



## **BYLAWS OF THE AMERICAN PAYROLL INSTITUTE, INC.**

(Restated as amended by the Board of Directors on  
February 26, 1989, March 7, 1989, January 28, 1990, December 9, 1990, February 22, 1992,  
March 18, 1992, July 13, 1992, August 21, 1992, March 18, 1993, March 31, 1993, December 15, 1993, May 17, 1995,  
February 8, 1996, August 6, 1997, May 17, 1999, May 15, 2000, July 24, 2000,  
November 17, 2000, March 9, 2002, December 9, 2004, July 23, 2005, July 28, 2007, December 5, 2019,  
December 3, 2021, and November 30, 2023.)

### **ARTICLE I – Members**

**Section I.1. Membership.** The Members of the Corporation shall consist of such persons as are admitted to Membership pursuant to criteria adopted from time to time by the Board of Directors (the “Board”).

The Board may establish, amend and terminate additional classes of Membership and determine the designation and characteristics of such classes, and the qualifications, rights and limitations of the Members of such classes. Membership shall be evidenced by a Membership card and/or a Membership identification number, which may not be assigned or transferred.

#### **Section I.2. Resignation: Removal**

- (a) Any Member may resign at any time by delivering a written resignation to the President. Unless required by the terms of such resignation, formal acceptance shall not be necessary to make it effective.
- (b) Any Member who is more than 90 days delinquent in payment of any dues invoice shall automatically be expelled from Membership.
- (c) Any Member may be censured, suspended or expelled from Membership by action of the Board if the conduct of such Member shall appear to the Board to be disorderly or to be prejudicial to the welfare or good name of the Corporation, or if in any way any Member conducts himself or herself in a manner not authorized by or in violation of the Bylaws of the Corporation or the rules promulgated by the Board, including, but not limited to, using the Corporation or any local chapter affiliate as a forum for selling or attempting to sell commercial goods or services.
- (d) In the event of such proposed censure, suspension or expulsion, the Board shall so inform the Member by written notice (which shall be served upon such Member personally, by electronic mail, or by mail directed to such Member’s address as it shall appear on the books or records of the Corporation) informing such Member of the nature of the misconduct or violation and of the time appointed when such Member may be heard in his or her defense before the Board, which time may not be less than thirty (30) days after the service of such notice.
- (e) At such hearing before the Board, such Member shall be given an opportunity to be heard in his or her own defense in person or by attorney and, in the discretion of the Board, such Member may be exonerated, censured, suspended or expelled.

Section I.3. Meetings. The annual meeting of the Members shall be held on the date between March 15 and May 31 each year set by the Board at 10:00 o'clock in the forenoon, or at such other time as the Board may designate. Special meetings of Members for any purpose may be called at any time by Members entitled to cast ten percent (10%) of the total number of votes entitled to be cast at any such meeting, by the Board or by the President.

Section I.4. Notice of Meetings. Written notice of the place, date and hour of all meetings, and in the case of a special meeting, the purpose of the meeting and at whose direction the meeting is being called, shall be given personally, by first class mail, or by electronic mail to each Member at least ten (10) and not more than fifty (50) days prior to the date of such meetings, provided that such notice of a meeting need not be given to any Member who submits a signed waiver of notice or who attends said meeting without protest.

Section I.5. Quorum. Members entitled to cast ten percent (10%) of the total number of votes which may be cast at a meeting or one hundred (100) members, whichever is less, whether present in person or by proxy, shall constitute a quorum for the transaction of business at the meeting. In the absence of a quorum, the Members present may adjourn a meeting. Every Member entitled to vote at a meeting of Members may act by proxy.

Section I.6. Voting. At all meetings of the Members each Member present in person or by proxy shall be entitled to one vote, and, except as otherwise provided by law or elsewhere in these Bylaws with respect to the election of Directors, all matters shall be decided by the vote of the majority of the Members present in person or by proxy.

Section I.7. Action Without a Meeting. Any action required or permitted to be taken by the Members at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all Members entitled to vote.

Section I.8. Proxies.

- (a) All proxies shall be in writing and shall be subscribed with a physical or electronic signature by the Member who grants it.
- (b) All proxies shall have a maximum duration of eleven (11) months from the date signed.
- (c) To be effective, a proxy must be received by the agent responsible for handling proxies (named by the Nominating and Elections Committee with the consent of the Board of Directors in accordance with these Bylaws and Guidelines and Procedures for the Nominating and Elections Committee which may be adopted by the Board of Directors from time to time) at least seven (7) days before the scheduled meeting date.

## **ARTICLE II – Directors**

Section II.1. Management of the Corporation. The property, affairs and activities of the Corporation shall be managed by the Board of Directors (the “Board”). The Board shall consist of six Regular Directors, and the President. In addition, by majority vote of all the Directors entitled to vote, the Executive Director may also be a Member of the Board. In addition, the Directors shall include an individual who shall act as Corporate Member Advisor and who shall serve for a term of one (1) year. The Corporate Member Advisor shall be appointed each year by

the Executive Director and shall serve as a voting Director. A vacancy in the position of Corporate Member Advisor shall be filled by the Executive Director. The Board may adopt, amend and rescind such rules, regulations and policies respecting the Corporation, and its Membership and activities, as it determines from time to time. The number of any class of Directors may be altered from time to time by amendment of these Bylaws; however, any such amendment by action of the Board shall require the vote of a majority of all Directors entitled to vote and no such amendment shall shorten the terms of any incumbent Director. The President-Elect may attend and participate in meetings of the Board but shall not be entitled to vote and shall not be considered a Director.

#### Section II.2. Election; Terms of Office.

- (a) Regular Directors shall be elected by Members entitled to vote either by ballot through the mail or electronically or at the annual meeting of Members. No election of Regular Directors conducted by ballot through the mail or electronically shall be effective unless the total number of valid ballots received is equal to or exceeds a quorum for a meeting of Members as provided in Section I.5. If the election of Regular Directors is to be conducted by ballot through the mail or electronically, ballots shall be mailed or provided electronically to individuals who are Members as of a date set by the Board of Directors within the time required for providing notice of the Members' annual meeting. If the election of Regular Directors is to be conducted by ballot through the mail or electronically and if ballots are mailed or provided electronically with the notice of annual meeting and proxy materials, if any, then voting shall be closed at midnight seven days before the scheduled day of the annual meeting of Members if the total number of valid ballots then received is equal to or exceeds a quorum for a meeting of Members as provided in Section I.5. If the election of Regular Directors is to be conducted by ballot through the mail or electronically and if ballots are not mailed or provided electronically with the notice of annual meeting and proxy material, then the time at which voting shall be closed shall be determined by the Board of Directors.
- (b) Subject to the approval of the Board of Directors and subject to these Bylaws, procedures for election by ballot shall be established by the Nominating and Elections Committee. Each candidate shall be a Member of the Corporation. Whenever more than one regular director vacancy is being filled, the maximum number of candidates available to fill all the vacancies shall be determined by multiplying three (3) by the number of such vacancies. Each candidate shall be eligible for election to fill any one of the vacancies. Each Member entitled to vote shall be entitled to one vote for each vacancy but may not cast more than one vote for any candidate. The vacancies shall be filled by the candidates who receive the greatest number of votes cast by Members entitled to vote. If there is only one vacancy, then the vacancy shall be filled by the candidate who receives a plurality of the votes cast by Members entitled to vote.
- (c) The term "Regular Directors" shall mean all Directors other than (i) the President, (ii) the Corporate Member Advisor, and (iii) the Executive Director if the Executive Director is serving as a Member of the Board by majority vote of the Directors as provided in Section II.1.
- (d) All regular Directorships shall be for a term of three (3) years. No Regular Director shall serve as a Regular Director for more than nine (9) consecutive years.

- (e) Whenever a term is described by making reference to a number of years, the word “year” shall mean the period of time between two successive annual meetings of Members.
- (f) The Board shall present to the Members its nominees for Directorships to be filled at the annual meeting of the Members. Nominees may also be presented by the Members pursuant to Section IV.5 of these Bylaws or according to such other procedures as the Board or the Members may adopt.
- (g) If a person who is the Executive Director is serving on the Board by majority vote of the Directors as provided in Section II.1, such person shall serve as a Member of the Board until the first to occur of: (i) the time when such person is no longer serving as Executive Director and (ii) the time when such person is removed from the Board by majority vote of the Directors entitled to vote.

Section II.3. Resignation; Removal; Vacancies. Any Director may resign at any time by delivering a written resignation to the Corporation. Formal acceptance of a resignation shall not be necessary for it to become effective. Any or all of the Directors may be removed for cause by vote of the Members. Vacancies occurring on the Board, for whatever reason, including the creation of new Directorships, shall be filled by a majority vote of the Board. A Director so elected by the Board shall hold office until the next annual meeting of the Members and until his or her successor shall be elected by the Members. If a Director is so elected by the Board, the time spent by such Director in office until his or her successor shall be elected by the Members shall not count in determining the number of consecutive years spent in office as a Regular Director under Section II.2(d).

Section II.4. Meetings. A regular annual meeting of the Board shall be held, without other notice than by this section, immediately following, and at the same place as, the annual meeting of Members at which the terms of newly elected Directors begin and at such other times as may be fixed by the Board. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board without other notice than such resolution. Special meetings of the Board may be called at any time by the President, by the Executive Director, or by any Director upon written demand of one-third of the Members of the Board who are entitled to vote.

Section II.5. Notice of Meetings. Written notice of the time, place and purpose of all special meetings of the Board shall be given personally or by first class mail to each Director at least two (2) and not more than fifteen (15) days prior to such meetings, provided that notice need not be given to any Director who executes a waiver of notice or who is present at such meeting without protest.

Section II.6. Quorum. A majority of all Directors then in office and entitled to vote shall constitute a quorum for the transaction of any business at any meeting, except as otherwise required by law. In the absence of a quorum, a majority of those present and entitled to vote may adjourn any meeting to another time and place, provided that notice of the time and place of the adjourned meeting be given to Directors not present at the time of the adjournment.

Section II.7. Voting. Each Regular Director, the President, and the Corporate Member Advisor shall have one vote. If the Executive Director is serving as a Member of the Board by majority

vote of the Directors as provided in Section II.1, then the Executive Director shall be entitled to one vote. Except as otherwise provided by law or in these Bylaws, all matters shall be decided by vote of a majority of the Directors entitled to vote and present at the time of the vote, if a quorum is then present. In the event of a tie vote, the vote of the Corporate Member Advisor shall carry the question.

Section II.8. Action Without a Meeting. Any action required or permitted to be taken by the Board at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Directors entitled to vote.

Section II.9. Telephonic Attendance. Members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or such committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and such participation in a meeting shall constitute presence in person at the meeting.

Section II.10. Absence of the President. In the absence of the President, the Executive Director shall preside at all meetings of the Board.

Section II.11. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefore.

### **ARTICLE III – Officers**

#### Section III.1. Election of Officers.

- (a) The Officers of the Corporation shall be a President, a President-Elect, an Immediate Past President, an Executive Director, one or more Vice Presidents, one or more Vice Presidents of Global Strategy, a Secretary, a Treasurer, and such other Officers as the Board shall determine. Officers must be Members of the Corporation, although they are not required to be Directors.
- (b) Except as otherwise provided below with respect to the President, President-Elect, Immediate Past President, Vice Presidents and Vice Presidents of Global Strategy, the Officers shall be elected by a majority vote of the Board at the annual meeting of the Board and, except as provided in these Bylaws, shall hold office until the next annual meeting of the Board and until their successors shall have been chosen and shall have qualified. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be.
- (c) A vacancy in any office, including President, may be filled by the Board at any meeting.
- (d) A person may hold any two or more offices simultaneously, except the offices of President and Secretary.
- (e) The President-Elect shall be elected in the same manner as Regular Directors by a plurality of the votes cast. Nominations for the office of President-Elect shall be made in the same manner as nominations for Members of the Board of Directors. At the end of

each annual meeting of the Members, the President-Elect shall automatically succeed to the office of President.

- (f) The President shall serve a term of one (1) year. When the President's term ends, the President automatically becomes the Immediate Past President. The Immediate Past President shall serve a term of one (1) year.
- (g) Vice Presidents shall be elected by a majority vote of the Board at the annual meeting of the Board and shall serve for a term of two (2) years. They shall hold office until their successors shall have been chosen and shall have qualified. Unless a majority of the Board finds that special circumstances require otherwise, no Vice President shall serve as a Vice President for more than four (4) years.
- (h) Vice Presidents of Global Strategy shall be elected by a majority vote of the Board at the annual meeting of the Board and shall serve for a term of two (2) years. They shall hold office until their successors shall have been chosen and shall have qualified. Unless a majority of the Board finds that special circumstances require otherwise, no Vice President of Global Strategy shall serve as a Vice President of Global Strategy for more than four (4) years.

Section III.2. Resignation; Removal. Any Officer may resign at any time by delivering a written resignation to the President or to the Board. Any Officer elected by the Board may be removed by the Board with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the Officer so removed. An Officer elected by the Members or a class of Members may be removed, with or without cause, only by the vote of the Members or such class of Members, but his or her authority to act as an Officer may be suspended by the Board for cause.

Section III.3. Duties of the Office of President and Executive Director

- (a) President. The President, or a parliamentarian chosen by the President with the consent of the Board of Directors, shall preside at all meetings of the Members. Except as otherwise provided by resolution of the Board of Directors, the President shall be a Member ex officio of all committees. In addition, the President shall perform such other duties as the Board may prescribe.
- (b) President-Elect. The President-Elect shall perform any duties of the President as delegated by the President. In addition, the President-Elect may attend and participate in meetings of the Board of Directors but shall not be entitled to vote as a Member of the Board of Directors. Except as otherwise specifically provided in the Bylaws or by resolution of the Board, the President-Elect shall make all appointments to all committees with the consent of the Board of Directors. Such appointments shall be made no later than thirty (30) days before the annual meeting of Members at which the President-Elect succeeds to the office of President and shall be effective at the time of such meeting.
- (c) Immediate Past President. The Immediate Past President shall perform such duties as the Board may prescribe.
- (d) Executive Director. The Executive Director shall be the Chief Executive Officer of the Corporation. The Executive Director shall hold office for a one (1) year term or such other term as the Board of Directors shall determine. The duties of the Executive Director shall include management of the day-to-day activities of the Corporation and other duties

as the Board may prescribe. Except as otherwise provided by resolution of the Board, the Executive Director shall be a Member ex officio of all committees.

Section III.4. Vice President and Vice President of Global Strategy. In the absence of the President and Executive Director, the Vice President or Vice President of Global Strategy longest holding office shall preside at the meetings of the Members. Each Vice President and Vice President of Global Strategy shall, in addition, perform such duties as the Board may prescribe.

Section III.5. Secretary. The Secretary shall keep the minutes of all meetings of the Members and of the Board, shall perform like duties for committees when required and shall hold office for a term of one (1) year. The Secretary shall in addition cause proper notice to be given of meetings of the Members and of the Board and perform such other duties as the Board may prescribe.

Section III.6. Treasurer. The Treasurer shall have custody of the funds and securities of the Corporation, keep full and accurate accounts of receipts and disbursements in the books of the Corporation, and deposit all money and other valuable effects in the name and to the credit of the Corporation in such depository or depositories as may be designated by the Board. The Treasurer shall hold office for a term of one (1) year. The Treasurer shall also render to the Board, whenever requested, a report of all financial transactions of the Corporation and of its financial condition, and perform such other duties as the Board may prescribe.

Section III.7. Fixing of Salaries. The salaries, if any, of the Officers shall be fixed by a majority vote of the entire Board.

#### **ARTICLE IV – Committees**

Section IV.1. Executive and Standing Committees. The Board may, by resolution adopted by majority vote of the entire Board, create an executive committee or other standing committees each with no fewer than three Members. The Board may designate Directors as Members or alternates of such committees by majority vote of the entire Board. The executive committee shall have the authority of the Board during intervals between meetings of the Board, except as limited by law.

Section IV.2. Special Committees. The Board may create such special committees as it may deem desirable and, unless otherwise provided by resolution of the Board or by these Bylaws, the Members of such committees shall be appointed by the President with the consent of the Board. Special committees may have such power as delegated in the resolution of the Board creating them, except as limited by law.

Section IV.3. Committees of the Corporation. The Board may create committees of the Corporation and appoint the Members thereof for such term as the Board shall provide. Members of such committees may be removed by the Board with or without cause. Members of such committees of the Corporation must be Members of the Corporation.

Section IV.4. Action Without a Meeting. Any action required or permitted to be taken by any Committee at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all Members of the Committee.

Section IV.5. Nominating and Elections Committee.

- (a) The Corporation shall have a Nominating and Elections Committee to receive, make and qualify nominations of candidates for election to the Board of Directors as regular directors and to oversee the contents and tabulation of proxies and votes. The Nominating and Elections Committee may nominate a maximum of three (3) candidates (one of whom shall be the candidate, if any, chosen by the Board of Directors) for each vacant Regular Directorship on the Board of Directors.
- (b) The Nominating and Elections Committee shall consist of seven Members. Each Member shall serve for a term of two (2) years. Members may serve more than one (1) two-year term, but no Member shall serve for more than two (2) consecutive two-year terms.
- (c) Two (2) Members shall be known as Group A Members; two (2) Members shall be known as Group B Members; and three (3) Members shall be known as Group C Members. When the term of a Group A Member expires, the vacancy shall be filled by a person chosen by the President-Elect. When the term of a Group B Member expires, the vacancy shall be filled by a person chosen by the Board of Directors. When the term of a Group C Member expires, the vacancy shall be filled by unanimous vote of all Members of the Nominating and Elections Committee as constituted after all other vacancies occurring on or before such expiration date have been filled. The Chair of the Committee shall be chosen annually by majority vote of Committee Members.

**ARTICLE V - Indemnification of Directors, Officers and Others**

Section V.1. Indemnification. To the extent allowed by applicable law, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, by reason of the fact that such person is or was a Director, Officer, employee, or agent of the Corporation or is or was serving at the request of the Corporation, or otherwise as a result of such person's relationship with the Corporation, as a Director, trustee, Officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses, including attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonably by such person in connection with such action, suit, or proceeding; provided that no indemnification shall be provided for any person with respect to any matter as to which such person shall have been finally adjudicated in any action, suit, or proceeding not to have acted in good faith in the reasonable belief that such person's action was lawful. The determination regarding whether a person is entitled to indemnification may be made according to applicable law by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or proceeding. In addition, such determination may be made (i) by majority vote of disinterested Directors whether or not constituting a quorum of the full Board of Directors or (ii) by the Members of the Corporation.

Section V.2. Expenses Incurred in Civil or Criminal Action. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Corporation in advance of the



final disposition of such action, suit, or proceeding as authorized by the Board of Directors according to applicable law upon receipt of an undertaking by or on behalf of the Director, Officer, employee, or agent to repay such amount, unless it shall ultimately be determined that such person is entitled to be indemnified by the Corporation as authorized in this section.

Section V.3. Power to Purchase and Maintain Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation, or otherwise as a result of such person's relationship with the Corporation, as a Director, trustee, Officer, employee, or agent of another Corporation, partnership, joint venture, trust or other enterprise against: (i) any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, where the Corporation would have the power to indemnify such person against such liability under this Article; or (ii) any liability asserted in other instances if permitted by applicable law. If such insurance is purchased, the notices and disclosures required by applicable law regarding such insurance and any amount paid by the carrier under such insurance shall be made by the Corporation.

#### **ARTICLE VI – Amendments**

These Bylaws may be amended by the Members or by the Board of Directors.

#### **ARTICLE VII – Miscellaneous**

Section VII.1 Place of Meetings. All meetings of the Members and of the Board of Directors shall be held at such places within or without the state of New York as shall be designated in the notice or as may be fixed by the Board of Directors.