

CMAS

Chicago Municipal Analysts Society

CONSTITUTION AND BYLAWS

PREAMBLE

This association is a non-profit professional organization founded for the purpose of promoting the professional development of individuals in the Midwest in the field of municipal credit analysis.

ARTICLE I

Name

Section 1. The name of this association shall be "The Chicago Municipal Analysts Society."

ARTICLE II

Officers

Section 1. The officers of the Society shall be a President, a Vice President, a Secretary and a Treasurer.

Section 2. The President shall preside at all meetings of the Society and of the Board of Directors. The President, together with the Secretary or the Treasurer, shall sign all contracts and obligations of the Society and shall perform such other duties as the Board of Directors may assign him. The President shall be an ex-officio member of all committees.

Section 3. The Vice President shall carry out the duties of the President in his absence. The Vice President, with the assistance of the entire Board of Directors, shall oversee the selection of appropriate subjects and the obtaining of speakers of suitable caliber for the meetings of the Society. The Vice President shall also be responsible for overseeing the selection of a suitable location and making arrangements for the Society's meetings. The Vice President, with the approval of the Board of Directors, may establish a committee to carry out the programming activities of the Society.

Section 4. The Secretary shall give notice of all meetings of the Society and of the Board of Directors and all elections, and be responsible for taking and keeping accurate records for meetings of the Society. The Secretary shall also receive applications for membership, make investigations as to the eligibility of the applicant and report thereon to the Board of Directors, and maintain accurate records regarding the membership of the Society. The Secretary shall perform such other duties as the Board of Directors may direct.

Section 5. The Treasurer shall be responsible for the financial affairs of the Society, the collection of all dues and such other charges and fees as may be assessed upon the membership

by the Board of Directors, and the keeping of the accounts of the Society. The Treasurer shall provide reports whenever requested to do so by the Board of Directors. The Treasurer shall also submit an annual report at the Annual Meeting at the end of the fiscal year. All checks drawn on accounts of the Society shall be signed by either the Treasurer or the President.

ARTICLE III

Board of Directors

Section 1. The Board of Directors shall consist of seven members: the President, the Vice President, the Secretary, the Treasurer, and three other members. The Board of Directors shall have a term of one year, beginning January 1 through the following December 31.

Section 2. The properties, business and activities of the Society shall be managed by the Board of Directors. A majority of its member shall constitute a quorum.

Section 3. Vacancies on the Board of Directors may be filled by the remaining members of the Board of Directors. The term of each Director selected to fill a vacancy shall expire on the date of the next succeeding annual election, at which time the members shall elect a Director.

ARTICLE IV

Committees

The Board of Directors may appoint Committees from time to time as it determines to assist in carrying out the functions of the Society.

ARTICLE V

Meetings

Section 1. The Society shall have minimum of six meetings per year and such other meetings as the Board of Directors may direct.

Section 2. The Annual Meeting of the Society shall be held in December with written notice given to all members at least two weeks prior to the meeting date. At this meeting, the President, Vice President, Secretary and Treasurer and the members of the Board of Directors shall be elected and any other proper business may be transacted. The Officers and Directors shall be elected for a term of one year.

Section 3. The fiscal year of the Society shall begin January 1.

ARTICLE VI

Nominations

Section 1. It shall be the duty of the Board of Directors, prior to October 15 each year, to appoint a Committee on Nominations composed of three members. No member of the Board of

Directors shall be a member of this Committee. This Committee shall have prepared, at least two weeks before the Annual Meeting, their nominations for President, Vice President, Secretary, Treasurer and members of the Board of Directors.

Section 2. Any other five members of the Society may make nominations for the same Offices and must announce the same to the Secretary not less than one week prior to the Annual Meeting. It shall be the duty of the Secretary to mail to each member such nominations as may be made either by the Nominating Committee or by petition.

ARTICLE VII

Membership

Section 1. The membership in the Society shall consist of three classes: Full, Associate, and Veteran.

Section 2. To be eligible to be admitted to Full Membership in the Society, a person must satisfy all of the following requirements:

- (a) Shall have been engaged in municipal credit analysis for a period of at least one year.
- (b) Is currently engaged in or is accountable for municipal credit analysis.
- (c) Devotes at least forty-five percent (45%) of this time to municipal credit analysis or supervises one or more individuals who are so engaged.
- (d) Lives in one of the following states: Illinois, Indiana, Iowa, Kansas, Michigan, Missouri, Nebraska, Ohio, or Wisconsin.

Section 3. Individuals who are active in the field of municipal credit analysis but do not meet the criteria listed in Section 2, or individuals whose qualifications and expertise in related disciplines are such that they could contribute to the purpose of the Society, may be eligible for Associate Membership upon the determination of the Board of Directors. Associate Members are entitled to all the privileges of the Society except the right to vote at any meeting thereof and the right to hold office.

Section 4. Members entering retirement from active business, after reaching an age of 60 years, may, by vote of the Board of Directors, be classed as Veteran Members. Veteran Members are entitled to all of the privileges of the Society except the right to vote at any meeting thereof and the right to hold office.

Section 5. Each applicant for membership shall file an application with Secretary in the form prescribed by the Board of Directors. A majority of the Board of Directors shall be required for the acceptance of any individual as a member of the Society.

Section 6. The Board of Directors may, at its option and by a majority vote, require the resignation of a Full Member who does not attend at least one meeting per year. Such person may at that time transfer to Associate Member status in lieu of submitting his or her resignation.

ARTICLE VIII

Dues and Assessments

Section 1. The Board of Directors shall review the amount of dues annually and make recommendations for adjustments at the annual meeting in December. Initially the dues will equal \$75.00 for Full Members and \$75.00 for Associate Members. Veteran Members will pay no dues. The annual dues for new members will be reduced pro rata on a quarterly basis after the first quarter of the fiscal year.

Section 2. Special assessments may be levied upon members of the Society at the discretion of the Board of Directors. Such assessment shall not exceed \$20.00 per member annually unless approved by a majority of voting members.

Section 3. Should the dues or assessments of any member remain unpaid for sixty days, the membership involved shall be automatically suspended. Any member thus suspended may be reinstated at the discretion of the Board of Directors upon the payment of all his dues and assessments in arrears.

Section 4. Dues or assessments levied by the National Federation of Municipal Analysts are payable in addition to these dues, and will be shown separately on the annual dues statement. Members, to remain in good standing, are responsible for payment of both CMAS and NFMA dues and assessments billed.

ARTICLE IX

Amendments

Section 1. Amendments to this Constitution may be proposed by the Board of Directors or by ten percent (10%) of the members through written application to the Secretary. Each proposed amendment shall be published and distributed to all members along with notice of the date of the meeting at which the amendment is to be considered.

Section 2. A two-thirds vote of the members present in person at the submission of the amendment to vote shall be necessary to pass each amendment.

ARTICLE X

Code of Ethics of the National Federation of Municipal Analysts

A municipal analyst should conduct himself with integrity and dignity and act in an ethical manner in his dealings with the public, clients, customers, employers, employees, and fellow analysts.

A municipal analyst should conduct himself and should encourage others to practice municipal analysis in a professional and ethical manner that will reflect credit on himself and his profession.

A municipal analyst should act with competence and should strive to maintain and improve his competence and that of others in the profession.

A municipal analyst should use proper care and exercise independent professional judgement.

Members of the National Federation of Municipal Analysts are obligated to conduct their professional activities in accordance with the following specific provisions:

I. Obligation to Inform Employer of Code

The municipal analyst shall inform his employer, through his direct supervisor, that the analyst is obligated to comply with the Code of Ethics.

II. Compliance with Governing Laws and Regulations and the Code of Ethics

A. Required Knowledge and Compliance

The municipal analyst shall maintain knowledge of and shall comply with all applicable laws, rules and regulations of any government, governmental agency and regulatory organization governing his professional activities, as well as with this Code of Ethics.

B. Prohibition Against Assisting Legal and Ethical Violations

The municipal analyst shall not knowingly participate in, or assist, any acts in violation of any statute or regulation governing securities matters, nor any act which would violate any provision of the Code of Ethics.

C. Prohibition Against Use of Material Non-Public Information

The municipal analyst shall comply with all laws and regulations relating to the use of material non-public information. (a) If the analyst acquires such information as a result of a special or confidential relationship with the issuer, he shall not communicate the information (other than within the relationship), or take investment action on the basis of such information, until it is publicly disseminated. (b) If the analyst is not in a special or confidential relationship with the issuer, he shall not communicate or act on material non-public information until it is publicly disseminated, and shall make reasonable efforts to achieve public dissemination of such information by the issuer.

D. Responsibilities of Supervisors

A municipal analyst with supervisory responsibility shall exercise reasonable supervision over those subordinate employees subject to his control, to prevent any violation by such persons of applicable statutes, regulations, or provisions in the Code of Ethics. In so doing, the analyst is entitled to rely upon reasonable procedures established by his employer.

III. Research Report, Investment Recommendations and Actions

A. Reasonable Basis

The municipal analyst shall exercise diligence and thoroughness in making an investment recommendation to others or in taking an investment action for others.

The municipal analyst shall have a reasonable and adequate basis for such recommendations and actions, supported by appropriate research and investigation.

The municipal analyst shall maintain appropriate records to support the reasonableness of such recommendations.

B. Research Reports

The municipal analyst shall use reasonable judgement as to the inclusion of relevant factors in research reports.

The municipal analyst shall distinguish between facts and opinions in research reports.

The municipal analyst shall indicate the basic characteristics of the investment involved when preparing for general public distribution a report that is not directly related to a specific portfolio or client.

C. Portfolio Investment Recommendation and Actions

The municipal analyst shall, when making an investment recommendation or taking an investment action for a specific portfolio or client, consider its appropriateness and suitability for such portfolio or client. In considering such matters, the municipal analyst shall take into account (a) the needs and circumstances of the client, (b) the basic characteristics of the total portfolio, and (c) the basic characteristics of the investment involved. The municipal analyst shall use reasonable judgement to determine the applicable relevant factors. The municipal analyst shall distinguish between facts and opinions in the presentation of investment recommendations.

D. Prohibition Against Plagiarism

The municipal analyst shall not, when presenting material to his employer, associates, customers, clients, or the general public, copy or use in substantially the same form, material prepared by other persons without acknowledging its use and identifying the name of the author or publisher of such material. The analyst may, however, use without acknowledgement factual information published by recognized financial and statistical reporting services or similar sources.

E. Prohibition Against Misrepresentation

The municipal analyst shall not make any statements, orally or in writing, which materially misrepresent (a) the services that the analyst or his firm is capable of performing for the client, (b) the qualifications of such analyst or his firm, (c) the investment performance that the analyst or his firm has accomplished or can reasonably be expected to achieve for the client, or (d) the expected performance of any investment. The municipal analyst shall not make any unsupported statement regarding the foregoing, and shall not make any statement, orally or in writing, about any investment which guarantees or conveys any unsupported assurances, explicitly or implicitly.

F. Fair Dealing with Customer and Clients

The municipal analyst shall act in a manner consistent with his obligation to deal fairly with all customers and clients when (a) disseminating investment recommendations, (b) disseminating material changes in prior investment advice, and (c) taking investment action.

IV. Priority of Transactions

The municipal analyst shall conduct himself in such a manner that transactions for his customers, clients, and employer have priority over personal transactions and so that his personal transactions do not operate adversely to their interests. If an analyst decides to make a recommendation about the purchase or sale of a security he shall give his customers, clients, and employer adequate opportunity to act on this recommendation before acting on his own behalf.

V. Disclosure of Conflicts

The municipal analyst, when making investment recommendations, or taking investment actions, shall disclose to his customers and clients any material conflict of interest relating to him and any material beneficial ownership of the securities involved, which could reasonably be expected to impair his ability to render unbiased and objective advice.

The municipal analyst shall disclose to his employer all matters which could reasonably be expected to interfere with his duty to the employer, or with his ability to render unbiased and objective advice.

The municipal analyst shall also comply with all requirements as to disclosure of conflicts of interest imposed by law and by rules and regulations of organizations governing his activities and shall comply with any prohibitions on his activities if a conflict of interest exists.

VI. Relationships with Others

A. Preservation of Confidentiality

The municipal analyst shall preserve the confidentiality of information communicated by the client concerning matters within the scope of the confidential relationship, unless the municipal analyst receives information concerning illegal activities on the part of the client.

B. Maintenance of Objectivity

The municipal analyst, whether individually or as a member of a group, shall use particular care and good judgement to achieve and maintain objectivity.

NOTE: Masculine personal pronouns, used throughout the Code to simplify sentence structure shall apply to all persons, regardless of sex.