

**BYLAWS**  
**OF**  
**JOINT DISCIPLINE COUNCIL**  
**(Adopted as of September 28, 2017)**

**ARTICLE I**

**Offices**

**Section 1. Principal Office.** Unless the Board of Directors determines otherwise, the principal office of Joint Discipline Council (hereinafter called the “Corporation”) shall be located in the District of Columbia.

**Section 2. Other Offices.** The Corporation may also have offices at such other places, both within and without the District of Columbia, as the Board of Directors may from time to time determine or the business of the Corporation may require.

**ARTICLE II**

**Members**

The Corporation shall have no members.

**ARTICLE III**

**Board of Directors**

**Section 1. Powers.** The business and affairs of the Corporation shall be managed by or under the direction and subject to the oversight of the Board of Directors, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not prohibited by statute or by the Articles of Incorporation or these Bylaws.

**Section 2. Number and Appointment.** The number of Directors which shall constitute the entire Board of Directors shall be ten (10), or such number as may be determined from time to time by amendment of these Bylaws, but which number in no case shall be less than three (3). No decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director. The individuals serving as the members of the Board of Directors shall be those who have been duly elected and/or appointed the respective President and President-

Elect of the following tax-exempt organizations: American Academy of Actuaries, ASPPA College of Pension Actuaries, Casualty Actuarial Society, Conference of Consulting Actuaries, and Society of Actuaries (collectively the “Associations”), subject to the provisions set forth in this Article III, Section 2. Each Director shall hold a term of office of one (1) year, which term shall begin on December 1 of the year in which such individual actually holds the office of President or President-Elect of an Association and shall continue until the earlier of:

(a) November 30 of the following year, notwithstanding that such individual’s tenure in office as President or President-Elect of an Association may have expired before November 30; (b) his or her death; (c) his or her resignation; or (d) his or her removal from the Board of Directors under Article II, Section 8. Directors need not be residents of the District of Columbia.

**Section 3. Regular Meetings.** The Board of Directors may provide by resolution the date, time and place for the holding of regular meetings, without other notice than such resolution.

**Section 4. Notice; Waiver of Notice.** Whenever any notice of a meeting of the Board of Directors is required to be given under provisions of the Articles of Incorporation or these Bylaws, (a) such notice shall be given either personally, by telephone, by mail, by e-mail (or other means of electronic communication), or by recognized national or international courier service, addressed to the Director at his or her address or telephone number as it appears on the records of the Corporation and, unless otherwise provided in these Bylaws, at least ten (10) days before the date designated for such meeting, or (b) a waiver of such notice in writing, signed by the person or persons entitled to such notice and filed with the records of the meeting, whether before or after the holding thereof, shall be equivalent to the giving of such notice. Notice shall be deemed given at the time when the same is personally delivered, deposited in the United States mail, with postage thereon prepaid, or sent on a prepaid basis by recognized national or international courier service, or sent by e-mail (or other means of electronic communication). Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. A Director’s attendance at or participation in any meeting also shall waive any required notice to the Director of the meeting, unless the Director at the beginning of the meeting, or promptly upon arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

**Section 5. Quorum and Vote at Meetings.** At any meeting of the Board of Directors, a majority of the Directors in office shall be necessary and sufficient to constitute a quorum for the transaction of all business, provided, however, that it includes at least two (2) Directors. A majority of the votes cast at a meeting of the Board of Directors, duly called and at which a quorum is present, shall be sufficient to take or authorize action upon any matter which may properly come before the meeting, unless the concurrence of a greater proportion is required for such action by statute, the Articles of Incorporation, or these Bylaws. If, at any meeting of the Board of Directors, there shall be less than a quorum present, a majority of those present may

adjourn the meeting, without further notice, from time to time until a quorum shall be present. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

**Section 6. Action Without Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if one or more consents in writing, setting forth such action, is signed or sent by e-mail and delivered to the Corporation by all of the Directors, and such written consent is filed with the minutes of proceedings of the Board. Such consent shall have the same force and effect as a unanimous vote.

**Section 7. Telephone Meetings.** Members of the Board of Directors may participate in a meeting of such Board of Directors or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting may simultaneously hear each other during the meeting. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

**Section 8. Resignation and Removal of Directors.** Any Director may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Chairperson or Secretary/Treasurer. The acceptance of a resignation shall not be necessary to make it effective. Directors may be removed from the Board of Directors either by: (a) a majority of the votes cast at any meeting of the Board of Directors duly called and at which a quorum is present; or (b) a change in the office of President or President-Elect by an Association, except for an expiration of the term of service as President or President-Elect of an Association, in which case, the provisions of Article II, Section 2, clause (a) shall control.

**Section 9. Replacement of a Director.** If a Director dies, resigns, or is removed from the Board of Directors under Article II, Section 8, then the seat occupied by such Director shall remain vacant until the Association of which such Director served as President or President-Elect shall appoint or elect a new President or President-Elect. Such newly appointed or elected President or President-Elect shall assume the vacant seat on the Board of Directors and shall serve the remaining term of the Director that has died, resigned, or been removed from the Board of Directors under Article II, Section 8.

**Section 10. Compensation and Reimbursement.** Directors of the Board of Directors shall not be entitled to compensation for their services as Directors. Directors of the Board of Directors shall be entitled, to the extent authorized by the Board of Directors, to reimbursement for any reasonable expenses incurred in attending meetings of the Board of Directors.

**ARTICLE IV**

**Officers**

**Section 1. Positions.** The officers of the Corporation shall be a Chairperson of the Board, a Secretary/Treasurer, and such other officers as the Board of Directors may appoint, and who shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors. Appointment of an officer shall not itself create any contractual rights. In no event shall the Chairperson and the Secretary/Treasurer be the same person. The Chairperson shall be selected from among the Presidents of the Associations represented on the Board of Directors, and shall rotate among the Associations according to a schedule. The Secretary/Treasurer shall be the Chief Financial Officer of, or a person exercising similar responsibilities for, the organization that is the administrative services provider to the Corporation. After the Board is fully constituted at the organizational meeting of the Corporation, the rotation schedule for the position of Chairperson shall be established by drawing names of the Associations represented on the Board of Directors. The initial Chairperson shall be the President of the Association whose name is drawn first, followed in order by the Presidents of the remaining Associations whose names are also so drawn, with the position of Chairperson then indefinitely rotated thereafter according to the order of the names drawn. The Presidents of each organization shall serve as follows:

<u>Year One</u>	
First Association Drawn	Chairperson
<u>Year Two</u>	
Second Association Drawn	Chairperson
<u>Year Three</u>	
Third Association Drawn	Chairperson
<u>Year Four</u>	
Fourth Association Drawn	Chairperson
<u>Year Five</u>	
Fifth Association Drawn	Chairperson

**Section 2. Election and Term of Office.** The Chairperson of the Board shall rotate in accordance with the chart in Article IV, Section 1 above. The Chairperson's term shall begin on December 1 of the year in which his or her Association is slated to provide the Chairperson under the chart in Article IV, Section 1 above and continue until the earlier of: (a) November 30 of the following year, notwithstanding that his or her tenure in office as President of an Association may expire before November 30 of the following year; (b) his or her

death; (c) his or her resignation; or (d) his or her removal from the Board of Directors under Article II, Section 8. If the Chairperson shall die while in office, resign before his or her term expires, or be removed from the Board of Directors before his or her term expires, the remainder of the Chairperson's term shall be filled by the person serving as President-Elect of the Association that is slated to provide the Chairperson under the chart in Article IV, Section 1. If neither the President nor President-Elect of the Association slated to provide the Chairperson is a member of the Board of Directors, then the Board of Directors shall elect a Chairperson from among the Presidents of the other Associations who remain on the Board (the "Replacement Chairperson"). The Replacement Chairperson shall serve in the office of the Chairperson until the next scheduled rotation of the office of the Chairperson unless, before such scheduled rotation, such individual dies in office, resigns, or is removed from the Board of Directors under Article II, Section 8, in which case, the Board of Directors shall select another Replacement Chairperson. The Replacement Chairperson need not be the person serving as President of the Association next slated in the rotation to provide the Chairperson.

**Section 3. Chairperson of the Board.** The Chairperson of the Board shall preside at all meetings of the Board of Directors and shall perform such other duties and have such other powers as may be vested in the Chairperson by the Board of Directors. To the extent any applicable law shall require the Corporation to have an officer with the title of President, the Chairperson shall hold such title to the extent so required.

**Section 4. Secretary/Treasurer.** The Secretary/Treasurer shall be the CFO of the service provider, and shall attend all meetings of the Board of Directors, and shall record, or caused to be recorded, all the proceedings of the meetings of the Board of Directors in a book to be kept for that purpose. The Secretary/Treasurer shall maintain, or cause to be maintained, and shall authenticate the records of the Corporation that are required to be maintained by applicable laws, and shall give, or cause to be given, notice of all special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors. The Secretary/Treasurer may also attest all instruments signed by the Chairperson of the Board.

The Secretary/Treasurer shall have the responsibility for the financial affairs of the Corporation, and shall ensure that the Corporation keeps full and accurate accounts of receipts and disbursements in books belonging to the Corporation, and shall ensure that deposits are in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Secretary/Treasurer, or a designee, shall cause to be disbursed, the funds of the Corporation, and shall render, or cause to be rendered, on a regular basis, to the Board of Directors at its meetings, an account of the financial condition of the Corporation.

## ARTICLE V

### **Indemnification, Insurance and Liability Limitation**

**Section 1. Indemnification.** To the fullest extent permitted by law, the Corporation shall indemnify a(n):

- (a) officer of the Corporation;
- (b) Director of the Corporation;
- (c) agent of the Corporation;
- (d) volunteer of the Corporation; or
- (e) individual appointed to a hearing panel, appeal panel, and any other special panel or committee that the Board of Directors may create (each of the persons listed in (a)-(e), a "Covered Person")

made, or threatened to be made, a party to or involved in any action, suit or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that such person, or a person of whom he or she is the legal representative, is or was a Covered Person or is or was serving at the request of the Corporation as a Covered Person against all expenses (including attorneys' fees), judgments, fines and amounts paid or to be paid in settlement incurred in connection with such action, suit or proceeding.

**Section 2. Limitation of Liability.** To the extent permitted by law, provided that the Corporation maintains liability insurance with a limit of coverage of not less than \$1,000,000 per individual claim and \$3,000,000 per total claims that arise from the same occurrence; volunteers of the Corporation shall be immune from civil liability and not be held personally liable in damages for any action or omission in providing services or performing duties on behalf of the Corporation; and, provided further; such limitation of liability for volunteers shall not apply when the injury or damage was a result of the volunteer's: (a) willful misconduct; (b) crime (unless the volunteer had reasonable cause to believe that the act was lawful); (c) transaction that resulted in an improper personal benefit of money, property or service to the volunteer; or (d) act or omission that was not in good faith and was beyond the scope of authority of the Corporation pursuant to applicable law or the Corporation's Articles of Incorporation.

**Section 3. Insurance.** Notwithstanding any other provision in these Bylaws, including this Article V, the Corporation shall purchase insurance on behalf of any individual who is or was a Director or officer of the Corporation, or who, while a Director or officer of the Corporation, serves or served at the Corporation's request as director, officer, partner, employee, or agent of another entity (including, but not limited to an employee benefit plan), against liability asserted against or incurred by the individual in that capacity or arising from the individual's status as director, officer partner, employee or agent of such other entity, whether or

not the Corporation would otherwise have power to indemnify or advance expenses to the individual against the same liability under the Act.

## ARTICLE VI

### **Contest of Validity of Corporation Actions**

**Section 1. Resolution of Challenge.** In the event that a Director or officer of the Corporation seeks to challenge the validity of an action taken by the Corporation or its Board of Directors, to the extent permitted by applicable law, the Corporation may direct that such challenge be resolved as follows: (a) If there are two or more disinterested directors, by a majority vote of all the disinterested directors, a majority of whom will constitute a quorum for that purpose, or by a majority of the members of a committee of two or more disinterested directors appointed by such a vote; or (b) By special legal counsel: (i) Selected in the manner prescribed in paragraph (a) of this Article VI, Section 1; or (ii) If there are fewer than two disinterested directors, selected by the Board of Directors, in which selection Directors who do not qualify as disinterested directors may participate.

**Section 2. Disinterested Director.** For purposes of this Article VI, a “disinterested director” shall have the meaning provided in applicable law, or if not so defined, shall mean a director who, at the time of a vote referred to in this Article VI, is not an individual having a familial, financial, professional, or employment relationship with the subject of the disputed corporate action, which relationship would, in the circumstances, reasonably be expected to exert an influence on the director’s judgment when voting on the decision being made.

## ARTICLE VII

### **Amendments of Bylaws**

Except as otherwise required by these Bylaws or applicable law, these Bylaws may be amended, repealed, or altered, in whole or in part, and new Bylaws may be adopted, by a majority of the votes cast at any meeting of the Board of Directors, duly called and at which a quorum is present.

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