

**CoreNet Global, Inc.**  
**BYLAWS**  
*Amended/Approved October 18, 2015*

**ARTICLE I**  
**Name**

The name of the corporation shall be CoreNet Global, Inc. It is hereunder referred to in these Bylaws as the Association.

**ARTICLE II**  
**Purposes and Objectives**

The Association, a Member driven organization, shall strive to serve its Members by accomplishing the following:

- To promote the recognition of corporate real estate management and corporate infrastructure management as a professional discipline requiring specific skills and education to be practiced effectively;
- To provide worldwide, industry specific networking forums and state-of-the-art research, education, and designation or certification;
- To promote effective corporate real estate management and corporate infrastructure management and thereby contribute to the financial well-being of it's Members, public, private or governmental organizations and corporations of the Association;
- To enhance the skills and abilities of its Members so that they can significantly improve their contributions to their respective organizations, their constituents and society;
- To encourage the use of new scientific methods, techniques and procedures in the field of corporate real estate and infrastructure management, encompassing facility and related financial planning, site selection, construction management, and real estate operations;
- To promulgate professional standards in corporate real estate management and corporate infrastructure management;
- To cooperate with other organizations and associations which are involved in allied endeavors;
- To promote actively the expansion of its Membership on a worldwide basis; and
- To create value for the organizations where the Association's Members practice their profession.

**ARTICLE III**  
**Members**

**SECTION 1. Classes of Members.** Association shall have various classes of individual Membership. The designations and qualifications of each class shall be as follows:

A. End User Members. End User Members are those individuals with real estate or real estate related responsibilities focused on the Workplace or Infrastructure Management for public, private or governmental organizations. These Members shall be employed or contracted for by such organization and shall receive their income as salary directly or by way of reimbursement from the organization. The organization shall utilize or lease real estate for their own needs, rather

than utilize or lease real estate holdings primarily for investment or to sell or develop as a primary business function. The contract employee will be paid a salary for the services they perform as an outsourced contract corporate real estate executive, working for said corporation exclusively, while carrying out the corporate real estate function for one specific end user.

B. Service Provider Members. Service Provider Members are those individuals in professions and related real estate functions that serve the needs of the corporate real estate executive. Persons qualified for Service Provider Membership may include, but are not limited to: project managers, property managers, facility managers, site selection consultants, appraisers, commercial, retail and industrial brokers, builders and developers, property tax consultants, personnel recruiters and consultants, title research and affiliated legal service specialists, condemnation and right-of-way consultants, land planners, architects, attorneys, civil engineers and surveyors, public accountants and financial consultants, executives of banks, insurance companies and related sources of real estate financing. The Service Provider Member category also includes non-end-user professionals from public agencies. These Members shall be employees, officials or designated representatives of any governmental (federal, state, regional, city or town) department or local public agency that is empowered to encourage or effect industrial, retail or commercial property sale, development leasing or management.

C. Academic/Student Members/Retired.

- i. Academic Members are educators who spend not less than eighty (80) percent of their time researching or teaching in the field of real estate or real estate related education.
- ii. Student Members must be full-time or active degree candidates in real estate or related fields.
- iii. Members may apply to the Board of Directors for status as a Retired member, subject to the following requirements:
  - a. The individual must have been associated with the Association or its predecessors for no less than five (5) years as either an End User member or its equivalent in good standing; or an individual Service Provider member or its equivalent in good standing.
  - b. The individual must meet the eligibility requirements for Retired Members as established by the Board of Directors.
- iv. Academic Members:
  - a. Are eligible to serve on the Board of Directors;
  - b. Are eligible to serve as officers of the Association or Chapter(s), except as the Chair;
  - c. Are eligible to serve on standing committees of the Association; and
  - d. Have voting rights as specified by the Board of Directors.
- v. Student Members:

- a. Are eligible to serve on standing committees of the Association.
- vi. Retired Members shall not:
  - b. Serve as officers of the Association or its Chapter(s);
  - c. Serve on standing committees of the Association;
  - d. Have voting rights; and
  - e. Be counted in determining whether or not a quorum exists.

**D. Founding and Honorary Members**

- i. Individuals entitled to the status of “Founding Member” are Joe Bagby, Martha Bagby, Joseph Langerman and H. McKinley Conway. All Founding Members shall retain this Membership standing for life.
- ii. Founding Members shall be excused from paying dues and shall be Ex-officio Members of the Board of Directors for life.
- iii. Honorary Members may be designated such by the Board of Directors. Such Members shall not pay dues or assessments. Honorary Members shall have no voting rights and shall not be counted in determining whether or not a quorum exists.

**E. Journalist Members.** Professionals in the business of writing for, editing or publishing information relating to real estate and employed by a media source which is published at least four (4) times each calendar year. This category includes only journalists from the press and electronic media, and specifically excludes those individuals employed in advertising or sales capacities, who may qualify as Service Provider Members.

**SECTION 2. Application for Membership.** All applicants for Membership shall complete and sign the form of application provided by Association and submit the application to its principal office for consideration by the Board of Directors. The Board of Directors may, by written resolution, delegate to a staff member or officer the initial responsibility for reviewing and screening Membership applications. By virtue of making application to the Organization, Members, regardless of the membership class in which accepted, agree to adhere to the Bylaws of the Organization, and the policies established by the Board of Directors (including, but not limited to, CoreNet’s Policy for the Shared Use & Protection of Intellectual Property). CoreNet members acknowledge the foregoing governance and policy documents to be reasonable and waive any and all rights to legal action or litigation based on CoreNet’s interpretation, enforcement, application or amendment thereof.

**SECTION 3. Voting Rights.** Founding, End User, and Service Provider Members are entitled to one vote per member. Members must be in good standing to be afforded the right to vote.

**SECTION 4. Voluntary Termination of Membership.** Any member of Association may resign at any time by giving written notice of resignation to the President of Association. Any resignation shall take effect at such future date as may be specified in the written notice of designation, or if no such future date is so specified, immediately upon receipt by the President. Formal acceptance of any such resignation shall not be necessary to make it effective. Any member who submits a notice of resignation shall be responsible to satisfy all obligations for Membership dues and other fees which may have accrued up to the effective date of such resignation and is not entitled to a refund of any amounts paid. A member who has resigned shall not be precluded from applying for Membership at a later date.

**SECTION 5. Involuntary Termination or Suspension of Membership.** The Membership of any member of Association may be terminated for good cause by a two-thirds (2/3) vote of the Members of the Board of Directors or may be suspended automatically and subsequently terminated for being in arrears in Membership dues or other fees or charges, as follows:

A. Termination For Good Cause: Any member may have his or her Membership terminated for cause as provided for in this section. Such involuntary termination shall be effective at such time as the Board of Directors may determine. The notice of any meeting of the Board of Directors at which such termination is to be proposed, shall contain a notice of the proposed termination, and the individual whose Membership status is being challenged shall receive a copy of such notice, by certified mail, return receipt requested with postage prepaid, at least thirty (30) days prior to the date of such meeting. If the Board of Directors unanimously determines that an emergency exists so that the meeting of the full Board of Directors is to be conducted by telephone conference call, the affected member shall be provided with the conference call number and access code and may, at his or her own discretion, participate in that portion of the conference call which relates to the proposed involuntary termination. Good cause may include, but is not limited to any one (1) of the following events:

- i. Conviction by a court of competent jurisdiction of a felony (or its equivalent in such jurisdiction) or fraud.
- ii. Revocation of a member's professional license or other form of designation of accreditation essential to such member's profession.
- iii. Violation of the bylaws or regulations of Association.
- iv. Violation of Association's Code of Ethics as determined by the Board of Directors.
- v. Refusal to comply with any order or decision of the Board of Directors.
- vi. Activity deemed by the Board of Directors to be disruptive to the Association.

B. Suspension and Termination for Arrearage in Charges: Any member may be suspended and subsequently terminated for non-payment of Membership dues, assessments or other financial obligations to Association. Any member who shall be delinquent in charges for a period of sixty (60) days from the time such charges become due, shall be notified, in writing, of such delinquency. From the issuance of each such notice, the affected member shall be deemed suspended (unless the suspension is waived by the Association at its discretion) and shall not be entitled to receive services or any other benefits of Membership unless and until the delinquency

has been cured. If payment is not made within the next succeeding thirty (30) days, the delinquent member shall be terminated and shall forfeit all rights and privileges of Membership. Anything in the foregoing to the contrary notwithstanding, if a member who becomes unemployed applies to the Board of Directors for a temporary suspension of his or her obligation to pay Membership dues during such period of unemployment, then, upon the grant of such request, the affected member shall be neither suspended nor terminated during the period granted by the Board of Directors.

**SECTION 6. Reclassification of Members.** All Founding Members in good standing shall retain their Membership status until their death or resignation from Association. Any End User Member, in good standing, who by reason of a change in employment becomes ineligible for such Membership, shall remain an End User Member until his or her current year's Membership expires. At that time, upon prior written notice to the President, such Member may become a Service Provider or Academic if otherwise qualified for admission under any such category. Any Service Provider, or Academic Member, in good standing, who by reason of a change in employment becomes eligible for an End User Membership, shall retain his or her prior Membership category until his or her current year's Membership expires. At that time, upon prior written notice to the President, such Member may become an End User Member if otherwise qualified for admission under such category.

**SECTION 7. Transfer of Membership.** On the date of any reclassification, the member's records shall be changed to reflect his or her new status, and he or she shall thereafter be entitled to exercise all of the rights and shall be subject to all of the restrictions of Members of his or her new class. Including the obligations to pay the appropriate dues, as if he or she had renewed a prior existing Membership in such class.

**SECTION 8. Dues and Assessments.**

A. The amount of the annual dues for each class of Membership shall be fixed by the Board of Directors.

B. Meeting registration fees and any other fees or costs for services for each class may be fixed by the Board of Directors.

**ARTICLE IV  
Meetings**

**SECTION 1. Annual meeting.** There shall be an annual meeting of the Membership of the Association, to be held at a time and place, including conducted "virtually", to be determined by the Board of Directors, to hear reports concerning the conduct of the Association's activities and, when necessary, to elect directors, and to conduct such other business as may properly come before the meeting.

**SECTION 2. Special meetings.** A special meeting of the Members shall be held upon the call of Board of Directors or the written request signed (within any 60-day period) by one-third of the voting Members, at the time and place stated in the call. The call or request for the meeting shall state its purpose or purposes.

**SECTION 3. Notice.** The President of the Association shall notify all Members of the Association of the annual meeting and any special meetings by first-class mail or electronic

means, sent to each member at his address in the records of the Association not more than sixty (60) days nor less than ten (10) days before the date of the meeting.

**SECTION 4. Quorum.** The presence in person, or with Board approval telephonically or electronically, or by proxy of one-tenth of the voting Members of the Association shall constitute a quorum for the transaction of a business at any meeting of the Members of the Association.

## **ARTICLE V Board of Directors**

**SECTION 1. Board of Directors.** The general affairs and business of Association shall be conducted and managed by a Board of Directors who will be responsible for the overall strategic policy and operation of the Association. Directors shall use their best efforts to represent the general interests of the Membership of Association, including all of the various sectors of corporate real estate. It shall be the responsibility of each Director to solicit and consider the opinions of the Membership with respect to matters to be decided upon at any regular meeting of the Board of Directors, and the Board of Directors shall use reasonable efforts to inform the Membership of matters of interest to them in advance of each regular meeting in order to allow for the free expression of ideas by the Members to the Directors.

**SECTION 2. Number of Directors and Qualifications.** The Boards of Directors shall consist of no more than fifteen (15) directors as voting members; twelve (12) elected Directors serving three year terms, and seats for: the Chair, the Chair-Elect, or the Past, and the Chair of the Component Council who shall serve a one year term. The Board of Directors shall consist of at least 50% End User Members. If, by reason of a change in employment of a current (or elected yet to be seated) Board member, the Board composition consists of more than one individual employed by the same company, there shall be a grace period where those Board members shall remain seated until the end of the current term year. At the end of that year, absent a natural remedial change (e.g., one of the two individuals employed by the company leaves that company's employ), individual(s) will be disqualified from their seat on the Board, based on the performance and qualifications of the affected individuals, to attain the standard of only one Board member from any one company.

A. While serving on the CoreNet Global Board, including Associate Board members under Article V, Section 3, individuals may not serve in an officer capacity for any CoreNet Global Component or serve on the Board or be an officer of any competing trade/professional society, association, membership organization, think tank or educational entity.

**SECTION 3. Associate Board Members.** The Association will have nonvoting Associate Board members. Annually voting Board members may select up to five (5) Associate Board members. Aside from having to be a CoreNet Global member in good standing, there are no mandated requirements for Associate Board Members. However, it is anticipated that selection of such individuals will be based on factors such as: the individual's geographic region, their industry sector, past contributions to the Association, as well as diversity considerations. Nonvoting Associate Members shall serve a one (1) year term, with the ability to be appointed for up to two (2) additional concurrent terms. Any vacancy during the term of a nonvoting Associate Director may be filled by the Board of Directors.

**SECTION 4. Nomination and Election of Directors.**

A. For a scheduled vacancy, i.e., at the expiration of a term, of any of the twelve (12) elected Board seats, the Nominating Committee shall call for nominations and review all nominations appropriately submitted from members in good standing and those they have identified, and verify the individuals are qualified, eligible and willing to seek the office for which they have been nominated.

B. The Nominating Committee will prepare a proposed slate of candidates based on those individuals best qualified. It is possible that there may be more than one individual nominated for an office. The Nominating Committee will make every effort to nominate individuals who shall be reasonably representative of the international retail, industry and commercial sectors of corporate real estate. The proposed slate shall be submitted to the Board of Directors no less than sixty (60) days before the end of the CoreNet fiscal year. If any Board seat becomes vacant or newly created after the Nominating Committee has met and proposed its slate, the seat shall be treated as a vacancy and filled pursuant to Article V, Section 5(B).

C. The Board of Directors will evaluate the proposed slate and finalize it.

D. The slate of nominees will be electronically presented to the membership no less than forty-five (45) days before end of the CoreNet fiscal year. Members shall be given no less than the (10) days to consider the slate and submit their vote to either accept or reject the slate in its entirety. The electronic ballot must be received back at a place designated by the Nominating Committee. The ballot shall be approved if a majority of the votes cast are in favor. Results will be announced to the membership.

#### **SECTION 5. Terms.**

A. Except for the Chair, the Chair-Elect, the Past Chair, and the Chair of the Component Council, the term of an elected Director shall be three (3) years, or upon election and qualification of their successor. The terms of the elected Directors shall be staggered so that the terms of approximately one-third (1/3) of said Directors shall expire each year.

i. Notwithstanding the foregoing, beginning with the 2013 election of Board members, it is understood that Board terms may be shortened or extended (for up to one year) in order to balance the Board and the terms so that a consistent class of four (4) elected Board members are cycling off/being elected each year. It is anticipated that the Board term balancing will be completed by the end of calendar year 2015. This Article V, Section 5(A)(i) will automatically be deleted from the Bylaws, an approved amendment, requiring no further action of the Board on January 1, 2016.

B. In the event of a vacancy during the term of any Director, whether due to resignation, removal, disqualification, or death, a replacement Director shall be nominated and elected by the Board for the balance of the then current term or the renewal term. If any Board seat becomes vacant or newly created after the Nominating Committee has met and proposed its slate (Section 4 above), the seat shall be treated as a vacancy and filled pursuant to this procedure.

i. **Removal.** The vote of a two-thirds majority of the number of the Directors established by these Bylaws shall be required to remove a Director from office prior to the expiration of the term for which that Director has been elected. A Director may be removed for failure to attend 2 consecutive Board meetings.

C. No elected Director shall serve more than two (2) terms consecutively. Any term of not more than one (1) year, served by reason of being elected to fill a vacancy pursuant to Section 6 below, shall not count against this limitation.

**SECTION 6. Vacancy.** A vacancy in any elected Board seat, whether because of resignation, removal, disqualification, or death, may be filled by the Board of Directors for the unexpired portion of the term.

**SECTION 7. Meetings.**

A. Regular meetings of the Board of Directors shall be held at least twice each year as designated by the Chair of the Board.

B. Special meetings of the Board of Directors may be called by the Chair of the Board. Special meetings of the Board of Directors may be conducted by electronic conference call provided that a quorum shall participate throughout each such conference call.

C. Notice. Notice of the regular meetings of the Board of Directors shall be given at least thirty (30) days before the meeting by the Secretary. Notice of any special meeting of the Board of Directors shall be given at least seven (7) calendar days before the meeting by the Secretary. In both cases, the notice shall be in writing and delivered personally, sent by mail or telecopier or communicated via email to each Director at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. The business to be transacted at any special meeting of the Board of Directors must be specified in the notice of such meeting.

D. Quorum. The presence of a majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board.

E. Manner of Acting. 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 of Directors, unless the act of a greater number is required by law, by these Bylaws, or by Robert's Rules of Order. Directors may attend a meeting by telephonic or similar equipment by means of which all persons participating in the meeting can hear each other. Each member of the Board of Directors shall be entitled to one (1) vote on each matter submitted to a vote of the Board.

F. Electronic Participation. Any one or more Directors may participate in a meeting thereof by means of a conference telephone or similar communication equipment, allowing all persons participating in the meeting to hear each other at the same time. Unless the meeting is called as a communication meeting, each Director participating by telephone or similar communication equipment shall pay the entire expense of his or her participation by telephone or other similar communication equipment.

G. Informal Action. Any action required by law to be taken at a meeting of Directors, or any action that may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

**ARTICLE VI  
Officers**

**SECTION 1.** The officers of the Association shall be: Chair, Chair-Elect, Treasurer, Past Chair, and Secretary.

A. Chair. The Chair shall be the senior officer of the Association and shall exercise general supervision over the affairs of the Association and its officers consistent with policies established by the Board of Directors. The Chair's term shall be for two (2) years. The Chair shall preside, at all meetings of the Members of the Association, and at all meetings of the Board of Directors; shall be the principal spokesperson for the Association; shall appoint the chairpersons of, and serve ex officio on, all committees (except the Nominations Committee); and in general shall perform all duties incident to the office of Chair and such other duties as may be prescribed by the Board of Directors. The Chair may authorize and approve expenditures and take such other steps he or she shall deem necessary to advance the purposes of the Association, provided such steps do not exceed the scope of authority determined by the Board.

B. Chair-Elect. When seated, the Chair-Elect shall preside at meetings of the Members and Board of Directors when the Chair is not present and shall perform those duties assigned by the Chair or Board of Directors. The Chair-Elect's terms shall be for one (1) year and shall run concurrent with the second year of the then seated Chair's term. The Chair-Elect shall succeed the Chair at the end of the Chair's term.

C. Treasurer. The Treasurer shall be the chair and a member of the Finance Committee; shall monitor and report to the Chair, Board of Directors, and Finance Committee about the financial status of the Association, any significant budget variances, and any violations of the Cost Control Procedures. The Treasurer's term shall be for two (2) years. The Treasurer's term shall begin concurrent with the second year of the Chair's term.

D. Secretary. The Secretary, who shall be the President, a paid staff member of the Association, shall be the chief executive officer of the Association and shall manage the financial affairs of the Association, manage and administer the policies and programs established by the Board of Directors, conduct the daily affairs of the Association, and employ, supervise, and discharge all other paid employees of the Association. The Secretary shall be an ex officio non-voting member of the Board of Directors and committees; shall give notice and attend all meetings of the Association and shall keep all records of the Association.

E. Past Chair. When seated, the Past Chair shall preside at meetings of the Members and Board of Directors when the Chair is not present and shall perform those duties assigned by the Chair or Board of Directors. The Past Chair shall chair the Nominating Committee. The Past Chair's terms shall be for one (1) year and shall run concurrent with the first year of the then seated Chair's term (i.e., the year after his/her term as Chair ended).

## **SECTION 2. Elections.**

A. The Chair-Elect of the Association shall be elected biannually at the end of the first year of the then current Chair's term from current Board members by the Board of Directors for a one-year term of office; serving in the capacity of Chair-Elect during the Chair's second term year. The Chair Elect will automatically succeed to the office of Chair at the end of the one-year term.

B. The Treasurer of the Association shall be elected bi-annually from current Board members by the Board of Directors for a two-year term of office. The Treasurer may serve

more than one consecutive term in office but no more than four (4) years total during the individual's time on the Board pursuant to Article V, Section 5. Elections of the Treasurer shall occur the same year as for the Chair-Elect.

C. Board members running for the office of Treasurer must have sufficient time remaining on their Board term (Article V, Section 5) to fulfill the term of the office, and subsequent obligatory offices, in order to run (a minimum of 2 years on a term to run for Treasurer). The terms of office of the Chair, Chair-Elect, Treasurer and Past Chair shall begin at the start of the CoreNet fiscal year, and shall end at the close of a one or two year time frame depending on the term of the office, or upon the election and qualification of their successor.

**SECTION 3. Resignation.** An officer may resign by written notice to the Board of Directors. Unless another time is specified in the notice or determined by the Board, an officer's resignation shall be effective upon receipt by the Board.

**SECTION 4. Removal.** Any elected officer may be removed from office for good and sufficient cause by a vote of two-thirds of the Directors.

**SECTION 5. Vacancy.**

A. A vacancy in the office of Chair, during the first of the two year term, shall be filled by the Past Chair for the remainder of the term. There will be no corresponding vacancy to fill for the Past Chair seat.

B. A vacancy in the office of Chair, during the second of the two year term, shall be filled by the Chair-Elect for the remainder of the term. The Chair-Elect will be entitled to, at the conclusion of the vacancy term, serve his/her own two year term as Chair. There will be no corresponding vacancy to fill for the Chair-Elect seat.

C. A vacancy in any other office, whether because of failure to elect any officer, resignation, removal, disqualification, or death, may be filled by the Board of Directors for the unexpired portion of the term.

**ARTICLE VIII  
Committees, Chapters, Communities and Councils**

**SECTION 1. Designation of Committees.** The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees of its Members, each of which shall consist of two or more persons, which committees, to the extent provided in said resolution, shall have and exercise the authority directed by the Board of Directors. Other Board created Committees, or task forces, not carrying the authority of the Board, can be created by resolution of the Board. Such Committees must be created with a set term and authorized charter, and shall sunset at its expiration unless affirmatively reauthorized by a subsequent Board.

**SECTION 2. Standing Committees. Standing Committees/Councils.** The standing committees shall be: the Finance Committee, the Nominating Committee, the Governance Committee, and the Component Leaders Council.

A. Finance Committee. The Finance Committee shall be composed of no more than nine (9) individuals: including the CoreNet Treasurer, who shall Chair the Committee; no less than two

(2) other members of the CoreNet Board of Directors; and the immediate past Treasurer. The Finance Committee will have responsibility for establishing the financial policies of the Association and making financial recommendations to the Board of Directors.

B. Nominating Committee.

- i. **Membership.** The Nominating Committee shall consist of a maximum of seven (7) individuals appointed by the Board of Directors; including the the Chair and either the Past Chair or Chair-Elect of the Board of Directors; with the remaining membership consisting of at least one (1) Service Provider Board member and one (1) End User Board member. The Past Chair shall serve as the Chair of the Nominating Committee during his/her term; during a year without a seated Past Chair, the Chair of the Board shall Chair the Committee. The number of Service Provider members on the Committee shall not exceed the number of End User members on the Committee. All members are appointed for a period of one (1) year. Any member of the Nominating Committee nominated as an officer or director while serving on the Committee must recuse themselves from voting on their nomination.
- ii. **Purpose.** The Nominating Committee shall be responsible to organize, administer, and conduct the nomination and election process of the Association. The Nominating Committee shall review all nominations and verify that each nominee is eligible to seek the office for which he/she has been nominated and willing to serve.

C. Executive Committee. The Executive Committee shall consist of the Chair, Chair-Elect or Past Chair, Treasurer, Chair of the Governance Committee and President/CEO. The President/CEO shall be a non-voting member. The Executive Committee shall have full powers and authority to the extent permitted by law to manage and control the Association during intervals between meetings of the Board. In no event, however, shall the Executive Committee have authority to amend the Articles of Incorporation, amend or repeal the Bylaws, elect or remove Officers, change dues or assessments, adopt a plan of merger or consolidation, or sell, lease, exchange, mortgage, pledge or otherwise dispose of all or substantially all of the property or assets of the Association.

D. Governance Committee.

- i. **Membership.** The Governance Committee shall consist of a maximum of seven (7) individuals recommended by the Chair and approved by the Board of Directors. The number of Service Provider members on the Committee shall not exceed the number of End User members on the Committee. The Chair shall appoint, from the approved membership, the Committee's Chair. All members are appointed for a period of one (1) year.
- ii. The Chair shall appoint, from the approved membership, the Committee's Chair.
- iii. **Purpose.** The Governance Committee shall advise the Board on governance policies needed for the effective governance of CoreNet

Global including, but not limited to, overseeing component compliance, Board governance and self-evaluation, and CEO/President succession.

**E. Component Leaders Council.**

- i. Membership.** The Component Leaders Council shall be populated by 1 individual from each CoreNet recognized Chapter and Community who shall be either the Past President or Past Chair, whoever was the most senior officer the year after their term. The Component Council shall have a Chair-Elect and a Chair.
- ii. Elections and Term.** Annually, the Council shall elect a Chair-Elect from current Component Council members. The Chair-Elect shall serve in that capacity for the remaining meeting(s) and the remainder of the Council Chair's Board term. The Chair-Elect will automatically succeed to the office of Chair at the beginning of the next new Board term cycle. The Chair shall serve a one-year term on the Board of Directors and shall be the liaison for the Council to the Board. Any individual serving as Chair shall not alter or affect their Component's cycle to further populate the Council
- iv. Purpose.** The Component Council shall serve as the body to communicate to the Board on Chapter/Community activities, to develop best practices for Chapters and Communities as well as oversee the Chapter awards program.
- v. Meetings.** The Component Council will meet no less than 2, nor more than 4, times per year. A quorum of the Component Council shall be the presence (either in person or through electronic means whereby each person may hear one another and communicate) of a majority of the members.

**SECTION 3. Chapters/Communities.** The Board of Directors, by resolution adopted by a majority of the Directors in office, may create, dissolve, with or acknowledge the existence of Chapters, generally a subgroup of CoreNet members organized by geographic boundaries, or Communities, generally a subgroup of CoreNet members organized based on area of interest, topic or profession, of the Association. Such Chapters shall have and may exercise the authority granted by the Board of Directors.

**ARTICLE IX  
Financial**

**SECTION 1. Fiscal Year.** The fiscal year of Association shall be established by the Board of Directors.

**SECTION 2. Budget.** An annual budget for each fiscal year shall be prepared by the President and Association Staff, approved by the Treasurer, and presented to the Board of Directors for its approval or modification no later than the first Board Meeting of each fiscal year. Thereafter, at any meeting of the Board of Directors, the Board may approve any supplemental budget changes. The President shall supervise all expenditures made on behalf of Association. The officers of Association shall not authorize aggregate expenditures in excess of the approved budget without prior approval of the Board of Directors.

**SECTION 3. Contracts.** The President, the Chair and the Treasurer are authorized to execute contracts in the name of and on behalf of Association, provided that each such contract shall be either in accordance with the approved Budget or specifically approved by resolution of the Board of Directors. The Board of Directors, and other committees authorized by the Board from time to time, may authorize other officers of Association to enter into any contract or deliver any instrument in the name of and on behalf of Association.

**SECTION 4. Checks, Drafts, etc.** All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness issued in the name of Association shall be signed by such person or persons and in such manner as shall be determined by the Board of Directors.

**SECTION 5. Deposits.** All funds of Association shall be deposited from time to time to the credit of Association in such banks, trust companies or other depositories as the Treasurer may select.

**SECTION 6. Gifts.** After performing reasonable due diligence to determine the potential liabilities, if any, which may be imposed upon Association as the result of accepting any gift, the Board of Directors or President may accept on behalf of Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of Association.

**SECTION 7. Audits.** Association shall provide for its annual financial statements to be audited by independent certified public accountants. The Chapters of Association may be audited from time to time by the Director of Finance as determined appropriate by the Board of Directors.

## **ARTICLE X Books and Records**

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Director.

## **ARTICLE XI Seal**

The Board of Directors shall provide a corporate seal that shall be in a form selected by a resolution of the Board of Directors.

## **ARTICLE XII Indemnification**

Any present or former Director, officer, employee, or agent of the Corporation, or other such persons so designated in the discretion of the Board of Directors, or the legal representative of such person, shall be indemnified (including advances against expenses) by the Association against all judgments, fines, settlements, and other reasonable costs, expenses, and counsel fees paid or incurred in connection with any action, suit, or proceeding to which any such person or his legal representative may be made a party by reason of his being or having been such a Director, officer, employee, or agent, to the greatest extent permitted by law. No indemnification or advance against expenses shall be approved by the Board or paid by the Association until after receipt from legal counsel of an opinion concerning the legality of the proposed indemnification or advance.

**ARTICLE XIII  
Governing Law**

The Bylaws and the Association shall be governed by the laws of the District of Columbia.

**ARTICLE XIV  
Amendment**

These Bylaws may be amended by approval of two-thirds of the entire Board of Directors expressed in a vote at a properly conducted meeting.