

PROFESSIONAL SERVICES COUNCIL BYLAWS

ARTICLE I NAME AND PURPOSES

1. *Name.* The name of the Association is the Professional Services Council, a nonprofit (501(c)(6)) corporation incorporated in the state of Delaware.
2. *Location.* The principal office of the Association is located in the Metropolitan Washington, D.C. area.
3. *Purposes.* The purposes of the Association include:
 - Pursuing legislative and regulatory initiatives to further the growth of the professional and technical services industry;
 - Communicating the industry's high-quality contributions to our national economy, defense, international competitiveness and an effective government to policymakers and the news media;
 - Promoting education, research and analysis of a major national resource, the professional and technical services industry;
 - Creating a strong membership to effectively represent the needs of a unique and valuable industry; and
 - Promoting high standards of professional and ethical conduct within the industry.

ARTICLE II MEMBERSHIP

1. *Membership Qualifications.* Membership in the Association is available to for-profit companies or firms, engaged in the business of furnishing professional or technical services, and to trade or professional associations representing segments of the professional and technical services industry.
2. *Regular Membership.* Regular voting membership in the Association is limited to companies, firms, or trade or professional associations which meet the membership qualifications and which pay regular dues. Each regular member of the Association shall be entitled to one vote. Only designated representatives of regular members, as set forth in Article II, Paragraph 3, may serve as Directors and hold office.
3. *Designated Representatives.* Designated representatives of regular members shall hold the position of senior officer or partner within their company, firm, or trade or professional association, to

vote and otherwise act on behalf of their company, firm, or trade or professional association.

4. Associate Membership. Those companies, firms, or business organizations which do not qualify for regular membership, but which have business relationships important to the professional and technical services industry, shall be eligible for associate membership if they:

- Provide commercial or investment banking services, venture capital, investment analysis or other investment services to the professional and technical services industry;
- Provide legal services; or
- Provide other services to professional and technical services firms.

Associate members have no voting privileges and do not qualify for representation on the Board of Directors.

5. Additional Classes of Members. The Board of Directors shall have the authority to designate and establish, by a two-thirds vote of the Board of Directors, other classes of members of the Association as well as the eligibility requirements and membership privileges of each such class, provided that no voting rights shall be granted to any new class created.

6. Applications for Membership. All applicants for membership must complete and sign the application form provided by the Association and submit the application to the office of the Association.

7. Admission of Members. Admission to membership is by majority vote of the Board of Directors.

8. Resignation. Any member may resign by filing a written resignation with the Board of Directors; however, resignation does not relieve a member from the payment of any dues or dues accrued and unpaid as of the date of resignation.

9. Expulsion. Any member may be expelled for adequate reason by a two-thirds vote of the Board of Directors. Failure to pay dues or to meet the criteria for membership is presumed to be adequate reasons for expulsion and does not require advance notice to the member or deliberation by the Board of Directors. Any member proposed for expulsion for any other reason shall be given advance written notice including the reason for the proposed expulsion, an opportunity to contest the proposed expulsion in writing or in

person before the Board of Directors, and final written notice of the Board of Directors' decision.

ARTICLE III DUES

1. *Dues.* Dues are established by the Board of Directors.
2. *Refunds.* No dues will be refunded.

ARTICLE IV MEETINGS

1. *Annual Membership Meeting.* The annual meeting of the Association shall be held at such place and at such time as may be established by the Board of Directors.
2. *Special Meetings.* Special meetings of the Association membership may be called by the Chairman of the Board. Upon written request of one-third of the regular members of the Association, or upon written request of a majority of the members of the Board of Directors, which shall be accompanied by a statement of the purpose of the special meeting, the Chairman of the Board shall call a special meeting for such purpose and within such time as shall be set forth in the written request, but no sooner than ten calendar days after receipt of such notice, except where some other period of time is required by law or these Bylaws.
3. *Notice.* The President must give Association members no less than ten and no more than sixty (60) calendar days prior notice of all annual meetings and special meetings. This notice must include a description of the business to be discussed. However, the President must give Association members at least twenty-five (25) calendar days notice of annual or special meetings involving an action on an amendment to the Articles of Incorporation, a merger plan, a dissolution or a major sale of assets.
4. *Voting.* The presence of a majority of the regular members at a special meeting constitutes a quorum. A majority of regular members where a quorum is present is necessary to make a decision at a special meeting except where some other number is required by law or by these Bylaws.

ARTICLE V OFFICERS

1. *Officers.* The officers of the Association are the Chairman of the Board, one Vice Chair of the Board, President, Vice President(s), a Secretary and a Treasurer.
2. *Qualifications.* Officers, except for the Treasurer, President and Vice President(s), must be the designated representatives, as defined in Article II, Paragraph 3, of regular members of the Association. Officers may serve consecutive terms. The Treasurer must be from a regular member of the Association.
3. *Election and Term of Office.* The President shall be appointed by the Chairman of the Board with the approval of the Board of Directors. The President shall appoint the Vice President(s) with the approval of the Chairman of the Board. Officers, except for the Secretary and the President and Vice President(s), are elected annually by written ballot of the Board of Directors. The Chairman of the Board shall appoint a director to serve as Secretary of the Association and shall establish the responsibilities of the position. Officers, except for the President and Vice President(s), serve for one year or until his or her successor is elected or until re-elected.
4. *Duties.* The officers perform those duties that are usual to their position and that are assigned to them by the Board of Directors. The Chairman of the Board is the principal elective officer; the Vice Chair of the Board acts in place of the Chairman of the Board when the Chairman of the Board is not available. The President is the Association's full-time, salaried chief operating officer in charge of administration and management of the Association and shall report to the Chairman of the Board. The President shall provide leadership in furthering the interests and objectives of the Association and its membership, develop policies, programs and recommendations to the Board of Directors to accomplish those objectives; undertake the necessary representation with the Executive Branch and its agencies, Congress, other governmental bodies, the media, relevant private organizations, and the general public to achieve those interests and objectives; manage the Association staff and offices; and, have the duty to maintain such records of the Association, give such notices of any meetings, and record the proceedings of such meetings (in a book to be kept for that purpose) as may be prescribed by the Board of Directors or by these Bylaws, and shall attest to all official papers. The Vice

President(s) report(s) to the President. The Treasurer is the principal elected financial officer of the Association.

5. *Vacancies.* If a vacancy occurs among the officers, other than the President or Vice President(s), for any reason, the position may be filled for the balance of the term by a vote of the Board of Directors at any regular or special meeting or by mail/facsimile or electronic ballot.

6. *Removal.* Officers, except for the President and Vice President(s), may be removed by a two-thirds vote of the Board of Directors. The President may only be removed by a majority vote of the Executive Committee. The Vice President(s) may be removed by decision of the President and/or the Chairman.

7. *Compensation.* Officers, except for the President and Vice President(s), do not receive compensation for their services.

ARTICLE VI BOARD OF DIRECTORS

1. *Directors.* The Board of Directors is responsible for the policy oversight and direction of the Association.

2. *Composition of the Board.* The Board of Directors, excluding Directors Emeritus, shall be elected by and from the Regular Membership and shall consist of not fewer than thirty (30) persons and not more than eighty (80). Not less than 50% of the members of the Board of Directors shall represent a cross section of the membership, evenly divided among four size categories: (a) annual company revenues of less than \$25 million; (b) annual company revenues of not less than \$25 million or more than \$100 million; (c) annual company revenues of not less than \$100 million or more than \$1 billion; and (d) annual company revenues in excess of \$1 billion. No sooner than January 1, 2005, and no more frequently than every three years thereafter, the Board of Directors may agree by majority vote to adjust the range of any or all of the four size categories to ensure that the Board continues to adequately represent a cross section of the membership. The Board of Directors also shall include a class of Directors called Directors Emeritus. The Executive Committee shall appoint as Directors Emeritus all past Presidents who served before 1989, all past Chairmen, and any other individual the Executive Committee deems worthy of extraordinary honor.

3. *Qualifications.* Any person who meets the qualifications set forth in Article II, Paragraph 3, is eligible for election as a Director. Directors Emeritus are exempt from the qualifications stated in Article II, Paragraph 3. If a Director Emeritus is the designated representative of a regular member, he/she may have voting privileges.
4. *Election and Terms of Office.* The Association shall have at least one annual meeting of the membership to elect or re-elect members of the Board of Directors. Elected Directors shall serve for a three-year term, and in this connection, a portion of a term shall be considered a full term. Elected Directors may serve consecutive terms. Directors Emeritus shall serve indefinite terms, subject to Article VI, Paragraph 8.
5. *Vacancy.* If a vacancy occurs on the Board of Directors for any reason, the position may be filled for the balance of the term by the Board of Directors at any regular or special meeting or by mail/facsimile or electronic ballot.
6. *Meetings.* The Board of Directors shall meet at least twice annually at whatever time and place it selects. The majority of the Board of Directors constitutes a quorum. A majority of directors where a quorum is present is necessary to make a decision except where some other number is required by law or by these Bylaws. Written proxy and mail/facsimile or electronic voting is permitted.
7. *Absence from Board Meetings.* If a Director is absent from three consecutive regular meetings of the Board of Directors, the Board of Directors may declare his or her resignation to have been effectively tendered and accepted.
8. *Removal.* A Director may be removed by a two-thirds vote of the Board of Directors.
9. *Compensation.* Directors do not receive compensation for their services.

ARTICLE VII COMMITTEES

1. *Executive Committee.* The Executive Committee shall be composed of the Chairman of the Board, the Vice Chair, the Treasurer, a minimum of eight and a maximum of fifteen other qualified directors, and the immediate Past Chairman, elected annually by the Board of Directors. Members of the Executive Committee shall be elected for one year terms and may be

reelected for consecutive terms. The President, Vice President(s) and General Counsel shall serve ex officio. Of the members of the Executive Committee, at least eight members must be equally divided from among the four membership size categories specified in Article VI, Paragraph 2 (as modified from time to time). The Executive Committee may act in the place of the Board of Directors or in an emergency matter. In either instance, the Executive Committee action will be final unless subsequently disapproved by the Board of Directors. The Chairman of the Board shall serve as Chairman of the Executive Committee. The presence of a majority of the Executive Committee constitutes a quorum. A majority of Executive Committee members where a quorum is present is necessary to make a decision. If an Executive Committee member is absent from three consecutive regular meetings of the Executive Committee, the Executive Committee may declare his or her resignation to have been effectively tendered and accepted. Vacancies on the Executive Committee shall be filled for the balance of the term of the Executive Committee member by appointment of the Chairman of the Board, subject to approval by the Board of Directors, provided that representation from each of the four membership size categories specified in Article VI, Paragraph 2 is maintained. If there is a vacancy of the Chairman of the Board, the Vice Chair shall serve as Acting Chairman until the Chairman's position is filled according to the provisions of Article V, Paragraph 5. Written proxy and mail/facsimile or electronic voting is permitted.

2. ***Nominating Committee.*** There shall be a Nominating Committee of the Board of Directors. The immediate past Chairman of the Board shall serve as chairman of the Nominating Committee. In the event he or she is not available, eligible, or able, the Chairman of the Board shall appoint the chairman of the Nominating Committee. Members of the Nominating Committee shall be selected by the Nominating Committee Chairman, and shall include at least four (4) current members of the Board of Directors. The Nominating Committee shall recommend one or more person(s) for election to each elective office, for each directorship to be filled for the full term, and for vacancies that may occur in any elective office or directorship.

3. ***Audit Committee.*** There shall be an Audit Committee of the Board of Directors. The Audit Committee shall, at a minimum, be

responsible for (1) reviewing the financial statements and the audit reports with the Association's management and the external auditor; (2) assess the adequacy of internal controls; (3) engage the external auditor; (4) meet for the annual audit report review; and (5) report to the Chairman of the Board and the Board of Directors the results of the annual audit. The Chairman of the Board shall appoint at least four members of the Board of Directors to serve on the Audit Committee, including the Chairman of the Board and the Treasurer. The Chairman of the Board of Directors shall select a chair of the Audit Committee from among the Board of Directors, but neither the Chairman of the Board or the Treasurer shall serve as chair of the Audit Committee.

4. *Ethics Committee.* There shall be an Ethics Committee of the Board of Directors. The Ethics Committee shall be responsible for establishing and periodically updating the Association's Code of Ethics. In addition, the Ethics Committee shall propose to the Board of Directors policies or actions relative to any ethics-related issues affecting the Association or the industry, as the Committee sees fit. The Chairman of the Board of Directors shall select a chair of the Ethics Committee from among the Board of Directors and shall appoint at least three additional members of the Board of Directors, and may appoint any other Association member, to serve on the Ethics Committee.

5. *Membership Committee.* There shall be a Membership Committee of the Board of Directors. The Membership Committee shall be responsible for directing and assisting the Association and the President in the recruitment of new members and the retention of existing members. The Chairman of the Board of Directors shall select a chair of the Membership Committee from among the Board of Directors and shall appoint at least three additional members of the Board of Directors, and may appoint any other Association member, to serve on the Membership Committee.

6. *Additional committees.* The Board of Directors is authorized to establish such additional committees as it may in its sole discretion from time to time determine to be appropriate, and to terminate any such additional committee in its sole discretion. The Board of Directors shall determine at the time of establishment the scope of responsibility for any additional committee. The Chairman of the Board of Directors shall select the chair of any such committee and shall appoint at least three additional members

of the Board of Directors, and may appoint any other Association member, to serve on such committee.

ARTICLE VIII AMENDMENTS

1. *Bylaws.* Amendments to these Bylaws may be made at a meeting or by mail/facsimile or electronic ballot by the Board of Directors. An affirmative vote by a majority of those voting is required for approval of such amendments except where some other number is required by law or by these Bylaws.
2. *Articles of Incorporation.* Amendments to the Association Articles of Incorporation may be made at a regular or special meeting of the Association membership called pursuant to the provisions of Article IV, or by mail/facsimile or electronic ballot, by a two-thirds affirmative vote.

ARTICLE IX ORDER OF BUSINESS

Robert's Rules of Order shall govern deliberations of this Association, except where otherwise noted in these Bylaws.

HISTORY

1. Revised December 1995
2. Reformatted July 1998
3. Revision adopted December 17, 2002
EFFECTIVE DATE: These revisions became effective on January 1, 2003.
4. Revised December 12, 2007 to provide for the merger with the Contract Services Association of America.
EFFECTIVE DATE: These revisions became effective on January 1, 2008.
4. Revised December 17, 2008 to implement the merger integration decisions of the June 8, 2008 Board of Directors meeting.
EFFECTIVE DATE: These revisions became effective on January 1, 2009.
5. Revised December 17, 2009 to implement decisions of the December 16, 2009 Board of Directors meeting.
EFFECTIVE DATE: These revisions became effective immediately.