

**FINANCIAL MANAGERS SOCIETY, INC.**

**Charter**

**For**

\_\_\_\_\_ Chapter

**ARTICLE I – NAME**

The name of this organization shall be the \_\_\_\_\_ Chapter of the Financial Managers Society, Inc. For the purpose of identification and brevity, this \_\_\_\_\_ Chapter may hereinafter be referred to as the “Chapter,” and the Financial Managers Society, Inc. may hereinafter be referred to as “FMS”, or “the national organization.”

The Chapter is affiliated with the national organization of the Financial Managers Society, Inc., and nothing in this charter and any amendments hereto shall be in conflict with the certificate of incorporation, bylaws, regulations, policies and mission of FMS.

The Chapter is an independent legal entity, is independently incorporated, and maintains its own federal employment identification number from the Internal Revenue Service.

**ARTICLE II—BOUNDARIES**

The boundaries of the Chapter shall encompass:

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(Description of territory).

**ARTICLE III – OBJECTIVES**

The objectives of the Chapter shall be consistent with those of FMS, including the following:

1. To provide a forum for the sharing of experiences and expertise among financial, operational, risk management, and other personnel employed by financial institutions and supportive organizations,
2. To enhance the professional and personal development of financial, operational, risk management, and other personnel employed by financial institutions and supportive organizations.

3. To study operations, financial management, financial reporting, systems, procedures, accounting, risk management, internal auditing, or data processing techniques used by financial institutions and to devise ways and means of improving the same.
4. To promote high standards of practice in operations, systems, procedures, financial management and reporting, accounting, internal auditing, risk management or data processing.
5. To promote FMS activities on both a local and a national level and to encourage national involvement of chapter members whenever possible.

## **ARTICLE IV – CHAPTER MEMBERSHIP**

Membership in the Chapter shall be granted upon application and approval by the Chapter's Board of Directors to individuals in financial institutions and organizations providing products or services to the financial services industry who live and/or work in the geographic area set forth in this charter.

Qualifications for membership and classes of membership within the Chapter shall be the same as those specified in the Bylaws of FMS and the Bylaws of the Chapter.

An individual may be a member of the Chapter without being a member of the national organization. However, in such instances, the Chapter is encouraged to have at least one national member from that individual's institution or organization located within that chapter's geographic boundaries as described in Article II of this Charter.

No member of the national organization may be denied membership in the Chapter if they live or work within the geographic territory of the Chapter.

## **ARTICLE V – ACTIVITIES**

1. The chapter will not operate for profit and will not undertake any action or practice that would jeopardize its exemption from the payment of federal income taxes as a taxexempt organization within the meaning of Section 501 (c)(6) of the Internal Revenue Code of 1954, as amended, or the corresponding provisions of any future United States revenue law.
2. For the purpose of carrying out its objectives, the Chapter will undertake activities that promote and develop the Chapter pursuant to guidelines and limitations prescribed by statute or by FMS.
3. No dividends or pecuniary profits will be declared or paid to the members of the Chapter or other private party except that the Chapter is empowered to pay reasonable compensation for products or services rendered. The Chapter may, at the direction of its Board of Directors, establish chapter-sponsored scholarship programs for secondary or college students, and make charitable contributions to recognized social agencies or causes selected by the Chapter's Board.

4. No indebtedness shall be incurred nor any obligations made for or on behalf of the Chapter except upon approval of the Chapter's Board of Directors.

## **ARTICLE VI – CHAPTER MANAGEMENT**

The Chapter is required to adopt bylaws that meet the requirements set forth in the FMS Sample Bylaws document attached to this charter.

The affairs of the Chapter shall be managed by its Board of Directors through its officers. The powers and duties of the officers and Board of Directors shall be defined in the Chapter's Bylaws.

All chapter officers must be members of the national organization in addition to being members of the Chapter.

At no time will the Chapter have greater than 50% of its chapter officers from the "affiliate" class of its membership.

## **ARTICLE VII-MEETINGS**

All meetings and/or social events of the Chapter and the Board of Directors shall be held in accordance with the Chapter's bylaws. At a minimum, the Chapter will hold two educational/professional development meetings for its members each year, and the Chapter will provide a minimum of eight hours of appropriate educational/professional development opportunities to its members each chapter year.

## **ARTICLE VIII-THE FMS AND CHAPTER RELATIONSHIP**

All FMS Chapters' activities and programs have a direct bearing on the national organization's mission, reputation, and brand. As a result, to ensure a consistency of mission, management, and oversight between the national organization and each of its chapters, the following is required of the Chapter:

At the beginning of the Chapter's administrative year (ie. at the installation of new officers), the Chapter is required to submit to the national organization a Chapter Status Report provided by FMS with appropriate attachments. The report will consist of the following:

- A list of all Chapter Officers, their professional affiliations, their chapter officer positions, and their terms of office
- A list of all current chapter members with corporate title, institution or company name, postal address, phone, and email address
- Signed copies of the Chapter's Charter Agreement with FMS from all of the Chapter Officers for the Chapter's upcoming administrative year

- A Chapter financial statement displaying the most recent fiscal year's P & L Statement and a simple Balance Sheet displaying the financial condition of the chapter as of its most recent fiscal year-end
- A copy of the Chapter's most recent 990 filing: either a 990-EZ or 990-N, whichever is appropriate
- If the chapter provides CPE credit, a copy of the Chapter's NASBA Sponsor Registration Certificate
- The upcoming Chapter administrative year's dues structure (including both regular and affiliate members)
- Any changes to the Chapter's Bylaws or Articles of Incorporation that have been adopted over the previous Chapter administrative year

In addition, the Chapter will pay a yearly affiliation fee, currently \$750, to FMS. The affiliation fee entitles the Chapter to its identification as an affiliate of the national organization, a license to use the FMS name and "FMS" trademarked logo within the Chapter's logo, and access to various FMS administrative and marketing services and supplies. The amount of the affiliation fee will be determined by the FMS Board of Directors periodically.

## **ARTICLE X- LIMITATIONS**

The FMS/Chapter relationship shall be managed by the national headquarters of FMS.

The Chapter shall have no right or authority to bind the national organization or to incur any financial or legal obligation on behalf of the national organization.

Chapter officers or other members of the chapter are not permitted to represent themselves as speaking on behalf of the national organization without the prior consent of the national organization.

When officers or other members of the Chapter publish any print or electronic materials or marketing collateral for the Chapter, the full name of the Chapter and its appropriate logo shall be used, and not those of the national organization.

## **ARTICLE XI - CHAPTER DISSOLUTION**

If for any reason the Chapter ceases to function, or in the event of its liquidation or dissolution, the Chapter must dissolve in accordance with the laws of its state of incorporation.

If within the provisions of its incorporation documents and at the dissolving Chapter's option, the Chapter's remaining assets may be distributed to FMS. However, if requested by the Chapter, FMS will escrow such distributed funds for a period of up to three years for the purpose of providing such funds to a qualified volunteer group seeking to re-create a new FMS Chapter in the dissolving Chapter's geographic area. If such funds are not utilized for such purpose within those three years, then at the end of that time period the funds shall

revert to FMS and shall be used as the national organization's Board of Directors deems most appropriate.

## **ARTICLE XII – REVOCATION OF CHARTER**

The Charter of the Chapter may be revoked by FMS' Board of Directors when, in the Board's judgment, the Chapter has been guilty of conduct contrary to its Charter and/or the national organization's mission, certificate of incorporation, bylaws, regulations or policies.

In the event of such a determination, the Chapter's license to use the FMS name and trademarked logo, and its affiliation with the national organization, shall be terminated.

Prior to such termination, however, a notice of probationary status shall be given in writing to the Chapter within thirty days of the Board's revocation decision, and the chapter will be placed on a 30 to 120-day probationary status beginning on the date of the Board's probationary notice.

If all infractions identified by the Board are not rectified by the end of that 30 to 120-day probationary period, the Chapter's license to use the FMS name and trademarked logo, its affiliation with the national organization, and its FMS Chapter Charter agreement will be immediately terminated.

The Chapter will have the right to appeal its probationary status, and/or expulsion, to the FMS' Board of Directors within 30 days of either decision.

## **ARTICLE XIII – SURRENDER OF CHARTER**

This Chapter's Charter may be surrendered voluntarily by action of two-thirds of the voting members of the Chapter. Notice of such intent to surrender the Charter shall be given in writing to the Financial Managers Society, Inc. at least 90 days prior to the Financial Managers Society, Inc. at least 90 days prior to the surrender date.

## **ARTICLE XIV – AMENDMENTS TO THE CHARTER**

In the event that the Certificate of Incorporation or Bylaws of FMS, Inc. are amended in a manner which requires an amendment to this charter, such amendment, or any other amendment to this Charter deemed appropriate by the FMS Board of Directors, will be presented to all chapters at least six months prior to its enactment.

Any such amendment shall become effective only after this six-month notification period and only after a ratifying vote of the FMS Board of Directors within the last 60 days of the notification period.

Agreed to this \_\_\_\_\_ day of \_\_\_\_\_

By \_\_\_\_\_

\_\_\_\_\_  
Chapter President

Accepted this \_\_\_\_\_ day of \_\_\_\_\_ By

\_\_\_\_\_  
Chairman, Financial Managers Society, Inc.