



Association of Inspectors General

Historic Carpenters' Hall

320 Chestnut Street

Philadelphia, PA 19106

(as amended October 9, 2012)

Articles of Organization, Constitution and Bylaws

ARTICLE I. Seal

Section 1. Seal. The seal shall be circular in form with the name of the corporation (Association of Inspectors General) with the month, date, year and place of establishment (October 26, 1996, Carpenters' Hall, Philadelphia, PA.) around the periphery and a facsimile of historic Carpenters' Hall within.

ARTICLE II. Name and Purpose

Section 1. Name and Purpose. The name of the nonprofit corporation is the Association of Inspectors General. The purpose of the Association of Inspectors General (referred to hereinafter as the Association) is to provide a civic, educational, charitable, and benevolent organization for the exchange of ideas, information, education, knowledge, and training among municipal, local, state, national and international Inspectors General. The Association shall foster and promote public accountability and integrity in the general areas of the prevention, examination, investigation, audit, detection, elimination and prosecution of fraud, waste and abuse, through policy research and analysis; standardization of practices, policies, conduct and ethics; encouragement of professional development by providing and sponsoring educational programs; and the establishment of professional qualifications, certifications and licensing.

The following professional areas of development shall be considered and included by the Association when carrying out the above mentioned purposes and objectives: governmental accounting and auditing; performance auditing; law enforcement; criminal justice administration; public administration; public purchasing and procurement; fair labor standards and practices; architectural design, engineering and construction; financial management and budgeting; contract law; real, personal and intellectual property law.

The Association shall be committed to encouraging interdisciplinary scholarship and teaching of high quality in these aforementioned areas as they relate to the Inspectors General community. To advance this purpose the Association shall direct, facilitate, coordinate and support joint educational ventures, enterprises, and operations among centers, professional associations, schools, colleges, universities and individual faculty and professionals.

It shall also be the responsibility and purpose of the Association to confer and collaborate with municipal, local, county, state and federal government officials, regionally, nationally, and internationally to formulate proposals and programs for coordination and cooperation in the aforementioned professional development areas; and to organize and

maintain any places, facilities, libraries, and repositories for accomplishing the purposes of this section.

The Association shall also supervise, direct, promote, pursue, and coordinate any historical, literary, scientific, research and social policies, operations, actions, business, and conduct necessary and proper in the furtherance of the purposes and objectives in this section.

Section 2. Definitions. The following words, whenever used in this constitution and bylaws, shall, unless the context requires otherwise, have the following meanings:--

"accounting" shall mean all financial work including but not limited to, that prepared in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB); the standards approved by the United States Department of the Treasury, the United States General Accounting Office, and the United States Office of Management and Budget; the professional standards of the American Institute of Certified Public Accountants; the recommendations of the Government Finance Officers Association; and the requirements of state and federal finance law.

"annual meeting of members" shall mean the Fall meeting.

"auditing" shall mean the description and evaluation of all financial data and operations including but not limited to, that done in accordance with "Government Auditing Standards" issued by the Comptroller General of the United States, also known as Generally Accepted Government Auditing Standards (GAGAS) and as Yellow Book Standards, and with the Institute of Internal Auditor Standards.

"Member in good standing" shall mean one who pays their dues annually on or before June 1st or as otherwise deemed by the board of Directors.

"performance auditing" shall mean an objective and systematic examination of evidence for the purpose of providing an independent assessment of the performance of a government organization, program, activity, or function in order to provide information to improve public accountability and facilitate decision-making by parties with responsibility to oversee or initiate corrective action. Performance audits include economy and efficiency and program audits.

"law enforcement" shall mean the interpretations, implementation, enforcement, and prosecution of all applicable state and federal laws.

"criminal justice administration" shall mean administration of both the civil and criminal law, rules of evidence, expert witness matters, and criminology.

"public administration" shall mean the study, examination, policies, programs and practices of government including but not limited to public management, ethics, organizational theory, constitutional law, administrative law, procedural due process, individual substantive rights, equity, and operational effectiveness, economy and efficiency.

"public purchasing" shall mean the process of procurement of goods and services for the public, most often publicly funded and publicly utilized. The procurer of the goods and services may be federal, state or local jurisdictions including any public instrumentalities or authorities, public corporations, quasi-public bodies, grantees or public contractors. Publicly funded includes not only tax supported funding and governmental user fees but also publicly generated funds collected to supplement, or supplant, government funding.

"procurement" shall mean buying, purchasing, renting, leasing or otherwise acquiring or disposing of supplies, services, equipment, materials, painting, insurance, real property, personal property, intellectual property, construction, furnishing of labor, time, or effort.

"fraud examination" shall mean the investigation and detection of fraud, larceny, bribery, extortion, embezzlement, bid rigging, waste, abuse, and conflict of interest.

ARTICLE III. Membership

Section 1. Organization of Members. The initial members of the corporation shall be those individuals who signed the Charter of the organization in Carpenters' Hall, Philadelphia, Pennsylvania on October 26, 1996. These members shall be known as "Charter Members" and shall hold life membership in the Association. Each Charter Member shall have full voting rights and a life tenure in the Association. Thereafter, there shall be other classes of membership as follows: Endowment membership, Life membership, Chapter membership, Agency membership, Regular membership, Student membership, Honorary Life membership.

Section 2. Eligibility. Any individual who is of good character, honor, and integrity and subscribes to the purposes and objectives of the Association and maintains its code of ethics, shall be eligible to be a member of the organization. The Board of Directors may from time to time establish further qualifications for the individual classes of membership in Article III, Section 4.

Section 3. Dues and Contributions. The dues or minimum contributions of each class of membership shall be fixed by the Board of Directors of the Association.

Section 4. Definition of Membership Classes.

(1) Charter Membership. This class of membership entitles individuals with life membership to full voting rights in the Association. Charter members shall be members of the Association for life. These members shall be the initial members of the corporation who signed the Charter of the organization in Carpenters' Hall in Philadelphia, Pennsylvania on October 26, 1996.

(2) Endowment Membership. This class of membership entitles individuals with life membership to full voting rights in the association. Endowment members may be candidates for election to certain vacancies on the Board of Directors and shall pay a lump sum dues contribution as determined by the Board of Directors and thereafter, are not required to pay annual dues.

(3) Life Membership. This class of membership entitles individuals with life membership to full voting rights in the Association. Life members may be candidates for election to certain vacancies on the Board of Directors and shall pay a lump sum dues contribution as determined by the Board of Directors and, thereafter, are not required to pay annual dues.

(4) Agency Membership. This class of membership entitles international, national, state, provincial, county, municipal and local governmental agencies, commissions, boards, public authorities, instrumentalities and institutions to regular

membership for up to 6 individually named staff employees of the agency, each of whom shall hold all rights of regular membership in the Association for the period of one membership year. Agency memberships require annual dues as determined by the Board of Directors and entitles the members to voting rights in the Association.

(5) Chapter Membership. This class of membership entitles an individual who is a member of a local chapter of the Association, organized pursuant to Article IV, Section 6 of these Bylaws, to have membership in the Association. Such membership shall not include voting rights but may include such limited rights and privileges as determined periodically by the Board of Directors. Chapter members are required to pay dues to the local chapter as determined by the local chapter. Local chapters are required to pay annual dues to the Association, at a time and in an amount determined by the Board of Directors, based on the number of chapter members in the local chapter who are not otherwise members of the Association.

(6) Regular Membership. This class of membership entitles any individual to regular membership in the Association. Regular membership requires annual dues as determined by the Board of Directors and entitles the member to voting rights in the Association.

(7) Student Membership. This class of membership entitles any individual who is a student pursuing an undergraduate or graduate curriculum at a college or university to Student membership. Student membership requires annual dues as determined by the Board of Directors and does not provide voting rights in the Association.

(8) Honorary Life Membership. An individual may be nominated for Honorary Life membership by an Officer of the Association and be elected by the Board of Directors in recognition of outstanding service to the Association. Not more than one individual shall be elected as an Honorary Life Member in any one (1) calendar year. An Honorary Life Member shall enjoy all the rights and privileges of Life membership.

Section 5. Upgrading Class of Membership. An individual member of one class may become a member of a different class, if qualified therefor, by contributing the minimum dues or contribution specified by the Board of Directors for the class of memberships desired, less the dues or contribution already paid for current membership.

Section 6. Admission to Membership.

(1) An appropriate card or certificate shall be issued to each member as evidence of membership.

(2) Any applicant for any class of membership may be refused admission by the Board of Directors for any reason deemed by it to be sufficient.

Section 7. Rights and Privileges of Members. All members shall have the privilege to attend and be heard at all official meetings of members, and shall have the right

to attend all meetings of the Board of Directors, Executive Committee and standing and special committees of the Association, except during executive sessions thereof.

Section 8. Voluntary Termination of Membership. Any member may terminate his or her membership at any time by a resignation in writing sent by first class United States mail to the Secretary of the Association or by nonpayment of dues, but such member will not be entitled to any refund of dues or contributions already paid.

Section 9. Involuntary Termination of Membership and Disciplinary Proceedings.

- (1) **Default.** Any member in default in payment of dues shall be terminated from membership and all privileges of membership.
- (2) **Suspension and Expulsion.** Any member may be suspended or expelled for good cause as determined by the Board of Directors, including but not limited to, any conduct which is contrary to, or in violation of, the Constitution or Bylaws of the Association; for having obtained membership in the Association by any material false or misleading statement; or, without limitation, conduct disruptive of the orderly operation of the Association in pursuit of its goals; violation of one's obligation of loyalty to the Association and its objectives; violation of the code of ethics of the Association; conviction of a felony; willfully making false statements or misrepresentations about the Association or its representatives; or filing frivolous complaints. No member so suspended or expelled will be entitled to any refund of dues or contributions already paid.

ARTICLE IV. Board of Directors

Section 1. Composition. The Board of Directors shall consist of all Charter members of the Association present and voting at the Charter meeting of the Association at 12:15 p.m. on October 25, 1996 at the Independence Seaport Museum in Philadelphia, Pennsylvania. These members of the Board of Directors shall hold life tenure on the Board of Directors and life membership in the Association provided that they are members in good standing, and further that such member is absent for no more than two consecutive meetings of the Board of Directors.

When due to death, resignation, or failure to attend meetings, a vacancy occurs in the Board of Directors, the Board of Directors by a majority vote may decide to make a vacancy available to be filled.

Once a seat is designated to be filled, the Board of Directors may, by a majority vote, fill the seat with a member from the Endowment, Life, or Regular membership classes, who is also serving as an Inspector General, Assistant Inspector General, Deputy Inspector General, or is a supervisory or management level employee in an Office of an Inspector General.

Each such member shall serve in a newly designated seat for a term of three (3) consecutive years or until their successors are elected and qualified and such seat shall hereinafter be filled in accordance with the provisions in Article IV, provided they are members in good standing, and further that such member attends one of the first two

meetings of the Board of Directors after the member's election and that the member is absent for no more than two consecutive meetings of the Board of Directors.

Each chapter president duly elected by his or her chapter shall serve as an *ex officio* member of the Board of Directors during his or her term as chapter president. Chapter president members may not make a motion and shall not have a vote, shall submit a written report to the Board of Directors regarding the activities and financial conditions of the chapter, and shall advise the Board of Directors on matters relating to his or her chapter.

Section 2. Disqualification. Any member terminated, suspended or expelled in violation of Article III, Section 9.1 and 9.2 or convicted of a felony shall be disqualified for nomination to or service on the Board of Directors unless the Board for good cause determines to the contrary. For the purposes of this section the Board of Directors shall be the judge of the election, returns and qualifications of its own members.

Section 3. Nominations and Elections Committee. The Nominations and Elections Committee shall be responsible for administering the nomination and election process for Directors. The Nominations and Elections Committee shall be composed of five (5) members in good standing entitled to vote. At each regular Spring meeting of the Board of Directors, the President shall propose three (3) members in good standing to serve on the Nominations and Elections Committee, and the First Vice President and Second Vice President shall each propose one (1) member in good standing to serve on the Nominations and Election Committee. Board members may nominate one or more additional members in good standing to serve on the Nominating and Elections Committee provided that such nomination is seconded by the Board of Directors. If not more than five members are nominated, the Board of Directors shall second the nominations and vote. If six or more members are nominated, the names of the nominees shall be posted on a bulletin board or projection screen in full view of all in attendance. Each Director present at the meeting shall be called in alphabetical order and when called shall identify himself or herself and verbally call his or her vote for up to five (5) nominees provided that not more than one vote be cast for each of five (5) nominees. A teller appointed by the President from the Board of Directors shall mark a tally vote next to each name called. The five (5) nominees receiving the greatest number of votes shall be elected. In case of a tie vote for the last vacancy, a run-off vote shall be conducted between the nominees tied in the same manner. Notwithstanding any other provision of these bylaws, no person elected to the Nominations and Elections Committee shall be eligible for election as a Director or officer during their tenure on the Nominations and Elections Committee, nor shall any officer be a member of the Nominations and Elections Committee. Any vacancy on the Nominations and Elections Committee occurring between regular elections may be filled by majority vote of the Board of Directors.

Section 4. Nomination and Election of Directors. Directors to fill a vacancy shall be elected from among the Charter members, Endowment members, Life members and Regular members of the Association. Nominations to fill vacancies on the Board of Directors shall be made by the Nominations and Elections Committee.

Elections shall be by mail ballot vote of members entitled to vote, or by electronic means if approved by the Board of Directors. The Nominations and Elections Committee shall be responsible for the tabulation of the votes, and shall report the results of the election at the Annual Meeting of Members. The provisions of this section do not apply to the filling of interim vacancies on the Executive Committee, as provided in Article VI, Section 3, and the filling of interim vacancies of officers as provided in Article V.

Approximately ninety (90) days prior to each Annual Meeting of Members, the Secretary of the Association shall notify all members entitled to vote by newsletter or other means approved by the Board of Directors of the date and place of such Annual Meeting, of the date and place of the meeting of the Nominations and Elections Committee at which nominations for Director will be made, and of the procedure for nomination and election of Directors. The notice shall include a request for suitable nominees who have been members in good standing for one year or more to be considered by the Nominations and Elections Committee. A member may make one or more recommendations.

Recommendations for nomination by the Nominations and Elections Committee must be received by the Association approximately sixty (60) days prior to the published date of the meeting of the Nominations and Elections Committee to select nominees for the office of Director. The Secretary of the Association shall promptly confirm the eligibility of persons recommended and transmit the recommendations to the Nominations and Elections Committee.

Approximately forty (40) days prior to the Annual Meeting of Members the Nominations and Elections Committee shall meet to select nominees for the office of Director to fill a vacancy. The date of this meeting of the Nominations and Elections Committee shall be published in the official journal of the Association so designated by the Board of Directors prior to the aforesaid meeting. The Nominations and Elections Committee shall select from among the members who have been members for one year or more and are otherwise entitled to hold the office of Director a list of nominees. Approximately five (5) days after the meeting in which selections are made the names of the nominees selected by the Nominations and Elections Committee shall be published in the official journal of the Association, together with a short biographical sketch of each. Biographical sketches shall be submitted to the Secretary of the Association by each candidate and shall be sworn or affirmed to by the candidate as being truthful in every respect before a notary public. Any willful material misrepresentation contained therein shall invalidate the candidacy provided that (1) such misrepresentation shall first be brought to the attention of the candidate by the Secretary of the Association, and (2) the candidate persists in the inclusion of such misrepresentation in the biography by submitting a further sworn statement or affirmation reaffirming the truthfulness thereof. In the event of appeal of the decision of the Secretary of the Association in matters concerning biographies, the President will appoint an ad hoc committee to make a final determination.

Not less than thirty (30) days prior to the date of the Annual Meeting of Members, the Secretary of the Association shall mail or make available by electronic means approved by the Board of Directors a ballot to each member whom the Secretary has determined has been a member for at least one full year, and whom is otherwise entitled to vote. The ballot shall be directed to his or her last address on record with the Secretary of the Association. The ballot shall list thereon the names of all nominees proposed by the Nominations and Elections Committee. The order of the names on the ballot shall be presented as determined

by the Nominations and Elections Committee. The ballot shall provide blank spaces for "write-in" nominations equal in number to the vacancies to be filled. The ballot shall be authenticated by appropriate means approved by the Board of Directors. The final date on or before which the ballot must be received by the Association in order for it to be counted shall be shown clearly on the face of the ballot.

A member eligible and desiring to vote shall clearly mark a ballot for his or her choice of Directors. The member may make a selection from the list of nominees printed on said ballot, or may write in, in lieu of one or more such nominees, the name or names of other members whom he or she believes to be eligible to hold the office of Director. In either event, if the ballot is to be valid, the member must not vote for a number greater than the total number of Directors to be elected. Having marked his or her ballot and completed authentication, the member must submit the ballot as instructed consistent with the means approved by the Board of Directors. Any ballot received by the Association later than the twentieth (20th) day preceding the date of the Annual Meeting of Members shall be invalid and shall not be opened or counted.

It shall be the duty of the Nominations and Elections Committee to determine whether every member elected to the office of Director is eligible to hold the office. The President shall, at the request of the Committee Chairperson, make available such members of the Association as may be necessary to assist the Committee in the examination and validation of the ballots as set forth in this section.

Upon the receipt of a ballot by the Association on or after the prescribed latest date, the Nominations and Elections Committee shall verify the name of the voter against the rolls of members entitled to vote, and verify the eligibility to hold the office of Director of any write-in names on the ballot. A ballot shall be invalid if not cast on the official printed ballot form provided by the Secretary of the Association or through such other means as approved by the Board of Directors; or if not received by the Association on or before the prescribed latest date specified on the ballot; or if the ballot is not properly authenticated by a member entitled to vote or if the voter has already voted; or if the ballot is not clearly marked; or if the ballot contains more than one vote for a single candidate; or if the ballot contains votes for more than the number who are to be elected Directors. No ballot shall be invalidated for failure to contain a vote for one person for each of the vacancies to be filled at said election. A ballot judged invalid shall have the reason noted and initialed by the person who examined it.

All ballots, whether judged valid or invalid, and all evidence of authentication, shall be preserved by the Association for one hundred twenty (120) days. Up to that time, any member entitled to vote may take application to the Executive Committee or the Board of Directors, whichever shall meet first, for a canvass or recount upon such terms and conditions as that body may prescribe, and for redress thereafter, if appropriate. If no such application is made before the time herein specified, all protests and grievances concerning the election shall be deemed to have been waived, and the ballots and return envelopes may then be destroyed.

The Nominations and Elections Committee shall serve as election tellers and the chairperson of the committee shall announce the results of the election when called upon to do so by the presiding officer at the Annual Meeting of Members. The chairperson of the Nominations and Elections Committee shall include in his or her report the total number of ballots judged valid and judged invalid, and the total number of votes received by each

person. The chairperson shall declare elected to three (3)-year terms those persons who, in numbers equal to the number of such vacancies, receive the largest number of the votes cast; and shall declare elected to specified incomplete terms, if any, beginning with the longest remaining incomplete term or terms, those persons who receive the next largest number of votes cast. In the event of a tie vote between two (2) or more for the last vacancy to be filled in any term at issue, the tie shall be decided by a majority vote of the members entitled to vote actually present and voting at the Annual Meeting of Members.

The results of the election by mail ballot or by other means approved by the Board of Directors as announced at the annual meeting shall be published in the official journal within ninety (90) days after such announcement.

Section 5. Powers and Duties. The Board of Directors shall formulate, set and approve the policy of the Association. The Board of Directors shall assume fiduciary responsibility for maintaining the fiscal stability of the Association and shall manage all fiscal matters. The Board of Directors may hire, supervise and discharge a chief administrative officer or officers and other employees in order to implement board policy. The Board of Directors shall manage and control the affairs, property and business of the Association. The Board of Directors shall be authorized to hold, buy, lease, mortgage, sell, resell, dispose of or encumber any real property, personal property and intellectual property on any terms as may be required for the Association's use and to purchase and secure options and leases for the same, as the need may arise. The Board of Directors shall be authorized to also invest the funds of the Association in such real property, personal property or intellectual property as it may require for carrying out the Association's purposes.

The Board of Directors shall be authorized to vote to charge fees for certain educational, advisory, consultive or other special and peculiar services as may be from time to time determined.

The Board of Directors shall be authorized to determine the dues or minimum contributions for each class of membership of the Association.

The Board of Directors shall be authorized to invest principal and income of any funds of the Association in stocks, bonds, certificates of deposits, mutual funds, treasury bonds, notes and bills, money market funds, bank accounts and other securities as allowed by law.

The Board of Directors shall be authorized to pay, compromise or contest creditors and claims or controversies against the Association and to exercise all rights that may be exercised by any security holder in an individual capacity and to delegate any such rights.

The Board of Directors shall be authorized to retain any auditors, accountants, attorneys, agents, depositories, custodians, brokers, investment counsel and advisors and to pay them the usual compensation for their services, and to accept and act upon the recommendation of any of these individual retainers and to delegate to any investment counsel, advisor, custodian, broker or agent and to borrow any amount of funds.

Section 6. Organization of Chapters. The Board of Directors shall be authorized to establish rules and procedures necessary to organize and establish Chapters of the Association at the local, state, regional, national, and international level.

Section 7. Elections of Officers. The Board of Directors shall elect from among its own members for a term of two (2) years commencing January 1 following the election a President, a First Vice President, a Second Vice President, a Third Vice President and other Vice Presidents as the Board of Directors shall determine. It shall also elect from its own members for a term of two (2) years commencing January 1 following the election a Treasurer and a Secretary of the Association and members of the Executive Committee.

Section 8. Meetings.

(1) Regular Meetings. There shall be two (2) regular meetings of the Board of Directors in each year. A first (1st) regular meeting of the Board of Directors shall be held at the Annual Meeting of Members after the election and installation of newly elected members of the Board of Directors as announced at the Annual Meeting of Members. At this meeting of the Board of Directors, the officers for ensuing terms shall be elected and such other business transacted as may properly come before the meeting. The second (2nd) regular meeting of the Board of Directors shall be held approximately two hundred and ten (210) days after the Annual Meeting of Members. The exact time and place of each meeting may be determined by the Board of Directors at the previous meeting, reasonable notice being given.

(2) Special Meetings. A special meeting of the Board of Directors may be held at any time on the call of the President, or by action of the Executive Committee, or upon demand in writing stating the object of the proposed meeting and signed by not less than a majority of the Board. Notice of the time, place, and object of such special meetings shall be mailed to each Director at least thirty (30) days before the date of holding such meetings.

(3) Quorum. At any regular or special meeting of the Board of Directors one more than one-half of the members shall constitute a quorum.

(4) Upon a request of twenty (20) percent of the membership of the Board of Directors present, a roll call vote shall be taken on any specified question. Every such roll call vote, together with the specified question, shall be published by the Secretary in the official journal within ninety (90) days.

Section 9. Indemnification of Directors and Officers. The association shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as a director or officer of the association against all expenses and liabilities (including counsel fees, judgments, fines and amounts payable in settlements) reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or other proceeding, whether civil, criminal, administrative or investigative, in which he or she may become involved by reason of his or her serving or having served in such capacity (other than a proceeding voluntary initiated by such person; provided that no indemnification shall be provided for liability arising from (i) any breach of the officer's or director's duty to the association or its members; (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (iii) any transaction from which the officer or director derived an improper personal benefit. Provided further, that as to any matter disposed of by a compromise payment by such person, pursuant to a consent decree or otherwise, the payment and indemnification thereof

have been approved by the association, which approval shall not unreasonably be withheld, or by a court of competent jurisdiction. Such indemnification shall include payment by the association of expenses incurred in defending civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, upon receipt of an undertaking by the person indemnified to repay such payment if he or she shall be adjudicated to be not entitled to indemnification under this Article, which undertaking may be accepted without regard to the financial ability of such person to make repayment.

Where indemnification hereunder requires authorization or approval by the association, such authorization or approval shall be conclusively deemed to have been obtained, and in any case where a director of the association approves the payment of indemnification, such director shall be wholly protected, if the payment has been approved or ratified by a majority vote of a quorum of the Board of Directors consisting of persons who are not at that time parties to the proceeding, and the action is taken in reliance upon the opinion of independent legal counsel (who may be counsel to the association) appointed for the purpose by vote of the Board of Directors.

Any indemnification or advance of expenses under this Article shall be paid promptly, and in any event within thirty (30) days, after the receipt by the association of a written request therefor from the person to be indemnified, unless with respect to a claim for indemnification the association shall have determined that the person is not entitled to indemnification.

The right of indemnification under this Article shall be a contract right inuring to the benefit of the directors, officers and other persons entitled to be indemnified hereunder and no amendment or repeal of this Article shall adversely affect any right of such director, officer or other person existing at the time of such amendment or repeal.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of a director, officer or other person entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which such director or officer or other persons may be entitled. Nothing contained in this Article shall affect any rights to indemnification to which association employees or agents other than directors and officers and other persons entitled to indemnification hereunder may be entitled by contract or otherwise under law.

ARTICLE V. Duties of Officers

Section 1. President. The President shall preside at all meetings of the Association, of the Board of Directors and of the Executive Committee. The President shall be an ex officio member, with vote, of all committees, and shall perform all such other duties as usually pertain to that office and as determined by the Board of Directors.

Section 2. Vice Presidents. The Vice President shall perform the duties of the President in his or her absence or at his or her request. In case a vacancy shall occur in the office of the President, the first Vice President shall become President and shall serve for the balance of the term. In case more than one Vice President is elected by the Board of Directors, each Vice President shall be designated in succession by number, and in case of a vacancy shall succeed to the next higher office. With the exceptions of the Nominations and Elections Committee, and the Committee on Hearings, the Vice Presidents shall be ex

officio members, with vote, of all standing and special committees. The Vice President shall perform such duties as may be delegated by the President or assigned by either the President or the Board of Directors.

Section 3. Secretary of the Association. The Secretary of the Association, under the direction of the President, shall have the following duties: he or she shall have charge of the archives of the Association and may appoint an Historian from the membership to maintain and document the history of the Association; he or she shall attend to the proper publication of official notices and reports, attest documents and perform such other duties as usually pertain to his or her office; and he or she shall have such other duties as may be assigned to him or her from time to time by the President. He or she shall be Secretary of the Board of Directors and of the Executive Committee. A vacancy in the office of the Secretary of the Association may be filled by a majority vote of the Board of Directors to fill the unexpired term.

Section 4. Treasurer. The Treasurer, under the direction of the President, shall have charge of the books of account of the Association. He or she shall assist an auditor selected by the Board of Directors to make an annual audit of the Association's books of account and prepare a statement of financial condition as of the close of each fiscal year as may be established by the Board of Directors, and shall furnish a copy of such statement, together with the certificate of audit, to each member of the Board of Directors. The funds of the Association shall be placed in such banks or accounts as may be designated by the Board of Directors. The Treasurer shall have such other duties as may be assigned to him or her from time to time by the President. A vacancy in the office of the Treasurer may be filled by a majority vote of the Board of Directors to fill the unexpired term.

ARTICLE VI. Executive Committee

Section 1. Membership. There shall be an Executive Committee consisting of the President, First Vice President, Second Vice President, Treasurer, Secretary of the Association and ten (10) members elected at-large from the Board of Directors, provided that no more than two (2) at-large members shall be from the same state. The immediate past president of the Association of Inspectors General shall, for two years hence, be an ex-officio member, with vote, of the Executive Committee.

The ten (10) members of the Executive Committee nominated by the Nominations and Elections Committee or from the floor at any meeting of the Board of Directors, and elected annually by and from said Board, shall serve for a two (2) year term or until their successors are elected and qualified.

Section 2. Duties of the Executive Committee. The Executive Committee shall exercise all the powers of the Board of Directors when said Board is not in session, other than the power to:

- (a) Repeal or amend the Bylaws, or adopt new Bylaws;

- (b) Fill vacancies on the Board of Directors or the Executive Committee;
- (c) Fix the compensation of Directors, Executive Director, employees or contractors;
- (d) Remove a Director, with or without cause;
- (e) Amend or repeal any resolution of the Board, which by its terms shall not be amendable or repealable;
- (f) Adopt and disseminate a fundamental change of view or basic policy of the Association;
- (g) Approve the submission of matters to the members, or submit to the members any action requiring member approval under the applicable statute;
- (h) Purchase, sell, mortgage, or lease real property of the Association, or adopt a corporate resolution recommending the sale, lease, exchange or other disposition of all or substantially all the assets of the Association, or authorize major new construction;
- (i) Present a petition for judicial dissolution, or to adopt plans of merger, consolidation or nonjudicial dissolution;
- (j) Authorize indemnification of Officers, Directors, members of the Executive Committee, or employees; or
- (k) Formulate such other corporate policy decisions or perform corporate activities of the Association of such major significance as to warrant action by the full Board of Directors.

Section 3. Vacancies in the Executive Committee. A vacancy in the Executive Committee may be filled by a majority vote of the Board of Directors present and voting.

Section 4. Meetings of the Executive Committee.

- (a) Meetings of the Executive Committee will be held on the call of the President, reasonable notice being given.
- (b) A special meeting shall be called by the President at any time upon demand in writing stating the object of the proposed meeting and signed by not less than a majority of the committee. Notice of the time, place and object of such special meetings shall be mailed to each member of the committee at least ten (10) days before the date of holding such meetings.
- (c) One more than one-half of the Executive Committee shall constitute a quorum.

ARTICLE VII. Standing and Special Committees of the Association

Section 1. Standing and Special Committees of the Association. The Board of Directors or the Executive Committee may establish such standing and special committees of the Association as may be deemed necessary from time to time to fulfill the objectives of the Association. Each special committee will report at such time and place as may be specified by the President or the Board of Directors.

At least once each year, each committee shall submit a written report through the Secretary of the Association to the Board of Directors at a regular meeting of the Board, and

at such other time as may be requested by the President. It may also make written reports and recommendations to the Board of Directors or to the Executive Committee at any regular or special meeting.

Section 2. Committee Members. Members of the Association in good standing may be appointed by the Board of Directors or the committee consisting of the President and the Vice President(s) to membership on such standing and special committees of the Association as may be established, and shall serve at the pleasure of the body that appointed each of them, respectively, or the Board of Directors or until their successors have been duly appointed, whichever last occurs. The Board of Directors at any regular or special meeting of the Board of Directors may reject the appointment of or remove any committee Chairperson, Vice Chairperson, or non-Board committee member from any committee. Upon written request of five or more members of the Board of Directors, a vote to reject or remove any Chairperson, Vice Chairperson, or non-Board committee member shall be placed before the Board of Directors for action by a roll call vote at that meeting. The Board of Directors may, at its pleasure, on a motion duly made at that meeting, elect by a majority vote, a replacement to any vacancy created by its action.

Section 3. Responsibilities of Committees. The Board of Directors or the Executive Committee shall assign responsibilities to the committees relating to the administration, conduct, regulation, or oversight of particular activities or special areas or endeavors of the Association, except that no corporate authority may be delegated to any committee unless all members of such committee are members of the Board of Directors of the Association, and unless such committee has been delegated such authority by a resolution adopted by a majority of the entire Board of Directors.

Section 4. Limitations on Powers of Committees. No special or standing committee of the Board of Directors or of the Association shall exercise any powers prohibited to the Executive Committee.

Section 5. Committee Organization; Meetings. Committee chairpersons are authorized to appoint subcommittees and ad hoc committees from among the members of their respective full committee, as the chairperson deems necessary. Official meetings of the committee or subcommittees thereof shall be authorized by the Executive Committee or, in their absence, by the Board of Directors. The Chairperson shall inform the Secretary of the committee, who will issue the official notice for such meeting.

Section 6. Conference Telephone Meetings. Members of any board or committee of the Association may participate in a meeting of such committee, except for the first (1st) regular meeting of the Board of Directors provided for in Article IV, section 8 conducted by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear one another at the same time. Participation by such means shall constitute presence in person at a meeting.

ARTICLE VIII. Prohibition of Proxy Voting

Section 1. Prohibition of Proxy Voting. At all meetings of the Board of Directors, Executive Committee, other committees of the Association, and meetings of members, each person entitled to vote shall have a right to cast one (1) vote on each question presented, which vote shall be cast in person and not by proxy.

ARTICLE IX. Order of Business

Section 1. Order of Business. The following shall be the regular order of business at all meetings of the members, the Board of Directors or the Executive Committee:

1. Roll Call.
2. Approve minutes of previous meeting.
3. Reports of officers.
4. Fill vacancies and conduct prescribed elections.
5. Reports of committees and committee resolutions.
6. Special Orders.
7. Unfinished business and General Orders.
8. New business.
9. Resolutions.

The regular order of business contained in this Section may be changed for a particular meeting by a two-thirds (2/3) vote of those voting at the meeting.

Section 2. Parliamentary Authority and Parliamentarian.

(a) *Roberts Rules of Order Newly Revised* shall provide the parliamentary authority for and govern the deliberations of all meeting of the members, Board of Directors and Executive Committee unless specific exceptions are made herein.

(b) Parliamentarian. The President shall appoint an official Parliamentarian of the Association, who shall be the interpreter of the rules and who shall serve at the pleasure of the President.

ARTICLE X. Amendments

Section 1. Amendments by the Board of Directors. The Articles of Organization, Constitution, Bylaws and Certificate of Incorporation except Article III, Sections 1 and 3, shall only be amended at any of the two (2) regular meetings, of the Board of Directors, provided for in Article IV, Section 8.1. In order to be adopted, an amendment shall receive a two-thirds (2/3) vote of the Board of Directors present and voting, provided that each amendment has been submitted in writing at the previous regular meeting of said Board, or has been sent in writing by mail to every member of the Board listed in the most recent Official Directory not less than sixty (60) days prior to the scheduled Board meeting. To qualify under this Section, the proposed amendment must be signed by at least ten (10)

members of the Board of Directors. Article III, Sections 1 and 3 and the one-page Charter Resolution signed by all Charter Members of the Association on October 26, 1996 at Carpenter's Hall in Philadelphia, Pennsylvania, shall not be amendable.

*The AIG Board of Directors amended these Articles in Columbus, Ohio on April 23, 2008.
The AIG Board of Directors originally adopted these Articles at its meeting on January 26, 1997.*
