BYLAWS
OF THE
AMERICAN ACADEMY OF ACTUARIES

A Corporation Organized Under the Illinois General Not For Profit Corporation Act

(Adopted April 29, 1966, and last amended as noted within)

Article I

Membership

SECTION 1. ***Members.*** Individuals having membership in the Academy shall be called "members."

Members shall be entitled to attend meetings of the Academy, vote, hold office, serve as elected Directors, make nominations, serve on committees, and generally exercise the rights of full membership. They are authorized to designate themselves as "members" of the American Academy of Actuaries and to append to their names the initials M.A.A.A.

SECTION 2. ***Admission to Membership.*** Any person may apply for membership and shall become a member by meeting the requirements contained in this section.

A. *Application.* Each candidate for admission must submit a written application that shall include such additional information as the Executive Committee may request.

B. *Education.* Each candidate shall have passed or have received credit for the examinations, and/or achieved membership in a non-U.S.-based actuarial organization, as prescribed from time to time by the Board of Directors, hereinafter called the "Board."

C. *Resident Aliens and Nonresidents.* A candidate who is a resident alien or a nonresident of the United States must meet such other requirements as are prescribed by the Board.

D. *Approval.* Each application shall be acted upon by the Executive Committee. A candidate's application is approved if accepted by a majority of the whole Executive Committee. If refused for any reason, including a rejection on the basis of evidence of lack of character or professional integrity, the applicant may request review by the Board, pursuant to such procedures as may be adopted by the Board.

(Section 2 amended and effective September 18, 2008)

Article II

Meetings of the Members

There shall be an annual meeting of the members at such time and place as the Board shall designate.

Special meetings may be called by the Board. Upon request of not less than 5 percent of the members, the President shall call a meeting of the members. Notice of a meeting, specifying the place, date, and hour of the meeting, shall be given to the membership at least 50 days before each meeting. At all meetings, the number of members present at an annual or special meeting of the membership shall constitute a quorum for purposes of any member vote.

(Article 2 amended and effective May 21, 2008)

Article III

Board of Directors

SECTION 1. ***Composition.*** The Board shall consist of no fewer than 20 and no more than 27 Directors, comprising the nine Officers, the two immediate Past Presidents, and 9 elected Directors selected by the members and no more than 7 Directors selected by the Board.

(Section 1 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)
(Section 1 amended by vote of the members in August 2011, effective at the close of the annual meeting October 28, 2011)
(Section 1 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)
(Section 1 amended October 19, 2017, effective the close of the annual meeting November 14, 2017)

SECTION 2. ***Election and Term of Office.***

A. *Directors Selected by the Board.* The Board shall have the right, but not the obligation, to select no more than 7 Directors (hereinafter called "Board-Selected Directors") to be filled by persons whose presence on the Board is deemed by the Board to be helpful to the Academy. Board-Selected Directors shall be chosen by majority vote of the whole Board and shall serve for a period of two years. If a Board-Selected Director dies, resigns, or is removed from the Board during his or her term, the Board may fill the vacancy by selecting another Director by majority vote of the whole Board, and such individual shall serve for the remainder of the term. The term of office of any Board-Selected Director shall begin at the close of the annual meeting of the Academy in the calendar year of the selection and shall continue until the close of the annual meeting at the end of the term for which the Board-Selected Director was selected.

B. *Directors Selected by the Members*. The members shall select a total of 9 Directors (hereinafter called "Member-Selected Directors"). Each candidate so selected shall serve for a period of three years and periods of service shall be staggered so that each year the members shall select 3 Member-Selected Directors. Candidates receiving the greatest number of votes from the members shall be selected. A retiring Member-Selected Director, other than one who was elected to fill a vacancy, whose term as a Member-Selected Director expires shall not be eligible for re-election as a Member-Selected Director at that time. A Past President whose ex officio membership on the Board as Past President expires shall not be eligible for election as a Member-Selected Director at that time. If a Member-Selected Director dies, resigns, is removed from the Board, or is elected to an office or to the position of a Board-Selected Director, the Board by a majority vote of the whole Board may fill the vacancy for the remainder of the unexpired term. The term of office of a Member-Selected Director shall begin at the close of the annual meeting of the Academy in the calendar year of the election and shall continue until the close of the annual meeting at the end of the term for which the Member-Selected Director was elected.

(Section 2.B amended May 21, 2009, effective the close of the annual meeting October 26, 2009)
(Section 2.A amended and effective October 8, 2014)
Amended October19, 2017, effective the close of the annual meeting November 14, 2017)
(Section 2.B amended and effective May 18, 2023)

SECTION 3. ***Meetings.*** There shall be an annual meeting of the Board prior to the annual meeting of the Academy. Special meetings of the Board shall be called whenever the President or at least five members of the Board so request. The Immediate Past President shall preside at meetings of the Board.

Meetings of the Board may be held either within or outside the state of Illinois. Notice of the meetings of the Board shall be given not less than 10 days nor more than 30 days before the meeting, except in the event of a meeting of the Board following the annual meeting of the Academy, in which event newly elected Directors shall be given notice of such meeting of the Board as promptly as possible. Such notice to newly elected Directors may be given personally, by telephone, by mail, by facsimile transmission, or by electronic mail or other electronic means reasonably designed to provide such notice to Directors.

Any action required to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members of the Board.

(Section 3 amended and effective May 21, 2008)

(Section 3 amended and effective May 25, 2011)

(Section 3 amended and effective October 19, 2017)

SECTION 4. ***Quorum.*** At meetings of the Board, a majority of the members of the Board shall constitute a quorum.

SECTION 5. ***Duties and Powers.*** The Board shall have, in addition to the powers and authority expressly conferred upon it by these Bylaws, the right, power, and authority to exercise all such powers and to do all such acts and things as may be appropriate to carry out the purposes of the Academy. Without prejudice to the general powers so conferred, the Board shall have the following specific powers:

A. To act in accordance with the provisions of the Articles of Incorporation of the Academy and the laws of the state of Illinois.

B. To establish the location of the offices of the Academy.

C. To invest and administer the funds of the Academy.

D. To arrange an annual audit of the accounts of the Secretary-Treasurer.

E. To prescribe examinations and other requirements for admission, as provided in Article I, Section 2, of the Bylaws.

F. To elect the Officers of the Academy.

G. To authorize such committees as it may deem necessary for the conduct of the affairs of the Academy.

(Section 5 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)
(Section 5 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)

Article IV

Executive Committee

During any interim between meetings of the Board, the business of the Academy shall be conducted by an Executive Committee comprising the Officers and the immediate Past

President. The Executive Committee shall have such powers as may be provided by these Bylaws or as may be delegated to it by the Board, except the specific powers enumerated (B), (D), (E), (F), and (G) in Section 5 of Article III.

(Article 4 amended and effective October 19, 2017)

Article V

Officers

SECTION 1. ***Officers.*** The Officers of the Academy, all of whom shall be members, shall consist of a President, a President-Elect, six Vice Presidents, and a Secretary-Treasurer.

SECTION 2. ***Election and Term of Office.*** At each annual meeting of the Board, the Directors present, by a vote of a majority of the whole Board, shall elect, separately and in the order named, a President-Elect, three or more Vice Presidents, and a Secretary-Treasurer.

At the annual meeting of the Board, if either (a) the President-Elect has succeeded the President and has served in that capacity for six months or more by reason of the office of President becoming vacant or (b) the office of the President-Elect is vacant, except in the case where the President-Elect has succeeded to the office of the President and has served in that capacity for less than six months, the Directors, by a vote of a majority of the whole Board, shall, prior to the election of the President-Elect, elect a President to serve from the close of the first subsequent annual meeting of the Academy until the close of the second subsequent annual meeting of the Academy.

Except as hereinafter provided, the President-Elect, having been so elected at an annual meeting of the Board, shall commence the term as President-Elect at the close of the first subsequent annual meeting of the Academy and shall automatically succeed the President at the close of the second subsequent annual meeting of the Academy, and shall serve as the President until the close of the third subsequent annual meeting of the Academy. In the event the office of President becomes vacant, the President-Elect shall automatically succeed to fill the vacancy for the unexpired term. A President-Elect who so succeeds the President and serves in that capacity for less than six months prior to the close of the first subsequent annual meeting of the Academy following succession to the Presidency shall further serve as President until the close of the second subsequent annual meeting of the Academy.

The term of Vice President shall be two years. The term of each Vice President elected at each annual meeting of the Board shall be from the close of the first subsequent annual meeting of the Academy until the close of the third subsequent annual meeting of the Academy. In the event of a vacancy in the office of Vice President, the Board may elect a replacement for the remainder of the vacancy of that office. Said replacement may thereafter be eligible for re-election as a Vice President at the meeting at which the term expires.

A retiring Vice President is not otherwise eligible for re-election as a Vice President at the meeting at which the term expires.

Except as provided above, a retiring President shall thereafter be permanently ineligible for election for another term as President or President-Elect.

A retiring Vice President shall not be eligible for re-election as a Vice President at the meeting at which the term expires.

Each Officer shall hold office for the term elected and until a successor shall have been elected.

In the event of vacancy in the office of both the President and President-Elect, the Board shall by majority vote of the whole Board elect a member to fill the vacancy for the unexpired term of the President.

In the event a vacancy occurs among the Vice Presidents, or in the offices of Secretary-Treasurer, the Board shall by majority vote of the whole Board elect a member to fill the vacancy for the unexpired term.

(Article 5 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)
(Article 5 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)
(Section 1 amended and effective October 19, 2017)

Article VI

Duties of Officers

SECTION 1. ***President.*** Except as noted above in Article III, Section 3, the President shall preside at the meetings of the Academy, shall appoint committees authorized by the Board, and may sign contracts or other instruments that the Board has authorized to be executed.

(Section 1 amended and effective May 25, 2011)

SECTION 2. ***President-Elect.*** The President Elect shall have such duties as may be assigned by the President or by the Board. In the absence of the President, or in the event of the President's inability or refusal to act, the President-Elect shall perform the duties of the President's office.

SECTION 3. ***Vice Presidents.*** Each of the Vice Presidents shall have such duties as may be assigned by the President or by the Board.

SECTION 4. ***Secretary-Treasurer.*** The Secretary-Treasurer shall record and file minutes of all meetings of the Board, give all notices, be the custodian of the corporate records of the Academy, and in general shall perform all customary duties incident to the office of Secretary-Treasurer. If the President is absent or unavailable, the Secretary-Treasurer may sign, with any other person authorized by the Board, contracts or other instruments that the Board has authorized to be executed.

The Secretary-Treasurer shall also keep a register of the members, have charge of the preparation and publication of any yearbook that may be published and have general supervision of any arrangements for holding examinations.

The Secretary-Treasurer shall have charge and custody of all funds and securities, collect dues, pay bills, prepare financial statements, and in general perform all customary duties incident to the office of Secretary-Treasurer. The Secretary-Treasurer shall give a bond for the faithful discharge of all such duties, the cost of which shall be paid by the Academy.

(Section 4 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)
(Article 6 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)
(Section 4 amended and effective October 19, 2017)

Article VII

Finances and Contracts

SECTION 1. ***Dues.*** Except as hereinafter provided, each member shall pay such dues for each calendar year as may be established by the Board. Such dues shall be payable as of January 1 of the calendar year.

It shall be the duty of the Secretary-Treasurer to cause to be notified by mail any member whose dues may be six months in arrears and to accompany such notice by a copy of this Section. If dues remain unpaid, such person shall, on the date that falls three months after the date of mailing such notice, cease to be a member of the Academy for all purposes other than with respect to any penalty or other action determined under disciplinary procedures as provided in Article IX, relating to conduct prior to such date. Reinstatement as a member shall be subject to such conditions as the Board may prescribe.

(Section 1 amended and effective September 18, 2008)

(Section 1 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)

(Section 1 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)

SECTION 2. ***Publications.*** The Board shall determine the extent of distribution of publications of the Academy and the fees or prices to be charged any classes of recipients.

SECTION 3. ***Contracts.*** The Board may authorize any Officer or agent to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Academy.

SECTION 4. ***Checks.*** All checks, drafts, or other orders for a payment of money, notes, or other evidences of indebtedness shall be signed by such Officer or agent of the Academy as shall from time to time be determined by the Board.

SECTION 5. ***Deposits.*** All funds of the Academy not otherwise employed or invested shall be deposited to the credit of the Academy in such banks, trust companies, or other depositories as the Board may select.

Article VIII

Resignation of Members

Any member may at any time file a resignation in writing with the Secretary-Treasurer, and, unless it is rejected by the Executive Committee, it shall become effective as of the date it was filed. The Executive Committee may reject a resignation only if a complaint or charge is pending against the member or if a complaint or charge is filed within 60 days after the date that the member's attempted resignation is filed. A member whose resignation is rejected by the Executive Committee may appeal in writing to the Board. The Board may affirm or set aside an Executive Committee decision to reject a member's resignation by a majority vote of the members of the whole Board.

Notwithstanding the foregoing, the Board may in its discretion permit the resignation of a member against whom a complaint or charge is pending. The Board, on written application of any member who has resigned, may reinstate such member subject to such conditions as it may prescribe.

(Article 8 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)

(Article 8 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)

Article IX

Discipline

SECTION 1. ***Complaints and Referrals.***

A. Complaints concerning alleged violations of the Academy's Code of Professional Conduct, and all questions that may arise as to the conduct of a member, in the member's relationship to the Academy or its members, or in the member's professional practice, or affecting the interests of the actuarial profession, constitute matters for serious consideration.

B. Such complaints and questions shall be referred to the national organization responsible for profession wide counseling and discipline in the nation where the action occurred: the Actuarial Board for Counseling and Discipline (ABCD) in the United States and in any other country where the Academy has not executed a cross-border discipline agreement with a foreign national actuarial organization, and the appropriate foreign national actuarial organization with which the Academy has executed a cross-border discipline agreement (for example, the Canadian Institute of Actuaries in Canada). The Academy will publish a list of foreign national actuarial organizations with which it has executed a cross-border discipline agreement.

(Section 1.B amended and effective May 18, 2023)

SECTION 2. ***Consideration of Disciplinary Action Under A Joint Discipline Agreement***

The Academy may enter into an agreement with one or more other U.S.-based actuarial organizations establishing and implementing a joint disciplinary process under which disciplinary recommendations concerning Academy members will be considered and acted upon. A two-thirds vote of the entire Board of Directors shall be required for the Academy to enter into, amend or withdraw from such an agreement. In the event the Academy is a party to such a joint discipline agreement, the terms of such agreement shall govern the consideration and adjudication of disciplinary recommendations concerning Academy members. If the Academy is not a party to such an agreement, disciplinary recommendations concerning Academy members shall be governed by Sections 3 and 4.

Any joint discipline agreement entered into by the Academy must include appropriate due process and respect of the member's rights, including the right to appear before a discipline panel and the right to appeal to a panel other than the discipline panel.

Any decisions under a joint discipline agreement requiring Academy review before taking effect will be reviewed by a six-person panel of members of the Board of Directors appointed by the President.

SECTION 3. ***Academy Consideration of Disciplinary Action***

This section shall govern proceedings to consider and act upon disciplinary recommendations concerning Academy members, unless the Academy is a party to a joint discipline agreement as set forth in Section 2, in which case the terms of such joint discipline agreement shall govern:

A. The President shall appoint a six-person Disciplinary Committee from among the current or former members of the Board who, at the time of their appointment, have served on the Board within the past five years to consider and act upon a recommendation from the ABCD or the appropriate foreign national actuarial organization for public discipline of an Academy member.

B. Public disciplinary action includes a public reprimand, suspension of Academy membership, or expulsion from the Academy. Private disciplinary action includes a private reprimand. A referral for counseling shall not constitute discipline.

C. The member who is the subject of a disciplinary recommendation from the ABCD or the appropriate foreign national actuarial organization shall have the right to appear personally and by counsel (at the member's expense) before the Disciplinary Committee to explain why that recommendation should not be followed. The role of the member's counsel shall be limited to advising the member and articulating appropriate legal objections; the role of the Disciplinary Committee's counsel shall be similarly limited.

D. The member involved shall be notified not less than 45 days in advance as to the time, date, and place where the Disciplinary Committee will consider the matter. The notification may be made by certified mail or in such other manner as the Disciplinary Committee Chairperson may direct. The time limit may be waived by mutual agreement of the parties.

E. An action of the Disciplinary Committee to refer for counseling, privately reprimand, publicly reprimand, suspend, or expel a member requires an affirmative vote of two-thirds of the whole membership of the Disciplinary Committee.

F. An action by the Disciplinary Committee to privately reprimand, publicly reprimand, suspend the membership of, or expel a member is effective 45 days after the date of the action, if the member does not appeal the action to the Appeal Panel as provided in Section 3 below, and, in the event of such an appeal, the action is effective on the date when the appeal is decided by the Appeal Panel.

SECTION 4. ***Appeals.***

This section shall govern appeals of disciplinary determinations made pursuant to Section 3. It shall not apply to appeals of determinations made under a joint discipline agreement of which the Academy is a party, as set forth under Section 2.

A member against whom an order of private reprimand, public reprimand, suspension, or expulsion has been rendered shall, upon application to the President within 45 days after the action of the Disciplinary Committee, be entitled to appeal under the following conditions:

A. The President shall appoint a six-person Appeal Panel from among the members of the Board of Directors (except as provided in Subsection 2 below) to consider and act upon the member's appeal. The Appeal Panel shall consist of:

   1. A chairperson who is the President, the President-Elect, the immediate Past President, or the Secretary-Treasurer;
   2. The chairperson of the Disciplinary Committee (even if that person is no longer a member of the Board of Directors) as a non-voting member; and
   3. Four members of the Board of Directors who did not participate on the Disciplinary Committee. Officers identified in Section 4(A) (1) who do not chair the Appeal Panel may participate as members of the Appeal Panel.

B. The notice of appeal shall be in writing and shall stipulate that the appealing member consents to the mailing to the members of the Appeal Panel of a transcript and all applicable evidence in a form approved by the Disciplinary Committee.

C. All rights and privileges of membership shall be retained during the pendency of the appeal.

D. The member may appear personally and by counsel (at the member's expense) before the Appeal Panel to explain why the action of the Disciplinary Committee should be reduced or set aside. The role of the member's counsel shall be limited to advising the member and articulating appropriate legal objections; the role of the Appeal Panel's counsel shall be similarly limited.

E. The decision of the Disciplinary Committee may be affirmed, reduced, or set aside by a majority of the Appeal Panel.

F. The member involved shall be notified not less than 45 days in advance as to the time, date, and place where the Appeal Panel will consider the matter. The notification may be made by certified mail or in such other manner as the chairperson of the Appeal Panel may direct. The time limit may be waived by mutual agreement of the parties.

(Section 3 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)

(Section 4 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)

SECTION 5. ***Reinstatement.*** An individual who has been expelled or suspended from the Academy may be reinstated only through an action of the Board of Directors.

SECTION 6. ***Confidentiality of Proceedings.***

Except as otherwise provided in these Bylaws, a joint discipline agreement of which the Academy is a party, or by waiver of the person under investigation, all proceedings under this Article shall be confidential and kept secret. If the person discloses any aspect of these confidential proceedings, the Academy may research the source and manner of the disclosure, and reserves the right to respond to such disclosure by providing factual information about the proceedings.

SECTION 7. ***Notifications.***

A. The Academy shall notify Academy members in all instances in which a member is subject to public discipline. At the same time notification is given to the members, the Academy shall also give notice of the public discipline to all other actuarial organizations of which the individual is a member and to other organizations, including government entities, that, in the opinion of the Disciplinary Committee or the Appeal Panel, should also receive notice of the action. The Academy may also give notice of public discipline to such newspapers or journals as it may select.

B. If the case arises from a written complaint, notice of the disposition of the case shall be furnished to the complainant.

C. In the case of an action to publicly reprimand, suspend, or expel a member, the notification should take place within a reasonable period of time after the action has taken effect as described in Section 3(F) above or, if the Academy is a party to a joint discipline agreement, as set forth under the terms of such agreement.

D. In the event of subsequent reinstatement of an expelled or suspended member, the Academy shall give notice of such action to all members and also to entities previously advised by the Academy of the expulsion or suspension.

SECTION 8. ***Procedures.*** The Board of Directors may establish procedures for implementation of this Article that are not inconsistent with this Article.

(Article 9 amended and effective May 21, 2008)

(Article 9 amended May 21, 2009 effective the close of the annual meeting October 26, 2009)

(Article 9 amended by vote of the members in August 2011 and renumbered effective September 12, 2011)

Article X

Actuarial Board for Counseling and Discipline

SECTION 1. ***Establishment and Purposes.***

A. There shall be established within the Academy an entity to be known as the Actuarial Board for Counseling and Discipline (ABCD). Upon delegation of appropriate authority from a participating actuarial organization and acceptance of that delegation by the ABCD, the ABCD will be authorized:

1. To consider all complaints concerning alleged violations or information suggesting possible violations of the applicable Code(s) of Professional Conduct and all questions that may arise as to the conduct of a member of a participating actuarial organization in the member's relationship to the organization or its members, in the member's professional practice, or affecting the interests of the actuarial profession.
2. To counsel actuaries concerning their professional activities related to the applicable Code(s) of Professional Conduct in situations where the ABCD deems counseling appropriate.
3. To recommend a disciplinary action with respect to an actuary to any participating organization of which that actuary is a member.
4. To mediate issues between members of participating actuarial organizations, or between such members and the public, for the purpose of informally resolving issues concerning the professional conduct of such members.
5. To respond to requests for guidance regarding professionalism from members of the participating organizations.

B. The ABCD is authorized to establish Rules of Procedure and operating guidelines not inconsistent with the requirements of this Article. Such Rules of Procedure shall provide that the subject of an inquiry will be given the following:

1. Notice of the inquiry along with the factual basis for the inquiry and an opportunity to comment on the matter before the ABCD determines whether an investigation should be initiated.
2. Notice of the ABCD's decision to refer the inquiry to Investigators, their names, and an opportunity to object for cause in writing to any of them.
3. The opportunity to comment on an Investigative Report before the ABCD uses the Report to vote on disposition of the inquiry.
4. Reasonable notice of a hearing to be conducted regarding the actuary's work and/or conduct, including the issues for inquiry and the date, time, and place of the hearing.
5. Within a reasonable period of time prior to a hearing, the names of any witnesses whose testimony the ABCD expects to consider and copies of case-specific documents not previously provided to the subject of the inquiry that the ABCD expects to consider.
6. Notice and a reasonable opportunity to respond to additional relevant, material case-specific documents and witnesses that the ABCD first learns of during a hearing, if the ABCD intends to consider such. The notice shall include a copy of such documents and the names and last known addresses of witnesses.
7. The right to assistance of counsel during a hearing, including the right to seek and receive advice from counsel and to have counsel articulate appropriate legal objections.
8. Prompt notification of the results of an ABCD hearing after they have been determined and formulated. The ABCD shall expose, for comment, proposed revisions of its Rules of Procedure to the profession or to membership organizations for publication to their members.

SECTION 2. ***Members and Appointments.***

A. The ABCD shall consist of nine persons appointed from the membership of the participating organizations, each of whom shall be appointed for a three-year term. No individual may serve more than two consecutive terms on the ABCD, except that a member appointed to complete an unexpired term may be reappointed to two full consecutive three-year terms. Terms of membership shall be staggered, so that one-third of the members are appointed annually.

B. Members of the ABCD shall be broadly representative of all areas of actuarial practice. They shall be appointed by, and serve at the pleasure of, the Selection Committee, composed of the Presidents and Presidents-Elect of the American Academy of Actuaries, the Casualty Actuarial Society, and the Society of Actuaries, or their successor organizations. The President of the Academy shall serve as Chairperson of the Selection Committee. The Selection Committee shall annually appoint the chairperson of the ABCD. An individual appointed Chairperson may not serve more than two consecutive terms as Chairperson.

C. If a vacancy arises among the members of the ABCD, the Selection Committee shall designate a replacement to fill out the remainder of the term. The replacement will complete that term, and may be reappointed for two additional consecutive three-year terms. When a full-term or replacement member has attended a hearing as an ABCD member, such member may serve beyond his or her term of appointment solely for the purpose of participating in the ABCD's disposition of that matter.

Where three or more members of the ABCD have an actual or apparent conflict of interest with regard to a particular matter, with the result that a quorum of the ABCD cannot practicably be convened to consider the matter, the Selection Committee may, in response to a request from the ABCD, appoint enough special members to the ABCD to form a quorum to consider that matter. The special members shall consider only the matter(s) for which appointed, and the term of each such special member shall end at the conclusion of the ABCD's consideration of such matter(s).

(Section 2 amended and effective May 2, 2014)

(Section 2 amended and effective September 4, 2018)

SECTION 3. ***Officers.*** The Officers of the ABCD shall consist of the Chairperson and two Vice Chairpersons, who shall be appointed annually from among the members of the ABCD by the Selection Committee.

(Section 3 amended and effective May 2, 2014)

SECTION 4. ***Meetings and Conduct of Business.*** The ABCD shall meet at least once each year. Meetings may be called by the Chairperson or at the request of at least three members. Six members of the ABCD shall constitute a quorum. Meetings may be conducted in person or via telephone. In the event that neither the Chairperson nor a Vice Chairperson is able to participate at a duly called meeting where a quorum is present, the members may, by a majority of those participating, select a Chairperson Pro Tem for that meeting.

SECTION 5. ***Procedures.***

A. For any matter described in Section 1.A.1 that comes to the attention of the ABCD, the Chairperson and the two Vice Chairpersons may by majority vote agree to: (1) dismiss the matter, (2) authorize a mediator to attempt to resolve the matter, or (3) authorize a review of the matter.

B. An actuary whose activities are the subject of ABCD inquiry is referred to as a "subject actuary."

C. To review a matter, the Chairperson shall appoint a primary Investigator and may appoint additional Investigators. ABCD members shall not be Investigators.

1. The Investigator(s) shall investigate activities which may involve violations of the applicable Code(s) of Professional Conduct. The Investigator(s) shall then prepare an Investigative Report for the ABCD, which contains the results of the investigation.

2. The Investigator(s) shall follow applicable Rules of Procedure and operating guidelines established by the ABCD, which shall not be inconsistent with the provisions of this Article.

D. The Chairperson may designate individuals with special expertise in various specialty areas to serve as Advisers to the ABCD. Investigator(s) and the ABCD may consult confidentially with such Advisers who have information or experience relevant to a matter under consideration.

E. Following receipt of the Investigative Report, the ABCD shall determine by majority vote whether to (1) dismiss the matter; (2) counsel the actuary; or (3) schedule, in accordance with the Rules of Procedure described in Section 1.B ofthis Article, a fact-finding hearing before the ABCD.

F. In any hearing before the ABCD:

1. The subject actuary shall have the right to appear personally, to examine the evidence to be considered by the ABCD, to question witnesses appearing at the hearing, and to present witnesses and evidence.
2. The subject actuary may be accompanied by counsel, at no expense to the ABCD. The counsel's role in such instance shall be defined by the Rules of Procedure adopted by the ABCD, subject to the requirements of Section 1.B.7 of this Article. The role of counsel for the ABCD shall be similarly defined.
3. The ABCD shall decide all questions of evidence at the hearing.
4. A written transcript shall be made of the proceedings and a copy made available to the subject actuary.

G. Following the conclusion of the hearing and based on the evidence (including testimony), only those ABCD members participating in the hearing shall, by affirmative vote of five or more members, determine to (1) dismiss the matter; (2) counsel the actuary; or (3) recommend discipline to the subject actuary's membership organization(s), including the form of such discipline: private reprimand (if permitted by the membership organization's bylaws or rules), public reprimand, suspension, or expulsion. If the ABCD believes it would be beneficial, it may also counsel an actuary for whom discipline is recommended.

If the ABCD recommends discipline, the ABCD shall prepare a written report addressed to each participating organization of which the subject actuary is a member. The report shall identify the precepts of the applicable Code(s) of Professional Conduct that the ABCD believes to have been violated, state the nature of the violations, and make a recommendation as to the form of discipline. The report shall be accompanied by a transcript of the hearing and copies of all documents considered at the hearing. A copy of the report and accompanying material shall be provided to the subject actuary.

SECTION 6. ***Counseling.*** The ABCD shall counsel a subject actuary when the ABCD determines counseling to be more appropriate than dismissal of a matter. The ABCD may also counsel a subject actuary for whom it recommends discipline. Counseling shall not be considered a disciplinary action.

SECTION 7. ***Staff.*** The ABCD will utilize the staff of the Academy for necessary legal, logistical, and technical support and may retain outside counsel for assistance, as needed.

SECTION 8. ***Finances.***

A. The finances of the ABCD will be accounted for separately within the Academy system of accounts. The ABCD will submit a budget request to the Secretary-Treasurer, listing all planned income sources and potential expenses, in such form and in such detail as is mutually determined by the Secretary-Treasurer and the ABCD. The Board of the Academy will consider this request when adopting its annual budget and will make provision within such budget for the operating expenses of the ABCD.

B. The ABCD will have discretion with regard to the expenditure of all funds allocated to it, subject only to such accounting and audit requirements as may be mutually determined by the Secretary-Treasurer and the ABCD.

(Section 8 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)

(Section 8 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)

SECTION 9. ***Confidentiality.*** Except as otherwise provided in these Bylaws, all proceedings under this Article shall be kept confidential by the ABCD, its staff, investigators, and advisers. This requirement as to confidentiality shall not preclude the ABCD from:

A. Advising complainants and subject actuaries about the progress and outcome of matters under consideration;

B. Reviewing previously closed files as they may relate, in any manner, to the consideration of a new matter before it;

C. Accepting a bona fide waiver of confidentiality from a subject actuary and disclosing information pursuant to that waiver that would otherwise be kept confidential under this section, subject to such terms and conditions as the ABCD deems necessary to protect the confidentiality rights of other parties and the integrity of the ABCD process.

SECTION 10. ***Communications.*** The ABCD shall issue an annual report that will include a description of its activities for the prior fiscal year, including commentary on the types of cases pending, resolved, and dismissed. The ABCD may also disseminate educational materials to assist actuaries in understanding the application of the Code(s) of Professional Conduct in various situations that may arise. These reports and educational materials shall not reveal any confidential information. The ABCD shall also report quarterly to the President of each participating organization concerning inquiries, issues, and counseling activities related to members of that organization.

(Article 10 amended and effective May 21, 2008)

(Article 10 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)

Article XI

Actuarial Standards Board

SECTION 1. ***Establishment and Purposes.***

There shall be established within the Academy an entity to be known as the Actuarial Standards Board (ASB), whose purposes shall be to:

A. (i) Expose, (ii) promulgate or adopt, and (iii) publish actuarial Standards of Practice, within its sole discretion and pursuant to such procedures as it deems appropriate, in all areas of actuarial practice, subject to the specific requirements of this article.

B. Provide continuous review of existing Standards of Practice and determine whether they are in need of amendment, alteration, expansion, or elimination.

C. Direct and manage the development of actuarial Standards of Practice by its operating committees in all areas of actuarial practice.

SECTION 2. ***Members and Appointments.***

A. The ASB shall consist of nine members, each of whom shall be appointed for three-year terms. No individual may serve more than two consecutive terms on the ASB, except that a member appointed to complete an unexpired term may be reappointed to two full consecutive three-year terms. Terms of membership shall be staggered, so that one-third of the members are appointed annually.

B. Members of the ASB shall be broadly representative of all areas of actuarial practice. They shall be appointed by, and serve at the pleasure of, the Selection Committee, composed of the Presidents and the Presidents-Elect of the American Academy of Actuaries, the Casualty Actuarial Society, and the Society of Actuaries, or their successor organizations. The President of the Academy shall serve as Chairperson of the Selection Committee. The Selection Committee shall annually appoint the Chairperson of the ASB. An individual appointed Chairperson may not serve more than two consecutive terms as Chairperson.

C. If a vacancy arises among the members of the ASB, the Selection Committee shall designate a replacement to fill out the remainder of the term. The replacement will complete that term, and may be reappointed for two additional consecutive three-year terms.

(Section 2 amended and effective May 2, 2014)

(Section 2 amended and effective September 4, 2018)

SECTION 3. ***Meetings.*** The ASB shall meet at least four times annually. Additional meetings of the ASB shall be called whenever the Chairperson or at least four members of the ASB so request. At meetings of the ASB, two-thirds of the members of the ASB shall constitute a quorum. At least six affirmative votes are required for the ASB to expose, promulgate, or adopt actuarial Standards of Practice.

SECTION 4. ***Officers.***

A. Officers of the ASB shall consist of a Chairperson and two Vice Chairpersons, who shall be appointed annually from among the members of the ASB by the Selection Committee.

1. One Vice Chairperson shall be the presiding officer in the absence of the Chairperson and shall have such other duties as may be assigned by the Chairperson.
2. The other Vice Chairperson shall monitor the disposition and be responsible for the authorization of expenditure of all funds associated with the ASB.

B. The Chairperson of the ASB shall preside at meetings of the ASB and shall designate operating committee Chairpersons with the consent of the ASB. Members of the operating committees shall be appointed by each operating committee Chairperson with the consent of the ASB.

(Section 4 amended and effective May 2, 2014)

SECTION 5. ***Committees.*** The ASB shall establish operating committees to prepare and draft Standards of Practice for consideration by the ASB. The number and membership of such committees shall be determined by the ASB. The ASB may establish additional committees, subcommittees, or task forces as it deems appropriate to carry out administrative or advisory functions in support of its operations.

SECTION 6. ***Finance.***

A. Financial activities pertaining to the ASB will be accounted for separately within the Academy system of accounts. The ASB will submit a budget request to the Secretary-Treasurer, listing all planned income sources and potential expenses, in such form and in such detail as are mutually determined by the Secretary-Treasurer and the ASB. The Academy Board will consider this request when adopting the Academy annual budget and will make provision within such budget for ASB operating expenses.

B. The ASB will have discretion with regard to the expenditure of all funds allocated to it, subject only to such accounting and audit requirements as are mutually determined by the Secretary-Treasurer and the ASB.

(Section 6 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)

(Section 6 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)

SECTION 7. ***Staff.*** The ASB will utilize the staff of the Academy for all support, within the budgetary constraints of the ASB, and the Academy will make available to the ASB such staff support as may be requested. Costs for such staff support, including overhead expenses ascertained pursuant to a formula mutually determined by the Secretary-Treasurer and the ASB, will be included in the ASB budget.

(Section 7 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)

(Section 7 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)

SECTION 8. ***Communications with the Actuarial Profession.*** The ASB shall issue an annual report that will include a description of its activities for the prior fiscal year, including commentary on its standards activities, administrative matters, and finances. The ASB shall cooperate with duly constituted actuarial authorities charged with enforcing standards of professional practice, and respond to inquiries regarding actions of the ASB, including the interpretation of standards promulgated or adopted by the ASB.

(Article 11 amended and effective May 21, 2008)

(Article 11 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)

Article XII

Notice

The requirement that notice be given to members or other persons shall be satisfied when a letter has been deposited in a U.S. Postal Service mailbox addressed to the last known address of such person.

Article XIII

Indemnification

Each person who at any time shall serve or shall have served as an Officer, member of the Board, committee member, or member of any disciplinary board of the Academy (and any such person's heirs, executors, administrators, and personal representatives) shall be indemnified by the Academy against all costs and expenses (including but not limited to legal fees, amounts of judgments paid, and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit, or proceeding, whether civil, criminal, administrative, or other, in which one or more of them may be involved by virtue of such person being or having been an Officer, member of the Board, committee member, or member of any disciplinary board of the Academy, or in connection with any appeal therein; provided, however, that in the event of a settlement the indemnification herein provided shall apply only when the Board approves such settlement; and provided further that such indemnity shall not be operative with respect to any matter as to which such person shall have been finally adjudged liable in such claim, action, suit, or proceeding on account of willful misconduct.

The rights accruing to any person under this Article shall be without prejudice to any rights or benefits given by the Board inconsistent therewith in special cases and shall not exclude any other rights or benefits to which the individual may be lawfully entitled.

Article XIV

Use of Financial Resources: Dissolution

The funds of the Academy shall be devoted exclusively to the purposes stated in paragraph 5 of the Articles of Incorporation. No part of the net earnings of the Academy shall ever inure in whole or in part to the benefit of any member or individual. If the Academy is dissolved, all of its remaining assets shall be transferred to one or more organizations organized and operated exclusively for purposes similar to those of the Academy.

Article XV

Amendments

Administrative, editorial, and technical amendments to the Bylaws that do not involve questions of policy or affect the substantive rights of the Academy's members may be made by a vote of two-thirds of the Directors present at a duly convened meeting of the Board. Otherwise, amendments to the Bylaws may be proposed either by a vote of two-thirds of the Directors present at a duly convened meeting of the Board or by written request of not less than 3 percent of the members. The Board shall specify a reasonable period of time within

which the proposed amendment shall be transmitted by the Secretary-Treasurer to the members by mail, which includes electronic means, and the time for votes to be mailed by the members to the Secretary-Treasurer. Such proposed amendment shall be accompanied by an appropriate discussion of the issues, and it shall become effective 10 days following the end of the voting period upon the affirmative vote of two-thirds of the members voting.

(Article 15 amended and effective May 21, 2008)

(Article 15 amended May 21, 2009, effective the close of the annual meeting October 26, 2009)

(Article 15 amended April 29, 2015, effective the close of the annual meeting November 12, 2015)