

# Investment Company Institute

# Certificate of Incorporation and Bylaws

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# Investment Company Institute Certificate of Incorporation and Bylaws

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# Certificate of Incorporation of Investment Company Institute

Investment Company Institute (the “Corporation”), a non-profit corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (“General Corporation Law”), hereby certifies as follows:

- A.** That the Corporation was originally incorporated on June 17, 1976 pursuant to the General Corporation Law.
- B.** Pursuant to Section 245 of the General Corporation Law, this Amended and Restated Certificate of Incorporation restates and integrates and further amends the provisions of the Certificate of Incorporation of this Corporation.
- C.** Pursuant to Sections 141 and 242 of the General Corporation Law, the amendments and restatement herein set forth have been duly approved by the governing body of the Corporation referred to herein as the Board of Governors and members of the Corporation.
- D.** The Certificate of Incorporation is hereby amended and restated in its entirety as follows:

**FIRST:** The name of the corporation is INVESTMENT COMPANY INSTITUTE.

**SECOND:** The registered office of the Corporation in the State of Delaware is to be located at No. 100 West Tenth Street, in the City of Wilmington, County of New Castle. The name of the Corporation’s registered agent is The Corporation Trust Company.

**THIRD:** The Corporation is a non-profit organization organized under Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (“Code”), or the corresponding provision of any future United States Internal Revenue law.

**FOURTH:** The purpose of the Corporation is to strengthen the foundation of the asset management industry for the ultimate benefit of the long-term individual investor by

- » Building a strong foundation for the industry by helping to strengthen policy and regulatory frameworks and encouraging sound governance, operational, and fiduciary practices,
- » Serving as a focal point for collaboration among members in proactively addressing the industry’s most critical strategic issues and in setting robust standards that help the industry grow in a sustainable way, and
- » Advancing the interests of the individual investor through education and expanding access to regulated funds and other professionally managed products that help them meet their financial goals,

and to engage in such other acts and carry on such other business and affairs as may be permitted for non-profit corporations under the General Corporation Law of Delaware and the laws of the United States of America. Notwithstanding any provision of this Certificate of Incorporation or any provisions of applicable state law, the Corporation shall not have the power to carry on any activities the existence of

which would cause it to fail to qualify as an organization exempt from tax under Section 501(c)(6) of the Code or the corresponding provision of any future United States Internal Revenue law.

**FIFTH:** No part of the net earnings of the Corporation shall ever inure to the benefit of or be distributable to any of its members, Governors, or officers, or to any other person having a personal or private interest in the activities of the Corporation. The Corporation shall not be authorized to accept gifts or contributions or other funds for purposes other than the purposes of the Corporation herein stated.

**SIXTH:** The Corporation shall be a membership corporation and shall have no authority to issue capital stock. The conditions of membership and the voting powers of the members shall be as set forth in the Bylaws of the Corporation. Except as otherwise expressly set forth in the General Corporation Law, as the same exists or may hereafter be amended, the Certificate of Incorporation or the Bylaws of the Corporation, no member of the Corporation shall be entitled to vote.

**SEVENTH:** No officer, member of the Board of Governors, employee of the Corporation, or other person shall receive or be lawfully entitled to receive any pecuniary profit or benefit from the operations of the Corporation, except reasonable compensation for services actually rendered to or on behalf of the Corporation. A Governor shall not be personally liable to the Corporation or its members for monetary damages for breach of fiduciary duty as a Governor, except to the extent such exemption from liability or limitation thereof is not permitted under the General Corporation Law, as the same exists or hereafter may be amended. Any repeal or modification of the foregoing sentence shall not adversely affect any right or protection of a member of the Board of Governors of the Corporation existing hereunder with respect to any act or omission occurring prior to such repeal or modification.

**EIGHTH:** The members of the Board of Governors of the Corporation shall be divided into four classes of not more than fifteen Governors each. Election of the members of any class of the Board of Governors need not be by written ballot. The immediate past Chair of the Board also shall be a member of the Board of Governors.

**NINTH:** In the event of the liquidation, dissolution, or winding up of the Corporation, whether voluntary, involuntary, or by operation of law, except as may be otherwise provided by law, the Board of Governors shall have the power to dispose of the assets of the Corporation in such manner as it, in its sole discretion, may determine; provided however, that any such disposition shall be either (i) for one or more tax exempt purposes within the meaning of Section 501(c)(6) of the Code, or the corresponding provision of any future United States Internal Revenue law, or (ii) to the Federal government, or to a State or local government, for a public purpose. Notwithstanding the foregoing, any of the assets not disposed of by the Board of Governors under this Article shall be disposed of by a court of competent jurisdiction exclusively for the purposes set forth in (i) and (ii) above, or to such organization or organizations, which, in such court's sole determination, are organized and operated exclusively for such purposes.

**TENTH:** Unless inconsistent with law, any amendment to this Certificate of Incorporation shall require the approval of a majority of the votes entitled to be cast by the members or group of members of the Corporation.

IN WITNESS WHEREOF, said Corporation has caused this Amended and Restated Certificate of Incorporation to be signed by its duly authorized officer this 11th day of October, 2022.

Eric J. Pan  
President

# Investment Company Institute Bylaws

## ARTICLE I—*Purposes and Definitions*

**SECTION 1.** The purpose of the corporation is to strengthen the foundation of the asset management industry for the ultimate benefit of the long-term individual investor by

- » Building a strong foundation for the industry by helping to strengthen policy and regulatory frameworks and encouraging sound governance, operational, and fiduciary practices,
- » Serving as a focal point for collaboration among members in proactively addressing the industry's most critical strategic issues and in setting robust standards that help the industry grow in a sustainable way, and
- » Advancing the interests of the individual investor through education and expanding access to regulated funds and other professionally managed products that help them meet their financial goals,

and to engage in such other acts and carry on such other business and affairs as may be permitted for non-profit corporations under the General Corporation Law of Delaware and the laws of the United States of America. The corporation is organized and will be operated exclusively as a business league within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

**SECTION 2.** For purposes of these Bylaws, the phrase “under substantially common management” is intended to include entities that are under substantially common management, ownership or sponsorship or that are otherwise part of a common enterprise. By way of illustration, management investment companies are deemed to be “under substantially common management” if they have the same sponsor or their sponsors are under substantially common management or ownership, or if they are organized as separate series of a trust that is registered under the Investment Company Act of 1940. Similarly, a management investment company sponsor and a unit investment trust sponsor are deemed to be “under substantially common management” if the two sponsors are under substantially common management or ownership.

**SECTION 3.** For purposes of these Bylaws, the term “regulated investment fund” means any collective investment vehicle that (1) primarily invests in securities, (2) is substantively regulated, (3) is eligible for public sale, and (4) meets such other eligibility criteria as the Board of Governors or the members of the corporation may establish from time to time.

**SECTION 4.** For purposes of these Bylaws, the phrase “operating as an exchange-traded fund” refers to an investment company registered as such under the Investment Company Act of 1940 that issues redeemable securities and makes its shares available to investors primarily through secondary market transactions on exchanges at market prices. The investment company may be structured either as a management investment company of the open-end type or as a unit investment trust.

## ARTICLE II—Offices

**SECTION 1.** The corporation may have offices at such places both within and without the State of Delaware as the Board of Governors may determine or as the affairs of the corporation may require from time to time.

## ARTICLE III—Division and Members of the Corporation

**SECTION 1.** The members of the corporation shall be organized into six divisions; namely, the open-end investment company division, the closed-end investment company division, the investment adviser division, the underwriter division, the unit investment trust division, the global division, and an affiliate membership category.

**SECTION 2. *Open-End Investment Company Division.*** Any management investment company of the open-end type registered as such under the Investment Company Act of 1940 is eligible for membership in the open-end investment company division of the corporation and may become a member by signifying an intention to do so on a form adopted by the Board of Governors and by agreement to be subject to the provisions of the Certificate of Incorporation and Bylaws of the corporation. Any investment company registered as such under the Investment Company Act of 1940 and operating as an exchange-traded fund is eligible for membership in the open-end investment company division of the corporation and may become a member by signifying an intention to do so on a form adopted by the Board of Governors and by agreement to be subject to the provisions of the Certificate of Incorporation and Bylaws of the corporation.

**SECTION 3. *Closed-End Investment Company Division.*** Any management investment company of the closed-end type registered as such under the Investment Company Act of 1940 or that has elected to be regulated as a business development company is eligible for membership in the closed-end investment company division of the corporation and may become a member by signifying an intention to do so on a form adopted by the Board of Governors and by agreement to be subject to the provisions of the Certificate of Incorporation and Bylaws of the corporation.

**SECTION 4. *Investment Adviser Division.*** Every entity which acts as investment adviser to a member investment company pursuant to a written contract with such company, and which does not sponsor any registered investment company which is not a member, is eligible for membership in the investment adviser division of the corporation, and may become a member by signifying an intention to do so on a form adopted by the Board of Governors and by agreeing to be subject to the provisions of the Certificate of Incorporation and Bylaws of the corporation. By resolution adopted by the Board of Governors, an entity that sponsors a member investment company may be eligible for membership in the investment adviser division under the terms and conditions established by the Board of Governors.

**SECTION 5. *Underwriter Division.*** Every entity which acts as underwriter to a member investment company pursuant to written contract is eligible for membership in the underwriter division of the corporation, and may become a member by signifying an intention to do so on a form adopted by the Board of Governors and by agreeing to be subject to the provisions of the Certificate of Incorporation and Bylaws of the corporation.



**SECTION 6. *Unit Investment Trust Division.*** Any sponsor of a unit investment trust registered as such under the Investment Company Act of 1940 is eligible for membership in the unit investment trust division of the corporation and may become a member by signifying intention to do so on a form adopted by the Board of Governors and by agreeing to be subject to the provisions of the Certificate of Incorporation and Bylaws of the corporation. Trustee banks to unit investment trusts that are sponsored by members of the corporation are eligible to participate in unit investment trust division activities but will not be considered members of the corporation.

**SECTION 7. *Global Division.*** Every entity which (1) acts as, or is under substantially common management with, the promoter, investment manager, investment adviser, trustee, authorized corporate director, management company, or equivalent sponsoring entity to a regulated investment fund organized outside of the United States, and (2) does not sponsor, and is not affiliated with the sponsor of, any US registered management investment company that is not a member, is eligible for membership in the global division of the corporation, and may become a member by signifying an intention to do so on a form adopted by the Board of Governors and by agreeing to be subject to the provisions of the Certificate of Incorporation and Bylaws of the corporation.

**SECTION 8. *Individual Member Division.*** Any individual who is a full-time employee or partner of a member of the open-end investment company division, the closed-end investment company division, the investment adviser division, the underwriter division, or the unit investment trust division and affirms to the corporation that they are willing to participate in the corporation's government affairs efforts is eligible for membership in the individual member division of the corporation, and may become a member by signifying an intention to do so on a form adopted by the Board of Governors and by agreeing to be subject to the provisions of the Certificate of Incorporation and Bylaws of the corporation.

**SECTION 9. *Affiliate Member.*** Any non-profit corporation organized under Section 501(c)(6) of the Internal Revenue Code which supports the purposes and activities of the corporation is eligible for affiliate membership and may become an affiliate member by signifying intention to do so by agreement to the terms and conditions of affiliate membership established by the corporation. Such affiliate members are not entitled to vote on any matter coming before the members, unless otherwise specifically afforded such right by the Board of Governors.

**SECTION 10.** No management investment company which is one of a group of investment companies under substantially common management shall be a member of either the open-end or closed-end investment company division of the corporation unless (1) all domestic management investment companies in such group are, or shall become, members of the appropriate division; and (2) any investment company in such group operating as an exchange-traded fund is, or shall become, a member of the open-end investment company division. No unit investment trust sponsor shall be a member of the unit investment trust division unless all domestic management investment companies sponsored by, or whose sponsor is under substantially common management with, the unit investment trust sponsor, are, or shall become, members of the appropriate division. Each such member company shall be severally entitled to all the rights and benefits of membership and shall be subject to all the provisions of the Certificate of Incorporation and Bylaws of the corporation in the same manner as all other members.

**SECTION 11.** No management investment company shall be a member of either the open-end or closed- end investment company division of the corporation unless its investment adviser, if any, and, in the case of an open-end investment company, its underwriter, if any, are respectively members of the investment adviser and underwriter divisions of the corporation, provided that an investment adviser or underwriter which is not substantially engaged in the investment advisory, underwriting, or other securities business need not become a member; and further provided that the Board of Governors, in its discretion, may except any investment adviser or underwriter from this requirement. Where a member management investment company has more than one investment adviser or underwriter, the Board of Governors may, in its discretion provide that only one of the investment advisers or underwriters, as the case may be shall be required to become a member. No management investment company shall be a member of either the open-end or closed- end investment company division of the corporation unless any entity that (1) is, or is under substantially common management with, the investment adviser of such management investment company, and (2) acts as promoter, investment manager, investment adviser, trustee, authorized corporate director, management company, or equivalent sponsoring entity to any regulated investment fund organized outside of the United States, is, or shall become, a member of the global division, provided that the Board of Governors, in its discretion, may except any entity from this requirement. Where more than one entity within a group of entities under substantially common management meets the criteria in clauses (1) and (2) of this section, the Board of Governors may, in its discretion provide that only one of such entities shall be required to become a member of the global division.

**SECTION 12.** The Board of Governors, by the vote of a majority of its members, may terminate the membership of any member which becomes ineligible for membership, is in default in the payment of dues, or otherwise fails to adhere to the provisions of the Certificate of Incorporation and these Bylaws. No dues previously paid shall be refunded.

**SECTION 13.** Any member may resign from the corporation at any time by filing a written resignation with the Secretary, but with respect to any member which files a resignation less than thirty (30) days prior to the beginning of any fiscal year of the corporation the obligation to pay dues for such fiscal year shall continue.

**SECTION 14.** Any member the membership of which has been terminated by the Board of Governors, or which resigns from the corporation shall cease to have any rights as a member of the corporation, including but not limited to rights in respect of any assets of the corporation, and shall not be entitled to recover any dues or other charges theretofore paid.

**SECTION 15.** Upon written request filed with the Secretary, the Board of Governors, by the vote of a majority of its members, may reinstate a former member to membership upon such terms as the Board of Governors deems appropriate.

**SECTION 16.** Membership in the corporation shall not be transferable or assignable.

## **ARTICLE IV—*Business Standards of Members***

**SECTION 1.** There are sound ethical business principles and practices, subscription to which is necessary if there is to be maintained a high standard of conduct in the operation and management of investment companies, and their investment advisers, underwriters and sponsors. The members of this corporation subscribe to these business principles and practices.

**SECTION 2.** The basic principle which should govern all officers, trustees, directors, partners and employees of member companies of the corporation is that the functions of such companies should be carried on with fidelity to the interests of the security holders of investment companies and of the investing public generally. The performance of such functions should conform in all particulars to just and equitable principles of conduct in the administration and management of investment companies and their investment advisers, underwriters and sponsors.

**SECTION 3.** In amplification of the foregoing basic principle, the Board of Governors is authorized to adopt, from time to time, guiding principles or best practices for the application of this basic principle in specific aspects of the investment company and investment advisory business.

## **ARTICLE V—*Dues***

**SECTION 1.** Membership dues and the terms of their payment shall be established each fiscal year by the Board of Governors.

## **ARTICLE VI—*Meeting and Action of Members***

**SECTION 1.** An annual meeting of the members shall be held at the beginning of the corporation's fiscal year for the purpose of electing Governors and for the transaction of such other business as may come before the meeting. If the election of Governors shall not be held on the designated day for the annual meeting, the Board of Governors shall cause the election to be held as soon thereafter as convenient. Elections of the Board of Governors need not be by written ballot.

**SECTION 2.** Special meetings of the members may be called by the Chair of the Board of Governors, two or more Governors, or not less than one-tenth (1/10) of the members.

**SECTION 3.** The Chair of the Board of Governors may designate any place, either within or without the State of Delaware, as the place of meeting for any annual meeting or for any special meeting or may determine that a meeting shall be held solely by means of remote communication. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be at the principal office of the corporation.

**SECTION 4.** The Chair of the Board of Governors, the Vice Chair, or such person as the Chair or Vice Chair may designate, shall preside at all meetings of the members.

**SECTION 5.** Written notice stating the place, day and hour of any meeting of members shall be given either by mail or electronically to each member or group of members entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting by the President or the Secretary, or the persons calling the meeting. In case of a special meeting, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be given when deposited in the United States mail addressed to the member or group of members at its address as it appears on the records of the corporation, with postage thereon prepaid. If sent electronically, the notice of a meeting shall be deemed to be given when sent.

**SECTION 6.** Any action required to be taken at a meeting of the members, or any action which may be taken at any meeting of the members, may be taken without a meeting, without prior notice and without a vote, if consents in writing setting forth the action so taken, shall be signed by members or groups of members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all the members or groups of members entitled to vote thereon were present and voted. Prompt notice of the taking of the action without a meeting by less than unanimous written consent shall be given to those members or groups of members entitled to vote thereon which have not consented in writing.

**SECTION 7.** At any meeting a quorum for the transaction of any item of business shall consist of a majority of the votes entitled to be cast in respect of such item of business, present in person or present by proxy, unless otherwise provided by law, the Certificate of Incorporation or these Bylaws. If a quorum is not present, a majority of the members or groups of members entitled to vote which are present may adjourn the meeting from time to time without notice.

**SECTION 8.** At any meeting at which a quorum is present for the transaction of any item of business, a majority of the votes entitled to be cast in respect of such item of business, present in person or represented by proxy, shall decide such item of business, unless otherwise provided by law, the Certificate of Incorporation or these Bylaws.

**SECTION 9.** Each member of the corporation shall be entitled to one vote with respect to matters affecting the division from which its membership derives, and one vote with respect to matters affecting the corporation as a whole except that (i) each group of members deriving its membership from the investment adviser division, the members of which group are under common control, shall collectively be entitled to one vote with respect to matters affecting the investment adviser division, and one vote with respect to matters affecting the corporation as a whole, and (ii) each group of members deriving its membership from the underwriter division, the members of which group are under common control, shall collectively be entitled to one vote with respect to matters affecting the underwriter division, and one vote with respect to matters affecting the corporation as a whole. No member or group of members shall be entitled to any vote with respect to matters affecting only one division unless such division is the division from which its membership derives. A member or group of members may authorize another person or persons to act for it by proxy, but no proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period.

Notwithstanding any provision of this Section 9, if the number of votes that a group of member investment companies under substantially common management, together with their investment adviser and principal underwriter, are entitled to vote is equal to or are greater than 5% of the total number of votes entitled to vote, then the number of votes such group of investment companies, together with their investment adviser and principal underwriter, shall be entitled to vote shall be limited to one vote less than 5% of the total number of votes.

**SECTION 10.** Action by the Board of Governors of the corporation, or any divisional or other committee of the corporation, or the members of the corporation, shall not preclude members of the corporation in their individual capacity from taking action with respect to the subject matter of the action.

## ARTICLE VII—*Board of Governors*

**SECTION 1.** The management and administration of the affairs of the corporation shall be vested in the Board of Governors, which shall have all the powers necessary for, or incidental to, such management and administration and the promotion of the objects and purposes of the corporation. The Board of Governors shall adopt a budget for each fiscal year.

**SECTION 2.** The Board of Governors shall be composed of up to sixty-one (61) members, sixty (60) of whom shall be elected by the members of the corporation. In addition, the immediate past Chair of the Board of Governors of the corporation shall serve as a Governor. All Governors shall be officers, directors, partners or trustees of members of the corporation. The Board of Governors may from time to time prescribe qualifications for its members, in addition to those set forth in this Article, so that the Board is reflective of the members of the corporation. The Governors, other than the immediate past Chair of the Board of Governors, shall be divided into four (4) classes, each class to consist of up to fifteen (15) Governors. At each annual meeting, up to fifteen (15) Governors shall be elected for a term of up to four (4) years. Each Governor elected by the members of the corporation shall hold office until the officeholder's successor is elected and qualified or such earlier time as the officeholder shall die, resign, be disqualified, or be removed. The immediate past Chair of the Board of Governors shall hold office during the successor's term(s) as Chair.

**SECTION 3.** The Board of Governors shall elect from its members a Chair and a Vice Chair. The Board of Governors may prescribe qualifications for the Chair. The Chair shall be an ex-officio member of all Committees of the Board. Unless the Board of Governors provides otherwise, the Vice Chair shall assume all duties and responsibilities of the Chair when the Chair is unavailable.

**SECTION 4.** Any Governor may resign at any time upon written notice to the corporation. Vacancies and other changes in membership of the Board of Governors may be filled by a majority of the Governors in office, though less than a quorum. Any Governor chosen to fill a vacancy shall hold office for the unexpired term of the previous officeholder.

## ARTICLE VIII—*Meetings and Action of Board of Governors*

**SECTION 1.** A regular meeting of the Board of Governors shall be held after the annual meeting of members and prior to October 30 of each year, at such place as may be designated by the Chair of the Board of Governors. If no designation is made, the place of meeting shall be at the principal offices of the corporation. The Chair of the Board of Governors may designate the time and place, either within or without the State of Delaware, for the holding of additional regular meetings of the Board of Governors.

**SECTION 2.** Special meetings of the Board of Governors may be called by the Chair or at the request of any five (5) Governors. The Chair of the Board of Governors may designate any place, either within or without the State of Delaware, as the place of meeting for any special meeting of the Board of Governors.

**SECTION 3.** Written notice of any special meeting of the Board of Governors shall be given, either personally, by mail, or electronically, to each Governor, at least one (1) day before the date of such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the Governor at the address appearing on the records of the corporation. If sent electronically, notice shall be deemed to be given when sent.

**SECTION 4.** Members of the Board of Governors may participate in a meeting of the Board of Governors by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such a meeting shall constitute presence in person at such meeting.

**SECTION 5.** Any action required to be taken at a meeting of the Board of Governors, or any action which may be taken at a meeting of the Board of Governors, may be taken without a meeting and without prior notice if consents in writing setting forth the action so taken shall be obtained from all Governors.

**SECTION 6.** When deemed appropriate or expedient, the Board of Governors may permit a member of the Board of Governors to designate a representative from their firm to attend a meeting of the Board of Governors for informational purposes only.

**SECTION 7.** At any meeting of the Board of Governors a quorum for the transaction of any item of business shall consist of two-fifths of the total number of members of the Board of Governors, unless otherwise provided by law, the Certificate of Incorporation or these Bylaws.

**SECTION 8.** At any meeting of the Board of Governors at which a quorum is present for the transaction of any item of business, a majority of the Governors present shall decide such item of business, unless otherwise provided by law, the Certificate of Incorporation or these Bylaws.

## ARTICLE IX—*Committees*

**SECTION 1.** The activities of the corporation may be carried out by committees, which may include Committees of the Board, divisional and standing committees of members, the Independent Directors Council and other bodies, as authorized by the Board of Governors (collectively, “Committees”).

**SECTION 2.** Divisional committees may be composed of representatives of the respective divisions, subject to approval by the Board of Governors. To the extent authorized by the Board of Governors, such committees may take such action as they deem appropriate, consistent with the purposes of the corporation and within the jurisdiction of the respective division, except that no Divisional committee may act in place of the Board of Governors.

**SECTION 3.** The Board of Governors may appoint from its members an Executive Committee which, to the extent authorized by the Board of Governors, may exercise the powers of the Board of Governors between meetings of the Board of Governors. The Board of Governors also may appoint from its own members such additional Committees of the Board as it deems necessary or advisable, and may fix the powers of any committee so appointed.

**SECTION 4.** Members of any Committee of the Board may participate in a meeting of any such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such a meeting shall constitute presence in person at such meeting.

**SECTION 5.** Any action required to be taken at a meeting of any Committee of the Board, or any action which may be taken at a meeting of any such committee, may be taken without a meeting and without prior notice if consents in writing setting forth the action so taken shall be obtained from all such committee members.

**SECTION 6.** At any meeting of any Committee of the Board, a quorum for the transaction of any item of business shall consist of two-fifths of the total number of committee members, unless otherwise provided by law, the Certificate of Incorporation or these Bylaws.

**SECTION 7.** At any meeting of any Committee of the Board at which a quorum is present for the transaction of any item of business, a majority of the committee members present shall decide such item of business, unless otherwise provided by law, the Certificate of Incorporation or these Bylaws.

**SECTION 8.** The policies and procedures for management of Committees not otherwise provided for in these Bylaws may be established by the Board of Governors or its designee. Staff of the corporation shall monitor and manage all Committees as authorized by the Board.

## **ARTICLE X—*Compensation of Governors and Committee Members***

**SECTION 1.** No member of the Board of Governors and no divisional or other committee member shall receive any compensation for services as such, but, if approved by the Board of Governors, each person may receive reimbursement for reasonable out-of-pocket expenses incurred in connection with the work of the corporation.

## **ARTICLE XI—*Associate Persons***

**SECTION 1.** By resolution adopted by the Board of Governors, other persons concerned with (1) providing services to investment companies or their investment advisers, underwriters or sponsors, (2) the distribution of investment company shares or (3) the rendering of investment advice to investment companies or others, may become associated with the corporation with respect to matters of common interest and the facilities of the corporation may be made available to such organizations. The amounts to be paid to the corporation with respect to the association of such persons shall be determined by the Board of Governors.

## **ARTICLE XII—Officers and Employees**

**SECTION 1.** The officers of the corporation shall be a President, Chief Operating Officer, General Counsel, Secretary and Treasurer and such other officers as the Board of Governors deems necessary or desirable. The authority and duties of officers, including those specifically mentioned above, may be prescribed by the Board of Governors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

**SECTION 2.** The Board of Governors also may employ, or authorize the employment of, such other persons as it deems necessary or desirable to carry on the work of the corporation, and it shall have the power to fix the compensation of such persons, and to provide such benefits to such persons as it deems desirable.

**SECTION 3.** The Board of Governors may retain such legal counsel for the corporation as it deems necessary or advisable.

**SECTION 4.** The officers of the corporation shall be elected by the Board of Governors to serve until the next annual meeting of the Board of Governors or until such time as may be determined by the Board of Governors by resolution. New offices may be created and filled at any meeting of the Board of Governors. Each officer shall hold office until the officeholder's successor shall have been duly elected and qualified or such earlier time as the officeholder shall die, resign, be disqualified, or be removed.

**SECTION 5.** Any officer elected or appointed by the Board of Governors may be removed by the Board of Governors whenever in its best judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

**SECTION 6.** Any officer may resign at any time upon written notice to the corporation. Any vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Governors for the unexpired portion of the term.

## **ARTICLE XIII—Contracts, Checks, Deposits and Funds**

**SECTION 1.** The Board of Governors may authorize any officer or officers, agent or agents of the corporation, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

**SECTION 2.** All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agents or agents of the corporation and in such manner as the Board of Governors may designate from time to time.

**SECTION 3.** All funds of the corporation shall be deposited from time to time in such depositories, including but not limited to bank and trust companies, or invested in such obligations, including but not limited to Treasury Bills, bank certificates of deposit, commercial paper and shares of short-duration pooled investment vehicles, as the Board of Governors may determine.

## **ARTICLE XIV—Indemnification of Officers, Directors, Employees and Agents**

**SECTION 1.** The corporation shall indemnify Governors, officers and other authorized employees or agents of the corporation against claims for liability arising in connection with their positions or activities on behalf of the corporation to the full extent permitted by law.



## **ARTICLE XV—Fiscal Year**

**SECTION 1.** The fiscal year of the corporation shall begin on the first day of October, and end on the last day of September.

## **ARTICLE XVI—Financial Statements**

**SECTION 1.** The corporation shall make its audited financial statements available to members on an annual basis.

## **ARTICLE XVII—Seal**

**SECTION 1.** The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words, “Corporate Seal, Delaware.” The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

## **ARTICLE XVIII—Waiver of Notice**

**SECTION 1.** Whenever any notice is required to be given pursuant to law, the Certificate of Incorporation or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance of a person at a meeting of members, Governors or members of a committee, shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the members, Governors or members of a committee need be specified in any written waiver of notice unless so required by the Certificate of Incorporation or these Bylaws.

## **ARTICLE XIX—Amendments to Bylaws**

**SECTION 1.** These Bylaws may be altered, amended or repealed by the vote of (1) a majority of the votes entitled to be cast by the members or groups of members of the corporation or (2) a majority of the entire Board of Governors.



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