

**FINANCIAL INTERMEDIATION RESEARCH SOCIETY
BY-LAWS**

ARTICLE I—NAME

The name of the Corporation is THE FINANCIAL INTERMEDIATION RESEARCH SOCIETY.

ARTICLE II—OFFICES

SECTION 2.1 PRINCIPAL OFFICE. The principal office for the transaction of business of the Corporation ("principal executive office") shall be located in the State of Florida. The Board of Directors of the Corporation, as described in Section 5.1 hereof, may change the principal executive office from one location to another within the State of Florida. This Section 2.1 may be amended to state any new location.

SECTION 2.2 OTHER OFFICES. The Board of Directors may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to do business, whether within or outside the State of Florida.

ARTICLE III—FOUNDING COMMITTEE

SECTION 3.1 STRUCTURE.

- a. **Purpose.** The Founding Committee shall assist in establishing the Corporation for the purpose of promoting and disseminating research in the economics of financial intermediation.
- b. **Members Named.** The members of the Founding Committee are as follows:

Founding Member	Institution
Franklin Allen	University of Pennsylvania
Yuk-Shee Chan	Hong Kong University of Science and Technology
Mark J. Flannery	University of Florida
Stuart Greenbaum	Washington University
Xavier Freixas	Pompeu Fabra University
Akiyoshi Horiuchi	University of Tokyo
Jan Pieter Krahn	University of Frankfurt
Loretta J. Mester	Federal Reserve Bank of Philadelphia
Raghuram Rajan	University of Chicago
Anjan Thakor	Washington University

- c. **Duties.** The Founding Committee shall set up the society and run it initially.
- d. **Termination.** The Founding Committee shall dissolve after the establishment of the Board of Directors.

ARTICLE IV—MEMBERSHIP

SECTION 4.1: CLASSES OF MEMBERS.

- a. **Members Named.** There shall be four (4) classes of members of the Corporation: Administrative Members, Regular Members, Student Members and Institutional Members. Only Administrative Members and Regular Members (hereinafter sometimes referred to as the "Voting Members") shall be eligible to vote or hold office in the Corporation.
 - i. **Administrative Members.** The then acting Officers of the Corporation shall be Administrative Members of the Corporation.
 - ii. **Regular Members.** Any individual interested in the economics of financial intermediation, except as described in clause (iii) hereof, is eligible to become a Regular Member. Membership requires paying an annual due and registering at the FIRS website (<http://www.finirs.org>).

iii. Student Members. Any student who is a degree candidate for any undergraduate or graduate degree at any educational institution accredited in the jurisdiction where located, is eligible to become a Student Member. No student may be a Student Member for more than four (4) years. No student may renew a Student Membership at any time when such student is employed on a full-time basis at the time of renewal. Student Members are not eligible to hold office in the Corporation and shall have no voting rights.

iv. Institutional Members. Any institution interested in furthering the study of the economics of financial intermediation, such as banks, savings and loans, insurance companies, libraries, research centers, educational institutions and the like, is eligible to become an Institutional Member of the Corporation. Institutional Members are not eligible to hold office in the Corporation and shall have no voting rights.

b. Termination of Membership. Members of the Board of Editors and the Officers of the Corporation shall be Administrative Members until they no longer hold positions on the Board of Editors or as Officers of the Corporation, as the case may be. Regular Members, Student Members and Institutional Members shall continue to be members until they fail to pay any required fee.

Annual Dues. Membership requires paying an annual due and registering at the FIRS website (<http://www.finirs.org>). In the future administrative members and regular members may be required to pay an equal amount of annual dues as determined by the Board of Directors. Student Members may be required to pay annual dues in an amount to be determined by the Board of Directors, which amount shall not exceed fifty percent (50%) of the annual dues to be paid by Regular Members and Administrative Members. Institutional Members may be required to pay annual dues in an amount to be determined by the Board of Directors.

SECTION 4.2 TRANSFER OF MEMBERSHIPS. Under no circumstances may a membership in the Corporation or any rights arising from such membership be transferred either voluntarily or involuntarily, whether free or for consideration. Any such attempted transfer shall be void.

SECTION 4.3 VOTING AND ATTENDANCE RIGHTS.

- a. Membership Voting Rights.** Administrative members and Regular Members are the only members of the Corporation entitled to vote. Student Members and Institutional Members shall have no voting rights.
- b. Membership Meetings.** Administrative Members and Regular Members are the only members of the Corporation entitled to attend membership meetings.

SECTION 4.4 MEETINGS.

- a. Place of Meetings.** Meetings of the Voting Members shall be held at any place within or without the State of Florida designated by the Board of Directors. In the absence of any such designation, meetings of the Voting Members shall be held at the principal executive office of the Corporation.
- b. Annual Meetings.** The Voting Members of the Corporation shall hold at least one regular meeting per year, namely, the annual meeting, which shall be held each year at the time, place and in conjunction with either the annual meeting of the American Finance Association or the annual meeting of the Western Finance Association or one of the conferences organized by the Society; provided, however, that the Board of Directors shall have the right to postpone the date of any annual meeting of Voting Members to a date not more than sixty (60) days after the date provided for such annual meeting in this subsection (b). In such event, the Board of Directors shall cause the Voting Members to be notified of the new date for the annual meeting as provided in subsection (d) hereof.
- c. Special Meetings.** Special meetings of the Voting Members of the Corporation may be called at any time by any of the following: the Board of Directors, or the President. In addition, special meetings of the Voting Members for any purpose may be called by five percent (5%) or more of the Voting Members.
- d. Notice of Members' Meetings.**

- i. General Notice Contents.** Except as provided in Section 8.1(b)(vi) hereof, all notices of meetings of Voting Members shall be sent by first-class mail, or e-mail, or otherwise made available on a public World Wide Web site maintained for the purposes of the Corporation, or otherwise given in accordance with this subsection (d) not less than ten (10) nor more than ninety (90) days before the date of the meeting to each Voting Member who, as of the time said notice is given, is entitled to vote thereat. The notices shall specify the place, date and hour of the meeting, and (1) in the case of a special meeting, the general nature of the business to be transacted, and that no other business may be transacted, or (2) in the case of the annual meeting, those matters which the Board, at the time of giving notice, intends to present for action by the Voting Members, but any proper matter may be presented at the meeting for such action. The notice of any meeting at which Officers are to be elected shall include the names of all those who are nominees at the time the notice is given to the Voting Members.
- ii. Notice of Certain Agenda Items.** Notwithstanding paragraph (i) hereof, if the action proposed to be taken at any meeting of Voting Members for approval includes any of the proposals hereinafter listed, the notice shall state the general nature of the proposal. Action by the Voting Members on the proposals hereinafter listed is invalid unless the notice states the general nature of the proposal. The proposals, which must be described in the notice, are as follows:
- (1) Removing a Director for cause
 - (2) Filling vacancies on the Board of Directors by the Voting Members;
 - (3) Amending the Articles of Incorporation; or
 - (4) Voluntarily dissolving the Corporation.
- iii. Manner of Giving Notice.** Notice of any meeting of Voting Members shall be given either personally or by first-class mail, e-mail, telegraphic or other written communications, charges prepaid, addressed to each Voting Member either at the address of that Voting Member appearing on the books of the Corporation or the address given by the Voting Member to the Corporation for the purpose of notice. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by electronic mail or sent by telegram or other means of written communication.
- iv. Affidavit of Mailing Notice.** An affidavit of the mailing or other means of giving notice of any meeting of the Voting Members may be executed by the Secretary, or any other Officers of the Corporation giving the notice, and if so executed, shall be filed and maintained in the minute book of the Corporation. Such affidavit shall be prima facie evidence of the giving of the notice.
- e. Quorum.** Six (6) Voting Members, including at least one (1) Officer of the Corporation and three (3) members of the Board of Directors, other than such Officer, all of whom are present in person or by proxy, shall constitute a quorum for the transaction of business at a meeting of the Voting Members. The Voting Members present at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Voting Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Voting Members required to constitute a quorum.
- f. Waiver of Notice.** The transactions of any meeting of Voting Members, either annual or special, however called and noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present in person, and if, either before or after the meeting, each person entitled to vote, who was not present in person, signs a written waiver of notice or a consent to the holding of such meeting, or a written approval of the minutes. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any annual or special meeting of Voting Members, except that if action is taken, or proposed to be taken, for approval of any of those matters specified in subsection (d) (ii) hereof, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents or approvals shall be filed with the records of the Corporation or made a part of the minutes of the meeting. In addition, attendance by a person at a meeting shall constitute a waiver of notice of such meeting, except (1) when the person objects,

at the beginning of the meeting, to the transaction of any business due to the inadequacy or illegality of the notice, and (2) that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by subsection (d) (ii) hereof to be included in the notice but not so included, if such objection is expressly made at the meeting.

- g. Conduct of Meetings.** Meetings of Voting Members shall be presided over by the President of the Corporation, or in her or his absence by any Vice President, or, in the absence of both, by a Voting Member of the Corporation chosen by a majority of the Voting Members present. The Secretary of the Corporation shall act as Secretary of the meeting. In the absence of the Secretary, the presiding Officer shall appoint a person to act as Secretary of the meeting.
- h. Voting.**
- i. Manner of Casting Votes.** Voting may be by voice or ballot, provided that any election of Directors must be by secret ballot if more than one person is nominated for any given place on the Board. The Executive Committee may specify that ballots submitted by regular mail and/or by email will also be counted in the election.
- ii. Cumulative Voting.** A Voting Member may not cumulate votes for the election of Directors. Each Voting Member shall be entitled to one vote on each matter submitted to a vote of members, including election of Directors.
- iii. Majority Vote.** If a quorum is present, the affirmative vote of a majority of the Voting Members represented at the meeting entitled to one vote on each matter, including, but not limited to, the election of Directors, shall be the act of the Voting Members, unless the vote of a greater number is required by the Florida Corporations Code.
- i. Adjournment.** Any meeting of Voting Members, annual or special, whether or not a quorum is present, may be adjourned by the vote of the majority of the Voting Members represented at that meeting. However, in the absence of a quorum, no other business may be transacted at that meeting, except as provided in this Section 4.4. Where a meeting of Voting Members is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the adjournment is for more than forty-five (45) days, then, and in such event, notice of the adjourned meeting shall be given to each Voting Member entitled to vote at the adjourned meeting in accordance with the provisions of subsection (d) hereof.

SECTION 4.5 ACTION BY WRITTEN CONSENT WITHOUT A MEETING.

- a. General.** Any action that may be taken at any annual or special meeting of Voting Members, including, but not limited to, the election of Directors, may be taken without a meeting if the Corporation distributes a written ballot to every member entitled to vote on the matter. All such written ballots shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, provide a reasonable time within which to return the written ballot to the Corporation, indicate the number of responses needed to meet the quorum requirement (as hereinafter described) and, with respect to ballots other than for the election of Directors, state the percentages of approvals necessary to pass the measure submitted. All solicitations of ballots shall indicate the time by which the ballot must be returned to be counted.
- b. Quorum Requirements.** Approval by written ballot pursuant to this Section 4.5 shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

SECTION 4.6 FREEDOM FROM LIABILITY. No member of the Corporation shall be personally liable for any of the debts, liabilities or obligations of the Corporation.

ARTICLE V—BOARD OF DIRECTORS

SECTION 5.1 COMPOSITION.

- a. Number.** The number of Directors of the Corporation shall be no less than six (6) and no more than forty (40); provided, however, that under no circumstances may more than forty-nine percent (49%) of the Directors be "interested persons." Each Director shall be a member of a Committee of this Corporation known as the "Board of Directors". For the purposes of this Section 5.1, an "interested person" means either:
 - i.** Any person currently being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full or part-time employee, independent contractor or otherwise, but excluding any reasonable compensation paid to a Director as a Director; or
 - ii.** Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of any person described in subsection (i) hereof.
- b. Members.** The following shall be Directors of this Corporation and in the aggregate shall constitute the Board of this Corporation:
 - i.** The Officers of the Corporation;
 - ii.** Others as appointed by the Officers of the Corporation.

SECTION 5.2 APPOINTMENT OF OFFICERS AND DIRECTORS. The initial Officers and Directors and their initial terms are as follows

Officers:

Franklin Allen	President	Three year term
Anjan Thakor	Vice President	Three year term
Mark J. Flannery	Secretary/Treasurer	Four year term

Directors:

Yuk-Shee Chan
 Xavier Freixas
 Stuart Greenbaum
 Akiyoshi Horiuchi
 Jan Pieter Krahnem
 Loretta J. Mester
 Raghuram Rajan

At the end of three years from January 1, 2003, the President and Vice President shall step down and be replaced in an election where all the Voting Members are eligible to vote. Two of the original directors will be chosen at random to step down. They will also be replaced in an election where all the Voting Members are eligible to vote. At the end of four years two more original directors will be chosen at random from the remaining four original directors and the Secretary/Treasurer will be replaced in an election where all the Voting Members are eligible to vote. Finally, at the end of the fifth year the three remaining original directors will step down and be replaced in an election where all the Voting Members are eligible to vote. Thereafter, any vacancies shall be filled in accordance with the various applicable sections hereof.

SECTION 5.3 TERMS OF OFFICE. The Officers of the Corporation shall serve for those terms specified in Section 6.2 hereof.

SECTION 5.4 VACANCIES.

- a. Events Causing Vacancy.** A vacancy or vacancies in the Board of Directors shall be deemed to exist upon the occurrence of the following:
- i.** The death or resignation of any Director;
 - ii.** A Director no longer serving the Corporation in one of the capacities listed in subsections (b)(i) through (b)(iii) of Section 5.1 hereof.
 - iii.** The declaration by resolution of the Board of a vacancy in the office of any Director who has been removed for Cause as provided for in subsection (c) hereof.
 - iv.** An increase in the authorized number of Directors; or
 - v.** The failure of the Board of Directors or the Voting Members, at any meeting of the Board of Directors or Voting Members at which any Director or Directors are to be elected, to elect the number of Directors to be elected at such meeting.

For purposes of this subdivision (a), if a Director has been declared of unsound mind by a final Order of any court, convicted of a felony or been found by final Order of any court to have breached a duty under the above-described Section 5.4.c and the Board does not declare a vacancy in the office of a Director within thirty (30) days after such court order becomes final, then any Director may file a complaint with the Superior Court of the proper County to remove such Director from office.

- b. Resignations.** Except as otherwise provided in this subsection (b), any Director may resign. Such resignation shall be effective upon such Director giving written notice to the President, the Secretary or the Board of Directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a Director is effective at a future time, the Board may elect a successor to take office when the resignation becomes effective. No Director may resign when the Corporation would then be left without a duly elected Director in charge of its affairs.
- c. Removal by Board for Cause.** Any Director maybe removed for cause at any time by a resolution duly adopted by two-thirds (2/3) of the Board of Directors at a special meeting of the Board, called for that purpose and duly noticed. A Board Member may be removed for cause if such Board Member has been declared of unsound mind by a final order of any court, been convicted of a felony, been found by final Order of any court to have breached a duty under any relevant Florida Corporations Code, or been determined by the Board to have failed to perform his or her corporate duties ("Cause"). Whenever a Director is removed for Cause, the Secretary shall give written notice of such removal to such Board Member. Removal of any Officer of the Corporation or member of the Board of Editors for Cause, will also serve as the removal of such individual from the Board of Directors.
- d. Vacancies Filled by Directors.** Any vacancy existing in the Board of Directors for whatever reason shall be filled by a majority of the Directors then in office, whether or not less than a quorum, or by the sole remaining Director. The person filling such a vacancy shall hold office as a Director until the expiration of the term of office of the Director whose vacancy he is selected to fill and a successor has been elected and qualified.
- e. No Vacancy on Reduction of Number of Directors.** No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

f.

SECTION 5.5 POWERS.

- a. General Corporate Powers.** Subject to the provisions of any relevant Florida Corporation Law and any limitations in the Articles of Incorporation and these By-laws relating to action required to be approved by the Voting Members, the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board, including, but not limited to, appointment of the Board of Editors.

- b. Specific Powers.** Without prejudice to the aforementioned general powers, and subject to the same limitations, the Directors shall have the power to:
- i.** Carry out the charitable purposes of the Corporation as expressed in its Articles of Incorporation.
 - ii.** Establish the policies of the Corporation.
 - iii.** Adopt rules and regulations, consistent with these By-laws, for the guidance of, and the management of, the affairs of the Corporation.
 - iv.** Select and remove all Officers, agents and employees of the Corporation; prescribe any powers and duties for them that are consistent with law, with the Articles of Incorporation, and with these By-laws; and fix their compensation.
 - v.** Change the principal executive office or the principal business office of the Corporation in the State of Florida from one location to another; cause the Corporation to be qualified to do business in any other state, territory, dependency or country and conduct business within or outside the State of Florida; and designate any place within or outside the State of Florida for the holding of any meeting of members, Voting or otherwise, including the annual meeting of Voting Members described in Section 4.4(b) hereof.
 - vi.** Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation's purposes, in the Corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.
 - vii.** Establish, in addition to the standing committees hereinafter provided for, such committees as the Board may deem necessary or desirable and fix the duties and powers of said other committees.

SECTION 5.6 DUTIES.

The Directors shall:

- a.** Perform any and all duties imposed on them collectively or individually by law, by the Articles of corporation of this Corporation or by these By-laws.
- b.** Cause to be kept open to the inspection of any person entitled thereto and making proper demand thereof, a book of minutes of all meetings of the Board of Directors, and adequate and correct books of account of the properties and business transactions of the Board of Directors, all in the form prescribed by law and showing the details required by law.
- c.** Meet at such times and places as required by these By-laws.

SECTION 5.7 MEETINGS.

- a. Place of Meetings; Meetings by Telephone.** Regular meetings of the Board of Directors may be held at any place within or outside the State of Florida that has been designated from time to time by resolution of the Board of Directors. In the absence of such designation, regular meetings shall be held at the principal executive office of the Corporation. Special meetings of the Board of Directors shall be held at any place within or outside the State of Florida that has been designated in the notice of the meeting or, if not stated in the notice, or if there is no notice, at the principal executive office of the Corporation. Notwithstanding the above provisions of this subsection (a), a regular or special meeting of the Board of Directors may be held at any place consented to in writing by all the members of the Board either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.
- b. Organizational Meeting.** Immediately before each annual meeting of Voting Members, at the same place where said annual meeting of Voting Members was held, the Board of Directors shall hold a regular meeting for the

purpose of organization, and the transaction of such other business as may properly come before the meeting. Notice of this meeting shall not be required.

- c. Other Regular Meetings.** Other regular meetings of the Board of Directors shall be held at such time as shall from time to time be fixed by the Board. Such regular meetings may be held without notice.
- d. Special Meetings.**
- i. Authority to Call.** Special meetings of the Board for any purpose may be called at anytime by the President. Such call shall be in writing and filed with the Secretary of the Corporation.
 - ii. Notice**
 - (1) **Manner of Giving.** Notice of the time and place of special meetings shall be given to each Director by one of the following methods: (I) by personal delivery or written notice; (II) by first-class mail, postage prepaid; (III) by telephone communication, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director; (IV) by telegram, charges prepaid or (V) by e-mail. All such notices shall be given or sent to the Director's address or directed at the Director's telephone number or e-mail address as shown on the records of the Corporation.
 - (2) **Time Requirements.** Notices sent by first-class shall be deposited into a United States mail box at least ten (10) days before the time set for the meeting. Notices given by personal delivery, telephone, telegraph or e-mail shall be delivered, telephoned, or given to the telegraph company at least seven (7) days before the time set for the meeting. Notwithstanding the foregoing, with respect to a special meeting called to amend the Articles of Incorporation or these By-laws, the notice shall be given, no matter by what means, at least ten (10) days before the time set for the meeting.
 - (3) **Notice Contents.** The notice shall state the time and place for the meeting. However, it need not specify the purpose of the meeting, except that where one of the purposes of the meeting is the amendment of the Articles of Incorporation or these By-laws, the notice shall so indicate.
- e. Quorum.** One-fifth (1/5) of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in subsection (h) of this Section 5.7. Every act or Law, including, but not limited to, those provisions relating to (i) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, and (ii) appointment of committees. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.
- f. Waiver of Notice.** The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present, and either before or after the meeting, each of the Directors not present signs a written waiver of notice, a written consent to holding the meeting or a written approval of the minutes with respect to such meeting. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the records of this Corporation or made a part of the minutes of the meeting. Waiver of notice of a meeting shall also be deemed given by any Director who attends the meeting without protesting prior thereto or at its commencement about the lack of adequate notice.
- g. Conduct of Meetings.** Meetings of Directors shall be presided over by the President of the Corporation, or in her or his absence, by the Vice President, or, in the absence of both, by a Director chosen by a majority of the Directors present. The Secretary of the Corporation shall act as Secretary of the meeting. In the absence of the Secretary, the presiding Officers shall appoint any Director present at the meeting to act as Secretary thereof.
- h. Adjournment.** A majority of the Directors present at a meeting, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting

need not be given, unless the meeting is adjourned for more than twenty-four (24) hours. In such event, before the adjourned meeting may resume notice of the time and place for resumption of the adjourned meeting shall be given in accordance with subsection (d) (ii) of this, Section 5.7 to the Directors who were not present at the time of the adjournment.

SECTION 5.8 ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as the unanimous vote of the Board. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

SECTION 5.9 FEES AND COMPENSATION OF DIRECTORS. Directors shall serve without compensation for any services rendered by them to the Corporation in their capacity as a Director; provided, however, that any Director may receive reimbursement from the Corporation for reasonable expenses incurred by such Director in his capacity as a Director.

SECTION 5.10 LIMITATION. A person who is a Director of the Corporation shall not solicit services from the Corporation through any procedure or means which would not be available to such person were he not a Director; and the Corporation shall not, in providing services or purchasing services, equipment or other supplies, give preferential treatment to any person by reason of the fact that such person is a Director, or a relative of a Director of this Corporation as defined in Section 5.1(a) (ii) hereof. In determining whether a majority of the Directors approve the Corporation entering into any transaction in which a Director, or a relative of a Director, as defined in said Section 5.1(a)(ii), has a material financial interest, the material facts of the transaction and the Director's interest therein shall be fully disclosed to the Board prior to the approval thereof and the vote of such interested Director shall not be taken into account in determining whether the Board has approved such transaction.

SECTION 5.11 FREEDOM FROM LIABILITY. No Director of the Corporation shall be personally liable for any of the debts, liabilities or obligations of the Corporation.

ARTICLE VI—OFFICERS

SECTION 6.1 NUMBER AND TITLES. The Officers of the Corporation shall be a President, a Vice President, a Secretary/Treasurer. The President will also act as Chair of the Board of Directors. The Corporation may also have, at the discretion of the Board of Directors, additional Vice Presidents, one or more Assistant Secretaries and Assistant Treasurers and such other Officers as may be appointed in accordance with the provisions of Section 6.3 hereof. No individual may serve concurrently as more than one Officer; provided, however, that the same person may serve concurrently as both the Secretary and Treasurer.

SECTION 6.2 QUALIFICATIONS, ELECTION, TERM OF OFFICE AND VACANCIES. The initial Officers of the Corporation and their terms shall be as specified in Section 5.2 hereof. After that each Officer shall serve for a three (3) year term or until (1) her or his successor is elected, (2) her or his resignation, or (3) her or his removal at the pleasure of the Board of Directors, whichever shall first occur. Notwithstanding the foregoing, the first term of the Secretary and/or Treasurer shall be for four (4) years as explained in Section 5.2. Thereafter, each term of the Secretary and the Treasurer shall each be for a period of three (3) years. Vacancies among the Officers shall be filled by the Board of Directors. Individuals selected to fill a vacancy as an Officer of the Corporation shall hold such office until her or his successor is duly elected and qualified, until her or his earlier resignation or until removed by the Board of Directors. No individual may be elected as President or as a Vice President more than once. There is no limit on the number of terms an individual may serve as the Secretary and/or Treasurer or as a Director. All members of the Board of Editors may simultaneously be an Officer of the Corporation.

SECTION 6.3 SUBORDINATE OFFICERS. The Board of Directors may appoint, and may authorize the President or another Officer to appoint, such other Officers for the Corporation as its business may require, each of whom shall have the title,

hold office for the period, have the authority and perform the duties as may be specified in these By-laws or determined from time to time by the Board of Directors.

SECTION 6.4 REMOVAL OF OFFICERS. Subject to the rights, if any, of an Officers under any contract of employment, any Officers may be removed for Cause, as defined in Section 5.4(c) hereof, by a resolution duly adopted by the Board of Directors.

SECTION 6.5 RESIGNATION OF OFFICERS. Any Officers may resign at any time by giving written notice to the Board of Directors. Any such resignation shall be effective as of the giving of such written notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the Officers is a party.

SECTION 6.6 RESPONSIBILITIES OF OFFICERS.

- a. President.** The President shall, subject to the control of the Board, generally supervise, direct and control the business and the Officers of the Corporation. She or he shall preside at all meetings of the Board. She or he shall have such other powers and duties as may be prescribed by the Board of Directors or these By-laws, which may include, but shall not be limited to, the following: the power to execute all agreements with governmental agencies for funding of the Corporation and all leases of real property; and the power, with the approval of the Board, to appoint the chairpersons of all committees, except the Executive Committee. He shall also be a member, ex-officio with vote, of all standing committees (except that the President may designate a Vice President to be a member, ex-officio with vote, of any standing committee, in place of the President); and perform such other duties as may be required of him by these By-laws.
- b. Vice Presidents.** The Corporation shall have one Vice President and such additional Vice Presidents as the Board of Directors may determine in its discretion. In the absence or disability of the President, the Vice President, or if more than one, in order of their rank as fixed by the Board of Directors or, if not ranked, the Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors.
- c. Secretary.** The Secretary shall be responsible for the following:
 - i. Book of Minutes.** The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of Directors, committees of Directors, and members, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings and the proceedings of such meetings.
 - ii. Membership Records.** The Secretary shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the Board of Directors, a record of the corporate members, showing the names of all members and their addresses.
 - iii. Notices, Seal and Other Duties.** The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors required to be given by these By-laws. The Secretary shall keep the seal of the Corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by law, the Board, the Articles of Incorporation or these By-laws.
- d. Chief Financial Officer.** The Secretary/Treasurer will act as the Society's Chief Financial Officer, and shall attend to the following:

- i. Books of Account.** The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times.
- ii. Deposit and Disbursement of Money and Valuables.** The Chief Financial Officer shall deposit all moneys and other valuables in the name of, and to the credit of, the Corporation with such depositories as may be designated by the Board; shall disburse the funds of the Corporation as may be ordered by the Board; shall render to the President and the Directors, whenever they request it, an account of all of his transactions as Chief Financial Officer and of the financial condition of the Corporation; and shall have other powers and perform such other duties as may be prescribed by the Board or these By-laws.
- iii. Delegation of Duties.** The Chief Financial Officer may delegate all or part of his duties to such other Officers of the Corporation as the Chief Financial Officer may from time to time designate in writing.

ARTICLE VII—COMMITTEES

SECTION 7.1 STANDING COMMITTEES. The Board shall by resolution establish one or more of the following standing committees:

a. Executive Committee.

- i.** The Executive Committee shall be comprised of the President, the Vice President, the Secretary/Treasurer. The President shall be the Chair of the Executive Committee.
- ii.** Subject to any limitation contained in the Florida Nonprofit Corporation Law, the Executive Committee shall have the full powers of the Board of Directors between meetings of the Board of Directors, whether regular or special, except that the Executive Committee may not remove any member of the Board of Directors.
- iii.** All actions taken by the Executive Committee shall be reported at the next meeting of the Board.
- iv.** Meetings of the Executive Committee shall be held at the call of the President or any other member of the Committee.

SECTION 7.2 SPECIAL COMMITTEES. In addition to the standing committees described in Section 8.1 hereof, the Board of Directors may by resolution establish any special committee, which it deems necessary to accomplish the purposes of the Corporation.

SECTION 7.3 ACTION OF COMMITTEES. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Directors may adopt rules for the governing of any committee not inconsistent with the provisions of these By-laws.

ARTICLE VIII—RECORDS AND REPORTS

SECTION 8.1 MAINTENANCE AND INSPECTION OF ARTICLES AND BY-LAWS. The Corporation shall keep at its principal executive office, the original or a copy of the Articles of Incorporation and these By-laws, as amended to date, which shall be open to inspection by the members, Voting or otherwise, at all reasonable times during office hours.

SECTION 8.2 MAINTENANCE OF OTHER CORPORATE RECORDS. The accounting books, records and minutes of proceedings of the Voting Members, the Board of Directors and Committees of the Board of Directors, if any, shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the principal executive office of the Corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed or printed form.

SECTION 8.3 EXECUTION OF CHECKS AND OTHER DOCUMENTS. All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness, issued in the name of, or payable to, the Corporation, shall be signed or endorsed by such person or persons, and in such manner as shall be determined, from time to time, by resolution of the Board of Directors. The Board of Directors, except as otherwise provided in these By-laws or by applicable law, may authorize any Officer or Officers, agent or agents to enter into any contracts or execute any instruments in the name of the Corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors or by these By-laws, no Officers, agent or employee of the Corporation shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credits, or to render it liable for any purpose or to any amount.

ARTICLE IX—MISCELLANEOUS PROVISIONS

SECTION 9.1 FISCAL YEAR. The fiscal year of the Corporation shall be determined by resolution adopted by the Board of Directors.

SECTION 9.2 PARLIMENTARY PROCEDURE. The rules contained in Robert's Rules of Order, latest revision, shall govern the Corporation in all cases to which they are applicable and in which they are not inconsistent with applicable law or with the Articles of Incorporation, these By-laws or Special Rules of Order of the Corporation.

SECTION 9.3 CONSTRUCTION AND DEFINITIONS. Unless the context requires otherwise, the general provisions, rules of construction and definitions in the Florida Nonprofit Corporation Law shall govern the construction of these By-laws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes an individual, corporation, partnership or any other type of entity.

SECTION 9.4 SEVERABILITY. If any provision of these By-laws is determined by a Court of competent jurisdiction or otherwise to be illegal or invalid, these By-laws shall be interpreted as though such illegal or invalid provision was never made a part of these By-laws.

ARTICLE X—AMENDMENTS

SECTION 10.1 AMENDMENT OF MEMBERS. New By-laws may be adopted or these By-laws may be amended or repealed in whole or in part upon approval by the Board or upon the petition of any fifty (50) Voting Members which are received at least one hundred and eighty (180) days in advance of the next annual meeting as defined in Section 4.4(b) hereof, by a majority vote of the Voting Members in conformity with the provisions of Section 4.4(h)(iii) hereof. No amendment affecting the number, duties or obligations of the Directors may be adopted without approval of a majority of the Board of Directors.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the duly elected and acting Secretary of the THE FINANCIAL INTERMEDIATION RESEARCH SOCIETY, a Florida nonprofit corporation, and that the above By-laws, consisting of twenty six (26) pages, including the page setting forth this certificate, constitute the original By-laws of the Corporation as adopted at the first meeting of the Board of Directors of the Corporation held on (to be filled in).
IN WITNESS WHEREOF, I have hereunto subscribed my name.

Mark J. Flannery
Secretary