

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46

**BYLAWS OF
CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.
(a District of Columbia non-profit corporation)**

**ARTICLE I.
PURPOSE**

As set forth in Article THIRD of its Articles of Incorporation, Certified Financial Planner Board of Standards, Inc. (“Corporation”) is organized and shall be operated as a business league within the meaning of section 501(c)(6) of the Internal Revenue Code.

Subject to the foregoing, the specific purposes and objectives of the Corporation shall include but not be limited to the following except as restricted therein:

(a) To advance the financial planning profession; and

(b) To engage in any and all lawful activities incidental to the foregoing purposes except as restricted herein

**ARTICLE II.
MEMBERS**

Section 2.1 Members.

The members of the Board of Directors of Certified Financial Planner Board of Standards Center for Financial Planning, Inc. shall be the voting members of the Corporation. The Board of Directors may create additional classes or categories of non-voting membership. All benefits, privileges, financial obligations and criteria of eligibility for each class or category of non-voting members shall be established from time to time by resolution of the Board of Directors.

Section 2.2 Reserved Rights.

The voting Members shall elect the Board of Directors and remove Directors at any time, with or without cause, as set forth in Article III below. In addition, the Corporation may not take any of the following actions without voting Members approval:

(a) Amend the Articles of Incorporation or these Bylaws;

(b) Purchase or acquire substantially all of the assets of another entity or merge, consolidate with any domestic or foreign organization or lease or sell more than fifty percent (50%) of the Corporation’s property and assets to any entity in any one transaction or series of related transactions;

(c) Loan money or other assets to or guarantee the obligations of any person or entity;

47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93

- (d) Substantially change the present or now intended nature of the Corporation’s operations; or
- (e) Voluntarily dissolve.

The Members shall not have right or authority to direct the expenditure of Corporation assets, which authority is vested solely in the Corporation’s Board of Directors.

**ARTICLE III.
BOARD OF DIRECTORS**

Section 3.1 General Powers

Except as otherwise provided in the District of Columbia Nonprofit Corporation Act of 2010, as amended (“Act”), the Articles of Incorporation, or these Bylaws, the Board of Directors (“Board”) shall have full power and authority over the affairs of the Corporation.

Section 3.2 Qualifications

Each Director must be an individual who is eighteen years of age or older.

Section 3.3 Number and Classification

The number of elected Directors shall be no less than 11 and no greater than 19. At all times, no less than a majority of the elected Directors shall be CFP® professionals, and at least two Directors shall be “public members,” as defined by the Board.

Section 3.4 Nomination and Election

The voting Members shall determine the nomination and election process. By no later than the last meeting of the calendar year, the voting Members shall elect Directors for a term that shall begin on January 1. The voting Members may elect additional Directors for a term that shall begin on a date the Board determines.

Section 3.5 Term

The elected Directors shall be elected to staggered terms of three (3) years. A Director whose term begins after January 1 shall serve for a term determined by the Board that shall end no later than three years after January 1 of the calendar year in which the Director was elected. A Director’s term shall be extended to the extent necessary to permit a Director to serve his or her term as chair-elect and chair of the Board. No Director shall serve more than two (2) complete terms consecutively. The term(s) of a Director who serves as Board chair shall end when the Director’s term as Board chair ends. A Director who has served two (2) consecutive complete terms or served as Board chair in a first term may not serve another term until being out of office for at least one year; a Director’s term for this purpose shall not include any partial term served by reason of his or her election to fill a vacancy for an unexpired term.

94
95 Section 3.6 Resignation and Removal
96

97 Any Director may resign at any time by giving written notice to the chair of the Board or
98 the Corporation’s chief executive officer (“CEO”). A Director’s resignation shall take effect
99 upon receipt of the notice by the Corporation unless a later effective date is specified in such
100 notice. Any elected Director may be removed with or without cause, at a regular or special
101 meeting, by a majority vote of the Directors then in office or by the voting Members.
102

103 Section 3.7 Vacancies
104

105 Any vacancy in the office of an elected Director may be filled by the majority vote of the
106 Directors present or by the voting Members. The Board may hold an election for a vacancy
107 that will occur at a specific later date.
108

109 Section 3.8 Ex Officio Director
110

111 The CEO shall be a nonvoting ex officio Director of the Corporation.
112

113 Section 3.9 Compensation
114

115 Directors may receive reasonable compensation for their services as may be determined from
116 time to time by the Board.
117

118 Section 3.10 Regular Meetings
119

120 The Board shall have at least three regular meetings each calendar year to be held at a date,
121 time and location determined by the Board.
122

123 Section 3.11 Special Meetings
124

125 Special meetings of the Board shall be held upon the direction of the chair or the written
126 direction of the CEO or any three Directors. The chair, in consultation with the CEO, shall
127 fix the date, time, and location of the special meeting that is held upon the chair’s direction.
128 If a special meeting is held upon the direction of the CEO or other Directors, then the chair
129 and either the CEO or the other Directors should mutually agree upon the date, time and
130 location of any special meeting. If they are unable to mutually agree upon the date, time and
131 location, the special meeting shall occur via teleconference at 2 PM Eastern, ten business days
132 after the date of the request.
133

134 Section 3.12 Notice of Meetings
135

136 Directors must receive 30 days’ notice for regular meetings and 24 hours’ notice for
137 special meetings. Notice for a special meeting must include the date, time, location, and
138 business to be conducted at the special meeting. No business may be conducted at a special
139 meeting if it is not included in the notice.
140

141 Section 3.13 Attendance at Meetings

142
143 Directors are expected to attend all regular meetings in person. In extraordinary circumstances,
144 as determined by the chair, a Director may participate in a regular meeting through the use of
145 any means of communication by which all Directors participating may hear each other during
146 the meeting (“remotely”). Special meetings may be conducted in person or remotely. A
147 Director participating in a regular or special meeting remotely is deemed to be present in
148 person at the regular or special meeting and may vote by a method determined by the Board.

149
150 Section 3.14 Waiver of Meeting Notice

151
152 A Director may waive notice of any meeting before or after the time and date of the meeting
153 stated in the notice. Except as otherwise provided in this Section, the waiver shall be in writing
154 and signed by the Director entitled to the notice. Such waiver shall be delivered to the
155 Corporation for filing with the corporate records, but such delivery and filing shall not be
156 conditions of the effectiveness of the waiver. A Director’s attendance at or participation in a
157 meeting waives any required notice to that Director of the meeting unless: (a) at the beginning
158 of the meeting or promptly upon the Director’s later arrival, the Director objects to holding the
159 meeting or transacting business at the meeting because of lack of notice or defective notice
160 and does not thereafter vote for or assent to action taken at the meeting; or (b) if special notice
161 was required of a particular purpose pursuant to the Act or these Bylaws, the Director objects to
162 transacting business with respect to the purpose for which such special notice was required and
163 does not thereafter vote for or assent to action taken at the meeting with respect to such purpose.

164
165 Section 3.15 Quorum

166
167 A majority of the elected Directors in office shall constitute a quorum for the transaction of
168 business at any meeting of the Board.

169
170 Section 3.16 Voting

171
172 A majority vote of the Directors present is required for the matter voted on to be the act of
173 the Board. When the vote is by ballot, the chair will vote with the other elected Directors. In all
174 other methods of voting, the chair will vote only when his or her vote effects the outcome of the
175 vote.

176
177 Section 3.17 Voting by Proxy

178
179 No Director may vote or act by proxy at any meeting of the Board.

180
181 Section 3.18 Action by Unanimous Written Consent Without a Meeting

182
183 Any action required or permitted to be taken at a meeting of the Board may be taken without
184 a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the
185 Directors. Consents may be transmitted electronically.

186 Section 3.19 Board Committees and Task Forces

187
188 The Board may form committees composed only of Directors and task forces composed of
189 Directors and/or non-Directors to provide advice to the Board. The Board shall create
190 committees and task forces to carry out such responsibilities as specified in their respective
191 charters. The chair-elect shall be authorized to appoint individuals to the Board committees
192 and task forces for the coming year, subject to Board approval in accordance with the vote
193 required in Section 3.16 of these Bylaws. During the year, the chair may make changes to
194 Board committee and task force appointments, subject to Board approval in accordance with
195 the vote required in Section 3.16 of these Bylaws.
196

197 **ARTICLE IV.**
198 **BOARD OFFICERS**

199
200 Section 4.1 Board Officers

201
202 The officers of the Board (the “Board Officers”) shall be the chair of the Board and the chair-
203 elect. Board Officers shall have the authority and shall exercise the powers and perform the
204 duties as determined by the Board.
205

206 Section 4.2 Election and Term of Office

207
208 The Board of Directors shall elect, as determined by the Board, the Board Officers from the
209 eligible elected Directors, except that the chair-elect of the Board shall automatically succeed to
210 the office of the chair of the Board in the year following the year of his or her service as chair-
211 elect. A first-term Director and a Director who previously served as Board chair are not
212 eligible to be elected chair-elect unless no second-term Director seeks election and is elected.
213 Each Board Officer shall hold office for a term of one year that shall begin on January 1 and
214 end on December 31, or until such Board Officer’s resignation or removal. The office of
215 chair-elect shall be filled by the Director who is elected in accordance with the vote required
216 in Section 3.16 of these Bylaws.
217

218 Section 4.3 Resignation and Removal from Board Office

219
220 A Director may resign from Board Office at any time by giving written notice to the
221 Corporation. A Board Officer’s resignation shall take effect upon receipt of the notice by the
222 Corporation unless the notice specifies a later effective date. The Board may remove a Director
223 from Board Office at any time, with or without cause by a majority vote of the Directors then in
224 office or by the voting Members.
225

226 Section 4.4 Vacancies

227
228 A vacancy in the office of chair of the Board shall be filled by the chair-elect. A vacancy in the
229 office of chair-elect shall be filled in accordance with the vote required in Section 3.16 of
230 these Bylaws. The Board may hold an election for a vacancy that will occur at a specific later
231 date.
232

233 **ARTICLE V.**
234 **CORPORATE OFFICERS**

235
236 Section 5.1 Generality
237

238 The officers of the Corporation (the “Corporate Officers”) shall be the CEO, the Chief
239 Financial Officer, the Corporate Secretary and such other Corporate Officers as the CEO
240 may consider necessary or useful. Corporate Officers shall not be Directors of the Board (with
241 the exception of the CEO who shall be an ex officio nonvoting Director). The CEO of the
242 Corporation also shall be the CEO of Certified Financial Planner Board of Standards Center for
243 Financial Planning, Inc. The CEO shall be appointed by and serve at the pleasure of the Board.
244 The other Corporate Officers shall be appointed by and serve at the pleasure of the CEO.
245

246 Section 5.2 Authority and Duties of the CEO
247

248 The CEO shall, subject to the direction and supervision of the Board: (a) be the chief
249 executive officer of the Corporation and have general and active control of its affairs and
250 business and general supervision of its officers, agents and employees; (b) in the absence of the
251 chair and chair-elect of the Board, preside at all meetings of the Board; (c) see that all
252 resolutions and orders of the Board are carried into effect; and (d) perform all other duties
253 incident to the office of chief executive officer and as from time to time may be assigned to
254 such office by the Board.
255

256 The CEO may form, appoint members to, appoint the chair of, and oversee and supervise
257 the activities of councils, committees, commissions, and working groups composed of CFP[®]
258 professionals and members of the public, provided however that such bodies may not exercise
259 any power or authority reserved to the CEO or the Board by the Act, the Articles of
260 Incorporation or these Bylaws. The CEO shall form one or more commissions for providing
261 decisions related to the review and discipline of CFP[®] professionals.
262

263 The CEO may form and establish eligibility criteria for collective memberships and
264 register collective membership marks.
265

266 **ARTICLE VI.**
267 **PARLIAMENTARY AUTHORITY**
268

269 The rules contained in the current edition of *Robert’s Rules of Order Newly Revised* shall
270 govern the Board in all cases to which they are applicable and in which they are not
271 inconsistent with these Bylaws or any special rules of order of the Board.
272

273 **ARTICLE VII.**
274 **AMENDMENTS**
275

276 The Board of Directors may amend these Bylaws by a two-thirds vote of the Directors then
277 in office, except that changes to the quorum or voting requirement shall require the greater
278 of the quorum or voting requirement (a) then in effect or (b) proposed to be adopted. The
279 Corporation shall give at least 30 days’ notice to each Director of any meeting at which a

280 Bylaws amendment will be voted upon. The notice shall include a copy of the proposed
281 amendment. The special notice requirement set forth in this Article may be waived by a three-
282 fourths vote of the Directors then in office. Any amendments are subject to the approval of the
283 voting Members.

284
285 **ARTICLE VIII.**
286 **INDEMNIFICATION**

287
288 The Corporation, as determined by the Board, shall indemnify each person who is or was
289 a Director, officer, employee, or volunteer of the Corporation, and shall pay or reimburse in
290 advance the reasonable expenses (including counsel fees) of such person made a party to any
291 threatened, pending, or completed action, suit, or proceeding, whether civil, criminal,
292 administrative, or investigative and whether formal or informal, if (a) the person's conduct was
293 in good faith and (b) the person reasonably believed: (1) in the case of conduct in an
294 official capacity with the Corporation, that the conduct was in the Corporation's best interest;
295 (2) in all other cases, that the conduct was at least not opposed to the Corporation's best
296 interests; and (c) in the case of any criminal proceeding, the person had no reasonable cause to
297 believe the conduct was unlawful; and to the fullest extent permissible under the Act. The
298 Corporation in its discretion may also purchase insurance insuring its obligations hereunder or
299 otherwise protecting the persons intended to be protected by this Article. Any obligation that
300 the Corporation has to advance expenses under this Article shall be subject to the terms of such
301 insurance. Any repeal or modification of this Article shall be prospective only and shall not
302 adversely affect any right or indemnification of any person who is or was a Director, officer,
303 employee or volunteer of the Corporation existing at the time of such repeal or modification.
304 The Corporation shall have the right, but not the obligation, to indemnify any agent of the
305 Corporation not otherwise covered by this Article to the fullest extent permissible under the
306 laws of the District of Columbia.

307
308 If any provision of the Act or these Bylaws dealing with indemnification shall be invalidated
309 by any court on any ground, then the Corporation shall nevertheless indemnify each party
310 otherwise entitled to indemnification hereunder to the fullest extent permitted by law or any
311 applicable provision of the Act or these Bylaws that shall not have been invalidated.
312 Notwithstanding any other provision of these Bylaws, the Corporation shall neither indemnify
313 any person nor advance expenses or purchase any insurance in any manner or to any extent
314 that would jeopardize or be inconsistent with the qualification of the Corporation as an
315 organization described in section 501(c)(6) of the Internal Revenue Code.

316
317 **ARTICLE IX.**
318 **MISCELLANEOUS**

319
320 Section 9.1 Governance Policy Manual

321
322 The Board may adopt a Governance Policy Manual detailing, among other things, the scope
323 of authority of the CEO and the Board in relation to each other, operational limitations
324 imposed on the CEO and the Board, and other rules and policies concerning Board and
325 corporate governance. In the event of a conflict between the Governance Policy Manual, these
326 Bylaws, the Articles of Incorporation, or the Act, the latter shall control.

