

**BYLAWS  
of the  
AMERICAN ASSOCIATION OF DAILY MONEY MANAGERS, INC.**

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**ARTICLE I – NAME**

Section 1. Name

The name of the organization is the American Association of Daily Money Managers, Inc. (hereinafter referred to as AADMM). The Association may be known as, and trade under the name of the American Association of Daily Money Managers or AADMM.

**ARTICLE II – PURPOSE**

Section 1. Purpose

The mission of the organization is to support daily money management services in an ethical manner, to provide information and education to members and to the public, and to develop a network of dedicated professionals.

**ARTICLE III – MEMBERSHIP**

Section 1. Qualifications. Membership in AADMM is open to all persons with an interest in daily money management who support the mission and purpose of the Association, who support the Association's Code of Ethics, and who make timely dues payment. Applicants for membership must complete an application form and pay the required dues.

Section 2. Membership Classes

The Association shall include the following three classes of membership: Active, Agency/Business, and Affiliate. The Board of Directors may modify the classes of membership, and/or establish other classes of membership at any time.

2.1 Active Members include those who are engaged in the profession of daily money management services, paid or unpaid, those with interest but not yet in the practice of daily money management, and those who have retired from the profession. Active members will adhere to the Code of Ethics. Active members have one vote on matters of the Association and may serve in elected office within the Association. Active members are included on our Website reference list along with a hot link to their own websites.

2.2 Agency/Business members include those organizations that provide daily money management services, paid or unpaid, and who adhere to the Code of Ethics. These organizations may identify up to three individuals as members of the Association, and each shall have one vote on matters of the Association and may serve in elected office within the Association.

2.3 Affiliate members include those who provide services related to daily money management or to typical clients of the profession, and those who provide services and products to those engaged in daily money management or their clients. These members shall support the Code of Ethics, but do not have voting rights within the Association, nor may they hold elected office within the Association.

Section 3. Dues and Member Benefits. Annual dues shall be determined by the AADMM Board and shall be assessed upon all member classifications and shall be payable upon annual receipt of invoice. Benefits of membership shall be determined from time to time by the AADMM Board.

Section 4. Termination of Membership

- a. Any membership may be cancelled for non-payment of dues, after ample billing and warning by the Association in accordance with the policy adopted by the Board of Directors.
- b. Any member who ceases to qualify for continued membership, as defined in this Article or Board policy, shall automatically be dropped from the membership roll of this Association.
- c. Any member proposed for membership cancellation for any other reason shall be given advance written notice including the reason for the proposed cancellation, the opportunity to contest the proposed cancellation in writing or in person before the Board of Directors, a final written notice of the Board's decision, and the opportunity to appeal an adverse decision by the Board to a review panel of three persons appointed by the Board who are not current members of the Board of Directors. The decision of that panel is final and may not be challenged in any other forum within the Association.

Section 5. Meetings of Membership. The Association shall hold an annual meeting of the membership at such location as the Board of Directors may select, at a time fixed by the Board of Directors. If the annual meeting shall not be held within six (6) months of its customary time, any member in good standing may call such a meeting. Special meetings of the Association may be held upon the call of the President, upon the written request of a majority of the Directors, or upon the written request of at least 20% of the voting members.

Notice of the annual membership meeting shall be provided in written form no less than 30 days prior to the meeting. Notice of special membership meetings shall also require 30 days written notice. The Board of Directors may waive or alter the required notice, provided, however, that should any voting member object to the waiver of notice prior to or at the start of the meeting, no action may be taken at the meeting.

Section 6. Quorum and Voting

- a. The quorum for the transaction of business at any meeting of the membership shall consist of not less than 5% of the current voting members present at the meeting. In the event that a quorum is not present at any meeting of the membership, a majority of those present may adjourn the meeting.
- b. Only members in good standing shall have voting rights, as outlined in Article III of these bylaws.
- c. A majority vote of those members present shall be required for any action to be approved, except that if voting for substitution, alteration, amendment, or repeal of any action of the Board of Directors, an affirmative two-thirds (2/3) vote shall be required.

Section 7. Alternative Voting Methods. Any action that may be taken at a meeting of the membership may be taken without a meeting by an alternative method of notification and voting, provided a minimum of thirty (30) days is allowed for the return of vote responses, and provided further that at least a quorum of the membership as noted above participate by returning vote responses, except in the instance noted above in Article III, Section 6.c.

Section 8. Non-Discrimination

All persons and organizations who meet the membership qualifications as outlined in this Article III shall be eligible for membership in the Association without regard to race, age, religion, national origin, ethnicity, sex, sexual orientation or disability.

## **ARTICLE IV – BOARD OF DIRECTORS**

Section 1. Scope of Authority

- a. The business affairs of the Association shall be managed by a Board of Directors, including but not limited to all matters affecting the Association. The Board of Directors develops and directs the policies and programs of the Association and is ultimately responsible for their implementation. The Board carries all the legal and fiduciary responsibility for the Association.
- b. The Board of Directors shall have the power to act for, and on behalf of, the Association.
- c. The Board of Directors may engage one or more individual employees or contracted agents to serve as executive staff, to manage the activities and programs of the Association as directed by the Board, and to implement the policies of the Association. The Board shall delegate to such individuals the authority to sign documents and act on behalf of the Association within the policies and directives of the Board.
- d. The Board of Directors shall have the authority to develop, revise, and maintain a Code of Ethics that describes the standards by which members are expected to operate.

Section 2. Composition of the Board

The Board of Directors shall consist of no fewer than 4 individuals, but no more than 12 individuals, including the elected officers, with the number to be determined by the Board each year. In addition, the immediate past president shall also serve as a non-elected, voting member of the Board unless otherwise completing a term as a voting member of the Board

Section 3. Election and Term of Office

- a. The Board of Directors shall be elected by the voting membership of the Association.
- b. The members of the Board of Directors shall serve a term of two (2) years. Each Director is entitled to serve three consecutive two-year terms, after which that Director is ineligible to serve as an elected member of the Board for a period of one year, unless elected to an officer position.
- c. The term of office for Board members shall commence at the beginning of the fiscal/calendar year following their election, and shall continue until the designated term expires, or until a successor is named, or until assuming an elected officer position.

Section 4. Eligibility for Board Service

Only those who are members within the classes of membership defined by Article III, and whose membership is in good standing, shall be eligible for nomination to the Board of Directors. This includes individuals who are associated members within an Agency/Business member.

### Section 5. Resignation and Removal

- 5.1 A Director may terminate directorship at any time by written notice to the Association President, with such termination being effective upon receipt.
- 5.2 Non-participation in any two (2) regularly scheduled meetings of the Board of Directors in any 12-month period may be considered by the Board of Directors as a resignation of that Director. When this occurs, the Board may, at a subsequent meeting, vote to accept the resignation of the Director, and may act to fill the vacancy. The Board may waive this provision if circumstances warrant.
- 5.3 A Director may be removed from office by a two-thirds vote of the Board of Directors for material violations of the Code of Ethics, as determined by the Board after diligent inquiry, and with due process as outlined in Board policy. The Board may then appoint a replacement for the unexpired term of that Director.

### Section 6. Vacancies

Vacancies on the Board of Directors between elections may be filled by a majority vote of the remaining members of the Board at a meeting called by the President or by an alternative voting process as provided for in Article IV, Section 9. Each person so elected shall be a Director for the unexpired term of the predecessor or until a successor is elected by the membership in accordance with these bylaws.

### Section 7. Board of Directors Meetings

- a. Meetings of the Board of Directors are called by the President and no less than two meetings at which the Board is physically present must occur during each program year. Written notice of the meeting of the Board, specifying the business to be conducted, shall be provided to Board members at least three (3) days in advance of the meeting.
- b. Special meetings of the Board of Directors may be called by the President, or by any three (3) members of the Board. Written or verbal notice of every special meeting of the Board of Directors shall be given to each Director at least seven (7) days prior to the day named for the special meeting.
- c. Other meetings of the Board of Directors may be convened at the discretion of the President and with the approval of the Board.
- d. Except for a physical meeting of the Board of Directors beyond the number required in these bylaws, business may be conducted via telephone conference call and actions taken at that meeting, provided a quorum is present, are as valid as business conducted in a physical meeting of the Board. In addition, any action that may be taken at a meeting of the Board of Directors may be taken through alternative voting procedures provided a quorum participates in the alternative voting process.

### Section 8. Quorum and Voting

- a. The presence of a majority of current members of the Board of Directors constitutes a quorum to transact business, except as otherwise provided in these Bylaws.
- b. The vote of a majority of the members of the Board of Directors present at a meeting, on a telephone conference call, or through any alternative voting process, at which a quorum is confirmed, shall be the action of the Board, except as otherwise provided in these Bylaws.
- c. Proxy voting is not permitted for actions taken by the Board of Directors.
- d. Upon the request of any two Directors, secret ballots will be used in voting.

### Section 9. Compensation

Members of the Board of Directors do not receive compensation for their services, but may be reimbursed for reasonable expenses incurred in connection with Association business according to policies and procedures established by the Board of Directors.

**ARTICLE V – OFFICERS**Section 1. Officers

- a. The officers of the Association shall be the following:
  - President
  - Vice President
  - Secretary
  - Treasurer
- b. No person may hold more than one (1) office at a time.
- c. No organizational member may have more than one individual affiliated with that organization holding an office at any time.

Section 2. Eligibility

Candidates for officer positions must have served one (1) year on the Board of Directors, but are not required to be serving on the Board at the time of their election to office.

Section 3. Election and Term of Office

- a. Officers, with the exception of the Immediate Past President, shall be elected by the Board of Directors of the Association.
- b. The term of office for all officers shall be one (1) year and shall commence at the beginning of the fiscal/calendar year following their election, and shall continue until the designated term expires or until a successor is named. An individual may serve an additional one-year term in these offices if so elected.
- c. The Immediate Past President shall serve until that position is filled by a president finishing the current term of office.

Section 4. Vacancies in Office

Except as otherwise provided herein, vacancies in an office may be filled by a majority vote of the Board of Directors in a meeting at which a quorum is present, or by an alternative voting process as provided for in Article IV, Section 6., provided a quorum of Directors participate in the voting process. Officers so elected shall serve the remaining term of that vacated position.

Section 5. Resignation and Removal

- a. An officer may terminate the position at any time by written notice to the Association President, with such termination being effective upon receipt.
- b. An officer may be removed from office by a two-thirds vote of the Board of Directors for material violations of the Code of Ethics, as determined by the Board after diligent inquiry, and with due process as outlined in Board policy. The Board may then appoint a replacement for the unexpired term of that officer.

Section 6. Powers and Duties of Officers

- a. The President shall be the Chief Elected Officer of the Association and shall preside at all Association meetings; shall perform all duties as are provided for in the Bylaws; and shall implement the policies of the Board of Directors and such other duties as usually are incidental to this office.
- b. The Vice-President, during the absence or inability of the President to act, shall exercise all the powers and discharge all the duties of the President until the President returns or a successor to that position is chosen.
- c. The Secretary or authorized representative shall attend all meetings of the membership, Board of Directors, and Executive Committee and shall record the minutes and votes of those meetings as official records of the Association.
- d. The Treasurer or authorized representative shall maintain membership records, including dues payments, as well as other financial records of the Association, and shall be responsible for the financial affairs of the Association in accordance with the policies of the Board of Directors.
- e. The Immediate Past President shall provide counsel and historical perspective to the leadership of the Association.

Section 7. Compensation

The President, Vice President, Secretary, and Treasurer shall serve without pay. Said officers shall be reimbursed for their reasonable expenses incurred in connection with Association business according to policies and procedures established by the Board of Directors.

**ARTICLE VI – EXECUTIVE COMMITTEE**Section 1. Responsibility

The Executive Committee may act in place and instead of the Board of Directors between meetings of the Board on all matters except those specifically reserved to the Board of Directors. Actions by the Executive Committee shall be reported to the Board of Directors for ratification by an alternative voting procedure as provided for in Article IV, Section 8, or at the next meeting of the Board.

Section 2. Members

The Executive Committee shall consist of the President, Vice-President, Secretary, and Treasurer. The Immediate Past President shall also serve on the Executive Committee as a non-voting member.

Section 3. Meetings

The Executive Committee shall meet between meetings of the Board of Directors at the discretion of the President, and in lieu of a physical meeting, may meet for official action via a telephone conference call.

Section 4. Quorum and Voting

At least three members of the Executive Committee must be present at a meeting or on a conference call to conduct business, and a simple majority vote of those present is sufficient to be considered the action of the Executive Committee.

**ARTICLE VII - COMMITTEES**Section 1. Appointment

- a. The Board of Directors may establish committees composed of at least two (2) persons, which, except for the Executive Committee, may include non-Board members and may include both voting and non-voting members of the Association.
- b. The President shall appoint the chairs of all committees, who shall then appoint their own committee members, except as noted otherwise in these bylaws.
- c. The President shall be an ex-officio member of all committees.
- d. Committee chairs need not be members of the Board of Directors; however, each committee will have a Board member serving as a liaison to that committee.

Section 2. Nominating Committee

- a. The Nominating Committee shall be a standing committee, with responsibility to develop a slate of candidates for election to the Board and for election as officers. The chair shall be appointed by the President with approval of the Board of Directors. The President shall also appoint three to five other members from among the Board of Directors and the general membership. Policies and procedures for nominations and elections, as approved by the Board of Directors, will guide the Nominating Committee members in carrying out their responsibilities.

## ARTICLE VIII – ELECTIONS AND VOTING

### Section 1. Nominating Committee Responsibility

The Nominating Committee, as defined in Article VII, Section 2, shall prepare a slate of candidates for positions on the Board of Directors, and for officer positions, following the guidelines developed by the Board of Directors.

### Section 2. Election

- a. The Board of Directors shall conduct an election by mail or electronic mail or other electronic means among voting members of the Association. A quorum of members voting by mail or electronic mail or other electronic means shall be required, as defined in Article III, Section 6. In the case of a mailed or electronic mail or other electronic means election slate and ballot, nominations for positions will be solicited from the membership and a deadline for submission of nominations will be established and communicated by the Nominating Committee.
- b. If another option is needed, elections of members of the Board of Directors and officers may also be conducted at the annual membership meeting at the discretion of the Board. Nominations will be accepted from the floor, with the nominee's consent.

### Section 3. Voting Eligibility

Only members who have paid dues for the current membership year and are in good standing shall be entitled to vote. Every member shall have one vote, as outlined in Article III.

### Section 4. Required Vote

- a. Provided that a quorum of members participates in the voting process by mail or electronic mail or other electronic means or is present at the annual Meeting, as defined in Article III, a simple majority of the members voting shall be required to elect a member of the Board of Directors if a single slate is offered. In the case of a slate of multiple candidates for open positions, votes will be tallied and those with the highest number of votes will be considered elected to the positions that are open.

## ARTICLE IX – DUES AND FISCAL POLICIES

### Section 1. Fiscal Year

The fiscal year of the Association shall begin January 1, which shall also be the membership year.

### Section 2. Dues

The Board of Directors shall set membership dues for each year, with any changes requiring at least 60 days notice in writing to the general membership body prior to the beginning of the dues year.

### Section 3. Assessments

Assessments may be made for due cause, if passed by a vote of two-thirds (2/3) of the Board of Directors.

### Section 4. Payment of Dues

- a. The Board of Directors shall set procedures for the payment of dues.
- b. Any amount due the Association becomes delinquent thirty (30) days after the start of the membership year. If a member is delinquent on February 1, membership shall be automatically terminated unless otherwise allowed by the Board of Directors.



Section 5. Refunds

No dues or assessments shall be refunded.

Section 6. Financial Reporting

The Treasurer, or as delegated to the appropriate staff executive, shall arrange for preparation of a financial report or financial compilation by an independent Certified Public Accountant every year, and that report will be provided to the Board of Directors upon completion.

**ARTICLE X – ASSETS**

Section 1. Use of Funds

The Association shall use its funds only to accomplish the purposes specified in these Bylaws, and no part of said funds shall accrue, or be distributed to the members, directors, officers, staff, or any other authorized agent of the Association.

Section 2. Dissolution

The Board of Directors may recommend to the membership the dissolution of the Association if the purpose can no longer be sustained. Such a recommendation requires a unanimous vote of the Board of Directors. Notice must be submitted to the membership at least ninety (90) days in advance of the meeting called for the purpose of approving the recommendation to dissolve the Association and a vote of two-thirds (2/3) of the membership is required for dissolution.

Section 3. Distribution of Assets

In the event of action to dissolve the Association, any assets of the Association will be transferred in whole to one or more non-profit organizations or foundations that meet requirements as a 501(c)(3) or a 501(c)(6) organization as defined in the Internal Revenue Code, and have purposes and objectives similar to the entities being supported by the Association, to be selected by the Board of Directors.

**ARTICLE XI – INDEMNIFICATION**

Section 1. Indemnification

The Directors, officers, employees, contracted staff, and other authorized agents of the Association are indemnified by the Association against claims for liability arising in connection with their positions in the Association or activities on behalf of the Association, in accordance with the laws of the state in which the Association is incorporated on such matters.

Section 2. Liability Insurance

The Association shall purchase and maintain liability insurance for defense of liability claims against any person who is or was a Director, Officer, employee, or contracted staff of the Association or who is or was serving at the request of the Association.

**ARTICLE XII – INTERPRETATION AND AMENDMENTS**

Section 1. Interpretation

The vote of two-thirds (2/3) of the members of the Board of Directors shall interpret the meaning and intent of these Bylaws. When warranted, the Board of Directors by majority vote may request a written opinion from legal counsel on the proper interpretation thereof.

Section 2. Amendment of Bylaws

- a. Amendments to these Bylaws must first be approved by the Board of Directors by a two-thirds vote, and with no less than 14 days notice of the proposed amendments.
- b. Following Board approval, the amendments must be approved by the Association membership:
  - At any annual or special meeting by a two-thirds (2/3) vote of those in attendance, provided a quorum is present, or,
  - By a two-thirds (2/3) vote of those returning a mailed voting response, in accordance with Article III, provided a quorum is participating.
- c. Notice of proposed amendments to the Bylaws must be given to the voting membership not less than thirty (30) days prior to the meeting at which such amendments will be considered or date when mail balloting is closed.

Approved by Board of Directors – January 5, 2014; approved by the membership – February 20, 2015  
Approved by Board of Directors – August 25, 2014; approved by the membership – November 15, 2014  
Approved by Board of Directors – November 8, 2013; approved by the membership – January 24, 2014  
Approved by Board of Directors – August 4, 2013  
Approved by Board of Directors – September 18, 2002  
Approved by Board of Directors – May 20, 2005; approved by the membership – October 28, 2005  
Newly revised version proposed for adoption, August 18, 2007; with modifications, September 11, 2007 and September 26, 2007