



Annual
Report

Fiscal Year Ended

June 30

2011

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Mission Statement

The CFA Society of Atlanta is a not-for-profit services organization fostering the highest level of professional ethics, standards, and competence among the investment professionals of Greater Atlanta. We serve our members and the local financial community through educational and other programs, and thereby contribute to the enhancement of our profession.

President's Letter

To our members:

It has been an honor and a pleasure to serve as President of the CFA Society of Atlanta in our 50th year. Our many highlights this year are due in large part to the hard work of our Board of Trustees and members of our various committees. Our success is due to the dedicated, enthusiastic and creative group of volunteers that undertake our mission. Given the difficult economic environment and the turmoil in our industry, our volunteers this year clearly rose to the challenge. The CFA Society of Atlanta continues to strive to serve both its members and the community.

CFA Society of Atlanta Highlights

- Our membership grew again this year and we remain among the largest societies in the world at just over 1,300 members.
- Our programs varied by content and format and continued to be well-attended. Many thanks to our Board and volunteers who helped secure speakers for our Programs this year.
- Our Forecast Dinner broke recent attendance records and benefited by the contribution of our sponsors. A special thanks to retiring Trustee Bill Annis, CFA for his work on taking our event to another level.
- We continued to provide assistance to CFA candidates by offering exam review courses in conjunction with Stalla. Congratulations to our member-instructors for shepherding another class of candidates through the material.
- Our society hosted another Global Investment Research Challenge. The University of Georgia fielded the winning team from our region.
- In celebration of our 50th Anniversary, the Society hosted a black-tie Gala at the High Museum of Art to benefit the Atlanta Community Food Bank. We also embarked on a pioneering Oral History Project with the help of the CFA Institute.
- In recognition of our responsibility to inform and recommend action on CFA Institute governance issues, the Board made recommendations regarding this year's Proxy.
- Many thanks to Anna Craig, CFA and William (Bill) Hope, CFA for their expertise in maintaining and updating our by-laws.
- We established a volunteer database to more accurately match volunteers with opportunities to serve.
- Our society continues to provide valuable leadership as volunteers at the CFA Institute. Carole H. Cox, CFA and Janet T. Miller, CFA serve on the Disciplinary Review Committee. And this year, Bradford S.J. Young, CFA was elected to represent the Southeast and Caribbean Region as Presidents Council Representative.
- And finally, a very special thanks to Cathy Ford, our administrator, for her cheerful, tireless and efficient management of our organization.

This fiscal year marks the end of our Five Year Strategic Plan. The Plan was responsible for the changes in the way we managed our society and revamped our program offering. It was the result of forward thinking by our officers and Board of Trustees years ago. We respect their foresight and appreciate that they could not have imagined the world in which we currently operate. As we prepare our Strategic Plan for the next five years, we expect to build on our strengths while we are mindful of our need to constantly strive for improvement.

In closing, I would like to thank our members for their continued support. It has been a privilege to serve you in the office of President.

Respectfully Submitted,
Kathleen C. Chrisman, CFA
President
2010-2011

Contact Information

CFA Society of Atlanta

Cathy Ford, Executive Administrator

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Atlanta, GA 30339

Phone: 770-516-0792

Fax: 770-516-0236

2011/2012 Officers, Trustees and Committee Chairs

President: Andrew H. Higley, CFA

From 2006 through 2010 I was an instructor in the review course. Since then, I have been pleased to serve the Society as its VP of Education and VP of Programs. It is a great privilege to work on behalf of the Society's membership, and with an outstanding group of volunteers, to provide great programming, networking opportunities, and lifelong learning. Thank you for being part of the CFA Society of Atlanta.

VP Programs: Joe T. Porter

I first became involved in the CFA Society of Atlanta in 1984. In 2007 I began teaching parts of the review courses and then served as interim VP of Education. Working with the CFA candidates was a great experience and soon followed the opportunity to work on the Investment Research Challenge alongside a number of other outstanding volunteers. We're a volunteer led organization serving the mission of the Society and the needs of our members. I look forward to working with you and hearing your program interests for the upcoming several years.

VP Education: Dustin S. Martin, CFA, CPA

I have held various positions with the CFA Society of Atlanta since 2007. The Society has a deep and rich history and I am honored to continue to serve. I am excited about our new initiatives concerning education and community outreach. I look forward to working with you and welcome your ideas for the upcoming year.

Treasurer: Amanda M. Cogar, CFA

I earned my CFA charter in 2007 and soon after sought to become active in the local CFA society. I have taught CFA exam review courses and am now thrilled to be serving as the Treasurer for the CFA Society of Atlanta. I am looking forward to helping the organization and working with my fellow board members to give back to the local community of CFA charterholders.

Secretary: Sharon Margetson, CFA, CIPM

As the Society rolls into its second half-century of existence I am grateful to those who laid the foundations upon which we now build and honored to be part of the team which will continue that service to our members. I am also looking forward to my continued role as volunteer coordinator. The CFA Society of Atlanta recognizes that member volunteers are one of our most valuable resources and I hope that our newly-instituted web-based volunteer profile submission procedure will enhance the volunteer recruitment experience. Thanks to everyone for all they do as volunteers.

Trustee term to expire 2012: John W. McCollum, CFA

I have previously served as VP-Programs and currently serve as a trustee of the CFA Society of Atlanta. Having served in the VP-Programs role, I have been involved in the area of society activities that touches the most members and I continue to work to ensure that society members

receive good value for their membership. I will be working in the upcoming year on a variety of programming matters and look forward to continuing to serve the society membership.

Trustee term to expire 2012: R. Vincent Baria, CFA

For almost nine years, I have had the privilege to volunteer with the CFA Society of Atlanta, culminating in my role as President from 2008-2009. During those years, I also served as Vice President of Programs from 2007-2008, served on the Board of Trustees since 2006, and taught fixed income in the Society's exam review course for four and a half years. As I move into the last year of my term as Trustee, I will be responsible for Special Programs. It has been very rewarding to see the many advances our Society has made in the last decade. I look forward to seeing how new volunteers will take the society to new heights in the coming years.

Trustee term to expire 2012: John T. Seeds, CFA

I have enjoyed serving on the board since 2009 and have provided direct assistance in the area of Education/Scholarships. I earned my CFA Charter in 2001 and have been involved in the Atlanta Society since that time. I am impressed with the community of dedicated investment professionals that reside in Atlanta and impact the profession worldwide. Our board works diligently to support this community and the CFA Institute in general. I look forward to working with my fellow board members as we serve our greater Atlanta community of investment professionals.

Trustee term to expire 2013: Craig Ruff, Ph.D., CFA

It is a great pleasure to serve on this board. I am continually amazed by the amount of time and effort the various officers, committee chairs, board members, and numerous other volunteers contribute to the society. As University Liaison, I am delighted that the society continues to extend its university outreach. In particular, while it takes a great deal of effort by the society and many, many volunteers, the CFA Institute Research Challenge has been phenomenally rewarding to the students who have participated. On behalf of the many students, I thank you.

Trustee term to expire 2013: Dean A. Austin, CFA, CAIA

I served as President of the CFA Society of Atlanta from 2009-2010 and feel privileged to have been elected to the Board of Trustees where I am currently serving a second term. My involvement with the Society began as a volunteer, also an Instructor for the CFA Review Course, then serving as an Officer and now Trustee. These roles have afforded me numerous opportunities to view and serve the organization from many perspectives and capacities, respectively. I believe strongly in providing more opportunities to meaningfully engage our current members so they can contribute in a way that puts their talents to its highest and best use. Ultimately this will promote wider involvement and create stronger connections between the members and the organization and hopefully enhance the experience they receive by being a contributing member. Through this involvement, we can organically raise the visibility of our Society and continue to strengthen the CFA Brand. I love being a part of this great organization and am excited at the opportunity to continuing serving.

Trustee term to expire 2014: Kathleen C. Chrisman, CFA

I just completed my second term as President of the CFA Society of Atlanta and am honored to be elected as a member of the Board of Trustees. As a longtime member and volunteer, I understand

how important it is to preserve institutional knowledge but at the same time be open to new ideas. I look forward to continuing to be a part of this terrific organization and contributing in whatever way I can.

Trustee term to expire 2014: Mark D. Garfinkel, CFA

I have just completed my first term as a member of the Board of Trustees of the CFA Society of Atlanta, and am honored to be re-elected to serve a second term. I have been a member of the Atlanta Society since 1995, and it has been a good feeling over the last few years to become more involved. I have been impressed with the talented individuals that have given their time to serve as officers and board members of the Society. It is these individuals and those that have served before them that have made ours one of the strongest societies in the country.

Trustee term to expire 2014: Richard Van Nostrand, CFA

It is with great excitement that I join the Board. I strongly believe that the Atlanta Society holds a special role as the center of gravity for the Atlanta financial community. As Atlanta and the finance community grow together, the Atlanta Society will be that fabric that ensures the community's evolution is not mere asset growth but also development along high standards of professionalism and ethics. The Atlanta Society has stakeholders from many different constituencies in the Atlanta Community, and I look forward to the Board getting continued and increased involvement from each of those communities in the Atlanta Society.

Career Development Committee Chair: Catherine A. May, CFA

I have been involved with the CFA Society of Atlanta for about ten years, initially as a trustee and now as the Career Development Chair. I have thoroughly enjoyed all of my experiences with the organization.

Membership Committee Chair: Curtis R. Kimball, CFA

I have been a trustee of and volunteer for various committees within the CFA Society of Atlanta since the 1980s. The Membership Committee can always use regular members who are willing to act as Sponsors for new applicants. Committee work is a great way to meet other members outside your immediate circle of professional contacts. See you at the meetings!

Technology Committee Chair: Bradford S. J. Young, CFA

Serving as a member of various committees within the CFA Society of Atlanta over the past 15 years has been a rewarding experience, and I continue to enjoy working with serious investment professionals who care enough about the CFA Charter and the Atlanta investment community to protect and promote both.

Past Presidents

2010 – 2011	Kathleen C. Chrisman, CFA
2009 – 2010	Dean A. Austin, CFA, CAIA
2008 – 2009	R. Vincent Baria, CFA
2007 – 2008	William R. Annis, CFA
2006 – 2007	Eli P. Niepokoy, CFA
2005 – 2006	Richard T. Bartolo, CFA
2004 – 2005	Anna M. Craig, CFA
2003 – 2004	John C. Yeoman, Jr., CFA
2002 – 2003	Bradford S. J. Young, CFA
2001 – 2002	Ronald Jerome Days, CFA
2000 – 2001	Molly M. Guenther, CFA
1999 – 2000	Kurt J. Tesh, Jr., CFA
1998 – 1999	Barry N. Berlin, CFA
1997 – 1998	Jane R. Davenport, CFA
1996 – 1997	Thomas A. Martin Jr., CFA
1995 – 1996	Kathleen C. Chrisman, CFA
1994 – 1995	Lynn T. Blake, CFA
1993 – 1994	Brion D. Friedman, CFA
1992 – 1993	Janet T. Miller, CFA
1991 – 1992	George J. Hauptfuhrer III, CFA
1990 – 1991	Janet B. Bunch, CFA
1989 – 1990	Richard B. Vivona, CFA
1988 – 1989	Carole H. Cox, CFA
1987 – 1988	John L. Haverkamp Jr., CFA
1986 – 1987	John F. Morgan, CFA
1985 – 1986	Donald J. Thompson II, CFA
1984 – 1985	Carolyn Chinn Hughes, CFA
1983 – 1984	Charles B. Morris Jr., CFA
1982 – 1983	Edward C. Mitchell, CFA
1981 – 1982	Daniel W. Boone III, CFA
1980 – 1981	Robert E. Reiser Jr., CFA
1979 – 1980	Keith Anthony Greaves, CFA
1978 – 1979	David Arthur Lee, CFA
1977 – 1978	Hazel A. D. Sanger, CFA
1976 – 1977	Wendell M. Starke, CFA
1975 – 1976	J. Robert Douglas, CFA
1974 – 1975	Frederick L. Muller, CFA
1973 – 1974	Herbert H. Frost, CFA
1972 – 1973	James R. Dillon Jr., CFA
1971 – 1972	Richard W. Agnor, CFA
1970 – 1971	Raymond L. Steele, CFA
1969 – 1970	Solon P. Patterson, CFA
1968 – 1969	Jay L. Levine, CFA
1967 – 1968	Valjean B. Brookshaw Jr., CFA
1966 – 1967	William M. Matthews Jr., CFA

1965 – 1966 Thomas E. Martin Jr., CFA
1964 – 1965 Eugene Caldwell, CFA
1963 – 1964 Frank E. Block, CFA
1962 – 1963 John B. Ellis, CFA
1961 – 1962 Norman S. Welch, CFA

New Members - FY Ending June 30, 2011

The Atlanta Membership Committee processed 156 membership applications for the fiscal year running from July 1, 2010 to June 30, 2011 and welcomes the following new members.

Casey Allison, CFA
Matthew C. Bauder, CFA
Cromwell Santos Baun
Mark Andrew Bendinelli, CFA
Gretchen Elizabeth Bishop, CFA
Michael S. Blake, CFA
Jeremy Brian Brockman
Rachel Elizabeth Bryant, CFA
Andrew Lee Bunch
Paul Justin Buren
Cody Chapman, CFA
Vikram Chaudhry, CFA
Christen Chen, CFA
Jason B Clayton, CFA
Yuyu Dai, CFA
Thomas E. Day Jr., CFA
Polina Denisova
Brett Allan Dixon, CFA
Brian Edward Duke, CFA
Anna Patricia Dunn, CFA
James Egan
Jonathan Andrew Fox, CFA
David P Gilmore, CFA
Bob Grandhi, CFA
Stephen L. Griner, CFA
Amanda Barker Guin, CFA
Joseph Robert Haire, CFA
Philip M. Handler, CFA
Jacob Hausman, CFA
Robert S. Henebry, CFA
Brian P. Hilderbrand, CFA
Emily Barger Hylton, CFA
James Casey Jones, CFA
Andrew Disston Jones, CFA
Robert Scott Kovach, CFA
Jong Kwan Lee, CFA
Ernest Libershteyn, CFA

Melissa Talia Liu
Jacob Calvin Lowery, CFA
Chad Lucy, CFA
Jessie Darnell Magee, CFA
Cory Michael McCallum, CFA
Lindsay Elizabeth Miller, CFA
Jeffrey Artus Miller, CFA
Frank A. Milley, CFA
Neena Mishra, CFA
James Stewart Morrison, CFA
Adam Douglas Newton, CFA
Scott Michael Page, CFA
Daniel John Palladino Sr., CFA
Sherry Mussafer Perchik, CFA
Michael Petroff, CFA
Chris Railey
Matthew Reiner
Matthew Hamilton Rosenberg, CFA
Erik Craig Rostholder, CFA
Laura A. Rubin, CFA
Kevin Ruth
Aaron Sanders, CFA
David Nicholas Scully, CFA
George S. Seltzer, CFA
John Alexander Skinner
Pavel A. Sokolov, CFA
Eric Squires, CFA
Michael Staruch, CFA
Laura J. Stevens, CFA
Brian Keith Stickney, CFA
William Edward Streib III
Leo Robert Svoboda
Christopher Walter Swanson
Chloe R Thompson
Kulsanjugat Singh Toor
Daniel G Unger, CFA
Steven M. Venable, CFA
Kevin Thomas White
Colin White, CFA
Peter Wietrak
Garrett Wisthoff
Jonathan F Wyatt, CFA

Committee Reports

Treasurer

2011 was a very successful year for our Society. The Society held fifteen programming events as well as our 50th Anniversary Celebration. This was the first year in which the Society delivered programs through sponsorships. These sponsorships allowed us to serve our membership while working closely with corporations within the investment community. Moreover, the sponsorships allowed us to add value to our members while fulfilling the overall mission.

We recognized \$213,000 revenues for 2011 and held \$323,000 in reserves at June 30, 2011. The reserve base covers approximately 1.9x our \$172,000 normalized run rate of operating expenses. Please refer to the Appendix for unaudited financials and our investment policy statement at 6/30/2011.

Our goal will be to maintain a strong financial position while capturing opportunities to create value for our membership. It was great pleasure to serve as Treasurer this year.

Dustin S. Martin, CFA, CPA
Treasurer
2010 - 2011

Programs

The following programs were held during the year.

September 15, 2010

Real Estate 2010 - A Sound Investment or Wishful Thinking?

Featuring James Cate - Founder & Managing Partner Glenfield Capital, LLC

September 29, 2010

Insights on The Natural Gas Industry

Featuring Drew Evans - CFO AGL Resources

October 13, 2010

Emerging Markets Drive Global Growth and Investment Opportunity

Featuring David Riedel - Founder & President of Riedel Research

October 20, 2010

Fundamental Changes & Rising Scrutiny of Municipal Bond Market

Featuring Karen Dunn Kelley, CEO Invesco Worldwide Fixed Income

November 09, 2010

Montag Lecture Series - Tomorrow's Pension Fund

Featuring Keith Ambachtsheer, President and Founder KPA Advisory Services, Ltd.

November 15, 2010
Annual Conferment Dinner (Special Programs)
Featuring John Rogers, CFA President and Chief Executive Officer of CFA Institute

November 16, 2010
Think Twice, Harnessing The Power Of Counterintuition
Featuring Michael Mauboussin, Chief Investment Strategist, Legg Mason Capital Management

January 26, 2011
Annual Forecasting Event (Special Programs)
Featuring Bob Doll of BlackRock & Brian Singer of Singer Partners, LLC - Moderated by Jeff Rosensweig

February 09, 2011
An Evening With the FED
Featuring Dennis P. Lockhart President and Chief Executive Officer

February 23, 2011
What We Don't Know Can Hurt Us
Featuring Charlotte B. Beyer Founder & CEO Institute for Private Investors

February 26, 2011
Global Investment Research Challenge
Georgia State University Metro North Campus, Alpharetta

March 24, 2011
Private Equity Returns and Replicating - Private Equity Returns with Public Securities
Featuring Jeff Hooke Founder of Hooke Associates, LLC

April 13, 2011
Commercial Real Estate Markets: Road to Recovery or Path to Perdition
Featuring Patrick T. Hickey, Jr. Executive Vice President, Commercial Real Estate Finance,
Atlantic Capital Bank

April 27, 2011
Overview of CFA Program Curriculum Development
Featuring Wendy Pirie and Janet Miller

June 06, 2011
Israel's Dynamic Capital Market and Economy
Featuring Ester Levanon, CEO, Tel Aviv Stock Exchange

June 15, 2011
CFA Society of Atlanta 50th Anniversary Gala & Annual Meeting (Special Programs)
The High Museum

2011 Forecast Dinner

In January, the CFA Society of Atlanta hosted the seventh annual Forecasting Event featuring Bob Doll of BlackRock and Brian Singer of Singer Partners. Jeff Rosensweig was the moderator. The event, which was held at the Grand Hyatt in Buckhead, was attended by 295 members and guests and was sponsored by the following:

Gold Sponsor

BlackRock

Silver Sponsors

Bloomberg

FactSet

Iron Capital Advisors

Liquidnet

Morningstar

In addition to the panel discussion, the event featured a forecasting contest among members. The winner of the previous year's contest, Curt Knorr was announced. He received a gift certificate to the Buckhead Life Group in recognition of his achievement.

Education

Objective:

Oversee the CFA Society of Atlanta's CFA Review Course and manage the relationship between the Society and the third party provider who administers the course, arrange the CFA Conferment Ceremony and the "So You Want to Be a CFA Charterholder" event.

Participants:

D. Scott Bowen, CFA, VP, Education

George Chen, CFA, CIPM, Lead Faculty CFA Review Courses

Instructors:

Dean Austin

George Chen

Adrian Cronje

Steve Davenport

John Douglas

Rex Macey

Lynn Pierson

Joe Porter

Josh Rosenberg

Greg Silberman

Scott Bowen accepted a position in St Louis, MO in the fall of 2010 and resigned as VP Education. By the time of his resignation the scheduling and staffing of the spring exam review classes was under way and a decision was made to not appoint a replacement but make sure the classes ran smoothly with the help of George Chen.

CFA Society of Atlanta welcomed one new instructor to the CFA Review Course Faculty during the year for a total of 10 active instructors. Stalla-branded review classes were taught at Level 1 in the fall semester in preparation for the December 2010 exam and during spring semester at Levels 1 and 2 for the June 2011 exam. The contract between Stalla/DeVry and CFA Society of Atlanta for exam review courses which was negotiated in 2008 expired on June 30, 2011 and was extended for six months to December 31, 2011. The Society is actively pursuing all options for hosting CFA Exam Review Courses in the future.

The CFA Conferment dinner was held on 15 November 2010 and the Society was fortunate to have John Rogers, CFA, President and CEO of the Institute as speaker for the event. Sixteen new charters were conferred at the event and ten additional charters were awarded for a total of twenty-six charters awarded in 2010.

The "So You Want to Be a CFA Charterholder" event did not take place during the year but there are ongoing discussions about changing the format from a dinner to a daytime event at a local university.

Secretary & Volunteer Coordinator

The Officers and Board of Trustees of the CFA Society of Atlanta held six regular meetings during the year. We started the year with a full complement of officers, trustees and committee chairs but during the year lost our Vice-President Education and Advocacy Committee Chairs to employment opportunities outside Georgia. Board members also attended three leadership conferences in Washington DC, Tennessee and Edinburgh during the year. End of year proxies voted totaled 272, representing more than the 20% required for quorum, so the incoming officers and trustees elected are as follows:

Andrew H. Higley, CFA, President
Joe T. Porter, VP-Programs
Dustin S. Martin, CFA, VP-Education
Amanda M. Cogar, CFA, Treasurer
Sharon Margetson, CFA, Secretary
Kathleen C. Chrisman, CFA, Trustee
Mark Garfinkel, CFA, Trustee
Rick van Nostrand, CFA, Trustee

The Society recognizes that member volunteers are one of our most valuable resources and this year instituted a web-based volunteer profile submission procedure in an effort to streamline the volunteering process. During the year over fifty volunteers were involved in the success of the Global Investment Research Challenge, Special Events the 50th Anniversary Gala and History Project, Education and CFA Exam Review Courses, and the Program Committee. The CFA Society of Atlanta extends heartfelt thanks to all our dedicated volunteers.

Membership

Total members at the beginning of the fiscal year (6/30/10): 1,278

Total members at the end of the fiscal year (6/30/11): 1,305

Thus, overall growth in net membership was 27 or +2.1%.

The Atlanta Membership Committee processed 156 membership applications for the fiscal year running from July 1, 2010, to June 30, 2011.

Some 88% of the membership holds their CFA Charter.

Approximately 29% of the membership has over 20 years of experience in the investment/financial analysis industry.

Curtis Kimball
Membership Chair

Technology Committee

Objective: Improve return on mission through appropriate use of technology in a global context

Participants: Bradford Young

The technology committee began an evaluation of alternatives when the current hosting provider restricted previously negotiated data access. That project is on-going.

Scholarships

Objective: The CFA Society of Atlanta awards ten CFA Institute Society Scholarships per year. The scholarships themselves are provided by the CFA Institute and cover most of the enrollment and registration fees for each scholarship recipient to take one level of the exam. As part of an effort to build relationships with local universities and further promote the many benefits of the CFA program, the society only awards these scholarships to students currently attending Atlanta-area universities.

Participants: John Seeds, chair of selection committee; Craig Ruff, university liaison

This year, we awarded all ten of the scholarships that were provided by the CFA Institute. Recipients included graduate and undergraduate students at Clark Atlanta, Emory, Georgia Tech, Georgia State, Mercer, and the University of Georgia. We are pleased to report that we continue to expand the number of Atlanta-area schools involved with this program.

Global Investment Research Challenge

Objective: The CFA Societies of Atlanta and South Carolina collaborated for the second year to host the Southern Classic Investment Research Challenge, a local edition of the Global Investment Research Challenge. The Challenge is a global competition which tests the analytic, valuation, report writing, and presentation skills of university students. Nearly 2,500 students from over 546 universities in 45 countries participated in the 2011 Challenge and learned best practices in equity research from leading industry experts. The winner of the Southern Classic competed at the Americas Regional level, which is one of the four global finalist levels. The other three are Asia-Pacific, EMEA and New York.

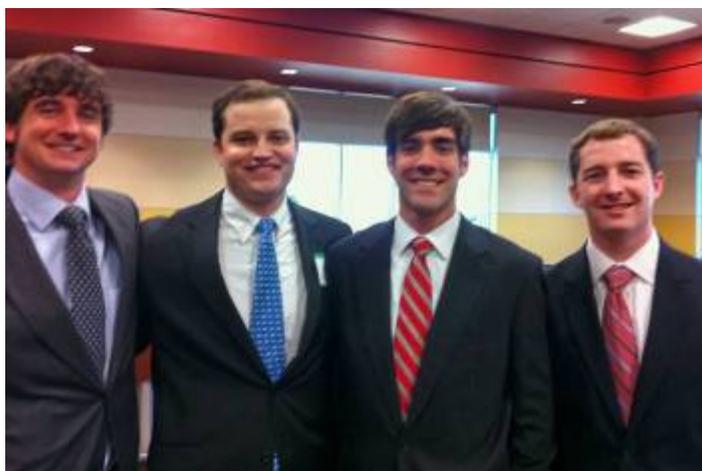
Participants: A lot of volunteers were needed to make our local event a success. The planning committee included Joe Porter as committee chair for the second year, assisted by Sharon

Margetson, Bill King, Craig Ruff and Kathy Chrisman from Atlanta and David Allison and Allan Burgess from South Carolina. Sandeep Kakar and Leanne Jewett were instrumental in securing the target company for analysis, Global Payments Inc. (Ticker:GPN). Each team had their own faculty advisor and industry mentors, report graders and judges were identified from CFA Society of Atlanta and CFA Society of South Carolina membership. See complete list of volunteers below.

Sponsor: The CFA Societies of Atlanta and South Carolina were pleased to have Stalla by Becker Professional Education as a sponsor of the 2011 Southern Classic Investment Research Challenge.

2011 Challenge: The Challenge kicked off by (recorded) conference call on November 3, 2010, at which time the target company, teams, mentors and faculty advisers were introduced and the competition timeline and rules were confirmed. The teams would receive 50% of their scores from their written report and 50% from their panel presentation. Reports were due by February 2, 2011, giving teams approximately three months to listen to the target company's 3Q 2011 webcast, have one follow-up communication with the company in line with the prescribed guidelines, and prepare their written report with guidance from their industry mentor.

All nine teams went through to the final stage and presented to a panel of judges on February 26, 2011, at the Georgia State University North Metro Campus in Alpharetta, Georgia. Three teams emerged as finalists - Georgia State University, University of Georgia and Wofford College - and presented again to a different set of judges. The 2011 Southern Classic Investment Research champion proved to be the University of Georgia team, made up of P J Bullock, team captain, Tim Ludwick, Stephen Price and Jeremy Wilson. The UGA team travelled to Omaha, NE in March to compete in the Americas Regional competition.



**GLOBAL
I·R·C**

Southern Classic Champions 2011 - University of Georgia

L to R: P.J. Bullock, Team Captain, Jeremy Wilson, Tim Ludwick, Stephen Price

Participating Institutions:

The Citadel
Clark Atlanta University
Coastal Carolina University
Furman University
Georgia State University
Georgia Institute of Technology
University of Georgia
University of South Carolina
Wofford College

Industry Mentors:

The Citadel: Bill Raver
Clark Atlanta University: Spencer B. Wiedemann, CFA
Coastal Carolina University: Hilary Wiek, CFA, CAIA
Furman University: Allen Gillespie, CFA
Georgia State University: Stephen Davenport, CFA
Georgia Institute of Technology: Aaron Foresman, CFA
University of Georgia: Dennis Beeson, CFA
University of South Carolina: Jeffery L. Stock, CFA
Wofford College: Craig Lenser, CFA

Report Graders:

Brian Bugg, CFA
John Caldwell, CFA
Brion D. Friedman, CFA
Marilyn Kimball, CFA
Raanan Pritzker, CFA

Judges:

Russ Allen, CFA
Kendall Anderson, CFA
Frank J. Crown, CFA
Andrew W. Jung, CFA
Rex P. Macey, CFA
David McElroy
Carol Miller, CFA
Aki Pampush, CFA
Michael P. Rieger, CFA
John B. Shepard, CFA
Darren R. Short, CFA

Investment Research Challenge Committee:

David Allison, CFA
Allan Burgess, CFA
Kathy Chrisman, CFA
Leanne Jewett, CFA
Sandeep Kakar, CFA
Bill King, CFA

Sharon Margetson, CFA
Joe Porter
Craig Ruff, CFA

Other Volunteers:

Patrick Boot, 2010 Southern Classic winner – Georgia State University Team
Krisztina Katai, 2010 Southern Classic winner – Georgia State University Team
Erica McGrew, CFA Society of Atlanta
John Skinner, CFA Society of Atlanta
Cathy Ford, CFA Society of Atlanta Executive Administrator

Faculty Advisors:

The Citadel: Paul Meeks, CFA
Clark Atlanta University: Wanda Lee Owens, PhD
Coastal Carolina University: Marvin Keene, PhD, CFA
Furman University: Thomas Smythe, PhD, Kirk Karwan, PhD
Georgia State University: Jonathan Godbey, PhD
Georgia Institute of Technology: Suzanne Lee, PhD, Qinghai Wang, PhD
University of Georgia: Tyler Henry, PhD, Anne Cooper
University of South Carolina: Joshua Pierce, PhD
Wofford College: Michael Merriman, PhD

[Media & Communications Outreach Committee](#)

Objective:

Short term objective was to develop press releases for meetings and events to raise the profile of CFA Society of Atlanta, focus on a handful of events for additional coverage. Longer term and ongoing objectives include developing a media kit and designating members in the organization as “approved” spokespersons for the CFA Society of Atlanta; developing a training program led by our press relations consultant that preps the CFA Society spokespeople; raising the profile of the CFA designation within the Atlanta metro area by educating the local press contacts (journalists, editors, etc.) and general public on what it means to have a CFA designation. The objective is to ensure the press only reaches out to CFA charterholders when there are questions related to finance, investing, markets, etc. while also encouraging the general public to demand someone with the designation when looking for investment advice.

Participants:

Lane Steinberger

Report or description of this year’s results:

The CFA Society of Atlanta was awarded \$5,000 in Level 2 Funding for the year for a public relations initiative. We got three proposals from marketing consultants and appointed Kelly Andrews of Crescendo Communications. It was decided to focus on our short term objective for the year - to promote the Atlanta Society's 50th anniversary, the Investment Research Challenge, the Annual Forecasting Dinner and the Evening with the Fed.

[Career Development Committee](#)

Objective: To assist those members and non-members looking to make a career or job change, and to post open positions to our website as a service to local employers and the Atlanta investment community.

Participants:

Catherine May, Career Development Liaison

Report or description of this year's results:

We continue to respond to inquiries from those looking to make a career or job change. We have posted approximately 25 positions over the past year to our website. These postings have generated approximately \$1,150 in job posting fee income for the CFA Society of Atlanta.

Special Report-CFA Institute Proxy Recommendation

Members of the CFA Society of Atlanta are also members of the CFA Institute. Members of the Atlanta Society Board routinely review the proxy of the CFA Institute. On occasion, Atlanta Society leaders have felt that, under the auspices of our duty to inform, it was necessary to prepare a report for our members highlighting issues that we believe require special consideration before a member votes. On a rare occasion, the Atlanta Society Board has taken that responsibility a step further and under the auspices of our duty to recommend, we have not only highlighted issues but made recommendations on how a member should cast their ballots. As a result of the review of the proxy material in 2011 and several newsletters and conference calls, the CFA Society of Atlanta Board of Trustees unanimously agreed to make a recommendation that included encouraging members to vote against certain provisions in the CFA Institute proxy. The letter below highlights the issues and recommendation. There is also a copy of the letter that the Atlanta Society Board of Trustees sent to the CFA Institute. As a member of the Atlanta Society, you can be assured that the Board of Trustees will continue to review the CFA Institute proxy and inform and recommend action as needed.

Letter to CFA Society of Atlanta Members

April 11, 2011

Dear Fellow Members of the CFA Society of Atlanta,

Please read this before you vote your CFA Institute Proxy and if you have already voted, please consider casting another ballot on these important issues. Only your last vote counts.

You have by now received your CFA Institute proxy, which includes a number of proposed changes to the organization's Articles of Incorporation and its Bylaws. While the CFA Institute Board would like to focus on strategic issues and use its professional staff in a manner more similar to the relationship between for-profit boards and their management teams, these proposed changes are the types of issues that all Charterholders need to pay close attention to because they can shape the way that the organization functions in the future. As a result of a review of the proxy material and several newsletters and conference calls, the Board of Trustees of the CFA Society of Atlanta unanimously agrees with the following recommendations.

1. Definition of Acceptable Work Experience. We encourage you to vote against the change.

This is an issue that was raised a number of years ago when CFA society leaders in our high-growth regions expressed concern about overly broad definitions of acceptable work experience. The Board of Governors responded with language in the Institute's Articles of Incorporation that defined Acceptable Professional Work Experience (Article 2.1). Given that the broader definitions were tightened by the Board of Governors in response to Member concerns, the Atlanta Board is concerned that removing the Board of Governors and Charterholders from this critical aspect of our mission might result in a diluted value perception for the CFA designation.

2. Minimum Passing Score Determination. We encourage you to think through this issue and vote thoughtfully.

It has always been the Board of Governors' function to set the MPS each year after consultation and presentation by CFAI staff. Since 1996, the CFA Institute staff has followed established Board policies regarding the determination of the MPS, and some view this change to our Bylaws as removing an unnecessary step. Others, however, say that the setting of the minimum passing score on the series of tests that constitute success in our educational endeavor is at the heart of what Trustees do in their fiduciary role. This view believes the Charterholders on the Board of Governors are a proper counterweight to testing and psychometric specialists employed by the Institute.

3. Dues. We encourage you to vote against the change.

The CFA Institute requires mandatory membership in order for one to use the CFA designation. The current Bylaws provide that the Board shall set member dues and the Atlanta Board believes that there is no greater responsibility of the Board at the CFA Institute than to ensure the organization's financial health. The proposed change is to have the staff of the CFA Institute set member dues, guided by a statement of revenue principles the Board of Governors adopted in February of 2010 as follows:

- member dues should be derived by a means that contributes to the return on mission
- member dues may be regularly adjusted for an appropriate measure of inflation, as determined by management, and
- the financial risk of CFA Institute should be managed sustainably and prudently, including consideration of the changing dynamics between candidates and members.

At the local society level, the CFA Society of Atlanta sets member dues by means of a Board vote.

4. Designated Officer Appointment. Though member approval is not required to make this change, we encourage you to voice your concern about this change.

The Designated Officer is a CFA Institute staff member who oversees and manages the CFA Institute Professional Conduct Program. He must also be a regular member of the CFA Institute. He makes a determination as to whether a member has violated the Standards of Practice, and he presents findings to review panels. The proposed revision to the Bylaws would remove the language requiring that the Designated Officer be a regular member selected by the Board of Governors. Some members are concerned about removing the Board oversight of this most important and delicate area of professional conduct.

Thank you for your consideration of these important issues.

Kathleen C. Chrisman, CFA
President, CFA Society of Atlanta

Letter to CFA Institute

20 April, 2011

Dear Ms. Franklin:

On behalf of the CFA Society of Atlanta Board of Trustees, we would like to thank you for your letter to the members of the CFA Society of Atlanta. It provides much more clarity on the issues raised last week. Clearly, these are issues dear to all of us. The collegial exchange and transparency is a testament to the state of the longstanding relationship between the Society and the CFA Institute as well as the CFA Charter as a whole.

Having read your letter to our membership, we can only wish that we had begun these discussions a year ago so that all members of the CFA Institute, not just here in Atlanta, would have had the opportunity to properly vet these changes to the By - Laws.

The globalization of the CFA charter during these last few years of market turbulence has been nothing short of remarkable. We are all grateful for your vigilance in the preservation and advancement of the value of the CFA charter. As the Board of Governors continues in this effort, it is vital that the membership understands the issues you are confronting and has the opportunity to contribute. Just as it is unjust for some investors to receive additional financial disclosure from a publically traded company, it is not fair for the members of the CFA Society of Atlanta to be privy to the greater context that you have provided when other charterholders across the globe are not. Regardless of position on the proxy items, I am sure we all agree that it is best for all parties when the issues are most transparent. We encourage you to send this letter out to all members.

Going forward, whether these measures pass or not, I encourage the Board to bring future proposed changes to the By - Laws or significant policy changes to the membership earlier so that all may better appreciate the issues at hand. Public discourse, even if disagreeable at times, is preferable to the distrust of the past. It is heartening to know that we all have the same interests in mind.

With highest regards,

Vincent Baria, CFA
Trustee, Past President
CFA Society of Atlanta

Kathleen C. Chrisman, CFA
President
CFA Society of Atlanta

Special Report- 50th Anniversary Activities

50th Anniversary Gala

The CFA Society of Atlanta (originally, the Atlanta Society of Financial Analysts) was founded in 1960 and admitted to the predecessor of today's CFA Institute in 1961 as the 26th Society in the world. The CFA Society of Atlanta now ranks among the largest globally. Current membership exceeds 1,300. Many Society leaders have participated in national and international leadership positions including a member who served as President of the CFA Institute.

In recognition of the Society's long history of leadership both locally and internationally, the CFA Society of Atlanta held a black-tie optional 50th Anniversary Gala celebration to benefit the Atlanta Community Food Bank (ACFB) – an important community-wide cause. In addition to serving as the Society's Annual Meeting, the Gala served as a forum to highlight the legacy of leadership of our organization and the contributions of the CFA Society of Atlanta and its members to the local investment community. In doing so, we featured members who have made significant contributions to the investment profession. Twenty-nine former presidents were able to attend. The Gala was held at the High Museum of Art on June 15, 2011. The event was open to all Society members at no cost, guest tickets were \$85. The benefit contributed \$56,000 to the ACFB.

Our charitable sponsors for the Gala were:

Platinum Sponsor

Invesco

Gold Sponsors

Artisan Partners, LP

BNY Mellon Wealth Management

Crawford Investment Counsel

Montag & Caldwell, LLC

Silver Sponsors

CornerCap Investment Counsel

Homrich & Berg

LCG Associates, Inc.

Perimeter Capital Management

RidgeWorth Investments

Security Capital Brokerage, Inc.

SunTrust

Wilmington Trust

ZWJ Investment Counsel

Other Sponsors

Earnest Partners

GlenEagles

Buckhead Capital

Prime Buchholz

Future Capital Unlimited

Member donations

50th Anniversary Gala Photos



Oral History Project

As part of our 50th Anniversary celebration, the CFA Society of Atlanta, with the considerable help in both time and treasure from the CFA Institute, embarked upon an oral history project so that we could capture our stories to make our archive alive with people and not just data. The project was the first among CFA societies globally. We began our project by interviewing former presidents and longtime members. Over a three day period, we were able to capture about ten hours of video from eight participants. Additionally, we set up a video booth at the Gala in order to interview additional volunteer/members. Fourteen people were interviewed at the Gala.

Using the interviews as rough material, we produced several video shorts – including one that was shown at the Gala. The others included Why Volunteer?, Why Join?, Why CFA?, CFA Exam Stories, Events that Changed the Industry, The Solon Patterson Award, and In the Beginning. Both the interviews and videos are archived for future use. The videos are scheduled to be available on YouTube and on our website.

CFA Society of Atlanta Volunteers Year Ending 6/30/2011

Special Projects - 50th Anniversary Gala, Video History Project, Fundraising for the Atlanta Community Food Bank

Kathleen C. Chrisman, CFA
Darlene van Nostrand, CFA
Solon Patterson, CFA
Anthony Montag, CFA
Hazel Sanger, CFA
George Hauptfuhrer, CFA
Janet Miller, CFA
Carole Cox, CFA
Frederick Muller, CFA
Marilyn Kimball, CFA
Barry Berlin, CFA
David McElroy
John Rogers, CFA

Programs

Joe Porter
Dustin Martin, CFA
Susan Annis & William Annis, CFA
Andrew Higley, CFA
John Douglas, CFA
John Seeds, CFA
Janet Miller, CFA

Investment Research Challenge

Joe T. Porter
Craig K. Ruff, CFA
Sandeep Kakar, CFA
Kathleen C. Chrisman, CFA
Bill King, CFA
Sharon Margetson, CFA
Erika McGrew
Jason Recio, CFA
John Skinner
Brian Bugg, CFA
John Caldwell, CFA
Brion D. Friedman, CFA
Marilyn Kimball, CFA
Raanan Pritzker, CFA
Spencer B. Wiedemann, CFA
Stephen Davenport, CFA
Aaron Foresman, CFA
Dennis Beeson, CFA
Russ Allen, CFA
Frank J. Crown, CFA
Andrew W. Jung, CFA
Rex P. Macey, CFA
David McElroy
Carol Miller, CFA
Chuck Osborne, CFA
Aki Pampush, CFA
Michael P. Rieger, CFA
John B. Shepard, CFA
Darren R. Short, CFA

CFA Review Classes

George Chen, CFA, CIPM
Dean Austin, CFA, CAIA
Adrian Cronje, CFA
Steve Davenport, CFA
John Douglas, CFA
Rex Macey, CFA
Lynn Pierson, CFA
Joe Porter
Josh Rosenberg, CFA
Greg Silberman, CFA

Appendix

ACCOUNTANT'S REPORT

To the Board of Directors of
CFA Society of Atlanta, Inc.
Atlanta, Georgia

I have reviewed the accompanying statements of financial position of CFA Society of Atlanta, Inc., as of June 30, 2010, and the related statements of activities and cash flows for the years then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the Organization's management.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express an opinion on the 2010 financial statements.

Based on my review, I am not aware of any material modifications that should be made to the aforementioned financial statements in order for them to be in conformity with generally accepted accounting principles.

The financial statements for the year ended June 30, 2009, were audited by me, and I expressed an unqualified opinion on them in my report dated March 21, 2010. I have not performed any auditing procedures on the financial statements since March 21, 2010.

Robert S. Blad, P.C.

Dunwoody, Georgia
May 24, 2011

CFA SOCIETY OF ATLANTA, INC.
STATEMENTS OF FINANCIAL POSITION

As of June 30,

2010 2009

ASSETS

CURRENT:

Cash and cash equivalents	\$119,644	\$ 91,911
Marketable securities (Note 1)	179,618	165,062
Receivables	916	9,268
Prepaid expense	<u> -</u>	<u>2,500</u>
Total Current Assets	300,178	268,741

EQUIPMENT, less accumulated

depreciation of \$19,126 and \$16,335	<u>2,205</u>	<u>4,996</u>
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	<u>\$302,383</u>	<u>\$273,737</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Deferred revenue	<u>\$ 15,120</u>	<u>\$ 18,862</u>
Total Current Liabilities	15,120	18,862

UNRESTRICTED NET ASSETS

	<u>287,263</u>	<u>254,875</u>
	<u>\$302,383</u>	<u>\$273,737</u>

The accompanying summary of accounting policies and notes are an integral part of these financial statements. See accompanying accountant's report.

CFA SOCIETY OF ATLANTA, INC.
STATEMENT OF ACTIVITIES

	For the Year Ended June 30,	
<u>UNRESTRICTED</u>	2010	2009
REVENUE:		
Dues	\$ 94,578	\$ 94,500
CFA review course	22,808	24,423
CFA Institute reimbursement	42,901	35,118
Interest and dividends	6,832	8,110
Unrealized gains (losses) on marketable security	8,132	(4,396)
Other	18,975	26,649
Total Revenue	194,226	184,404
EXPENSES:		
Program:		
CFA program educational courses	20	250
Educational programs and gifts	107,936	103,864
Communication:		
Postage and delivery	463	333
Webpage	1,527	1,460
Administrative:		
Management fees	30,855	29,726
Professional fees	5,917	8,941
Leadership activities	5,194	5,469
Bank charges	1,368	1,805
Telephone	960	1,040
Advertising	-	154
Insurance	1,300	1,300
Depreciation	2,791	2,571
Charitable contributions	1,000	750
Other	2,507	1,158
Total Expenses	161,838	158,821
CHANGES IN NET ASSETS	32,388	25,583
NET ASSETS:		
Beginning of year	254,875	229,292
End of year	\$287,263	\$254,875

The accompanying summary of accounting policies and notes
are an integral part of these financial statements. See
accompanying accountant's report.

CFA SOCIETY OF ATLANTA, INC.
STATEMENT OF CASH FLOWS

	For the Year Ended June 30,	
	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 32,388	\$ 25,583
Adjustment to reconcile changes in net assets to net cash flows from operating activities:		
Depreciation	2,791	2,571
Unrealized loss (gain) on marketable securities	(8,132)	4,396
Cash provided by (used for):		
Receivables	8,352	(8,308)
Accounts payable and accrued expenses	-	-
Prepaid expenses	2,500	(2,500)
Deferred revenue	<u>(3,742)</u>	<u>(9,818)</u>
Net cash flows from operating activities	<u>34,157</u>	<u>11,924</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Marketable securities purchased with reinvested dividends	(6,424)	(7,518)
Equipment purchases	<u>-</u>	<u>(1,622)</u>
Net cash flows from investing activities	<u>(6,424)</u>	<u>(9,140)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	27,733	2,784
CASH AND CASH EQUIVALENTS:		
Beginning of year	<u>91,911</u>	<u>89,127</u>
End of year	<u><u>\$119,644</u></u>	<u><u>\$ 91,911</u></u>
SUPPLEMENTAL INFORMATION:		
Income taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -

The accompanying summary of accounting policies and notes are an integral part of these financial statements. See accompanying accountant's report.

Unaudited FY 2011 Financials

CFA Society of Atlanta
 Fiscal Year 2011 (July 1, 2010 - June 30, 2011)
 Financials Review

	2011	2010	2009	2008
	(7/1/10-6/30/11)	(7/1/08-6/30/09)	(7/1/08-6/30/09)	(7/1/07-6/30/08)
Operating Revenue				
Membership Dues	\$106,545	\$89,217	\$84,683	\$120,975
CFA Review Course	12,087	30,315	16,000	12,566
Forecasting Dinner				
Forecasting Dinner - Sponsors	19,000	0	0	1,200
Forecasting Dinner - Guest Fees	6,050	7,485	5,805	2,015
Job Posting	1150	300	350	1,100
Luncheon Fees				
Member Program Fees	9,880	7,570	8,995	800
No-Show Fees	1,100	(595)	455	365
Guest Fees	9,910	4,085	4,108	7,806
Other	0	0	2,400	7,806
Global Investment Research Challenge	6,000		4,651	0
CFA Institute Flexible Reimbursement	38,578	47,901	35,118	13,365
CFA Institute Level 2 Reimbursement	3,025	0	0	0
Total Operating Revenue	213,325	186,278	162,564	167,997
Operating Expenses				
Forecasting Dinner Catering	38,682	27,267	23,642	26,962
Total Program Expenses	88,269	60,725	75,571	73,257
Management Fees	31,781	30,855	29,726	29,500
CFA Review Course	-250	20	250	0
Liability Insurance		1,300	1,300	1,912
Accounting Fees	3783	5,917	8,941	1,137
Leadership Activities	11,799	15,444	5,469	6,937
Bank Charges/Credit Card Machine	2,259	1,355	1,785	1,109
Phone Charges	960	960	1,040	903
Office Equipment & Supplies	1127	991	809	556
Society Newsletters and Communications		20	154	1,457
Public Awareness/Advertising	5,885	0	0	42
Webmaster	2,000	1,527	1,580	8,859
Postage & Delivery	377	432	334	1,861
Depreciation	0		0	275
Charitable Contributions	1,000	1,000	750	500
Corporate registration	50	30	30	110
Miscellaneous	0	0	199	110
Global Investment Research Challenge	5,897	6,265	4,651	0
Communications Development	0	0	0	0
Buckhead Club Initiation	0	0	0	0
Buckhead Club Membership	2,490	164	0	0
Total Operating Expenses	196,109	154,272	156,230	155,488
Operating Surplus/(Deficit)	\$17,216	\$32,006	\$6,334	\$12,509
Non-Operating Revenue and Expenses				
Dividends and Interest	7,073	393	3,965	9,146
Net Surplus/(Deficit)	\$24,290	\$32,399	\$10,299	\$21,656
Cash Balance	\$323,552			

Liquidity Measure

SunTrust Money Market	76,472.91
SunTrust Bank	38,713.45
MMA - Vanguard	22,884.89
Investment Fund	<u>186,486.29</u>
Total	324,557.54
FY 2011 Expenditures	195,003.08
Normalized Expenditures	172,000.00
6/30/11 Coverage	1.7x
6/30/11 Adjusted Coverage	1.9x

Investment Policy Statement For CFA Society of Atlanta

Investment Policy Considerations

The investment policy statement (IPS) translates goals and objectives, risk tolerances and any entity level specifics into guidelines for an investment portfolio. The IPS is the road map for developing the CFA Society of Atlanta's portfolio asset allocation. We would expect that this IPS should be revisited on an annual basis to be sure it correctly reflects the appropriate investment parameters. There are seven areas to explore in order to develop an appropriate IPS. These areas are discussed below.

Investment Time Horizon - The investor's time horizon has a direct bearing on the appropriate risk tolerance of the portfolio. The longer the time horizon of an investor, the better the investor is able to weather varying performance periods in the market, and, therefore, to assume more risk. This is only one measure of risk.

Risk/Return Tolerance - These two factors are quoted together since they are inextricably linked. Simply put, investments with higher expected returns carry higher risk. This is an area we will want to specifically address as the majority of the CFA Society funds are of the "reserve" type orientation.

Cash Requirements - The expected withdrawal rate for a portfolio affects the asset allocation, dividend and interest income targets, and the overall liquidity of the portfolio. The portfolio allocation should balance the need to provide a certain cash flow with the need to generate long-term capital appreciation.

Tax Considerations - As a non-profit entity, the CFA Society of Atlanta does not pay taxes. The IPS can then be free from this consideration.

Legal or Other Constraints - Incorporating legal or other constraints into the investment plan is critical since even the best investment strategies can be compromised if they do not follow the estate strategy or other legal constraints.

Other Considerations - Other considerations take into account other items that are of importance to the organization.

CFA Society of Atlanta's Investment Policy Statement

Investment Policy Statement: *The purpose of these assets is to provide a 2-3 times fixed cost coverage for the Society's ongoing operational needs. These funds have been established over the years through prudent management of the Society's expenses and several one-time events (such as hosting nationally affiliated conferences) that have allowed the Society to build up these significant reserves.*

For those assets that exceed the reserve levels described above, the CFA Society of Atlanta would like to maintain maximum liquidity such that those resources could be applied to additional programming or other specific items as deemed appropriate by the CFA Society Board and Leadership group.

Investment Time Horizon – Because these assets are primarily viewed as reserves, the investment time horizon is actually quite short as these reserves may be utilized at any point in time.

Risk/Return Tolerance – Because these assets are primarily viewed as reserves, the risk tolerance for any loss of principle is very low such that the return expectations should be commensurate with an enhanced cash type vehicle. These vehicles' returns are dependent on market levels of short-term interest rates.

Cash Requirements – We should determine the amount of daily liquidity needed and set that aside. Other assets could be invested in slightly longer maturity investments to improve the overall yield earned.

Tax Considerations – Given the 501C3 status of the society, there are no tax considerations to be considered.

Legal or Other Constraints – We are not aware of any legal or other constraints at this time.

Other Considerations – The following items need to be confirmed going forward:

- Documentation of the 2-3x fixed operating costs needs to secure those assets as reserves.
- Determine excess if any beyond reserves and discuss liquidity needs associated with those assets.
- Determine whether any exposure should be maintained beyond an enhanced cash type investment.

CFA Society of Atlanta Bylaws

**BYLAWS OF
CFA SOCIETY OF ATLANTA, INC.
AS AMENDED January 19, 2012**

ARTICLE ONE

GENERAL INFORMATION

Article 1.01 Name

The name of this corporation shall be CFA Society of Atlanta, Inc. (hereinafter also referred to as the "CFA-Atlanta").

Article 1.02 Registered Office and Agent

CFA-Atlanta shall maintain a registered office in the State of Georgia, and shall have a registered agent whose address shall be the same as the address of the registered office, in accordance with the requirements of the Georgia Nonprofit Corporation Code. The registered office and the registered agent may be changed from time to time by the Board of Trustees.

Article 1.03 Mission and Purpose

(a) CFA-Atlanta shall be organized and operated as a nonprofit corporation under the Georgia Nonprofit Corporation Code.

(b) CFA-Atlanta shall serve as a Member Society of CFA Institute, an international, nonprofit organization of more than 100,000 investment practitioners and educators in over 135 countries. All capitalized terms used herein that are not otherwise defined herein shall have the same meaning ascribed to them in the Bylaws of CFA Institute, a copy of which is attached hereto as Schedule 1.

(c) The purpose of CFA-Atlanta shall include but not be limited to the following:

(i) Promote the goals and foster and sustain high standards of professional and ethical conduct among investment professionals;

(ii) Sponsor investment-related educational programs for investment professionals and the public;

(iii) Encourage exchange of information and opinions and fellowship among investment professionals;

(iv) Advance better public understanding of the duties and responsibilities of investment managers, investment research analysts and other investment professionals; and

(v) Promote public awareness of the Chartered Financial Analyst® designation, encourage investment professionals to earn the CFA® designation through participation in the CFA Program administered by CFA Institute and otherwise support the activities of CFA Institute.

Article 1.04 Corporate Seal

The Board of Trustees shall have power to adopt and alter the seal of CFA-Atlanta.

officer of the proposed transferee's Member Society certifying that the applicant is a regular member in good standing of the Member Society.

(b) The chair of the Membership Committee shall review all applications for transfer of membership against the requirements for membership set forth in these bylaws and forward to the Board of Trustees for approval the names of those applicants satisfying those requirements.

(c) Membership in CFA-Atlanta shall be determined by a vote of the Board of Trustees, based on the recommendation of the chair of the Membership Committee.

Article 2.04 Non-Primary Members

A regular member of another Member Society of CFA Institute, temporarily residing in the greater Atlanta area, may fully participate in the activities of CFA-Atlanta but may not vote or hold office.

Article 2.05 Retired Membership Status

(a) A member of CFA-Atlanta for at least five (5) years who retires and is no longer actively engaged on a salary or fee basis as an investment professional may apply to the chair of the Membership Committee for Retired Membership Status.

(b) Based on the recommendation of the chair of the Membership Committee, Retired Membership Status shall be awarded by a vote of the Board of Trustees.

Article 2.06 Membership Dues

(a) Dues shall be due and payable to CFA-Atlanta by July 1st of each year. However, dues for new members, which shall be prorated from the first day of the month in which the member is admitted to membership through the end of the fiscal year, shall be payable within thirty (30) days of the vote of the Board of Trustees' vote accepting the new member.

(b) The amount of dues assessed to each member shall be determined by a majority vote of the Board of Trustees.

(c) The Board of Trustees may elect to assess different amounts of dues for regular members, affiliate members, Non-Primary Members and members who have been granted Retired Membership Status. Otherwise, dues shall be equally assessed to all members.

(d) If the Board of Trustees determines that annual dues will not cover budgeted expenditures in a given year, it may recommend an additional assessment. Such assessment may only be adopted by an affirmative vote of two thirds (2/3) of the members present (either in person or by proxy) at a general membership meeting at which a quorum of regular members is present.

Article 2.07 Termination or Resignation of Membership

(a) Termination

(i) Subject to this Article 2.07, by majority vote the Board of Trustees may revoke or suspend membership in CFA-Atlanta.

(ii) The following shall be grounds for revocation or suspension of membership in CFA-Atlanta.

A. Failure to pay annual dues within sixty (60) days of the invoice date; and

B. Revocation or suspension of a member's membership in CFA Institute.

(iii) In the event the Board of Trustees determines there are grounds to revoke or suspend membership in CFA-Atlanta,

A. It shall give the member fifteen (15) days prior written notice of its decision and the grounds therefore; and

B. Provide the member with an opportunity to be heard by the Board of Trustees, either orally or in writing, not less than five days before the effective date of the suspension or revocation.

(iv) A member who has been suspended by CFA-Atlanta may be reinstated by a majority vote of the Board of Trustees. However, a member whose membership has been revoked by the Board of Trustees shall be required to submit a new application for membership as provided in **Article 2.02**.

(b) Resignation. A member may resign from CFA-Atlanta by written notice to the Secretary or to the chair of the Membership Committee.

ARTICLE THREE MEMBERSHIP MEETINGS AND VOTING

Article 3.01 Membership Meetings

(a) Annual Meeting. The President of CFA-Atlanta shall schedule an Annual Meeting of the membership within 90 (ninety) days of the beginning of each fiscal year.

(b) Regular Meetings. Regular meetings of the membership may be scheduled from time to time by the Board of Trustees

(c) Special Meetings. A minimum of 10% of the regular members of CFA-Atlanta may call a special meeting of the membership by filing a written petition with the Secretary. The petition shall be signed by each member joining in the request and shall state the reason for holding the meeting.

(d) The President shall preside over all membership meetings; in the absence of the President, the senior officer present, as specified in **Article 5.0**, shall preside.

Article 3.02 Notice of Meeting

(a) When a meeting of the membership is called pursuant to **Article 3.01**, the Secretary shall send a written notice to the membership advising of the following:

- (i) The time and place of the meeting;
- (ii) The general purpose of the meeting; and
- (iii) Who called the meeting.

(b) All notices hereunder must be in writing and must be sent to all regular and affiliate members not less than twenty-one (21) days and not more than sixty (60) days of the scheduled date of the meeting.

(c) Membership meetings shall generally be open to interested guests, subject to payment of any food and beverage or related charges. However, the President shall have the power to restrict participation to the membership.

Article 4.04 Nomination and Election of Officers and Non-Officer Trustees

- (a) Officers and non-officer trustees shall be elected by majority vote of regular members at the Annual Meeting or as otherwise provided herein.
- (b) At least sixty (60) days prior to the Annual Meeting, the President shall appoint a Nominating Committee, consisting of at least four (4) regular members, for the purpose of nominating members for election as officers and trustees. The President shall also serve on and chair the Nominating Committee.
- (c) The Nominating Committee shall submit a slate of candidates for officers and for non-officer trustees to the Board of Trustees for approval. Subject to their approval, the Secretary shall send the names of these candidates together with any additional nominations made by the Board of Trustees (and any available biographical information about the nominees) to the general membership for consideration not less than fourteen (14) days and not more than forty-five (45) days prior to the Annual Meeting.
- (d) Any five (5) regular members may nominate regular members for election as officers and non-officer trustees by submitting the names of their nominees to the Secretary at least fourteen (14) days prior to the Annual Meeting but not more than forty-five (45) days. Upon receiving nominations from the membership in accordance with this **Article 4.04 (d)**, the Secretary shall forward the names of the nominees and any biographical data submitted therewith to all members. Reasonable expense incurred in connection with distributing this information to the regular members shall be borne by the regular members submitting the nominations.
- (e) No member may be elected to consecutive terms as President; provided however, if an officer assumes the office of President pursuant to **Article 4.05**, he/she may be elected to serve an additional term as President. Also, nothing herein shall prohibit a former president from serving as a non-officer trustee.

Article 4.05 Vacancies

- (a) The Board of Trustees may elect by majority vote any regular member to fill the unexpired term of any officer or non-officer trustee who resigns, is removed or is otherwise unable to serve out his/her term. Provided, however, if the President resigns, is removed or otherwise is unable to complete his/her term, the Vice President-Programs shall assume the office of President and serve the remainder of the term. In such event, the Board of Trustees may elect by majority vote a regular member to succeed the Vice President-Programs and fill his/her unexpired term.
- (b) If a quorum is not available as a result of vacancies on the Board of Trustees, no quorum shall be required to elect replacements in accordance with **Article 4.05 (a)**.

Article 4.06 Meetings and Notices

- (a) Regular Meetings. The Board of Trustees may provide for regular meetings by resolution stating the time and place of such meetings. No notice of regular meetings of the Board is required other than a resolution of the Board of Trustees stating the time and place of the meetings.
- (b) Special Meetings. The President or any two trustees may call a special meeting of the Board of Trustees by giving notice of the date, time and place of the meeting not less than seven (7) days and not more than thirty (30) days prior to the date of the meeting.
- (c) Any decision required or permitted to be made at a meeting of the Board of Trustees or any committee of CFA-Atlanta may be made without a meeting, if a majority of the trustees entitled to vote on the matter consents in writing to the action.

(d) All meetings of the Board of Trustees shall be held within a 20-mile radius of Atlanta, Georgia unless all trustees agree otherwise.

(e) All notices required to be communicated to trustees under this **Article Four** may be communicated in person, by telephone, in writing or by electronic transmission in accordance with **Article Thirteen**.

Article 4.07 Quorum and Voting

A majority of the Board of Trustees shall constitute a quorum. If a quorum is present at any meeting, a majority of the trustees present may decide any question, with the exception of removal of an officer or non-officer trustee pursuant to Article 4.09.

Article 4.08 Resignation

Any trustee may at any time resign by delivering a resignation in writing to the President or the Secretary. Such resignation shall be effective upon receipt, or the date specified, and acceptance thereof shall not be necessary to make it effective unless it so states.

Article 4.09 Removal

An officer or non-officer trustee may be removed by a vote of two-thirds of the remaining trustees if,

(a) The officer or non-officer trustee regularly fails to attend meetings of the Board of Trustees or otherwise fails to fulfill his/her duties as an officer or trustee; or

(b) The officer or non-officer trustee is no longer a Regular Member of CFA Institute or is otherwise no longer eligible to be a regular member of CFA-Atlanta; or

(c) The remaining trustees conclude, in their reasonable judgment, that it would not be in the best interests of CFA-Atlanta for the officer or non-officer trustee to continue to serve.

Article 4.10 Ex-Officio Trustees

Any regular member who serves as a member of the Board of Governors of CFA Institute or as a Presidents Council Representative and who is not otherwise a member of the Board of Trustees shall also serve in an ex-officio capacity on the CFA-Atlanta board.

ARTICLE FIVE

OFFICERS

Article 5.01 Positions

CFA-Atlanta shall have the following officers each of whom shall also serve as a trustee in accordance with **Article Four**: President, Vice President-Programs, Vice President-Education, Treasurer, and Secretary. Only regular members may serve as officers.

Article 5.02 Duties

(a) **President** The President shall

(i) Be the chief executive officer of CFA-Atlanta and shall, subject to the direction of the Board of Trustees, supervise other officers and exercise general supervision and control of the affairs of the Society;

(ii) Call and preside over all meetings of CFA-Atlanta membership and provide a preview of the Annual Report at the Annual Meeting. The Annual Report is to be posted on the CFA-Atlanta website no later than ninety (90) days following the annual meeting or within 30 days of the completion of a review or audit of the financial data of CFA-Atlanta, whichever is later;

(iii) Convene regular meetings of the Board of Trustees and serve as chair thereof;

(iv) Serve as an ex-officio member of all standing committees of CFA-Atlanta;

(v) Appoint all committee chairs except that of the Program Committee, which shall be headed by the VP-Programs

(vi) Supervise and conduct performance reviews of all paid staff of CFA-Atlanta

(vii) Act as spokesperson for the organization

(b) **Vice President-Programs** The Vice President-Programs shall

(i) Be Chairman of the Program Committee;

(ii) Understand the responsibilities of the President and exercise all the powers and duties of the President in his/her absence;

(iii) Succeed to and complete the unexpired term of the President in the event the President is unable to do so.

(c) **Vice President-Education** The Vice President-Education shall be responsible for the Society's educational programs including, but not limited to, the organization and administration of any CFA-Atlanta review course for CFA Program examinations.

(d) **Treasurer** The Treasurer shall

(i) Serve as the financial officer of the organization and as chairperson of the Finance Committee;

(ii) Keep accurate financial records of CFA-Atlanta, maintain and oversee bank accounts of CFA-Atlanta, and otherwise be responsible for the care and custody of all financial assets of CFA-Atlanta;

(iii) Deposit funds and sign checks and make disbursements from CFA-Atlanta, subject to **Article 8.03**

(iv) Make a financial report at the Annual Meeting and at each meeting of the Board of Trustees;

(v) Prepare and present to the Board of Trustees for approval an annual budget;

(vi) Prepare all required tax returns on behalf of CFA-Atlanta and pay all required taxes and fees from CFA-Atlanta funds;

(vii) Insure that proper financial controls are in place; and

(viii) Arrange and coordinate audits of CFA-Atlanta pursuant to **Article 7.03**.

(e) Secretary The Secretary shall

- (i) Be the official custodian of the records and seal of CFA-Atlanta,
 - (ii) Maintain an accurate record of all regular and affiliate members of CFA-Atlanta with the help and assistance of the chair of the Membership Committee;
 - (iii) Maintain records of the proceedings of all meetings of the Board of Trustees and all meetings of the membership of CFA-Atlanta in appropriate books;
 - (iv) Maintain and safeguard all other books and records of the organization;
 - (v) File any certificate required by any federal or state statute including the annual registration of CFA Society of Atlanta with the Office of the Secretary of State of Georgia;
 - (vi) Give and serve notice as required to members of CFA-Atlanta; and
 - (vii) Attend to all correspondence of CFA-Atlanta and present to the Board of Trustees or the membership, as the case may be, any communications addressed to him/her as Secretary.
 - (viii) If the Secretary is absent from any meeting of the general membership or of the Board of Trustees, a temporary Secretary shall be chosen to exercise the duties of the Secretary at such meetings.
- (f) In addition to the duties and responsibilities outlined herein, officers of CFA-Atlanta shall have such other responsibilities and duties that may be delegated to them from time to time by the Board of Trustees.

ARTICLE SIX

INDEMNIFICATION OF TRUSTEES AND OFFICERS

Article 6.01 Indemnification

In the event any person who was or is a party to or is threatened to be made a party to any pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, seeks indemnification from CFA-Atlanta against expenses, including attorneys' fees (and in the case of actions other than those by or in the right of CFA-Atlanta judgments, fines and amounts paid in settlement), actually and reasonably incurred by him/her in connection with such action, suit, or proceeding by reason of the fact that such person is or was a trustee or officer of CFA-Atlanta, or is or was serving at the request of CFA-Atlanta, then, unless such indemnification is ordered by a court, the Board of Trustees shall determine, or cause to be determined, in the manner provided under Georgia law, whether or not indemnification is proper under the circumstances because the person claiming such indemnification has met the applicable standards of conduct set forth under Georgia law; and, to the extent it is so determined that such indemnification is proper, the person claiming such indemnification shall be indemnified to the fullest extent now or hereafter permitted by Georgia law.

Article 6.02 Not Exclusive of Other Rights

The indemnification provided hereunder shall not be exclusive on any other rights to which those seeking indemnification may be entitled, both as to action in his/her capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a trustee, officer or agent of CFA-Atlanta, and shall inure to the benefit of the heirs, executors, and administrators of such person.

Article 6.03 Insurance

To the extent permitted by Georgia law, CFA-Atlanta may purchase and maintain insurance on behalf of any person who is or was a trustee, officer or agent of CFA-Atlanta, or is or was serving at the request of the Board of Trustees.

ARTICLE SEVEN BOOKS AND RECORDS

Article 7.01 Maintenance of Books and Records

CFA-Atlanta shall keep correct and complete books and records of account, which shall include:

- (a) A copy of all documents filed with the Georgia Secretary of State relating to CFA-Atlanta, including, but not limited to, the Articles of Incorporation, and any articles of amendment, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or registered agent;
- (b) A copy of the Bylaws and any amended versions or amendments to the Bylaws.
- (c) Minutes of the proceedings of all meetings of the general membership and the Board of Trustees
- (d) A list of the names and addresses of all members, trustees, officers, and any committee members of CFA-Atlanta;
- (e) Financial statements showing (1) the assets, liabilities and net worth; and (2) the income and expenses of CFA-Atlanta at the end of the three most recent fiscal years;
- (f) All rulings, letters, and other documents relating to CFA-Atlanta's federal, state, and local tax status;
- (g) CFA-Atlanta's federal, state, and local information or income tax returns for each of CFA-Atlanta's three (3) most recent tax years.
- (h) Written audit reports issued by independent, certified public accountant in accordance with **Article 7.03**.

Article 7.02 Inspection and Copying

Upon written request, any regular member of CFA-Atlanta may inspect and receive copies of all books and records of CFA Society of Atlanta required to be kept pursuant to **Article 7.01**, subject to the payment of reasonable charges for copy costs.

Article 7.03 Financial Audit

An audit of the financial records of CFA-Atlanta shall be conducted by an independent, certified public accountant on at least a biannual basis.

ARTICLE EIGHT

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Article 8.01 Contracts

The Board of Trustees may authorize any officer or officers to enter into any contract or execute and deliver any instrument in the name of and on behalf of CFA-Atlanta, and such authority may be general or confined to specific business.

Article 8.02 Loans

No loans shall be contracted on behalf of CFA-Atlanta and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Trustees. Such authority may be general or confined to specific instances.

Article 8.03 Checks, Drafts, or Orders

All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness shall be signed by the Treasurer or such other officer or officers of CFA-Atlanta and in such manner as from time to time shall be determined by resolution of the Board of Trustees.

Article 8.04 Deposits

All funds of CFA-Atlanta not otherwise employed shall be deposited from time to time to the credit of CFA-Atlanta in such banks, trust companies, or other depositories as the Board of Trustees shall select.

ARTICLE NINE

COMMITTEES

Article 9.01 Standing Committees shall be

- (a) Advocacy
- (b) Audit
- (c) Career Development
- (d) Communications
- (e) Education Outreach
- (f) Membership
- (g) Program, which shall be chaired by the VP-Programs
- (h) Special Programs
- (i) Technology

Article 9.02 Appointment of Committee Chairpersons

The President shall appoint the chairs of all standing committees except the Program Committee for a one (1) year term. The President, upon consultation with the Board of Trustees, shall have the power to appoint such committees of limited authority as he/she may deem appropriate to perform such duties as he/she may prescribe.

ARTICLE TEN

PAID STAFF

Article 10.01 Approval of the Board of Trustees

Prior to retaining any paid staff, the President shall submit for approval to the Board of Trustees a written proposal for the position which shall include a job description, proposed salary and any other related costs. No staff shall be retained without the approval of the Board of Trustees.

Article 10.02 Signed Statement

Each paid staff member retained by the President pursuant to this **Article Ten**, including staff members who are hired on a contract basis, shall sign a statement acknowledging that they have read, understand and agree with the job description and that they agree to abide by any employment policies contained therein.

ARTICLE ELEVEN **CODE OF ETHICS AND STANDARDS OF PROFESSIONAL CONDUCT**

Article 11.01 Adoption of CFA Institute's Code of Ethics and Standards of Professional Conduct

The Code of Ethics and Standards of Professional Conduct of CFA Institute (hereinafter referred to as the "Code and Standards") as it may be amended from time to time, is hereby adopted by CFA-Atlanta. All regular and affiliate members of CFA-Atlanta shall be subject to and comply with the Code and Standards.

Article 11.02 Enforcement of Code and Standards

All authority and responsibility for enforcement of the Code and Standards with respect to regular and affiliate members are hereby delegated to CFA Institute. CFA-Atlanta shall report to CFA Institute any violations of the Code and Standards that come to CFA-Atlanta's attention.

Article 11.03 Charges

Any person may, in writing, address CFA-Atlanta or an officer or director thereof concerning a charge or charges of breach of the Code and Standards by a member. The Board shall promptly forward all such complaints to the CFA Institute Professional Conduct Program. The complainant may request that the complaint remain sealed until it is received by CFA Institute.

ARTICLE TWELVE **AMENDMENTS**

These Bylaws may be revised, amended or repealed and new bylaws may be adopted by the Board of Trustees at any regular meeting; provided, however, that the number of trustees shall not be increased or decreased nor shall the provisions of **Article Two** be substantially revised without the prior approval of the membership.

ARTICLE THIRTEEN **NOTICES**

All written notices required herein may be communicated by electronic transmission, or other form of wire or wireless communication, by mail or private carrier. An electronic transmission must contain or be accompanied by information from which it can be determined that the member, the member's agent, or the member's attorney in fact authorized the electronic transmission.

SCHEDULE 1



(A Virginia Nonstock Corporation)
ARTICLES OF INCORPORATION
Amended and Restated 8 May 2011

ARTICLE 1 – NAME

The name of the corporation is “CFA Institute.”

ARTICLE 2 – PURPOSES

The purposes of CFA Institute are:

- (a) to establish educational standards in the professional practices of financial analysis, investment management, securities analysis, and other similar professions (collectively, the “Investment Decision-Making Process”);
- (b) to instruct and train Individual Members and Member Societies (as each such term is defined in the Bylaws) and the general public in the sound and trustworthy principles, practices, and conduct with regard to the Investment Decision-Making Process;
- (c) to develop and administer examinations designed to test individual competence and skill in the professional fields of knowledge pertinent to the Investment Decision-Making Process, including granting the right to use the Chartered Financial Analyst® (CFA®) designation;
- (d) to carry on, sponsor, aid, and encourage research, education, and information activities to further the purposes set forth in this Article 2;
- (e) to guide, encourage, and aid the continuing education of individuals professionally engaged in the Investment Decision-Making Process, and to this end, to promote, encourage, and carry on research and the preparation, publication, and dissemination of educational materials and to conduct programs in the fields of knowledge pertinent to the professional application of the Investment Decision-Making Process;
- (f) to develop, establish, promulgate, and maintain the CFA Institute Code of Ethics and Standards of Professional Conduct for individuals professionally engaged in the Investment Decision-Making Process, and to enforce such standards for members;
- (g) to provide Individual Members and Member Societies with opportunities for exchanging ideas and information regarding the Investment Decision-Making Process;
- (h) to promote good relations between the general public and professionals engaged in the Investment Decision-Making Process; and
- (i) to promote the welfare of members and others engaged professionally in the Investment Decision-Making Process.

ARTICLE 3 – POWERS

CFA Institute is organized as a not-for-profit corporation pursuant to the Virginia nonstock Corporation Act (“Act”) and shall not issue shares of stock, shall not pay dividends, and no part of the assets or net earnings of CFA Institute shall inure to the private benefit of any director (known as a Governor as defined in Article 5 below), officer, or other individual.

Notwithstanding the foregoing, CFA Institute may pay compensation in a reasonable amount to its officers, agents, or employees for services rendered.

CFA Institute shall not make any distribution upon dissolution or final liquidation except as provided herein. CFA Institute is organized and shall be operated as an organization described in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States internal revenue law (the “Code”), and it may engage only in activities that may be carried on by a corporation exempt from federal income taxation under said section.

ARTICLE 4 – MEMBERS

CFA Institute shall have one (1) or more classes of members as designated in its Bylaws. The Bylaws shall also state the qualifications and rights of the members of each class and shall confer, limit, or deny the right to vote.

No materially adverse change shall be made to the rights and privileges of any class of Individual Members, voting or nonvoting, including but not limited to: (a) voting rights except as required by law, (b) diminution of membership rights and privileges except those that apply to all classes of Individual Members in an equitable manner, or (c) additional or different requirements to attain or maintain membership in a class of Individual Members without the affirmative vote of more than two-thirds (2/3) of the votes of the members of the class of Individual Members so affected (whether otherwise voting or nonvoting members) cast at a meeting of members at which a quorum of members entitled to vote is present.

ARTICLE 5 – BOARD OF GOVERNORS

All corporate powers shall be exercised by or under the authority of, and the business of CFA Institute managed under the direction of, its board of directors, subject to any limitation contained herein.

The board of directors shall be known as the Board of Governors (the “Board”) and the directors shall be known as Governors. The number of Governors shall be fixed in accordance with the Bylaws, but shall not be less than sixteen (16) nor more than nineteen (19) Governors, including *ex officio* Governors.

The President shall serve as an *ex officio* member of the Board for a term concurrent with his or her respective term in office. Except as set forth in the last sentence of this Article 5, other Governors shall each serve for a term of three (3) years, staggered so that, as nearly as possible, the terms of one-third (1/3) of such Governors shall expire at the end of the CFA Institute fiscal

year. Each Governor shall serve until the election and qualification of his or her successor. In the event that any Past Chair, Chair or Vice Chair is either (i) not an elected Governor immediately prior to serving in such office or (ii) an elected Governor whose term on the Board has or would otherwise expire prior to or during his or her term in such office, the Past Chair, Chair or Vice Chair shall serve as an *ex officio* member of the Board for a term concurrent with his or her term in office.

ARTICLE 6 – DISSOLUTION

In the event of dissolution of CFA Institute, the assets of CFA Institute shall be applied and distributed in the following order:

- (a) all liabilities and obligations of CFA Institute shall be paid, satisfied, and discharged or adequate provision shall be made therefore;
- (b) assets held by CFA Institute upon condition requiring return, transfer, or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred, or conveyed in accordance with such requirements;
- (c) assets received and held by CFA Institute subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational, or similar purposes, but not held upon a condition requiring return, transfer, or conveyance by reason of the dissolution, shall be transferred or conveyed to one (1) or more domestic or foreign corporations, societies, or organizations engaged in activities substantially similar to those of CFA Institute, pursuant to a plan of distribution adopted as provided by law or as a court may direct; and
- (d) all of the remaining assets of CFA Institute shall be distributed to one (1) or more organizations serving the general interests of professions involving the Investment Decision-Making Process, as may be selected by the Board, but no distribution upon dissolution shall be made to any organization that is not exempt from federal income taxation under either Section 501(c)(3) or Section 501(c)(6) of the Code, or successor provisions of any future applicable tax code.

ARTICLE 7 – LIMIT ON LIABILITY AND INDEMNIFICATION

To the fullest extent permitted by law, a Governor or officer of CFA Institute shall not be liable for monetary damages.

To the fullest extent permitted by law, CFA Institute shall indemnify and advance reasonable expenses to, any individual who was, is, or is threatened to be made a party in any proceeding because he or she is or was a Governor, officer, employee, or agent (including committee members and other volunteers) of CFA Institute, or is or was serving at the request of CFA Institute as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise.



(A Virginia Nonstock Corporation)

BYLAWS

Amended and Restated 8 May 2011

ARTICLE 1 – NAME, LOCATION, AND CORPORATE SEAL

- 1.1 Name.** The name of the corporation is “CFA Institute.”
- 1.2 Location.** The principal office of CFA Institute shall be located at such place as the Board of Governors (the “Board”) may determine.
- 1.3 Corporate Seal.** The corporate seal shall consist of a circular die bearing the CFA Institute name and year of incorporation. The form of the seal may be changed by the Board.

ARTICLE 2 – DEFINITIONS

For purposes of the Articles of Incorporation and Bylaws, the following are defined terms which may be used, as appropriate, in singular or plural form:

- 2.1 “Acceptable Professional Work Experience”** shall be defined by the Board and shall include those activities related to the professional practices of financial analysis, investment management, securities analysis, or other similar activities.
- 2.2 “Articles”** refers to the Articles of Incorporation of CFA Institute as they may be amended.
- 2.3 “Board”** is the Board of Governors of CFA Institute.
- 2.4 “Bylaws”** refers to these Bylaws of CFA Institute as they may be amended.
- 2.5 “Candidate”** is an individual:
- (a) whose application for registration in the CFA Program has been accepted by CFA Institute, as evidenced by the issuance of a notice of acceptance, and who is enrolled to sit for a specified examination level (“Exam”) in the CFA Program; and

- (b) who has not:
 - (i) received Exam results;
 - (ii) voluntarily removed himself or herself from the CFA Program;
 - (iii) failed to sit for an Exam; or
 - (iv) otherwise been removed from the CFA Program.

- 2.6** **“CFA Program”** is the Chartered Financial Analyst® (CFA®) study and examination program developed and administered by CFA Institute.

- 2.7** **“Chair”** is the presiding officer of the Board as more particularly described in Section 6.2 of the Bylaws.

- 2.8** **“Code and Standards”** is the CFA Institute Code of Ethics and Standards of Professional Conduct, as they may be amended.

- 2.9** **“Covered Person”** is any individual who is: a Regular Member, an Affiliate Member, a Charterholder Member, a Candidate, or a Postponed Candidate.

- 2.10** **“Governor”** is an individual serving on the Board in accordance with the Articles and Article 5 of the Bylaws.

- 2.11** **“Individual Member”** refers to Regular Members, Affiliate Members, and Charterholder Members.

- 2.12** **“Investment Decision-Making Process”** is the professional practice of financial analysis, investment management, securities analysis, or other similar professions.

- 2.13** **“Member’s Agreement”** is a document prepared by CFA Institute setting forth member obligations and responsibilities that must be signed by every Individual Member.

- 2.14** **“Past Chair”** is the individual who served as the Chair immediately prior to the current Chair’s term.

- 2.15** **“Postponed Candidate”** is an individual who has registered for the CFA Program but is not a Candidate as defined in the Bylaws.

- 2.16** **“Professional Conduct Statement”** is a form prepared by CFA Institute that must be signed annually and submitted by all Individual Members and Candidates.

- 2.17** **“Rules of Procedure”** are the Rules of Procedure for Professional Conduct as amended, which govern the procedures to which both CFA Institute and Covered Persons must adhere.

ARTICLE 3 – MEMBERS AND CANDIDATES

3.1 Classes of Members. The classes of membership in CFA Institute are Regular Members, Affiliate Members, Charterholder Members, and Member Societies.

3.2 Regular Members. Each applicant seeking to become a Regular Member of CFA Institute or of any Member Society shall:

- (a) hold a bachelor's degree from an accredited academic institution or have equivalent education or work experience as determined by CFA Institute;
- (b) have attained one (1) or more of the following:
 - (i) four (4) years of Acceptable Professional Work Experience and passage of Level I of the CFA Program, or such other appropriate examination approved by the Board;
 - (ii) four (4) years of Acceptable Professional Work Experience and passage of a standards of professional conduct examination approved by the Board;
or
 - (iii) be a Charterholder Member;
- (c) sign and submit to CFA Institute a Member's Agreement and a Professional Conduct Statement; and
- (d) complete any additional application procedures or requirements established by CFA Institute.

3.3 Affiliate Members.

- (a) Each applicant seeking to become an Affiliate Member of CFA Institute shall:
 - (i) be an affiliate member of at least one (1) Member Society;
 - (ii) sign and submit to CFA Institute a Member's Agreement and a Professional Conduct Statement; and
 - (iii) complete any additional application procedures or requirements established by CFA Institute and, when applicable, the appropriate Member Society.
- (b) For purposes of Section 3.3(a)(i), in the event that a Member Society ceases to exist by reason of dissolution or otherwise, such Member Society may designate CFA Institute to serve in the capacity of a Member Society in order that the affiliate members of such Member Society can maintain their status as Affiliate Members.

3.4 Charterholder Members.

- (a) Each applicant seeking to become a Charterholder Member of CFA Institute shall:
 - (i) be an individual who has satisfied (1) the requirements to become a Regular Member and (2) the requirements of the CFA Program as established by CFA Institute and achieved the minimum passing score; and
 - (ii) complete and submit any additional application procedures or requirements established by CFA Institute.

- (b) Upon satisfaction of the requirements in Section 3.4(a) and acceptance by CFA Institute, an applicant shall become a Charterholder Member and be granted the right to use the Chartered Financial Analyst® (CFA®) designation.

3.5 Responsibilities of Covered Persons.

- (a) Each Covered Person shall:
 - (i) adhere to all applicable rules and regulations, including the Articles and Bylaws, the Code and Standards, and other rules relating to professional conduct and membership, all of which may be amended;
 - (ii) be subject to the disciplinary jurisdiction and sanctions of CFA Institute;
 - (iii) submit information requested relating to professional conduct and activities;
 - (iv) produce documents, testify, and otherwise cooperate in disciplinary proceedings of CFA Institute including adhering to the Rules of Procedure; and
 - (v) adhere to such other requirements as set forth by CFA Institute.
- (b) In addition to the responsibilities set forth above, Individual Members must also:
 - (i) annually file a Professional Conduct Statement; and
 - (ii) annually pay membership dues.

3.6 Voting Rights. Regular Members have voting rights in CFA Institute and each shall be entitled to one (1) vote on each matter submitted to the Regular Members. Affiliate Members, Charterholder Members, and Member Societies do not have voting rights in CFA Institute. Candidates and Postponed Candidates are not members of CFA Institute unless otherwise associated with CFA Institute as Regular Members or Affiliate Members.

3.7 Resignation. Any Individual Member may resign from CFA Institute or a Member Society by submitting notice to CFA Institute. CFA Institute shall notify each applicable Member Society of the resignation.

3.8 Suspension or Revocation of Membership.

- (a) Individual Members.
 - (i) An Individual Member's membership in CFA Institute and in any Member Society may be suspended or revoked at any time by CFA Institute for any violation of Section 3.5.
 - (ii) An Individual Member whose membership is revoked or suspended shall not be entitled to any rights or privileges of membership, including, when applicable, the right to use the Chartered Financial Analyst® (CFA®) designation and the right to vote.
- (b) Candidates and Postponed Candidates. Any Candidate or Postponed Candidate may be suspended or removed from the CFA Program for any violation of Section 3.5(a).

3.9 Membership List and Member Records. CFA Institute shall keep a list of the names, business addresses, business affiliations, membership classifications, and other information relating to all CFA Institute members.

3.10 Member Societies.

- (a) Requirements for Membership. To organize or admit a Member Society of CFA Institute an application and other requested information must be submitted for approval by CFA Institute.
- (b) Adoption of the Code and Standards.
 - (i) Each Member Society shall adopt the Code and Standards and shall provide in its bylaws that its regular members and affiliate members shall be subject to and comply with the Code and Standards.
 - (ii) The bylaws of each Member Society shall provide that all authority and responsibility for enforcement of the Code and Standards with respect to regular members and affiliate members of the Member Society are delegated to CFA Institute.
- (c) Membership in a Member Society.
 - (i) The bylaws of each Member Society shall provide that it may not admit or retain an individual as a regular member who is not a Regular Member of CFA Institute.
 - (ii) The bylaws of each Member Society shall provide that all affiliate members of a Member Society shall become Affiliate Members of CFA Institute.
 - (iii) Any individual whose membership as a Regular Member or Affiliate Member has been revoked or suspended by CFA Institute may not retain membership in a Member Society while such revocation or suspension is in effect.
 - (iv) Except for a uniform sponsorship requirement set forth by CFA Institute, a Member Society shall not impose any requirements on its regular members other than those listed in Section 3.2 of the Bylaws.
 - (v) Each Member Society shall have the right to review all applications for regular membership in the society, as applicable.
 - (vi) The Board, or a committee designated by the Board, shall have the authority to make final determinations on the application of membership provisions listed in Section 3.2 of the Bylaws.

3.11 Termination of Membership. The membership of any Member Society in CFA Institute may be terminated or suspended by a vote of two-thirds (2/3) of the Governors then serving.

ARTICLE 4 – MEETINGS OF THE MEMBERS

4.1 Meetings.

- (a) All meetings of the members shall be held at suitable times and places within or without the Commonwealth of Virginia, as determined by the Board.
- (b) There shall be an annual meeting of the members.

- (c) Special meetings of the members shall be called:
 - (i) by the Board or the Chair; or
 - (ii) by the Secretary, upon receipt of a written petition signed by at least two percent (2%) of the Regular Members.
- (d) Only business within the purpose or purposes described in the meeting notice shall be conducted at a special meeting.

4.2 Notice.

- (a) Written notice of meetings shall:
 - (i) state the date, time, and place of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called; and
 - (ii) be delivered, mailed, expressed, or sent by facsimile, electronic mail, or other reliable printed or printable communication to each Regular Member to the address, as it appears on the CFA Institute membership records, not less than ten (10) nor more than sixty (60) days before the meeting date unless a different notice period is required by law.
- (b) Notice of any meeting may be waived in writing signed by the member entitled to notice before or after the date of the meeting. A Regular Member who attends a meeting in person or by proxy:
 - (i) waives objection to lack of notice or defective notice of the meeting unless the Regular Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and
 - (ii) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice that unless Regular Member objects to considering the matter when it is presented.

4.3 Quorum. At any meeting of the members, ten percent (10%) of all Regular Members represented in person or by proxy at such meeting shall constitute a quorum for the transaction of business. If less than a quorum is present in person or by proxy, the Chair may adjourn the meeting to a fixed time and place determined by the Chair or Secretary.

4.4 Voting.

- (a) Each Regular Member shall be entitled to one (1) vote.
- (b) A majority of the votes cast in person or by proxy, in hard or, when permitted by law, electronic form, at a meeting at which a quorum is present shall be required for adoption of any matter voted upon, except as otherwise required by the Bylaws, the Articles, or applicable law.

ARTICLE 5 – BOARD OF GOVERNORS

5.1 Authority and Responsibility. All corporate powers shall be exercised by or under the authority of, and the business of CFA Institute managed under the direction of, the Board subject to the Bylaws, the Articles, and applicable law.

5.2 Composition and Qualification.

- (a) The number of Governors (including *ex officio* Governors as defined in the Articles) shall be not less than sixteen (16) nor more than nineteen (19) and shall be determined by the Board. The President, Chair, Vice Chair, and Past Chair shall serve as *ex officio* Governors in accordance with the Articles.
- (b) The Board may have up to two (2) Governors who are not Regular Members. All other Governors shall be Regular Members.

5.3 Terms and Elections.

- (a) Governors, excluding those serving in an *ex officio* capacity, shall be elected by the Regular Members at the annual meeting of members for a term of three (3) years, staggered so that, as nearly as possible, the terms of one-third (1/3) of such Governors shall expire at the end of CFA Institute fiscal year end and until the election and qualification of their successors.
- (b) When the number of nominees for Governor exceeds the number of individuals to be elected, the nominees receiving the highest number of votes shall be elected.

5.4 Vacancies. A Governor's vacancy for any reason may be filled by the Board by the appointment of a successor for the unexpired term of the Governor whose place is vacant.

5.5 Meetings.

- (a) Meetings of the Board shall be called by:
 - (i) the Board;
 - (ii) the Chair; or
 - (iii) the Secretary, upon the written request of a majority of the Governors.
- (b) The date, time, and place of the Board meetings shall be designated by the Board, Chair or Secretary.
- (c) The Chair of the Presidents Council and the Presidents Council Representatives shall be invited to attend non-executive sessions of Board meetings.

5.6 Notice.

- (a) Regular meetings of the Board shall be held with notice at such dates, times, and places as the Board may determine by vote.
- (b) Written notice shall be sent by the Secretary and shall:
 - (i) state the date, time, and place of the meeting; and
 - (ii) be delivered, mailed, or expressed to each Governor at least fifteen (15) days before the meeting date or be given by telephone, electronic transmission, or other reliable means at least twenty-four (24) hours before the meeting date.
- (c) The business to be transacted or the purpose of any Board meeting is not required to be specified in the notice or a waiver of notice of any Board meeting.
- (d) Notice of any meeting may be waived in writing signed by the individual entitled to notice before or after the date of the meeting.

- (e) A Governor who attends a meeting in person or through the use of any means of communication by which all Governors may simultaneously hear each other during the meeting shall be deemed to have had timely and proper notice of the meeting.

5.7 Quorum. Except as otherwise provided in the Bylaws or by law, at any meeting of the Board, a majority of the Governors then serving who are present in person or through the use of any means of communication by which all Governors may simultaneously hear each other during the meeting shall constitute a quorum.

5.8 Voting.

- (a) Each Governor, including *ex officio* Governors, shall be entitled to one (1) vote, which shall not be voted by proxy.
- (b) The act of a majority of the Governors voting at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in the Bylaws, the Articles or by law.

ARTICLE 6 – OFFICERS

6.1 Number, Designation, and Qualifications.

- (a) The officers of CFA Institute shall be a Chair, a Vice Chair, a President, a Chief Financial Officer, a Secretary, and such other officers as the Board, Executive Committee, or President may determine.
- (b) Only Regular Members may serve as the Chair, Vice Chair, or President of CFA Institute.

6.2 Chair. The Chair shall:

- (a) preside at all Board and member meetings;
- (b) be the representative of the Board and the Executive Committee; and
- (c) have such other duties and powers as prescribed in the Bylaws, the Articles, by the Board, and by law.

6.3 Vice Chair. The Vice Chair shall:

- (a) perform the duties of the Chair in his or her absence;
- (b) automatically become the Chair of CFA Institute in the event of the Chair's incapacity, resignation, removal or death; and
- (c) have such other duties and powers as prescribed in the Bylaws, the Articles, by the Board, and by law.

6.4 President.

- (a) The President shall:
 - (i) be a Charterholder Member;
 - (ii) be appointed by the Board to serve at its pleasure;
 - (iii) be entitled to compensation as approved by the Compensation Committee;
 - (iv) be the chief executive officer of CFA Institute;

- (v) have the power and authority to appoint and remove officers other than the Chair, Vice Chair, Secretary, and Chief Financial Officer;
 - (vi) have management, supervision and control of, and responsibility for the business of CFA Institute, subject to the direction of the Board; and
 - (vii) have such other duties and powers as prescribed in the Bylaws, the Articles, by the Board, and by law.
- (b) It shall be the President's duty, and the President and CFA Institute officers shall have the power, to effectuate all orders and resolutions of the Board.

6.5 Secretary and Chief Financial Officer.

- (a) The Secretary shall:
- (i) act as secretary at all Board and member meetings, including maintaining minutes of such meetings;
 - (ii) maintain the corporate seal and certify the authenticity of Board actions and officer signatures; and
 - (iii) have such other duties and powers as prescribed in the Bylaws, the Articles, by the Board, and by law.
- (b) The Chief Financial Officer shall:
- (i) oversee the receipt and disbursement of all funds;
 - (ii) maintain CFA Institute financial records and statements;
 - (iii) submit an annual financial statement and budget to the Board and such other statements as the Chair may require; and
 - (iv) have such other duties and powers as prescribed in the Bylaws, the Articles, by the Board, and by law.

6.6 Election and Term.

- (a) Elected Officers.
- (i) The Chair and Vice Chair shall be elected by the Regular Members at each annual meeting of members.
 - (ii) The Secretary and Chief Financial Officer and such other officers as the Board may determine shall be elected by the Board annually.
 - (iii) Each elected officer shall serve for a term of one (1) year, commencing on the first day of CFA Institute fiscal year following his or her election and continuing until the choosing and qualification of his or her successor.
- (b) Appointed Officers.
- (i) Except for the President who shall be appointed by the Board, all other officers shall be appointed by the Executive Committee or the President.
 - (ii) Each appointed officer shall serve at the pleasure of the person or group that appointed him or her.

6.7 Vacancies. A vacancy in any office, except as otherwise provided in the Bylaws, may be filled by the Board for all elected officers and the President and by the Executive Committee or President for appointed officers (other than the President) by the appointment of a successor for the unexpired term of the officer whose place is vacant.

ARTICLE 7 – COMMITTEES

7.1 Creation and Requirements.

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

7.2 Executive Committee.

- (a) Authority and Responsibility. CFA Institute shall have an Executive Committee that shall:
 - (i) act for the Board between Board meetings on all matters to the extent permitted by law and in accordance with the authority delegated to the Executive Committee by the Board;
 - (ii) monitor each Governor's performance on the Board;
 - (iii) monitor and assess the activities, performance, and operational procedures of the Nominating Committees and any Oversight Committee established by the Board;
 - (iv) give guidance to the Nominating Committee on Governor leadership qualities, skill sets, and areas of CFA Institute membership that may not be adequately represented on the Board, including Member Society and Charterholder representation; and
 - (v) appoint members of any Oversight Committees.
- (b) Composition.
 - (i) The Executive Committee shall consist of the CFA Institute Chair, Vice Chair, Past Chair, and such other members as specified by the Board.
 - (ii) The CFA Institute Chair shall be the chair of the Executive Committee.

7.3 Oversight Committees.

- (a) Authority and Responsibility. The Board may establish one (1) or more Oversight Committees that, to the extent specified by the Board and as permitted by law, may exercise the authority of the Board, including the exercise of corporate powers, policy-making, and management.
- (b) Composition. Each Oversight Committee shall consist of two (2) or more Governors.
- (c) Purpose. Any Oversight Committee established by the Board shall have the duties and responsibilities as assigned by the Board or the Executive Committee.

- 7.4 Committee Chair and Members.** Except as otherwise provided in the Bylaws:
- (a) the chair of each committee shall be a Regular Member;
 - (b) the chair of each committee shall be appointed and approved by the Board, to serve for a term of one (1) year or such longer period as the Board may determine and shall serve until his or her successor is selected and qualified, provided, however, that no individual shall serve as a committee chair for more than three (3) consecutive years except to the extent his or her successor has not been selected and qualified;
 - (c) each member of a committee shall be a Regular Member except to the extent that the Board or Oversight Committee having responsibility for such committee shall determine otherwise; and
 - (d) the Board or Oversight Committee having responsibility for such committee, shall appoint and approve the members of the committee to serve for a term of one (1) year or such longer period as the Board or Oversight Committee may determine and shall serve until his or her successor is selected and qualified, provided, however, that no individual shall serve as a member of a committee (including anytime as committee chair) for more than six (6) consecutive years except to the extent his or her successor has not been selected or qualified.
- 7.5 Subcommittees.** Except as otherwise set forth in the Bylaws, a committee may create one (1) or more subcommittees and shall determine the subcommittee chairs, members, and terms of members. All actions taken by subcommittees shall be subject to review and approval by the appointing committee, or as otherwise set forth in the Bylaws.
- 7.6 Reports of Committees.** Each of the committees shall submit a written report to the Board or the Oversight Committee designated by the Board to oversee such committee at least once each fiscal year covering the committee activities since the previous report. Each committee shall report to the Board or applicable Oversight Committee at any time upon the request of the CFA Institute Chair or applicable Oversight Committee chair.

ARTICLE 8 – PRESIDENTS COUNCIL

- 8.1 Authority and Responsibilities.** A volunteer committee of CFA Institute known as the “Presidents Council” shall be established that:
- (a) provides a forum for discussion among the presidents of the Member Societies;
 - (b) facilitates communication of information among Member Societies;
 - (c) makes recommendations regarding Member Society activities;
 - (d) provides advice and consultation to Presidents Council Representatives, CFA Institute officers, and the Board; and
 - (e) elects Presidents Council Representatives.

- 8.2 Composition and Chair.** The Presidents Council shall be composed of the president of each Member Society, the Presidents Council Representatives, and the Presidents Council chair. The chair of the Presidents Council shall be elected by a majority of the members of the Presidents Council, and the chair is authorized to attend non-executive sessions of Board meetings.
- 8.3 Meetings.** The Presidents Council shall meet at least once per year.
- 8.4 Votes.** Each member of the Presidents Council shall have one (1) vote. Each Member Society president may designate an alternate representative, if such president is unable to attend any meeting.
- 8.5 Presidents Council Representatives.**
- (a) Authority and Responsibilities. The Presidents Council shall select Presidents Council Representatives that shall facilitate communication of information between the Board and the members of the Presidents Council, and the Presidents Council Representatives are authorized to attend non-executive sessions of Board meetings.
 - (b) Composition. Presidents Council Representatives shall be Regular Members selected by the Presidents Council pursuant to procedures established by the Presidents Council. The number of Presidents Council Representatives shall be set by the Board and not be less than eight (8) nor more than thirteen (13) and, in the absence of Board action, shall be eight (8).

ARTICLE 9 – NOMINATING PROCESS AND ELECTION

9.1 Nominating Committee.

- (a) Authority and Responsibility. Nominations for Governor and for the offices of Chair, Vice Chair, and, in the absence of action by the Executive Committee, Chief Financial Officer, and Secretary, shall be made by the Nominating Committee, subject to approval of the Board.
- (b) Composition. The Nominating Committee shall be composed of:
 - (i) the Past Chair (who shall serve as chair of the committee) and the Chair;
 - (ii) two (2) Regular Members elected by the Executive Committee who are serving as a Governor or are in their first year after serving as a Governor;
 - (iii) one (1) Regular Member that is a Charterholder Member elected by the members of the Candidate Curriculum Committee or elected by the members of the Council of Examiners, each in alternate terms; and
 - (iv) two (2) Regular Members elected by the Presidents Council Representatives.
- (c) If the Past Chair is unable for any reason to serve as chair of the committee, the Chair shall serve such function.

- (d) Each member of the Nominating Committee shall serve a two (2) year term. The terms of the two representatives from each constituency in Article 9.1(b) will be staggered so that one person will be serving in the first year of the term and one person will be serving in the second year of their term. No person shall serve two consecutive terms on the Nominating Committee.

9.2 Nominations. Nominees shall be selected by the Nominating Committee and approved by the Board. In carrying out its duties, the Nominating Committee shall seek to:

- (a) nominate individuals to the Board who, in the committee's judgment, will cause the Board to be composed of a wide and balanced range of individuals professionally engaged in the Investment Decision-Making Process;
- (b) select the very best candidates in terms of leadership qualities and skill sets while striving to ensure that the diversity of characteristics of the CFA Institute membership is adequately represented on the Board;
- (c) consider nominees that have shown strong and active commitment and participation to CFA Institute and Member Society activities;
- (d) be mindful of the diversity of job functions, industry sectors, and geographical locations and the many other differences in member perspectives that the Nominating Committee judges to be significant in seeking to achieve a Board that can act effectively in the best interest of all Regular Members, Affiliate Members, Charterholder Members, and Member Societies; and
- (e) at the Executive Committee's direction, nominate an individual(s) that is not a Regular Member, who in the Nominating Committee's judgment, will cause the Board to have the very best candidates(s) to assist CFA Institute in meeting the purposes set forth in Article (2)(h) and (i) of the CFA Institute Articles.

9.3 Solicitations of Nominations. The Nominating Committee shall solicit candidates for each position that the committee is seeking to fill. Solicitation of candidates shall commence promptly after the Nominating Committee has been duly appointed. The names of nominees will be published no later than seventy (70) days prior to the annual meeting of members.

9.4 Nominations of Nominating Committee Members. No member of the Nominating Committee, while serving on the committee, may be nominated for a Board or officer position.

9.5 Nominations by Members. Any Regular Member may submit additional written nominations for Governors and for the offices of Chair and Vice Chair if:

- (a) sponsored in writing by at least two percent (2%) of the Regular Members;
- (b) written consent from the nominee has been obtained; and
- (c) documents supporting both (a) and (b) are submitted to the Secretary no later than sixty (60) days before the annual meeting.

ARTICLE 10 – FINANCES

- 10.1 Fiscal Year.** The fiscal year of CFA Institute shall begin on 1 September of each year unless otherwise determined by the Board.
- 10.2 Dues.** CFA Institute shall have the right to establish and collect dues for Members of CFA Institute.
- 10.3 Audit Review.** Financial statements of CFA Institute shall be audited not less than once per year by an independent certified public accountant approved by the Board.

ARTICLE 11 – STANDARDS AND DISCIPLINARY PROCESS

- 11.1 Standards and Disciplinary Process.** The Standards and Disciplinary Process shall consist of the Professional Conduct Program, the Disciplinary Review Committee, the Standards of Practice Council, and such other programs and committees as established by CFA Institute or the Board.
- 11.2 Professional Conduct Program.** CFA Institute shall have a Professional Conduct Program that may investigate and conduct disciplinary proceedings in connection with the professional conduct of Covered Persons as set forth in the Rules of Procedure.
- 11.3 Disciplinary Sanctions and Grounds for Discipline.** The Professional Conduct Program and the Disciplinary Review Committee shall have the authority to impose disciplinary sanctions upon Covered Persons as set forth in the Rules of Procedure. The disciplinary sanctions that may be imposed upon Covered Persons, up to and including revocation of membership, revocation of the right to use the CFA designation and prohibition from participation in the CFA Program, and the grounds for imposing disciplinary sanctions upon Covered Persons shall be set forth in the Rules of Procedure.
- 11.4 Standards and Disciplinary Process Committees.**
- (a) The Board shall establish such committees, including a Disciplinary Review Committee and a Standards of Practice Council, as it deems reasonably necessary.
 - (b) Except as otherwise specified, each committee created under this section shall function in accordance with Article 7 of the Bylaws.
 - (c) The chair and members of each committee shall be selected in accordance with Section 7.4 of the Bylaws.

ARTICLE 12 – AMENDMENT OF THE BYLAWS

- 12.1 Amendments by the Board.** The following articles and sections of the Bylaws may be amended by the Board upon two-thirds (2/3) affirmative vote of the Governors then serving: Sections 2.8, 2.9, 2.16, 2.17 and Articles 5, 6, 7, 10 and 11.

12.2 Amendments by the Members. In addition to amendments by the Board under Section 12.1:

- (a) any amendment of any article or section of the Bylaws may be approved by the Board for submission to the Regular Members at any meeting of the members or a proposed amendment of any article or section of the Bylaws sponsored by at least two percent (2%) of the Regular Members shall be submitted to the Regular Members at the next duly called meeting of members if such amendment is submitted in writing by the sponsors to the Secretary at least forty-five (45) days prior to such meeting; and
- (b) an amendment to the Bylaws shall be adopted when approved by a majority of the Regular Members, unless a greater majority is required in the Articles.