



AAACE International Certification Institute, Inc. Bylaws

Adopted: April 20, 2022

ARTICLE 1. NAME AND PURPOSES

The name of the corporation shall be AAACE International Certification Institute, Inc. (the "Corporation"). The Corporation is organized exclusively for purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code (or the corresponding section of any future Federal tax code), and, specifically, to develop, oversee, and manage professional certification programs associated with Total Cost Management and related practices, and to promote such certification programs to individuals and businesses in furtherance of the cost management profession.

ARTICLE 2. OFFICES AND REGISTERED AGENT

The principal office of the Corporation shall be located within or without the State of West Virginia, at such place as the Corporation's Board of Directors (the "Board") shall from time to time designate. The Corporation may maintain additional offices at such other places as the Board may designate. The Corporation shall continuously maintain within the State of West Virginia a registered agent as may be designated from time to time by the Board.

ARTICLE 3. MEMBERS

Section 3.01. Eligibility

Any person or entity who supports the mission and purposes of the Corporation and who satisfies those requirements in Section 3.04 of these Bylaws shall be eligible for membership as approved by the Board of Directors.

Section 3.02. Application

Application for membership in the Corporation shall be established by the Board and may be amended from time to time. Any applicant approved to be a member of the Corporation shall become a member upon payment of the regularly scheduled dues as provided in Section 3.03 of these Bylaws.

Section 3.03. Membership Dues

Membership dues, if any, shall be at such rates, schedules, and/or formulas as may be from time to time prescribed by the Board.

Section 3.04. Membership

Organizational Member: The Organizational Member of the Corporation shall be AAACE International. Organizational Members shall be entitled to such rights and privileges as determined by the Board of

Directors from time to time. Organizational Members shall be entitled to voting rights as specified in these Bylaws and by law.

Individual Members: Individual Members shall be those individuals who obtain and/or maintain certification in good standing through the Corporation. Individual Members shall not be entitled to any voting rights.

ARTICLE 4. BOARD OF DIRECTORS

Section 4.01. Power of Board

The affairs of the Corporation shall be managed by the Board.

Section 4.02. Number of Directors

The number of Directors of the Corporation shall be not less than three and not more than 15. The number of Directors may be increased or decreased from time to time by the affirmative vote of the voting members. The Executive Director/CEO shall be an *ex officio* member of the Board without a vote.

Section 4.03. Term and Election of Directors

(a) The first Board shall consist of those persons named in the Articles of Incorporation. The terms of Directors shall be one (1) year, with the ability to serve a second consecutive or non-consecutive term. Such persons shall hold office until their qualified successors have been duly appointed.

(b) Directors shall be appointed by the Corporation's Organizational Member(s).

(c) Each Director shall hold office until his/her term expires or until his/her qualified successor has been appointed, whichever occurs later.

Section 4.04. Qualifications

All Directors must be natural persons at least 18 years of age. Directors need not be residents of the State of West Virginia.

Section 4.05. Removal of Directors

A Director may be removed by the Corporation's Organizational Member(s), whenever in their judgment the best interests of the Corporation would be served thereby.

Section 4.06. Resignation

Except as otherwise required by law, a Director may resign from the Board at any time by giving notice in writing to the Board. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein, no acceptance of such resignation shall be necessary to make it effective.

Section 4.07. Vacancies

Vacancies shall be filled by a vote of the Corporation's Organizational Member(s). A Director appointed to fill a vacancy shall serve the unexpired term of his/her predecessor in office or until his/her qualified successor is appointed, whichever occurs later.

Section 4.08. Quorum of Directors and Action by the Board

Unless a greater proportion is required by law, a majority of the Directors then in office shall constitute a quorum for the transaction of business. For calculation of a quorum, and for all voting by the Board, telephonic or electronic participation as well as physical presence shall be considered present. Except as otherwise provided by law or by the Articles of Incorporation or these Bylaws, the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 4.09. Meetings of the Board

(a) Meetings of the Board, regular or special, may be held at such place within or without the State of West Virginia as may be determined by the Board as described in Section 4.10(b).

(b) An annual meeting shall be held once a year on and at a date, time, and location set by the Board. The Board shall hold at least one regular meeting per year, but may meet more frequently if it desires to do so.

(c) Special meetings of the Board, if any, shall be preceded by at least one day's written or oral notice of the date, time, and location of the meeting.

(d) A Director's attendance at any meeting shall constitute waiver of notice of such meeting, excepting such attendance at a meeting by the Director for the purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

(e) Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting.

Section 4.10. Informal Action by Directors; Meetings by Conference Telephone

(a) Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken by the Board may be taken without a meeting if all of the Directors consent in writing through electronic mail, fax, or mail authorizing the action ("unanimous written consent"). The written consents by the Directors shall be filed with the minutes of proceedings of the Board. A unanimous written consent has the effect of action taken at a meeting of the Board and may be described as such.

(b) Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any or all Directors may participate in a meeting of the Board by means of conference telephone or by other means by which all Directors participating are able to simultaneously hear each other during the meeting, and such participation shall constitute presence in person at the meeting.

Section 4.11. Voting

Each Director shall have one vote. All voting at meetings shall be done personally and no proxy voting shall be permitted.

Section 4.12. Compensation

Directors shall not receive any compensation from the Corporation for services rendered to the Corporation as Directors, except that Directors may be reimbursed for expenses incurred in the performance of their duties to the Corporation in reasonable amounts, based on policies approved by the Board.

ARTICLE V. OFFICERS, AGENTS, AND EMPLOYEES

Section 5.01. Officers

The Organizational Member(s) shall appoint a Chair, Vice Chair, Treasurer, and Secretary. The Officers must be Directors of the Corporation and no two offices may be held by the same person. The Board may at any time create other Officer positions if it believes that the best interests of the Corporation would be served thereby, with the Board to determine whether those new positions may be held by non-Directors and/or the same person who holds other offices.

Section 5.02. Term and Election of Officers

The Chair, Vice Chair, Secretary, and Treasurer shall be appointed for two-year terms. The Officers may serve one additional consecutive or non-consecutive term. Vacancies may be filled or new offices created and filled by the Corporation's Organizational Member(s). Each Officer shall hold office until a qualified successor has been duly appointed.

Section 5.03. Removal

Any Officer may be removed by vote of the Organizational Member(s) whenever the best interests of the Corporation would be served thereby.

Section 5.04. Resignation from Office

Officers may resign at any time by providing written notice to the Board.

Section 5.05. Vacancies

In the event of a vacancy in any Officer position, the Organizational Member(s) shall appoint a Director to fill such seat for the remainder of the term.

Section 5.06. Powers and Duties

The powers and duties of the Officers shall be as follows:

- (a) Chair. The Chair shall be the principal Officer of the Corporation and shall, in general, supervise and control all the business and affairs of the Corporation. The Chair shall preside at all meetings of the Board. The Chair may sign, with any other proper officer of the Corporation thereunto authorized by the Board, any deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed, except in cases where the signing and execution therefor shall be expressly delegated by the Board or by these Bylaws to some other officers or agents of the Corporation, or shall be required by law to be otherwise signed or executed. The Chair shall perform all other duties customary to that office and such other duties as may from time to time be assigned to him/her by the Board.
- (b) Vice Chair. The Vice Chair shall assist the Chair in all duties, preside over meetings in the absence of the Chair, and perform all other duties that may be assigned to him/her by the Board.
- (c) Secretary. The Secretary shall keep the minutes of the meetings of the Board. The Secretary shall ensure that all notices are fully given to the Directors in accordance with these Bylaws or as required by law, and be custodian of the records of the Corporation. The Secretary shall make any reports as may be required of the Corporation, and, in general, perform all duties incident to the office of Secretary and such other duties as may be assigned by the Chair and/or the Board. The Secretary may assign and oversee any of his/her duties to any authorized agent or employee of the Corporation.
- (d) Treasurer. The Treasurer shall be the chief financial officer of the Corporation and (1) have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever; and deposit such moneys in the name of the Corporation in such banks, trust companies, or other depositories as shall be

selected in accordance with the provisions of these Bylaws; and (2) in general, perform all the duties incident to the office of Treasurer and such other duties as may be assigned by the Chair or the Board. The Treasurer may assign and oversee any of his/her duties to any authorized agent or employee of the Corporation.

Section 5.07. Agents and Employees

The Board may choose to appoint other agents or employees, who shall serve at the pleasure of and be overseen by the Board, unless such authority is delegated by the Board to the Chair and/or to others. Such agents or employees shall have such authority and perform such duties as may be required of them to carry out the affairs of the Corporation.

Section 5.08. Compensation

The Corporation may pay compensation in reasonable amounts to officers, agents, and employees of the Corporation for services rendered subject to the approval of the Organizational Member. The Board shall determine the level of compensation for any compensated officers of the Corporation, based on policies approved by the Board, and shall approve compensation guidelines for other compensated agents or employees.

ARTICLE VI. COMMITTEES

Section 6.01. Committees of Directors

The Board, by resolution adopted by a majority of the Directors then in office, may designate and appoint the members of one or more committees, each consisting solely of two or more Directors, which committees shall have and exercise the powers of the Board in the governance of the Corporation ("Board Committees"). However, no Board Committee shall have the authority to adopt, amend, or repeal Bylaws; elect, appoint, or remove any Director, officer, or Board Committee member; fill vacancies on the Board, in any officer position, or on any Board Committees; adopt a plan of merger or consolidation; authorize the voluntary dissolution of the Corporation; or approve the transfer of any of the Corporation's assets. Board Committees shall be subject to Sections 4.08 through 4.12 of these Bylaws.

Section 6.02. Advisory Committees

The Board may create and appoint the members of other, non-Board committees as it shall deem appropriate ("Advisory Committees"). Advisory Committee members need not be Directors. Advisory Committees may not exercise any powers of the Board, but may make non-binding recommendations to the Board.

Section 6.03. Term of Office

The term of each committee member shall be defined in the Corporation's policies and procedures or in each committee's authorizing charter, or until the committee is disbanded.

Section 6.04. Removal, Resignation, and Vacancies

(a) Members of Board Committees may be removed by majority vote of the Directors then in office, whenever in their judgment the best interests of the Corporation would be served thereby. Members of Board Committees may resign at any time by providing written notice to the Board. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein, no acceptance of such resignation shall be necessary to make it effective. Vacancies in the membership of Board

Committees may be filled by majority vote of the remaining Directors then in office for the unexpired term of his/her predecessor in office or until his/her successor is elected and qualified, whichever occurs later.

(b) Members of Advisory Committees may be removed by the Board, whenever in its judgment the best interests of the Corporation would be served thereby. Members of Advisory Committees may resign at any time by providing written notice to the Board. Vacancies in the membership of Advisory Committees may be filled by the Board for the unexpired term of his/her predecessor in office or until his/her successor is elected or appointed and qualified, whichever occurs later.

Section 6.05. Rules

Each committee may adopt rules for its own governance not inconsistent with these Bylaws or with any rules adopted by the Board, and no proxy voting shall be permitted for Board Committees.

ARTICLE VII. MISCELLANEOUS

Section 7.01. Fiscal Year

The fiscal year of the Corporation shall be the calendar year unless such other period shall be fixed by the Board.

Section 7.02. Contracts and Other Documents

The Board may authorize the Chair or other officers or agents to enter into contracts or to execute and deliver other documents and instruments on the Corporation's behalf. Such authority may be general or confined to specific instances.

Section 7.03. Gifts

The Board of Directors may authorize the Chair or other officers or agents of the Corporation to accept on behalf of the Corporation any contribution, gift, bequest, or devise in furtherance of the purposes of the Corporation.

Section 7.04. Loans

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

Section 7.05. Checks, Drafts, Etc.

All checks, drafts, or other orders for the payment of money, or to sign acceptances, notes, or other evidence of indebtedness issued in the name of the Corporation, shall be signed/approved by such officer or officers, or agent or agents, of the Corporation and in such manner as shall be from time to time determined by the Board.

Section 7.06. Deposits

All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may from time to time select.

Section 7.07. Books and Records

The Corporation shall maintain at its principal office: (a) correct and complete books and records of account, (b) minutes of the proceedings of the Board, any Board Committees, and any designated bodies of the Board, (c) the names and addresses of its current Directors and officers, (d) the Corporation's current Articles of Incorporation, Bylaws, and Board-approved policies, (e) the most recent biennial report filed with the State of West Virginia, and (f) all documents required to be maintained by organizations exempt from Federal income tax under Internal Revenue Code Section 501(c)(6) (or the corresponding section of any future Federal tax code). All books and records of the Corporation may be inspected by any Director having voting rights, or his/her agent or attorney, for any proper purpose at any reasonable time.

Section 7.08. Policies and Procedures

The Board shall be empowered to develop and maintain a compendium body of Corporation policies and procedures, herein referred to as the Organization Manual, for the purposes of defining administrative and organizational means and methods of transacting the governance requirements defined by these Bylaws. The Organization Manual shall be made publicly available and shall follow the established policy for review and revisions. The Manual is reviewed at least once per year. Amendments are made by a majority vote of the Board. The Secretary is charged with leading this effort.

Section 7.09. Loans to Directors and Officers

No loans shall be made by the Corporation to its Directors or officers.

Section 7.10. Indemnification and Insurance

The Corporation shall indemnify and hold harmless any Director, officer, or employee of the Corporation to the maximum extent allowed by law. In providing this indemnification, the Corporation shall follow the procedures described in the West Virginia Nonprofit Corporation Act. Further, the Corporation shall indemnify and advance expenses to a Director, officer, or employee who is party to a proceeding because he or she is or was a Director, officer, or employee of the Corporation, except for (a) liability in connection with a proceeding by or in the right of the Corporation other than for reasonable expenses incurred in connection with the proceeding; or (b) liability arising out of conduct that constitutes (i) receipt by the Director, officer, or employee of a financial benefit to which he/she is/was not entitled, (ii) an intentional infliction of harm on the Corporation, or (iii) an intentional violation of criminal law. The Board may authorize the purchase of insurance on behalf of any Director, officer, employee, or other agent against any liability asserted against or incurred by him/her which arises out of such person's status as a Director, officer, employee, or agent of the Corporation or out of acts taken in such capacity, whether or not the Corporation would have the power to indemnify the person against that liability under law.

Section 7.11. Prohibitions and Limitations

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its Directors, officers, employees, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 3 hereof. Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on (i) by a Corporation exempt from Federal income tax under Section 501(c)(6) of the Internal Revenue Code (or the corresponding section of any future Federal tax code), or (ii) by a Corporation, contributions to which are tax-deductible under section 170(c)(2) of the Internal Revenue Code (or the corresponding section of any future Federal tax code).

Section 7.12. Dissolution

Upon the termination or dissolution of the Corporation, any assets lawfully available for distribution, after paying or adequately providing for the debts and obligations of the Corporation, shall be distributed to one or more qualifying organizations described in Section 501(c)(6) or 501(c)(3) of the Internal Revenue Code (or the corresponding section of any future Federal tax code), which organization(s) have purposes which, at least generally, includes a purpose similar to the Corporation. The determination of which organization(s) shall receive such assets hereunder shall be made by the affirmative vote of a majority of the members of the Board of Directors then in office and approved by the Organizational Member(s).

Section 7.13. Amendment of Bylaws

The Corporation reserves the right to amend or repeal, by the affirmative vote of the voting members, any of the provisions contained in these Bylaws.