

**BY-LAWS**

**OF**

**THE INSTITUTE OF INTERNATIONAL FINANCE, INC.**

**as Amended**

**January 2020**

BY-LAWS  
OF  
THE INSTITUTE OF INTERNATIONAL FINANCE, INC.

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**BY-LAWS**  
**OF**  
**THE INSTITUTE OF INTERNATIONAL FINANCE, INC.**

**ARTICLE I**

**NAME**

The name of the Organization shall be THE INSTITUTE OF INTERNATIONAL FINANCE, INC. (hereinafter “Institute”), a District of Columbia nonprofit corporation.

**ARTICLE II**

**PURPOSE, MISSION, GUIDING PRINCIPLES, AND POWERS**

*Section 1. Purpose.* The purpose for which the Institute is organized is to form an organization of financial institutions from all countries to promote international financial cooperation. To this end, the Institute shall, in particular:

- (a) promote a better understanding of international financial transactions generally;
- (b) collect, analyze and disseminate information regarding the economic and financial position of particular countries which are substantial borrowers in the international markets, including information on their financial situation, development plans, economic policies and existing and proposed foreign exchange obligations, so as to provide the Members with a better factual basis on which each Member independently may analyze investments and extensions of credit to public and private borrowers in such countries;
- (c) facilitate increased cooperation between the international financial community and the multilateral financial organizations;
- (d) engage in other appropriate activities to facilitate, and preserve the integrity of, international financial transactions; and
- (e) act as a forum for examining and finding solutions for critical problems affecting the international financial community generally.

*Section 2. Mission.* The Institute is committed to being the most influential global association of financial institutions. It shall strive to sustain and enhance its distinctive role on the basis of the professional excellence of its research, the unmatched breadth of its membership, its extensive relationships with policymakers and regulators, and the strength of its governance.

(a) The mission of the Institute is to support the financial industry in prudently managing risks, including sovereign risk; in developing best practices and standards; and in advocating regulatory, financial, and economic policies that are in the broad interest of its Members and foster global financial stability.

(b) In fulfilling this mission, the Institute's main activities are to:

(i) Provide high-quality, timely, and impartial analysis and research to its Members on emerging markets and other central issues in global finance;

(ii) Systematically identify, analyze, and shape regulatory, financial, and economic policy issues of relevance to its Members globally or regionally;

(iii) Develop and advance representative views and constructive proposals that influence the public debate on particular policy proposals, including those of multilateral agencies, and broad themes of common interest to participants in global financial markets;

(iv) Work with policymakers, regulators, and multilateral organizations to strengthen the efficiency, transparency, stability and competitiveness of the global financial system, with an emphasis on voluntary market-based approaches to crisis prevention and management;

(v) Promote the development of sound financial systems, with an emphasis on emerging markets;

(vi) Provide a network for Members to exchange views and offer opportunities for effective dialogue among policymakers, regulators, and private sector financial institutions;

(vii) Define, articulate, and disseminate best practices and industry standards in such areas as risk management and analysis, disclosure, corporate governance and regulatory compliance; and

(viii) Support education and training efforts of its Members in priority areas.

*Section 3. Guiding Principles.* In pursuit of the activities stated in Section 2(b), the Institute shall be guided by the following principles, mindful of the basic goal of enhancing the efficiency of the international financial system in support of global growth:

(a) As part of its commitment to Members, continually endeavor to understand and respond to its Members' evolving needs and interests in order to help them meet their goals, and strive to maintain a broad membership encompassing financial institutions from a wide range of countries, regions, and market segments;

(b) In order to support sound, sustainable finance, the Institute shall fund its annual expenses through membership dues and fees derived from specific initiatives providing cost-effective services to Members while maintaining an adequate reserve;

(c) As part of its focus and relevance, the Institute shall concentrate on priority areas, where it can achieve substantial impact in representing the interests of its Members based on its expertise, capabilities, and comparative advantage; and

(d) As part of its commitment to professional excellence and impartiality, the Institute shall maintain a staff with the highest levels of professional skills, ethics, and integrity in order to provide the highest quality services to its Members and to influence the competitive market place of ideas, views and policies.

*Section 4. Spokesperson for Membership.* In carrying out its purpose and mission, the Institute shall act as a spokesperson for its membership as a whole in explaining the results of its work to the appropriate governmental authorities, parliamentary bodies and multilateral financial institutions, and to the international financial community itself.

*Section 5. Powers.* The Institute shall be empowered to receive, hold and invest funds received as dues or other contributions; borrow funds when necessary to carry on the Institute's program; purchase, sell, mortgage, lease and otherwise deal and dispose of real and personal property in carrying out the purposes of the Institute; and do all things incidental to any of the above stated purposes.

*Section 6. Not for Profit.* The Institute is not organized for and does not contemplate that its activities will result in pecuniary gain or profit, incidental or otherwise, to its Members or the Principal or Alternate Delegates.

### **ARTICLE III**

#### **MEMBERS**

*Section 1. Membership.* (a) Membership in the Institute shall be open to any lending institution, investment bank, merchant bank, investment fund engaged in international financial transactions, or insurance company, provided:

(i) Applicants for membership shall submit in the form and manner prescribed by the Institute a single application for membership on behalf of itself and all affiliated and related financial institutions which are consolidated in reports to the appropriate supervisory governmental authority or in any other reports considered satisfactory for this purpose by the Board of Directors. Such applicants shall obligate themselves to attend meetings called by the Institute through the regular attendance of a Principal or Alternate Delegate as hereinafter defined; and

(ii) Promptly when due, Members shall pay the Institute annual dues levied by the Institute in accordance with Article III, Section 12 of these By-laws.

(b) The Board of Directors may determine that financial entities, other than those eligible under Section 1(a) above, shall be eligible for membership. Any institution that becomes a Member under this Section 1(b) must comply with the duties and obligations of a Member as set forth in Sections 1(a)(i) and (ii) above.

(c) The Board of Directors of the Institute, in its sole discretion, may accept the separate application of a financial institution which is affiliated with or related to another financial institution and which would normally be consolidated in the other financial institution's reports to the appropriate supervisory governmental authorities. The Board of Directors may establish the scope of membership benefits, voting rights, and membership dues that shall be applicable to such affiliated financial institution that becomes a Member under the provisions of this Section 1(c) taking into account the level of integration (percentage of parent ownership) of the affiliated financial institution.

*Section 2. Associate Membership.* (a) Associate membership in the Institute shall be open to any financial institution or other business entity, as such categories of institutions and entities are defined by the Board of Directors from time to time, provided:

(i) It submits in the form and manner prescribed by the Institute an application for associate membership; and

(ii) Promptly when due, it pays the annual associate membership dues in accordance with Article III, Subsection 12(c) of these By-Laws.

(b) Associate Members shall not be entitled to vote, but shall enjoy such other privileges of membership as the Board of Directors may determine from time to time, subject to such privileges of membership as may be established for classes of associate members or for individual associate members, and the Board of Directors, in its sole discretion, may accept the separate application of a financial institution or other business entity which is affiliated with or related to another financial institution or other business entity that is eligible for associate membership, and which would normally be consolidated in the other financial institution's financial reports.

*Section 3. Representation of Members.* (a) Upon application for membership, and at such intervals thereafter as may be determined by the Board of Directors, each Member shall designate a senior officer to be its Principal Delegate (hereinafter "Principal Delegate") and shall designate one or more Alternate Delegates. Principal Delegates should generally be chosen from among management board members.

(b) The Principal Delegate may send a substitute to a meeting from among his or her next most senior officers, which substitute shall be, for the purposes of the particular meeting, the Alternate Delegate (hereinafter "Alternate Delegate"). Votes of a Member may be cast by the Alternate Delegate, or by any proxy which the Principal Delegate, or in his or her absence the Alternate Delegate, may confer upon the Principal or Alternate Delegate of any other Member or Members.

*Section 4. Length of Membership.* (a) The membership of each Member shall continue from year to year but shall terminate, subject to reinstatement according to regulations adopted by the Board of Directors, on the non-payment of the annual membership dues

(b) Any Member or Associate Member intending to discontinue its membership shall notify the Institute of such termination prior to the beginning of the new calendar year in which its membership will cease. If such notification takes place after the beginning of the new

calendar year in which its membership will cease and before the end of the second month of that year, such Member or Associate Member shall pay to the Institute one-sixth of the annual dues assessed on that Member or Associate Member for such year, one-half of such year's assessed annual dues if the termination takes place by the end of the fourth month of that year, or the full amount of such year's assessed annual dues if the notification takes place after the fourth month of such year.

(c) The membership of a Member may be terminated by an affirmative vote of the Board of Directors if in its discretion the board believes that such termination is in the best interests of the Institute. Upon such termination, a proportionate share of such Member's annual dues payment shall be returned to the Member. The returned share shall equal the percentage of the Member's annual dues payment that is determined by dividing by twelve (12) the number of months remaining in the Institute's fiscal year after the Member's termination.

*Section 5. Annual Meeting.* The annual meeting of the Members of the Institute shall be held at the principal office of the Institute in the District of Columbia (or such other place within or without the District of Columbia or the United States of America as the Board of Directors may from time to time determine) at or around the time of the annual meeting of the International Monetary Fund on such date or dates as the Chairman shall designate, unless a different date or dates be chosen by the Board of Directors or the Members, for the purpose of receiving the annual report of the Institute and for the transaction of such other business as may come before the meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Institute.

*Section 6. Notice of Annual Meeting.* Notice of the place, date and hour of each annual meeting shall be given by the Secretary by mailing a copy thereof to each Member or delivering the same in person, not less than 90 days before such meeting.

*Section 7. Special Meetings.* Special meetings of the Members may be held at the principal office of the Institute in the District of Columbia or elsewhere within or without the District of Columbia or the United States of America. Special meetings of the Members may be called at any time by the Chairman and must be called by the Chairman upon receipt of the written request of ten (10) percent or more of the Members. It shall be the obligation of the Officers and the Board of Directors of the Institute to hold at least two meetings of the Members in each year (including the annual meeting prescribed in Article III, Section 5 hereof), although the failure to hold at least two meetings in any year shall not work a forfeiture or dissolution of the Institute.

*Section 8. Notice of Special Meetings.* Notice of the place, day, hour and purpose of each special meeting shall be given by the Secretary by mailing the same to each Member, not less than forty-five (45) days before such meeting.

*Section 9. Quorum and Adjournments of Meetings.* At all meetings of the Members, except as otherwise provided by law, the presence in person or by proxy of Principal or Alternate Delegates of Members holding at least forty (40) percent of the votes of all Members as specified in Article III, Section 12 hereof shall constitute a quorum for the transaction of business. In the absence of a quorum, a majority of the Members present may adjourn the meeting from time to

time until a quorum is obtained. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

*Section 10. Organization.* The Chairman of the Institute shall preside at all meetings of the Members or, in the absence of the Chairman, one of the Vice-Chairmen, if one or more has been elected, in the order designated by the Board of Directors. In the absence of all of the foregoing, a Chairman shall be chosen by the Members present by majority vote. The Secretary of the Institute shall act as Secretary at all meetings of the Members, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

*Section 11. Voting.* In voting on all matters coming before any annual or special meeting of the Members, approval by the Members shall be by majority vote (unless otherwise provided in the Articles of Incorporation or these By-Laws) and each Member shall have one (1) vote for each \$10,000 in annual dues paid by such Member.

*Section 12. Budget and Membership Dues.* (a) Prior to the beginning of each fiscal year, the President and Chief Executive Officer of the Institute, acting under the direction of the Board of Directors, shall present to the membership a proposed budget for its operations during the ensuing fiscal year. Such budget shall include all anticipated items of income and expense as well as a reasonable reserve for contingencies. The proposed budget shall be submitted for approval of the Members. In the event of any unforeseen requirement for additional funds during any fiscal year, a supplementary budget may be established by the Board of Directors to be approved and funded in accordance with the provisions hereof.

(b)(i) The Board of Directors shall set the annual dues for Members and Associate Members at the levels necessary to support the activities and programs provided for in the budget.

(ii) Dues shall be payable no later than the end of February of the year in which payment is due. The Board of Directors shall establish late payment fees for late payment of Member dues as it deems necessary to ensure prompt payment of such dues prior to or on the payment dates provided for in these By-Laws.

(iii) If a Member's fiscal year differs from the calendar year, and a Member is not able to make payment by end of February of the year in which dues are payable, such Member shall advise the Institute of the delay in payment prior to the February payment date and shall make payment by the end of the following April to avoid any late charges provided for in Section (b)(ii) above.

(c) Each Associate Member, upon submitting its application for associate membership and thereafter on the first day of each fiscal year of the Institute, shall pay such annual associate membership dues and any late payment fees as may from time to time be determined by the Board of Directors, subject to modification by the Members at any annual meeting.

(d) A new Member, or a Member that has resigned from membership and is resuming its membership in the Institute, upon becoming a Member of the Institute on any day other than the first day of a fiscal year of the Institute, shall pay, prior to admission to status as a Member, a

portion of the annual dues that the Board of Directors has determined is payable by such Member which shall be determined by multiplying the applicable annual dues by a fraction, the numerator of which is the number of months remaining in the fiscal year of the Institute, including the month in which the new Member submits its application, and the denominator of which is twelve. If the new Member, or Member that has resigned from membership in the Institute and is resuming its membership in the Institute, shall apply for membership during the last week of a month, that month shall not be included in computing the number of months remaining in the fiscal year. The dues of such Members shall be added to the assets of the Institute without a retroactive adjustment of the budget or of the dues of other Members during the fiscal year in which such new or reinstated Members are admitted to membership.

## ARTICLE IV

### BOARD OF DIRECTORS

*Section 1. Number, Nominations, Election and Term of Office.* (a) The Board of Directors of the Institute shall be composed of:

(i) Forty-five (45) Directors. Up to, but no more than, ten (10) Directors serving at any time may be elected by the Board. All other Directors shall be elected by the Members.

(ii) the President and Chief Executive Officer of the Institute, *ex officio*.

(b) (i) As a transitional measure, all Directors elected and in office prior to the 1998 Annual Meeting shall continue in office under the authority pursuant to which they were elected until their terms expire;

(ii) beginning with Directors elected at the 1998 Annual Meeting, all Directors elected under Section 1(a) of this Section shall be nominated by the Board of Directors and shall be elected by the Members; and

(iii) all elected Directors shall serve staggered terms of three (3) years.

(iv) no Director shall serve more than two (2) full consecutive terms, plus any portion of an unexpired term that such Director filled before election to a full term; provided, however, that in exceptional circumstances, where the special skills of a Director are deemed necessary for the Institute, the Board may waive this restriction.

(c) In nominating directors for election by the Members, the Board of Directors shall take into account the level of support provided to the Institute by the Director candidate's institution. In making such nominations, the Board of Directors may also take into account:

(i) the need for representation of different types of financial institutions;

(ii) the need to reflect the geographic diversity of the membership;

- (iii) the need to reflect other types of diversity, including gender diversity; and
- (iv) the desirability of nominating senior executive officers of Members at the highest possible decision-making level who have broad authority within their institutions in the areas of activity of the Institute.

(d) The Board of Directors shall annually review the membership of the Board of Directors and nominate new Board members as terms expire in light of the provisions of Section 1(c).

(e) The Directorship position of any Director who fails to attend 50 percent of the Board meetings within any two calendar years shall be deemed to be vacant at the beginning of the following calendar year, unless the Board of Directors determines that mitigating circumstances excuse such absence.

*Section 2. Vacancies.* Notwithstanding the limitations in Article IV, Section 1, in case of any vacancy in the Board of Directors, a successor to fill the unexpired portion of the term shall be elected by the remaining Directors.

*Section 3. Resignation and Removal.* Any Director may resign at any time by giving written notice of such resignation to the Chairman or Secretary of the Institute. Any Director shall resign if his or her employment by the Member institution for which he or she is the Principal Delegate terminates. Any Director may be removed from office by an affirmative vote of the board if the organization the director represents is no longer a Member of the Institute, or if the board considers such removal to be in the best interests of the Institute.

*Section 4. Powers, Duties and Responsibilities.* (a) The Board of Directors shall have general power to manage and control the affairs and property of the Institute, including authority to appoint legal counsel to the Institute; shall have full power, by majority vote, to adopt rules and regulations governing the action of the Board; and shall have full and complete authority with respect to the distribution and payment of moneys received by the Institute from time to time. Each director shall have one vote.

(b) Directors shall have the following responsibilities:

(i) to attend the scheduled Board meetings during each calendar year and to participate in Board teleconferences between meetings;

(ii) to keep the Board informed of the views of their Member institution, as well as those of Member institutions in the Director's home country and region through consultations with these Members on issues to be discussed at Board meetings and through the presentation of the results of these consultations at Board meetings;

(iii) to contribute their expertise to the work of the Board and to participate in the development of the policy positions of the Institute, as well as in building a consensus on matters coming before the Board;

(iv) to assist actively in building the membership of the Institute by contacting and visiting potential members;

(v) to assist their own institution and Member institutions in the Director's home country and region in obtaining the maximum benefits from membership, and in participating in the full range of the Institute's activities by acting as liaison, as needed, between these Members and the Institute; and

(vi) to explain to national authorities in the Director's home country and region the position of the Institute on important policy issues and to provide guidance to the media as appropriate.

*Section 5. Compensation.* Except for the President and Chief Executive Officer, all other Directors shall serve as such without compensation, but, by resolution adopted at any meeting of Members, a fixed sum may be allowed for attendance at each regular or special meeting of the Board of Directors. The Board of Directors shall have the power, in its discretion, to pay to Directors rendering unusual or exceptional services to the Institute special compensation in a reasonable amount.

*Section 6. Regular Meetings: Notice.* Regular meetings of the Board of Directors shall be held at such time and place as may be determined by the Board, and reasonable notice of such regular meeting, either written or oral, shall be given by the Secretary to each Director.

*Section 7. Special Meetings: Notice.* Special meetings of the Board may be held at any time and place upon the call of the Chairman or of any five (5) directors. At least ten (10) days notice of the time, place and purpose of every special meeting of the Board, either written or oral, shall be given by the Secretary to each Director.

*Section 8 Quorum: Adjournment of Meetings.* A majority of the Directors in office shall constitute a quorum for the transaction of business provided, however, that if at any meeting of the Board there shall be less than a quorum present, the Directors present may adjourn the meeting from time to time until a quorum is obtained. At any such adjourned meeting once a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. To the extent permitted by law, a resolution in writing, signed by all of the Directors, shall be as valid as if it had been passed at a meeting of the Directors duly called and constituted.

## ARTICLE V

### OFFICERS

*Section 1. Officers and Qualification.* The officers of the Institute shall be a Chairman, who shall be elected from among the members of the Board of Directors; a President and Chief Executive Officer, who may, but need not, be elected from among the members of the Board of Directors; a Secretary, an Assistant Secretary, and a Treasurer, each of whom may, but need not, be a member of the Board of Directors; and such other officers, if any, including one or more Vice-Chairmen and one or more senior staff officers, as the Board of Directors may from time to time appoint. If the President and Chief Executive Officer is elected from among the

members of the Board of Directors, he or she shall remain a member of the Board of Directors *ex officio*, but shall otherwise be considered to have vacated his or her elected position which shall promptly be filled in accordance with the provisions of Article IV, Section 2 hereof. One person may fill the offices of President and Chief Executive Officer and Treasurer or Secretary and Treasurer, but the same person may not fill the offices of President and Chief Executive Officer and Secretary.

*Section 2. Election and Term of Office.* The President and Chief Executive Officer and other officers shall be appointed by the Board of Directors for such terms as the Board shall determine.

*Section 3. Compensation.* Officers who are also Directors shall serve as such officers without compensation, provided, however, that the Board of Directors may, in its discretion, pay to any such officer rendering unusual services to the Institute special compensation in a reasonable amount and reimburse any reasonable expenses incurred in connection with such services, and also may pay reasonable compensation to the President and Chief Executive Officer. Officers who are not Directors shall receive such appropriate compensation and such other terms of employment as shall be determined by the Board of Directors.

*Section 4. Other Agents, Employees, etc.* The President and Chief Executive Officer may appoint from time to time such other employees and agents as he or she shall deem necessary, who shall have such authority, perform such duties and receive such reasonable compensation, if any, as the President and Chief Executive Officer may from time to time determine, consistent with these By-Laws and the budget established by the Board of Directors, and to the extent authorized or permitted by law.

*Section 5. Removal.* Any officer of the Institute may be removed by a vote of the majority of the Board of Directors then in office at a special meeting called for that purpose.

*Section 6. Chairman: Powers and Duties.* The Chairman shall preside at all meetings of the Members and of the Board of Directors. He or she shall have general supervision of the affairs of the Institute. If the Board of Directors shall elect one or more Vice-Chairmen, one of the Vice-Chairmen, in the order designated by the Board of Directors, shall preside at meetings of the Members and the Board of Directors in the absence of the Chairman.

*Section 7. President and Chief Executive Officer: Powers and Duties.* Subject to the general supervision of the Chairman and the Board of Directors, the President and Chief Executive Officer shall have executive authority over the affairs of the Institute. He or she shall participate with vote in meetings of the Board of Directors; shall keep the Board fully informed; and shall report to the Board regularly concerning the activities of the Institute. Unless the Board of Directors shall specifically require an additional signature, the President and Chief Executive Officer shall have power to sign alone, in the name of the Institute, all contracts authorized either generally or specifically by the Board. He or she shall perform such other duties as shall from time to time be assigned to him or her by the Board of Directors, including, but not limited to,

the establishment of the annual dues, and any late payment fees of Members and Associate Members, delegated to the Board of Directors by Article III, Section 12, to the extent this responsibility is sub-delegated to the President and Chief Executive Officer by the Board of Directors subject to such reports to the Board or a specified Director or Directors on the use of this delegated authority as the Board of Directors may require.

*Section 8. Other Senior Staff Officers: Powers and Duties.* Other senior staff officers shall have such powers and duties as may be assigned to them by the Board of Directors and/or the President and Chief Executive Officer. In the absence of the President and Chief Executive Officer, such other officers, in the order designated by the Board or by the President and Chief Executive Officer, shall perform the duties of the President and Chief Executive Officer.

*Section 9. Secretary: Powers and Duties.* The Secretary shall act as secretary of all meetings of the Members and the Board of Directors; shall keep the minutes of all such meetings in books proper for the purpose; and shall have charge of such books, documents and papers as the Board of Directors may determine. He or she shall attend to the giving and serving of all notices of the Institute. He or she shall perform all the duties customarily incident to the office of Secretary, subject to the control of the Board of Directors, and shall perform such other duties as shall from time to time be assigned to him or her by the Board of Directors or by the Chairman or President and Chief Executive Officer.

*Section 10. Assistant Secretary: Powers and Duties.* The Assistant Secretary shall attend the meetings of the Board of Directors and of the Members and shall record the minutes of such meetings under the supervision of the Secretary. The Assistant Secretary shall perform the duties of the Secretary in the event of the latter's absence or incapacity, and shall perform such other duties as shall from time to time be assigned to him or her by the Board of Directors or by the Chairman or President and Chief Executive Officer.

*Section 11. Treasurer: Powers and Duties.* The Treasurer shall have the custody of all funds and securities of the Institute which may come into his or her hands. He or she shall keep or cause to be kept full and accurate accounts of receipts and disbursements of the Institute, and shall deposit all moneys and other valuable effects of the Institute in such banks or depositories as the Board of Directors may designate. Whenever required by the Board of Directors, he or she shall render a statement of the Institute accounts. He or she will at all reasonable times exhibit the books and accounts to any officer or director of the Institute, and shall perform all duties incident to the position of Treasurer subject to the control of the Board of Directors. He or she shall, when required, give such security for the faithful performance of his or her duties as the Board of Directors may determine.

*Section 12. Vice Chairman Emeritus.* When a board member has given long years of distinguished service to the Institute, the Board of Directors may, upon the member's retirement from the board, recognize such service by conferring the title of Vice Chairman Emeritus. The position of Vice Chairman Emeritus shall be wholly honorific, and shall not carry with it any duties or responsibilities with respect to the Institute or the board.

## ARTICLE VI

### COMMITTEES

The Board of Directors may appoint such committees, including an Executive Committee of the Board of Directors, as it shall deem fit. Such committees shall have such powers, except the power to amend the By-Laws or to fill vacancies on the Board, as the Board of Directors may determine.

## ARTICLE VII

### INDEMNIFICATION

The directors, officers, employees and agents of the Institute shall be indemnified and held harmless from and against all claims, liabilities and expenses arising out of their performance of responsibilities on behalf of the Institute so long as such responsibilities are performed in good faith.

## ARTICLE VIII

### CONTRACTS, CHECKS, BANK ACCOUNTS, INVESTMENTS, ETC.

*Section 1. Checks, Notes, Contracts, etc.* The Board of Directors is authorized to select such depositories as it shall deem proper for the funds of the Institute and shall determine who shall be authorized on the Institute's behalf to sign bills, notes, receipts, acceptances, endorsements, checks, releases, contracts and documents. Unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Institute by any contract or agreement, to pledge its credit, or to render it liable pecuniarily for any purpose or in any amount.

*Section 2. Investments.* The funds of the Institute may be retained in whole or in part in cash to be invested and reinvested from time to time in such property, real, personal or otherwise, or stocks or bonds, or other securities, as the Board of Directors in its uncontrolled discretion may deem desirable.

## ARTICLE IX

### OFFICE AND BOOKS

*Section 1. Office.* The initial principal office of the Institute shall be at 1825 Eye Street, NW, Suite 940, Washington, D.C. 20006. The location of the principal office may be changed by the Board of Directors and the Institute may also have offices at such other places as the Board of Directors may from time to time determine.

*Section 2. Books.* There shall be kept at the offices of the Institute correct records of the activities and transactions of the Institute, including a minute book which shall contain a copy of the Articles of Incorporation, these By-Laws and all minutes of meetings of the Members and of the Board of Directors.

## ARTICLE X

### AMENDMENTS

*Section 1. Amendment or Repeal.* These By-Laws may be altered, amended or repealed (except as hereinafter provided in Section 3 of this Article) at any regular or special meeting of the Members of the Institute by an affirmative vote of more than fifty (50) percent of the votes determined in accordance with Article III, Section 11 hereof, provided notice of the proposed alteration, amendment or repeal shall have been given in the notice of the meeting.

*Section 2. Authority of Board of Directors.* The Board of Directors shall also have power to alter, amend or repeal these By-Laws (except as hereinafter provided in Section 3 of this Article) at any regular or special meeting of the Board, by the affirmative vote of a majority of the entire Board of Directors, provided notice of the proposed alteration, amendment or repeal shall have been given in the notice of the meeting. Any action of the Board of Directors with respect to the alteration, amendment or repeal of the By-Laws shall be subject to alteration, amendment or repeal by Members of the Institute pursuant to Section 1 of this Article.

*Section 3. Limitation on Amendment Authority.* Neither the Members of the Institute nor the Board of Directors shall have power to alter or amend the By-Laws in such manner as to permit any Member, Director or officer who is also a Director of the Institute (other than the President and Chief Executive Officer) ever to receive any compensation or any pecuniary profit from the operations of the Institute (except reasonable compensation for unusual services actually rendered to or for the Institute and reimbursement of reasonable expenditures incurred rendering such services).

## ARTICLE XI

### WAIVER OF NOTICE

Whenever any notice is required to be given to any Member or Director of the Institute under the By-Laws of the Institute, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Presence without objection shall also serve to waive notice.

## ARTICLE XII

### ACTION BY MEMBERS OR DIRECTORS WITHOUT A MEETING

*Section 1. Action by Members Without a Meeting.* Any action required to be taken at a meeting of the Members of the Institute, or any action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing setting forth the action so taken is signed by those Members representing the majority required for such action to be taken at a meeting. Such consent shall have the same force and effect as a vote by such majority.

*Section 2. Action by Directors Without a Meeting.* Any action required to be taken at a meeting of the Board of Directors of the Institute, or any action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if all of the members of the

Board of Directors consent in writing to the taking of such action without a meeting, provided that notice of the proposed action shall have been given at the time of the request for consent to act without a meeting. If unanimous consent is given the action in question may be taken by the majority required for such action to be taken at a meeting, provided that the vote of each Director is cast in writing by mail, facsimile, or other form of written communication.

### **ARTICLE XIII**

#### **FISCAL YEAR**

The fiscal year of the Institute shall commence on January 1 of each year and end on December 31 of that year.

### **ARTICLE XIV**

#### **PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS**

No Director, officer, employee or person connected with the Institute, or member of an advisory committee or panel, or any other private individual shall receive at any time any of the net earnings or pecuniary profit from the operations of the Institute; provided, however, that this provision shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Institute as shall be fixed by the Board of Directors or reimbursement of reasonable expenses incurred in rendering such services, nor shall it limit the extent to which grants, scholarships and fellowships may be made available to scholars, researchers, students, writers and others.

### **ARTICLE XV**

#### **LIQUIDATION OR DISSOLUTION**

All Directors of the Institute shall be deemed to have expressly consented and agreed that upon the liquidation, dissolution or winding up of the affairs of the Institute, whether voluntary or involuntary, the then remaining assets of the Institute shall be distributed, transferred, conveyed, delivered and paid over as proposed by the Board of Directors, and approved by the Members, in accordance with the provisions of the District of Columbia Nonprofit Corporation Act and consistent with Section 501(c) (6) of the U.S. Internal Revenue Code of 1954, as amended, and the regulations thereunder.

### **ARTICLE XVI**

#### **MISCELLANEOUS PROVISIONS**

*Section 1. Repository of Information.* The Institute shall be a repository of information supplied by borrowers, government officials, official and multilateral lenders and other sources so that, insofar as possible, the Institute shall have complete information as to the significant international financial obligations of all countries. The Institute may sponsor special studies focusing on particular countries or industries which are of special interest to Members

through *ad hoc* committees who may, among other things, interview country officials to obtain first-hand information.

*Section 2. Authorization of Studies.* The Institute, through its officers and staff, shall carry on regular studies concerning co-financing, parallel financing and similar techniques and shall, through exchanges of observers to meetings and other means, cooperate and exchange information with official multinational and government agencies.

*Section 3. Receipt of Confidential Information.* The Institute shall have the power to receive information on a confidential basis, which it shall use only in a manner designed to preserve its confidentiality, and to enforce appropriate confidentiality among its Members. Subject to such confidentiality, the Institute may publish information developed by the Institute which it believes may help to promote sound international lending practices.

*Section 4. Recusal Provision for Certain Directors and Working Group Participants.* Any Director who is also an official of a government or political party must be excluded from any discussion of the Institute's Board of Directors, officers, or employees that pertains to the Institute's engagement in political activities within the United States. Any participant in an Institute working group who is also an official of a government or political party must be excluded from any discussion of that working group that pertains to the Institute's engagement in political activities within the United States.

*Section 5. Prohibition on Acting at the Direction or Request of a Certain Persons.* No Director, officer, employee, or other person connected with the Institute may act at the direction or request of any government or political-party official, employee, or agent in proposing, planning, or conducting the Institute's engagement in political activities within the United States.

## ARTICLE XVII

### DEFINITIONS

The following words and terms, when used in these By-Laws, shall have the following meanings:

“Lending institution” shall mean any bank or other institution, whether owned in whole or in part in the private sector or by a government or governmental agency, an essential part of whose business is making loans and commitments for its own account (rather than for the account of a government or governmental agency and as distinguished from the syndication of loans primarily for the accounts of others) for the purpose of generating profits (as distinguished from other purposes such as borrower welfare or development).

“Political Activities” within the United States means an activity within the United States intended to influence an agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

The determination of the precise scope of the foregoing definitions, as well as of the provisions of Sections 1 and 2 of Article III hereof, and their application, shall be the exclusive prerogative of the Board of Directors of the Institute.