of Directors. The Federation shall be required to indemnify a person in connection with a proceeding (or part thereof) initiated by such person only if the proceeding (or part thereof) was authorized by the Board of Directors of the Federation.



**Section 2. Prepayment of Expenses:** The Federation may, in its discretion, pay the expenses (including attorneys' fees) incurred in defending any proceeding in advance of its final disposition, provided, however, that the payment of expenses incurred by a Director or officer in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the Director or officer to repay all amounts advanced if it should be ultimately determined that the Director or officer is not entitled to be indemnified under this Article or otherwise.

**Section 3. Claims:** If a claim for indemnification or payment of expenses mandated by this Article is not paid in full within sixty days after a written claim therefore has been received by the Federation, the claimant may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such a claim. In any such action the Federation shall have the burden of proving that the claimant was not entitled to the requested indemnification or payment of expenses under applicable law.

**Section 4. Non-Exclusivity of Rights:** The rights conferred on any person by this Article XI shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, these Bylaws, agreement, vote of the Member Societies or disinterested Directors or otherwise.

**Section 5. Other Indemnification:** The Federation's obligation, if any, to indemnify any person who was or is serving at its request as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or non-profit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise, or non-profit enterprise.

**Section 6. Amendment or Repeal:** Any repeal or modification of the foregoing provisions of this Article XI shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

## **ARTICLE XII DISSOLUTION**

Upon dissolution or final liquidation of the Federation, all of the assets and property of the Federation remaining after payment and satisfaction of all obligations of the Federation shall be applied and distributed in accordance with a plan of dissolution adopted by the Board of Directors, provided that such plan is not inconsistent with any provisions of the Law or with any provisions of the Code applicable to organizations exempt from U.S. federal income taxation under Section 501(c)(6) of the Code, and provided further, that such plan provides for distribution of such remaining assets to Member Societies of the Federation as of the date of dissolution in the proportion such that the total contribution of each Member Society to the Federation during the immediately preceding five year period bears to the total contribution of all Member Societies to the Federation during the said five year period.

## **ARTICLE XIII AMENDMENTS**

These Bylaws may be amended by a resolution of the Full Member Societies present in person or by proxy

at a duly constituted meeting of which at least three months notice in writing has been given of the date, time and place and of the nature of the amendments. To be adopted, the resolution requires a one-half proportional vote conducted and calculated in accord with Article III, Section 5(b) of these Bylaws.