

BYLAWS

CHESAPEAKE CHAPTER OF THE RISK MANAGEMENT ASSOCIATION

Organized: 1928

**Adoption of
Bylaws:**

Revised:

Article I. Name

The name of this organization shall be: "THE CHESAPEAKE CHAPTER OF THE RISK MANAGEMENT ASSOCIATION (RMA)"

Article II. Area and Further Divisions

- 2.01 The area of this Chapter shall be that geographic area (1) in which this Chapter currently has members and (2) from which it will accept applications from interested and eligible nonmember institutions.
- 2.02 As of the adoption of these bylaws, this area is described as follows: The State of Maryland, the District of Columbia; the Chapter may also accept members from the contiguous states of West Virginia, Virginia, Pennsylvania and Delaware.
- 2.03 Changes in Chapter area need not require a revision of these bylaws, provided that:
- A. The change proposed has been reviewed by Headquarters and is not in conflict with the geographic territories of other Chapters or Groups and
 - B. A description of the change is attached to these bylaws and submitted to Headquarters.
- 2.04 With the approval of the Board of Governors of the Chapter and the RMA Board of Directors, groups may be formed within the Chapter to encourage more frequent meetings and enable members to have easier access to RMA services.

Article III. Purpose

- 3.01 The purpose of this Chapter shall be the same as that of RMA, namely, to support the increase in profitability of its member financial institutions and to serve professionals who require a comprehensive understanding of risk identification and management. This shall be accomplished as follows:
- A. The development and exchange of ideas and experiences on risk principles and practices through:
 - (a) the programs and the close personal contacts at RMA meetings and conferences,
 - (b) the sharing of The RMA Journal with nonmembers, preferably through direct subscriptions, and
 - (c) research projects to improve risk management knowledge.
 - B. The establishment and maintenance of high standards of ethics in financial institutions and in the business community through definition, acceptance, publication, and persuasion.
 - C. The development of competent risk personnel through:
 - (a) training materials,
 - (b) circulation of The RMA Journal,
 - (c) group and chapter meetings, conferences, and other attendance events,
 - (d) educational programs and
 - (e) liaison with educational institutions.
 - D. Cooperation with related professions and organizations through:
 - (a) establishing channels of communication,
 - (b) studying mutual problems, and
 - (c) seeking practical solutions to such problems.
 - E. Effective expression of the risk management viewpoint to the public, directly and in cooperation with respective state bankers' associations.
- 3.02 On the due dates established by the RMA Board of Directors and the Chapters and Membership Council, the Chapter agrees to furnish RMA Headquarters with the Planning Report form listing the objectives and goals for the fiscal year and the STAR Program form recording and evaluating the accomplishments of these objectives for the Chapter and its Groups, if any.

Article IV. Membership

- 4.01 **Classes of Membership.** There shall be two classes of membership: institutional and individual.

A. **Institutional Members.** All institutions within the Chapter area that are institutional members of RMA shall automatically be institutional members of this Chapter. No institution that is not an institutional member of Headquarters may be, become, or remain an institutional member of the Chapter. Institutional members shall include:

1. Financial institutions, (private and governmental) active in lending, the professional identification and management of credit and related risks, other aspects of risk management and in providing related financial services;
2. Agencies and authorities responsible for the supervision and regulation of such financial institutions, and other government and quasi-government administrations and entities that regularly deal with such financial institutions in connection with such activities; and
3. Other organizations (private and governmental) that are not financial institutions but whose primary functions and activities in credit and risk identification and in management closely parallel those of financial institutions.

B. **Individual Membership.** There may be six (6) types of individual membership: Associate, Life, Honorary, Professional, Transitional and Student.

1. **Associate Membership.** Any individual Associate in good standing with RMA and located in this Chapter's geographic area shall be an Associate of this chapter. Defined another way, Associate Membership is synonymous with an institutional Member's Associates in RMA; as such, each Associate is either the Senior Associate, the alternate to the Senior Associate, or an Associate from an RMA member institution.
2. **Life Membership.** An Associate Member who becomes a Life Member of RMA shall automatically become a Life Member of the Chapter. Life Membership shall not be terminated by subsequent retirement or change of position nor shall any dues be charged a Life Member.
3. **Honorary Membership.** Honorary Membership may be conferred upon an Associate Member, or a former Associate Member, by action of the Board of Directors in recognition of long and exceptionally meritorious services to this Chapter and to RMA.
4. **Professional Representatives.** Professional Representatives shall be those persons who meet all professional requirements set by the Board for such membership, who are employed by organizations and entities not eligible to be Institutional Members

but who are regularly involved in identifying and managing credit, operations and market risk for their own organizations or who directly assist financial institutions in carrying out their risk-related mission. (Examples include accountants, attorneys, insurance professionals, risk professionals and similar consultants.) Professional Representatives may participate in RMA activities appropriate to their interest and expertise.

5. **Transitional Member.** Any Transitional Member in good standing with RMA, located in the Chapter's area shall be a Transitional Member of the Chapter. A Transitional Member is an Associate Member who has been released from his/her Institutional Member and is in the process of seeking employment with another RMA member institution located in the Chapter's region. Transitional Membership status may extend for up to one (1) year.
6. **Student Member.** Full time students, undergraduate and graduate level (not currently employed on a full time basis), having a college major associated with risk management are eligible for Student Membership status.

4.02 **Election to Membership.**

- A. **Institutional Membership.** As stated in 4.01 all institutions in the Chapter's geographical area and in good standing with RMA are automatically members of this Chapter. Any prospective new member must follow current applications procedures and receive RMA Headquarters approval before acceptance to membership in this Chapter. The membership policies of the Chapter shall be based upon and not in conflict with the membership policies of RMA.
- B. **Associate and Professional Membership.** Individual (associate and professional) applications should be forwarded directly to RMA Headquarters. Chapter approval is not required. The membership policies of the Chapter shall be based upon and not in conflict with the membership policies of RMA.
- C. **Life and Honorary Membership.** These are special situations covered in Section 4.01.C.2 and 3. above.

4.03 **Privileges of Membership**

- A. **Institutional Members - Voting.** An Institutional Member described in section 4.01A that is not delinquent in the payment of any required dues shall be entitled to one vote at every meeting of Institutional Members and upon any questions put before said Members pursuant to Article V and Article IX, which vote may be exercised through the Senior Associate or

the Alternate Senior Associate, or as otherwise provided in Section 2.06 of the RMA Bylaws.

- B. **Individual Members.** Individual Members shall be entitled to attend meetings; to serve on councils and committees; to receive communications, information and selected publications disseminated by the Headquarters Office; and to enjoy all other rights and privileges of association membership, except no Associate or other Individual Members shall have any personal right to vote.

4.04 **Termination of Membership.**

The reasons and procedure for terminating institutional membership and individual membership shall be as provided in Section 2.07 of the bylaws of RMA. Termination of membership in RMA shall automatically terminate membership in this Chapter.

Article V. Meetings

- 5.01 General Membership meetings open to all members shall be held at least three times each year on dates and locations approved by the Board of Governors. Educational activities (seminars, and conferences) shall be held for the membership at least twice each year on dates and locations approved by the Board of Governors.
- 5.02 The secretary shall keep a record of attendance of each individual member at chapter meetings. The Chapter shall make its attendance records available to RMA Headquarters upon reasonable request.
- 5.03 Notice of all meetings shall be given by the President at least ten days in advance.
- 5.04 The Annual Meeting shall be held in the spring, preferably in May, for the election of directors and the transaction of any other proper business.
- 5.05 Special meetings may be called by the President or by not less than Ten (10) percent of Institutional Members.
- 5.06 The representation in person or by proxy of a majority of the Institutional Members shall constitute a quorum for voting on chapter matters.

Article VI. Officers and Governors

- 6.01 The officers shall consist of a President, 1st Vice President, 2nd Vice President, Secretary, and Treasurer (alternative: Secretary/Treasurer). Each of these officers must be a member (Associate or Professional) as outlined in Section 4.01A and B of these bylaws. Each shall be elected for a term of one

year or until their successors are elected and shall perform the customary duties of their respective offices.

- 6.02 The Board of Governors shall consist of the President, Vice President(s), Secretary, Treasurer, the immediate past President and additional Governors whose number shall be determined by the Board based on current membership composition and need but in no event less than five. Governors shall be elected at the Annual Meeting or by polling of the Senior Associates (or designee, via proxy) of each Institutional Member from a list of candidates submitted by the Nominating Committee. Each of the elected Governors shall serve a two-year term, provided that the election of such Governors and their terms of office shall be staggered so that half of such Governors are elected for a two-year term. The board shall direct the policies and govern the operations of the Chapter through the elected officers and Governors.
- 6.03 In addition to the members of the board of directors selected pursuant to Section 6.02, any individual member who is an officer or director of RMA shall serve as an additional director of this chapter during the period he or she holds office.
- 6.04 All Officers and Governors shall be elected at the Annual meeting or by polling of the Senior Associates (or their designee, via proxy) of each Institutional Member from a list of candidates submitted by the Nominating Committee and shall take office on the following September 1.
- 6.05 Any vacancy among the Officers and Governors may be filled for the unexpired term by a vote of the Board at any meeting of that body.
- 6.06 The board shall meet at the call of the President or any three (3) Governors. In any event, it shall meet at least four times yearly. A quorum shall consist of the President or 1st Vice President plus one other officer and at least three Governors.
- 6.07 A representative of each group of the Chapter, if any, shall serve on the Board and participate in Chapter matters.
- 6.08 The Board may, at its discretion, designate any past President of the Chapter who holds Individual Membership with the Chapter, to the status of Senior Governor. A Senior Governor will be a non-voting member of the Board and consequently, not subject to the election process. A Senior Governor may actively participate in all Board meetings and be the Chair or member of any committee (and count toward Board representation on that Committee). All Senior Governors will be members of the Strategic Planning Committee.

Article VII. Committees

- 7.01 **Committees.** Activities of the Chapter shall be carried on by committees devoted to various constituencies within RMA's membership and areas of interest within RMA's statement of purpose. Each committee shall be composed of such number and organized in such a manner as the Board of Governors may determine. The Chapter President shall designate the chairman and vice chairman of each committee. All committee chairpersons must be members (Associate or Professional) as outlined in Section 4.01B of these bylaws.
- 7.02 **Term of Committees.** All committees shall be appointed or recommended by the Chapter President for a term to coincide with his or her own term of office. In all cases, committees shall exercise their powers subject to the direction and control of the Board of Governors.
- 7.03 **Standing Committees.** There shall be the following standing committees
- A. The Membership Committee - shall be appointed by the Chapter President to keep current records of the chapter's membership and to conduct a nonmember institutional and individual member recruitment program.
 - B. The Program Committee - shall be appointed by the Chapter President to plan and conduct the general membership meetings for the chapter's members.
 - C. The Education Committee - shall plan and implement the formal educational offerings such as seminars and conferences. It shall coordinate with the program developer (RMA Headquarters or outside vendor) to assure that the program content is of high quality and the presentation is properly administered. The Board, at its discretion, may elect to combine the Program and Education Committee.
 - D. The Communications Committee - shall be appointed by the Chapter President. It shall ensure effective communications for the Chapter including program promotion, press releases, newsletters, and group reports.
 - E. The Paper Writing Committee - (if parent chapter conducts a Paper Writing Competition) shall be appointed by the Chapter President and shall direct the Chapter in conducting a Paper Writing Competition.
 - F. The Audit Committee - shall be appointed by the Chapter President and shall consist of at least three individual Board members. This committee shall audit the books of account within three months after the close of each fiscal year (no later than November 30) and shall submit a report to the Board of Governors. Special audits may be made at the request of the Board of Governors.

- G. The Nominating Committee - shall consist of at least three but not more than five individual members. Members shall be appointed by the Chapter President with the approval of the board. A past president of the Chapter shall be chairperson of the committee. No officer other than the current President may be a member. This committee shall choose the nominees for chapter officers and governors who are to be voted upon at the next succeeding Annual Meeting.
- H. The Strategic Planning Committee shall consist of the President, 1st Vice President, the Ex-Officio (chair), at least one other past Chapter President and one current Governor and all Senior Governors. This Committee shall meet at least once a year to review the Bylaws and make specific recommendations for the long term strategic direction of the Chapter
- I. The Planning Committee shall include all the newly elected officers for the coming year and be directed by incoming President. It shall conduct a planning meeting of the Board of Governors between June 30 and September 1. The Board shall act on the recommendations of the Planning Committee, the Strategic Planning Committee, officers, governors and committee chairs and plan Chapter activities for the coming fiscal year. A copy of the planning report should be submitted to RMA.

7.04 The Chapter President may appoint such other committees, as he or she and Board deem necessary, including such committees RMA may from time to time suggest.

7.05 The Chapter President shall be an ex officio member of all committees.

Article VIII. Fiscal Year, Dues, and Dissolution

8.01 The fiscal year shall begin on September 1 of each year.

8.02 The Board of Governors shall review the need for annual local dues or special assessments. Any fees imposed shall be minimal and not unreasonably restrict participation by the general membership.

8.03 For financial reporting purposes, the Chapter will collect appropriate information from its Groups, if any, to be included in chapter reports and will not, as a general rule, prepare financial reports for external distribution. This does not preclude a periodic report to the Board of Governors on the financial condition of the Chapter.

8.04 Upon the dissolution of the Chapter, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the Chapter, dispose of all the assets of the Chapter exclusively for the purposes of the Chapter or its parent organization in such manner -- or to such organization or organizations organized and operated exclusively for charitable or educational purposes as shall at the time qualify as an exempt organization or organizations under section 501(C)(3) of the Internal Revenue Code of 1954

(or the corresponding provision of any future United States Internal Revenue Law) -- as the Board of Governors shall determine.

Article IX. Amendments

- 9.01 These bylaws may be amended by majority vote of the institutional members present at any general or special meeting or by the majority vote of the Board of Governors, provided that:
- A. Written notice is given to the institutional members at least ten days prior to such meeting;
 - B. The notice includes the wording of the section or sections to be revised as it stands before amendment and as it will read if approved; and
 - C. The amendment as proposed would not bring these bylaws into conflict with those of RMA Headquarters.