

BYLAWS
OF
BACHELIER FINANCE SOCIETY

Adopted October 8, 2014

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**BYLAWS OF
BACHELIER FINANCE SOCIETY**

ARTICLE I

NAME, FORM, OFFICES AND SEAL

Section 1.1 Name.

The name of the corporation is Bachelier Finance Society (the "Society"). The Society is named after the French mathematician, Louis Bachelier (1870-1946), who is considered to be the founder of modern mathematical finance.

Section 1.2 Form.

The Society is a nonprofit corporation incorporated under the Pennsylvania Nonprofit Corporation Law, 15 Pa. C.S.A. § 5101 et seq., upon a nonstock basis. The Society shall have members known collectively as the "General Assembly". Notwithstanding the fact that the Society shall have members, and except as otherwise specifically described herein, any action required or permitted to be taken by law by either the members of a nonprofit corporation or its directors shall be taken by the board of directors of the Society, known as the "Executive Committee". The Executive Committee shall be appointed as hereinafter provided in §5.2 hereof, and shall be overseen by an advisory committee known as the "Council".

Section 1.3 Offices.

The registered office of the Society in this Commonwealth shall be 625 Liberty Avenue, Pittsburgh, PA 15222-3152. The mailing address of the Society shall be ETH Zurich, Departement Mathematik, Ramistrasse 101, 8092 Zurich, Switzerland, or at such other location as the Executive Committee may determine from time to time. The Society may also have such other office or offices at such locations as the Executive Committee may determine from time to time.

Section 1.4 Corporate Seal.

The Society may have a corporate seal, which shall bear such inscription as the Executive Committee may determine from time to time.

ARTICLE II

PURPOSES AND OPERATION

The purposes for which the Society is organized and shall be operated are as set forth in the Articles of Incorporation. In addition to the general activities that any charitable, nonprofit corporation can undertake in this Commonwealth, the Society may elect to engage in the following specific activities, as well as such other activities consistent with the Society's charitable purposes as the Society may from time to time determine:

- (i) Seeking individuals and institutions who will organize conferences to achieve the charitable purposes of the Society;
- (ii) Approving plans of volunteers who wish to organize conferences or sessions at other meetings;
- (iii) Choosing/approving the official list of invited speakers for the conferences;
- (iv) Approving other major issues associated with the conferences, e.g. dates, venue, timing, etc.;
- (v) Facilitating participants' attendance at meetings;
- (vi) Supporting relevant publications;
- (vii) Establishing interrelationships between academia and others to foster the Society's charitable purposes; and
- (viii) Offering honorary membership in the Society.

ARTICLE III

GENERAL ASSEMBLY

Section 3.1 Qualification and Dues.

3.1.1 Individual Members. The Society shall have one or more classes of members collectively known as the General Assembly. Membership shall be open to any individual or organization supportive of the objectives of the Society. An individual or organization shall become a member of the General Assembly (a) upon approval of such membership by the Executive Committee, and (b) by paying dues as set forth in Section 3.1.2. Any member may be removed from membership in the General Assembly, without assigning cause, by majority vote of the Executive Committee.

3.1.2 Dues. In advance of each calendar year, the Executive Committee shall establish and announce the General Assembly dues in effect for the following year. Dues shall be payable by each member no later than December 31 of the preceding year for the subsequent calendar year. Persons who become members of the General Assembly during a calendar year shall pay the annual dues in effect for that year, without proration.

3.1.3 Resignation. Members of the General Assembly may resign at any time by sending a written notice by mail or electronic mail to the Executive Secretary. Resigning members shall not be entitled to a refund of dues. Members whose dues are a year or more in arrears shall be considered to have resigned from the General Assembly.

3.1.4 Additional Requirements. The Executive Committee shall be empowered to establish such additional requirements for membership as it shall deem appropriate, provided

all such requirements shall be reasonable, germane to the purpose or purposes of the corporation, and equally enforced as to all members of the same class.

Section 3.2 Voting Rights.

Each member of the General Assembly in good standing and current as to the payment of dues shall be entitled to one vote on any matter certified by these Bylaws or the Executive Committee for vote before the membership. In the case of any organization or entity that is a member of the General Assembly, such member may act by a duly authorized resolution of its governing board or by the action of a delegate authorized by such governing board to act on its behalf. The Society shall be entitled to rely upon any authorization or authority that the Society, in good faith, believes to be valid.

Section 3.3 Action by General Assembly.

Unless otherwise prescribed by the Executive Committee and to the extent allowable by law, the General Assembly shall act via majority decision, with voting being conducted in such manner as the Council may from time to time direct.

Section 3.4 Meetings; Notice.

3.4.1 Meetings. Any meetings of the General Assembly shall occur at such time and place as shall be designated by resolution of the Executive Committee of the Society.

3.4.2 Notice. Notice of the meetings of the General Assembly shall be given in such manner as the Executive Committee shall determine; provided, however, whenever a meeting shall be held calling for a vote of the General Assembly, other than a meeting conducted at the biennial international conference, notice of such meeting shall be given at least thirty (30) days prior to the meeting. Notice of any meeting may be waived in writing or shall be deemed waived by a member in attendance at the meeting, except when attendance at the meeting is for and limited to the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

3.4.3 Quorum. Ten percent (10%) of the members entitled to vote at a meeting shall constitute a quorum at a meeting of the General Assembly.

3.4.4 Action. The affirmative vote of the majority of the General Assembly at a meeting at which a quorum is present shall be the act of the General Assembly.

3.4.5 Presiding Officer. All meetings of the General Assembly shall be called to order and presided over by the President, or, in the absence of the President, by the Vice President, or, in the absence thereof, by a chairperson of the meeting designated by the Executive Committee.

Section 3.5 Determination of Members of Record.

The Executive Committee may fix a time, not more than seventy (70) days prior to the date of any vote or meeting of the General Assembly, as a record date for the determination of

the member or members entitled to notice of, or to vote upon, such meeting or action. In such case only members of record on the date so fixed shall so be entitled notwithstanding any increase or other change in membership on the books of the Society after any record date fixed as aforesaid. Unless otherwise restricted in the Bylaws, the Executive Committee may similarly fix a record date for the determination of members of record for any other purpose.

ARTICLE IV

COUNCIL

Section 4.1 General Powers and Duties.

The Executive Committee shall be overseen by an advisory committee known as the Council. The Council shall be responsible for formulating the general policies of the Society. The Council shall also provide necessary guidance and oversight of the nomination proceedings and policies of the Society to ensure compliance with all legal standards and to monitor the Society's fulfillment of its purpose. Each member of the Council shall be entitled to one vote on all matters coming before the Council, subject to any conflict of interest considerations. Action by the Council and its duly authorized committees pursuant to these Bylaws shall be final and binding upon the Society, except as otherwise provided in these Bylaws or the Articles of Incorporation.

Section 4.2 Number and Term of Councilpersons.

The Council shall have ten (10) voting members. Each Councilperson shall be elected to serve a term of four (4) years beginning on January 1 of an even-numbered year. Councilpersons shall be divided into two (2) classes of five (5) persons each. The terms of office of the Councilpersons of each class shall be staggered so that one-half of the Council shall be elected in each odd-numbered year, to begin service as of January 1 of the following even-numbered year. Councilpersons must be natural persons of full age and need not be residents of Pennsylvania or the United States of America. The Executive Committee may by resolution stipulate any other qualifications for Councilpersons from time to time.

Section 4.3 Election of Councilpersons.

The Council shall be elected by the General Assembly. In each odd-numbered year, a Nominating Committee as described in Section 5.16.4 shall solicit nominations for the five Council seats expiring at the end of the calendar year, and shall ascertain from each nominee whether he or she is willing to serve. Members of the Nominating Committee shall not be eligible for candidacy. Not later than April 1 of that year, the Nominating Committee shall present to the Executive Secretary its report of candidates for the five (5) Council positions to become vacant. The Executive Secretary shall submit the report to the Council and shall also make it available to members of the General Assembly in such manner as the Council shall from time to time deem appropriate. By September 1, the Council shall submit to the Executive Secretary nominations of additional candidates, provided that each such nomination is either sponsored by at least two (2) individual members of the Council or by two (2) members of the General Assembly, other than the proposed candidate. Each proposed candidate must

affirmatively consent to his or her nomination as a candidate. By October 1, the Executive Secretary shall submit the names of the nominated candidates to the General Assembly for a vote, except that if there are exactly five (5) candidates for Council, those candidates shall be declared elected without vote. Voting shall be in such manner as the Council shall provide. Candidates receiving the majority of votes shall be considered elected and shall assume office as of January 1. The current members of the Council shall decide how to resolve any ties.

Section 4.4 Term Limits.

A Councilperson may serve on the Council for two (2) consecutive four (4) year terms, and, following an absence from the Council for one four (4) year term, such Councilperson may again serve on the Council for two (2) consecutive four (4) year terms, which pattern may be repeated without limitation.

Section 4.5 Regular Meetings.

Regular meetings of the Council shall be held at such time and place, either within or without the Commonwealth of Pennsylvania, as shall be designated from time to time by resolution of the Council, but shall occur at least once every two (2) years.

Section 4.6 Special Meetings.

Special meetings of the Council may be called at any time by or at the request of the President, or by action of any three (3) members of the Council. It shall be the duty of the persons calling the meeting to fix the time of any special meeting, which shall be not more than thirty (30) days after receipt of the request.

Section 4.7 Meetings by Conference Telephone and Similar Equipment.

One or more Councilpersons may participate in a meeting of the Council, or of a committee of the Council, by means of a conference telephone or similar communications equipment which permits all persons participating in the meeting to hear each other, and all persons so participating shall be deemed present at a meeting.

Section 4.8 Notice of Meetings; Waiver.

4.8.1 Notice of Meetings. Written notice of each regular meeting of the Council, specifying the place, day, and hour of the meeting, shall be given to each Councilperson at least seven (7) days before the time set for the meeting, either personally, by mail, courier service, facsimile, electronic mail or such other method as may be approved, from time to time, by the Council. Notice of any special meeting shall be given at least five (5) days previous in the same manner. If sent by mail or courier service, such notice shall be deemed to be delivered when deposited in the United States mail or with the courier service, addressed to the Councilperson with postage or charges thereon prepaid. If sent by facsimile or electronic mail, such notice shall be deemed to be delivered when dispatched. In each case, notice shall be given to each Councilperson at his or her address as shown by the records of the Society.

4.8.2 Waiver. Whenever any written notice is required to be given by law or these Bylaws, a waiver thereof in writing signed by the Councilpersons entitled to such notice shall be deemed the equivalent of giving such notice. The attendance of a Councilperson at any meeting shall constitute a waiver of notice of such meeting, except where a Councilperson attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 4.9 Action by Unanimous Consent.

Any action required to be taken at a meeting of the Council, or any other action which may be taken at a meeting of the Council, may be taken without a meeting if a consent in writing, or by electronic mail, setting forth the action so taken is signed by all of the Councilpersons entitled to vote with respect to the subject matter thereof and is filed with the Executive Secretary.

Section 4.10 Quorum.

A majority of the Councilpersons in office shall constitute a quorum for the transaction of business at any meeting of the Council.

Section 4.11 Manner of Acting.

The acts of a majority of the Councilpersons present and voting at the meeting at which a quorum is present shall be the acts of the Council, except where otherwise provided by law or by these Bylaws. The Councilpersons present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Councilpersons to leave less than a quorum, if any action taken (other than adjournment) is approved by the number of Councilpersons which would constitute at least a majority if a quorum were present.

Section 4.12 Vacancies.

Any vacancy occurring in the Council because of death, resignation, removal, election as an officer of the Society, disqualification or otherwise may be filled by an election of the remaining Councilpersons, at any in-person, electronic, or telephonic meeting of the Council. A Councilperson elected to fill a vacancy shall be elected to serve out only the unexpired term of his or her predecessor in office.

Section 4.13 Resignation.

A Councilperson may resign at any time by giving written notice of his or her resignation to the President or Executive Secretary. Any such resignation shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.14 Removal of Councilpersons.

Any individual Councilperson may be removed from office without assigning any cause by a majority vote of both the Executive Committee and the Council.

Section 4.15 Compensation.

Councilpersons shall not receive any compensation for their services as such. Nothing herein contained shall be construed to preclude any Councilperson from serving the Society in any other capacity and receiving compensation therefore, nor shall anything herein be construed to preclude any Councilperson from receiving reimbursement, if requested, for actual expenses incurred in providing services to the Society or attending Council meetings.

Section 4.16 Council Committees.

4.16.1 Special Committees. The Council, by resolution adopted by a majority of the Councilpersons then in office, may create one or more committees from time to time as it may deem necessary or advisable. The Council shall designate the members and the chairperson and vice-chairperson, if any, of each committee.

4.16.2 Powers and Reporting. Each committee shall have and exercise all of the powers and authority granted to it in the Council resolution creating it.

4.16.3 Tenure. Each member of a committee shall hold office for the period set forth in the Council resolution creating the committee.

Section 4.17 Extended Council.

The Council and the Executive Committee may from time to time meet in joint session as an Extended Council and, except as the Council may otherwise provide by resolution, may exercise any and all rights of the Council, itself. Meetings of this Extended Council shall be conducted in accordance with the provisions of Section 4.5 through 4.11 hereof, and the acts of a majority of the members of the Extended Council present and voting at the meeting at which a quorum is present shall be the acts of the Extended Council, except where otherwise provided by law or by these Bylaws.

ARTICLE V

EXECUTIVE COMMITTEE – BOARD OF DIRECTORS

Section 5.1 General Powers and Duties.

The day-to-day business, property and affairs of the Society shall be managed and controlled by its Board of Directors known as the "Executive Committee". Each member of the Executive Committee (each "Director") shall be entitled to one vote on all matters coming before the Executive Committee, subject to any conflict of interest considerations. Action by the Executive Committee and its duly authorized committees pursuant to these Bylaws shall be final and binding upon the Society, except as otherwise provided herein.

Section 5.2 Number, Term and Composition of Directors.

5.2.1 Number. The Executive Committee shall have a maximum of seven (7) voting Directors. Each Director shall be elected as set forth in Section 5.2.2 to serve the terms noted therein. The Executive Committee may by resolution stipulate any other qualifications for Directors from time to time.

5.2.2 Term and Composition. The Executive Committee shall be composed of the five Directors hereinafter described in subparagraphs (a) through (e) hereof, who shall be ex officio members, and may also include up to two (2) Council appointees. Any Director serving by reason of being one (1) of the five (5) ex officio members of the Executive Committee shall not also be at such time a member of Council. All Directors, except for those filling a vacancy, shall begin their terms in even-numbered years.

(a) Vice President. The Vice President of the Society, as described in Section 6.2.1 and as elected by the General Assembly, shall be appointed as an ex officio member of the Executive Committee, beginning January 1 of the effective year of his or her term. The Vice President shall serve on the Executive Committee for his or her two (2) year term of office, at which time he or she will automatically become the President.

(b) President. The President of the Society, as described in Section 6.2.2, shall be appointed as an ex officio member of the Executive Committee, beginning January 1 of the effective year of his or her term. The President shall serve on the Executive Committee for his or her two (2) year term of office, at which time he or she will automatically become the Past President.

(c) Past President. The Past President of the Society, as described in Section 6.2.3, shall be appointed as an ex officio member of the Executive Committee, beginning January 1 of the effective year of his or her term. The Past President shall serve on the Executive Committee for his or her two (2) year term of office.

(d) Executive Secretary. The Executive Secretary of the Society, as described in Section 6.2.4, shall be appointed as an ex officio member of the Executive Committee, beginning January 1 of the effective year of his or her term. The Executive Secretary shall serve on the Executive Committee for his or her two (2) year term of office, and shall be eligible for an unlimited number of consecutive terms if re-appointed as Executive Secretary.

(e) Treasurer. The Treasurer of the Society, as described in Section 6.2.5, shall be appointed as an ex officio member of the Executive Committee, beginning January 1 of the effective year of his or her term. The Treasurer shall serve on the Executive Committee for his or her two (2) year term of office, and shall be eligible for an unlimited number of consecutive terms if re-appointed as Treasurer.

(f) Two Council-Appointed Directors. In each odd-numbered year, the Council may select by majority vote up to two (2) of its members to serve on the Executive Committee (the "Council-Appointed Directors"). Beginning January 1 of the following even-numbered year, the Council-Appointed Directors shall serve on the Executive Committee for two

(2) year terms of office, and shall be eligible for an unlimited number of consecutive terms if re-appointed by the Council.

Section 5.3 Term Limits.

If re-appointed to their respective positions in the manners described in these Bylaws, the Executive Secretary, Treasurer, and Council-Appointed Directors may serve on the Executive Committee for an unlimited number of consecutive full two (2) year terms. Individuals serving as ex officio Directors through the position of Vice President, President, or Past President shall be limited to their single full two (2) year term in each office. However, all term-limited ex officio Directors remain eligible to be reappointed to the Executive Committee on other grounds (including, without limitation, appointment as a Council-Appointed Director).

Section 5.4 Regular Meetings.

Regular meetings of the Executive Committee shall be held at such time and place, either within or without the Commonwealth of Pennsylvania, as shall be designated from time to time by resolution of the Executive Committee.

Section 5.5 Special Meetings.

Special meetings of the Executive Committee may be called at any time by or at the request of the President, or by action of any three (3) members of the Executive Committee. It shall be the duty of the persons calling the meeting to fix the time of any special meeting, which shall be not more than thirty (30) days after receipt of the request.

Section 5.6 Meetings by Conference Telephone and Similar Equipment.

One or more Directors may participate in a meeting of the Executive Committee, or of a committee of the Executive Committee, by means of a conference telephone or similar communications equipment which permits all persons participating in the meeting to hear each other, and all persons so participating shall be deemed present at a meeting.

Section 5.7 Notice of Meetings; Waiver.

5.7.1 Notice of Meetings. Written notice of each regular meeting of the Executive Committee, specifying the place, day, and hour of the meeting, shall be given to each Director at least seven (7) days before the time set for the meeting, either personally, by mail, courier service, facsimile, electronic mail, or such other method as may be approved, from time to time, by the Executive Committee. Notice of any special meeting shall be given at least five (5) days previous in the same manner. If sent by mail or courier service, such notice shall be deemed to be delivered when deposited in the United States mail or with the courier service, addressed to the Director with postage or charges thereon prepaid. If sent by facsimile or electronic mail, such notice shall be deemed to be delivered when dispatched. In each case, notice shall be given to each Director at his or her address as shown by the records of the Society.

5.7.2 Waiver. Whenever any written notice is required to be given by law or these Bylaws, a waiver thereof in writing signed by the Directors entitled to such notice shall be deemed the equivalent of giving such notice. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5.8 Action by Unanimous Consent.

Any action required to be taken at a meeting of the Executive Committee, or any other action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, or by electronic mail, setting forth the action so taken, is executed by all of the Directors entitled to vote with respect to the subject matter thereof and is filed with the Executive Secretary.

Section 5.9 Quorum.

A majority of the Directors in office shall constitute a quorum for the transaction of business at any meeting of the Executive Committee.

Section 5.10 Manner of Acting.

The acts of a majority of the Directors present and voting at the meeting at which a quorum is present shall be the acts of the Executive Committee, except where otherwise provided by law or by these Bylaws. The Directors present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Directors to leave less than a quorum, if any action taken (other than adjournment) is approved by the number of Directors which would constitute at least a majority if a quorum were present.

Section 5.11 Vacancies.

Any vacancy occurring in the Executive Committee because of death, resignation, removal, disqualification or otherwise of an ex officio Director shall be filled by the individual appointed to fill said office in the manner prescribed by these Bylaws. Any vacancy occurring in the Executive Committee because of death, resignation, removal, disqualification or otherwise of a Council-Appointed Director shall be filled by the Council. A Director elected to fill a vacancy shall be elected to serve out only the unexpired term of his or her predecessor in office.

Section 5.12 Resignation.

A Director may resign at any time by giving written notice of his or her resignation to the President or Executive Secretary. Any such resignation shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.13 Removal of Directors.

Any individual Director may be removed from office without assigning any cause by a majority vote of the Executive Committee.

Section 5.14 Compensation.

Directors as such shall not receive any compensation for their services as Directors. Nothing herein contained shall be construed to preclude any Director from serving the Society in any other capacity and receiving compensation therefore, nor shall anything herein be construed to preclude any Director from receiving reimbursement, if requested, for actual expenses incurred in providing services to the Society or attending Executive Committee meetings.

Section 5.15 Biennial Reports.

At the conclusion of their two (2) year terms of office, the President and the Executive Secretary, on behalf of the Executive Committee, shall prepare and present a report to the General Assembly detailing the Executive Committee's activities during the two (2) year term. Such report shall be presented to the General Assembly at a meeting thereof. Following the presentation of the report, the outgoing Executive Committee shall cooperate in all respects to facilitate the transfer of the Society's records, accounts, and correspondence to any new Treasurer and the Executive Secretary.

Section 5.16 Committees.

5.16.1 Committees. The Executive Committee, by resolution adopted by a majority of the Directors then in office, may create one or more committees from time to time as it may deem necessary or advisable. The Executive Committee shall designate the members and the chairperson and vice-chairperson, if any, of each committee.

5.16.2 Powers and Reporting. Each committee shall have and exercise all of the powers and authority granted to it in the Executive Committee resolution creating it.

5.16.3 Tenure. Each member of a committee shall hold office for the period set forth in the Executive Committee resolution creating the committee. Committee vacancies may be filled by appointment by the President for the unexpired term thereof.

5.16.4 Nominating Committee. In January of odd numbered years, the Executive Committee shall establish a Nominating Committee for the purpose of identifying candidates to serve as Vice President or Councilpersons. The Nominating Committee shall consist of the Past President, the President, the Vice President, the Executive Secretary and three (3) members of the General Assembly chosen by the Executive Committee. The Nominating Committee shall solicit nominations for the Council and for the Vice Presidency (which may not include members of the Nominating Committee), and shall ascertain from each nominee that he or she is willing to serve. The Nominating Committee shall, not later than April 1 in the year of its constitution, present its report consisting of candidates for the Vice-Presidency and the five (5) Council positions that will become vacant. The Nominating Committee shall thereafter automatically be

dissolved. The report of the Nominating Committee shall be presented in accordance with the procedures described in Sections 4.3 and 6.2.1.

ARTICLE VI

OFFICERS

Section 6.1 Officers and Qualifications.

The officers of the Society shall be a Vice President elected by the General Assembly, a President, Past President, Executive Secretary, Treasurer, and such officers as may be designated and elected by a majority vote of the Executive Committee, present and voting. All officers shall be natural persons of full age. No officer shall hold more than one office at a time. During their terms of office, officers shall not serve as Councilpersons. Officers of the Society, as between themselves and the Society, shall have such authority and perform such duties in the management of the Society as is provided by or pursuant to these Bylaws or, in the absence of controlling provisions in these Bylaws, as is determined by or pursuant to resolutions or orders of the Executive Committee.

Section 6.2 Duties of Officers.

6.2.1 Vice President. The Vice President shall serve a nonrenewable two (2) year term, and then shall automatically be appointed as the President. The Vice President shall be elected by the General Assembly. In each odd-numbered year, the Nominating Committee shall solicit nominations for Vice President, and shall ascertain from each nominee whether he or she is willing to serve. Not later than April 1 of that year, the Nominating Committee shall present to the Executive Secretary its report of candidates for Vice President. The Executive Secretary shall submit the report to the Council. By September 1, the Council may submit to the Executive Secretary nominations of additional candidates, provided that each such nomination is sponsored by at least two individual members of the Council. By October 1, the Executive Secretary shall submit the names of the nominated candidates to the General Assembly for a vote. If there is only one candidate for Vice President, such candidate shall be declared elected without vote. Voting shall be in such manner as the Council shall provide. The candidate receiving the majority of votes shall be considered elected and shall assume office as of January 1. The Council shall resolve any ties. The Vice President shall be an ex officio member of the Executive Committee and the Nominating Committee, and shall perform such duties as may be assigned to him or her by the Executive Committee, the Council, or the President.

6.2.2 President. The President shall serve a nonrenewable two (2) year term. On January 1 of the even-numbered year immediately following the conclusion of the Vice President's term of office, the individual serving as Vice President automatically shall become the President of the Society. The President shall be the chief executive officer of the Society and shall be an ex officio member of the Executive Committee and the Nominating Committee. Subject to the control of the Executive Committee and, within the scope of its authority or any committees thereof, the President shall (a) preside at all meetings of the Executive Committee at which he or she is present, (b) have general and active management of all the business, property and affairs of the Society, (c) see that all orders and resolutions of the Executive Committee, the

Council, and the committees thereof are carried into effect, (d) appoint and remove assistant officers and agents, other than those appointed or elected by the Executive Committee, the Council, or the General Assembly, as the business of the Society may require, (e) have custody of the corporate seal, or entrust the same to the Executive Secretary, (f) act as the duly authorized representative of the Executive Committee in all matters, except where the Executive Committee has formally designated some other person or group to act, (g) oversee preparation of the report described in Section 5.15, and (h) in general perform all the usual duties incident to the office of President and such other duties as may be assigned to such person by the Executive Committee or the Council. In the absence or disability of the President, the Vice President or, if unavailable, the Executive Secretary, shall perform the duties of the President.

6.2.3 Past President. The Past President shall serve a nonrenewable two (2) year term. On January 1 of the even-numbered year immediately following the conclusion of the President's term of office, the individual serving as President automatically shall become the Past President of the Society. The Past President shall be an ex officio member of the Executive Committee and the Nominating Committee, and shall perform such duties as may be assigned to him or her by the Executive Committee, the Council, or the President.

6.2.4 Executive Secretary. The Executive Secretary shall serve a renewable two (2) year term beginning January 1 of even-numbered years. The Executive Secretary shall be elected by the Executive Committee in the odd-numbered year immediately preceding his or her term of office. The Executive Secretary shall be an ex officio member of the Executive Committee and shall perform such duties as may be assigned to him or her by the Executive Committee, the Council, or the President, including, without limitation, (a) keeping or causing to be kept the minutes of all meetings of the Executive Committee, Council, and General Assembly, in one or more books kept for that purpose, (b) having custody of the corporate records, stock books and stock ledgers of the Society, (c) keeping or causing to be kept a register of the name and address of each member of the General Assembly, Council, and Executive Committee, which address has been furnished by such member, (d) seeing that all notices are duly given in accordance with law, the Articles of Incorporation, and these Bylaws, (e) assisting the President in preparation of the report described in Section 5.15, (f) coordinating all Vice President and Council nomination materials, including submission of the Nominating Committee report to the Council and dissemination of ballots to the General Assembly, and (g) in general performing all the usual duties incident to the office of Secretary. All books, papers and records of any and all description used in the business of the Society in any manner shall be and remain the property of the Society.

6.2.5 Treasurer. The Treasurer shall serve a renewable two (2) year term beginning January 1 of even-numbered years. Other than with respect to the initial Treasurer, the Treasurer shall be elected by the Executive Committee in the odd-numbered year immediately preceding his or her term of office. The Treasurer shall be an ex officio member of the Executive Committee and shall have general supervision of the fiscal affairs of the Society. The Treasurer shall, with the assistance of the President and any managerial staff of the Society: (a) see that a full and accurate accounting of all financial transactions is made, (b) invest and reinvest the capital funds of the Society in such manner as may be directed by the Executive Committee, the Council, or a committee thereof, unless such function shall have been delegated to a nominee or agent, (c) deposit or cause to be deposited in the name and to the credit of the

Society, in such depositories as the Executive Committee shall designate, all monies and other valuable effects of the Society not otherwise employed, (d) prepare such financial reports as may be requested from time to time by the Executive Committee, the Council, or a committee thereof, (e) cooperate in the conduct of any annual audit of the Society's financial records by certified public accountants duly appointed by the Executive Committee, and (f) in general perform all the usual duties incident to the office of Treasurer and such other duties as may be assigned to him or her by the Executive Committee, the Council, committees thereof, or the President.

Section 6.3 Vacancies.

Any vacancy occurring in the Executive Secretary, Treasurer, or Past President positions because of death, resignation, removal, disqualification or otherwise shall be filled by an individual nominated by the President and approved by the majority of the Executive Committee. Any vacancy occurring in the President position because of death, resignation, removal, disqualification or otherwise shall be filled by the current Vice President. In the event of a vacancy in the Vice President position because of death, resignation, removal, promotion to President as described in the preceding sentence, disqualification, or otherwise, within thirty (30) days the Council shall (a) call a special meeting to identify candidates and (b) submit to the Executive Secretary a list of nominees. The Executive Secretary shall submit the names of the nominated candidates to the General Assembly for a vote, except that if there is only one candidate for Vice President, this candidate shall be declared elected without vote. Voting shall be in such manner as the Council shall provide. The candidate receiving the majority of votes shall be considered elected and shall assume the office of Vice President immediately. The Council shall resolve any ties. In all cases, an officer elected to fill a vacancy shall be elected to serve out only the unexpired term of his or her predecessor in office.

Section 6.4 Removal of Officer or Agent.

Any officer or agent elected or appointed by the Executive Committee may be removed by the Executive Committee whenever, in its best judgment, the best interests of the Society will be served thereby, without prejudice, however, to any contract rights the person removed may have.

Section 6.5 Resignation.

Any officer may resign at any time by giving written notice of such resignation to the Executive Committee, to the President or to the Executive Secretary. Any such resignation shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE VII

GENERAL PROVISIONS

Section 7.1 Books and Records.

The Society shall keep (a) correct and complete books and records of account, (b) minutes of the proceedings of the Executive Committee, the Council, and the General Assembly,

and (c) a record of such other information as may be required by law. Each Councilperson or Director shall, upon written demand, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the books and records of the Society, and to make copies or extracts therefrom. In every instance where an attorney or other agent is the person who seeks the right of inspection, the demand shall be accompanied by a verified power of attorney or other writing that authorizes the attorney or other agent to so act.

Section 7.2 Interpretation.

Whenever used herein, references to the masculine, feminine or neuter gender may include any other gender, and references to any law shall include amendments thereto and replacements thereof.

ARTICLE VIII

CONFLICTS OF INTERESTS

No contract or transaction between the Society and one or more of its Councilpersons, Directors, or officers, or between the Society and any other corporation, partnership, association or other organization in which one or more of the Society's Councilpersons, Directors, or officers are directors or officers, or have a financial or other interest, shall be void or voidable solely for such reason, or solely because the Councilperson, Director, or officer is present at or participates in the meeting of the Council or Executive Committee which authorizes the contract or transaction, or solely because votes of such Councilperson, Director, or officer are counted for such purpose, if full compliance with the Society's Conflict of Interest Policy occurs and either: (1) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Council or Executive Committee, as applicable, and the relevant body in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Councilpersons or Directors even though the disinterested parties are less than a quorum; or (2) the contract or transaction is fair as to the Society as of the time it is authorized, approved or ratified by the Council or Executive Committee. The Society's Conflict of Interest Policy is attached hereto as Exhibit A. Common or interested Councilpersons or Directors may be counted in determining the presence of a quorum at a meeting of the Council or Executive Committee, as applicable, which authorizes a contract or transaction specified in this Article VIII.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Society shall commence January 1 and end on December 31 of each calendar year, other than the Society's initial year or the final year of existence.

ARTICLE X

AMENDMENTS TO BYLAWS

Proposals to alter, amend, or restate these Bylaws may be made in writing to the President by (a) the Executive Committee, (b) any five (5) members of the Council, or (c) any ten (10) members of the General Assembly. Any proposal for the amendment of the Bylaws must first be approved by a majority of the Executive Committee and then shall be considered by the Council; each Councilperson shall be delivered a copy of the proposed amendments by the Executive Secretary at least ten (10) days prior to the date on which any such Council meeting is to be held, unless such action is taken through unanimous consent. If approved by a majority of the Council, the proposal shall be submitted to a vote of the members of the General Assembly. Ratification by the General Assembly will require a simple majority of all those voting in accordance with Article III.

EXHIBIT A

Conflict of Interest Policy

ARTICLE I

PURPOSE

The purpose of this conflict of interest policy is to protect the interests of Bachelier Finance Society (the " Society") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director, or councilperson of the Society, or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations, and this policy supplements any corresponding provision in the Articles or Bylaws of the Society.

ARTICLE II

DEFINITIONS

1. **Interested Person**

Any director, councilperson, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. **Financial Interest**

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a) An ownership or investment interest in any entity with which the Society has a transaction or arrangement,
- b) A compensation arrangement with the Society or with any entity or individual with which the Society has a transaction or arrangement, or
- c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Society is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

ARTICLE III

PROCEDURES

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors, councilpersons, and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board, council or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a) An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b) The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c) After exercising due diligence, the governing board or committee shall determine whether the Society can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors or councilpersons, as applicable, whether the transaction or arrangement is in the Society's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a) If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

ARTICLE IV

RECORDS OF PROCEEDINGS

The minutes of the governing board and all committees with board delegated powers shall contain:

- a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE V

COMPENSATION

- a) A voting member of the governing board who receives compensation, directly or indirectly, from the Society for services is precluded from voting on matters pertaining to that member's compensation.
- b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Society for services is precluded from voting on matters pertaining to that member's compensation.
- c) No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Society, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE VI

STATEMENT

Each director, councilperson, principal officer and member of a committee with governing board delegated powers shall sign a statement which affirms such person:

- a) Has received a copy of the conflicts of interest policy,
- b) Has read and understands the policy,
- c) Has agreed to comply with the policy, and
- d) Understands that the Society is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE VII

PERIODIC REVIEWS

To ensure that the Society operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects, if applicable:

- a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Society's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

ARTICLE VIII

USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Article VII, the Society may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.