

ISACA (Information Systems Audit and Control Association) Osaka Chapter Bylaws

Effective: 13 April,2012

Article I: General Provisions

Section 1: Name

This organization is a local affiliated chapter of the Information Systems Audit and Control Association (hereinafter referred to as the "Association"), a non-profit organization. The name of this organization shall be the ISACA Osaka Chapter (hereinafter referred to as the "Chapter"). The Chapter, apart from its innate affiliation with the international Association, is an entity independent from any other association, enterprise, or entity.

Section 2: Location

The location of the office of the Chapter shall be decided by the Chapter Board of Directors (hereinafter referred to as the "Board"). Relocation of the office shall be subject to resolution of the Board.

Section 3: Purpose

The primary purpose of the Chapter shall be development of members' ability and education on governance, audit, control and security of information systems. To that end, the Chapter shall engage in the following activities;

- (a) To educate the members to develop their knowledge and ability regarding governance, audit, control and security of information systems;
- (b) To conduct research on the current status and future perspective of the governance, audit, control and security of information systems;
- (c) To provide useful information on governance, audit, control and security of information systems for the members and to promote mutual friendship among members;
- (d) To conduct public relation activities towards management executives and the people involved in the information systems concerning the necessity of establishing control of information systems;
- (e) To promote the professional certifications and IT governance of the Association;
and
- (f) To conduct other activities necessary to achieve the purpose of the Chapter.

Article II: Rights and Obligations of Members

Section 4: Eligibility

To qualify as a member of the Chapter, the member is required to become a member of the Association. Therefore, upon joining the Chapter, a person must also join the Association, with accompanying rights and obligations.

- (a) Member - any person interested in the purpose and objectives of the Chapter provided in Section 3 shall be eligible for membership in the Chapter subject to rules established by the Association. Members shall be entitled to vote on the matters provided in these Bylaws and to assume the officer of executive organization of the Chapter.
- (b) Retired Member - any member who presents proof of retirement status shall be eligible for retired membership, subject to rules established by the Association Board. Retired member shall have the rights provided in Section 4 (a).
- (c) Student Member - full-time student currently enrolled in a degree program of an accredited college or university shall be eligible for student membership, subject to rules established by the Association Board. Proof of enrollment must be submitted annually to the Association. Student member shall have the rights provided in Section 4 (a).

Section 5: Admission

- (1) To apply the admission of the membership, such applicant must:
 - (a) Satisfy the requirements of membership provided in Section 4;
 - (b) Comply with the Code of Professional Ethics established by the Association.
- (2) To complete the admission procedures, potential members shall:
 - (a) Complete an Association membership application form designated by the Association and the Chapter and submit it;
 - (b) Pay required admission fee and the annual dues to the Association and the Chapter.

Membership in the Association and the Chapter shall be conferred upon the applicant when the Association has confirmed receipt of the required annual Association dues for such individual.

Section 6: Annual General Meeting

- (1) The quorum of the Annual General Meeting shall be thirty (30) members. In absence of quorum, the meeting will be adjourned and reconvened within two (2) weeks. The

new date and time will be communicated to members.

- (2) The Annual General Meeting shall be held within six (6) months after the end of each fiscal year. The date, time and place of the Annual General Meeting shall be decided by the Board.
- (3) The Board shall inform all members of the date, time, place, and agenda of the Annual General Meeting at least fifteen (15) days prior to the date of such Annual General Meeting in written forms (including electronic means; hereinafter, written form may include electronic means).
- (4) The President shall preside at the Annual General Meeting. In the absence or inability to act of as the President, other persons shall preside at the meeting in accordance with such order as determined by the Board.
- (5) In principle, the Annual General Meetings shall deal with the following matters:
 - (a) Introductions of newly elected Directors for the subsequent fiscal year pursuant to the provisions of Article VI.
 - (b) Reporting on the activities of the Board and of the Chapter.
 - (c) Reporting on the policy of the subsequent fiscal year.
 - (d) Other required matters which include hearings regarding requests from the members.
- (6) Resolutions of the General Meeting shall be adopted by a majority vote of the members present unless otherwise specifically provided in the bylaws of Association.

Section 7: Extraordinary General Meeting

An Extraordinary General Meeting can be held upon the resolution of the Board, or at the request of the President or thirty (30) or more of the members. The quorum of an Extraordinary General Meeting shall be thirty (30) members. In absence of quorum, the meeting will be adjourned and reconvened within two (2) weeks. The new date and time will be communicated to members.

Section 8: Resignation

Any member may resign at any time. The individual hoping to resign must follow the resignation procedure at both of the Association and the Chapter. The resignation shall be effected when the Association confirms the resignation; however, the resigning individual shall not be entitled to the refund of the paid annual dues.

Article III: Accounting

Section 9: Fiscal Year

- (1) The fiscal year of the Chapter shall run from January 1 to December 31 of the same year unless otherwise established by the Board.
- (2) The Board shall ensure that annual financial statements are prepared, approved by the Board, presented to members at the Annual General Meeting, and submitted as part of the Chapter Annual Report to the Association.

Section 10: Dues

The Chapter dues shall be annual payment. The amount of the Chapter dues of the subsequent year shall be resolved by the Board.

- (a) The Chapter annual dues and the Association annual dues shall be payable before January 1 of each year.
- (b) A member shall forfeit the membership if payment of the annual dues has not been received within the term designated by the Association.

Article IV: Board of Directors

Section 11: Number of Directors

The number of Directors shall be five (5) or more and not more than thirty (30).

Section 12: Appointment

The Directors shall be appointed in accordance with the procedures prescribed in Article VI.

Section 13: Term

The term of Directors shall be one (1) year from the end of the Annual General Meeting after the appointment to the end of the Annual General Meeting in the next year unless a successor has not been appointed.

Section 14: Tasks and Duties of the Board

- (1) The Board shall be the single organization to make resolutions and to operate the Chapter. The Board shall deliberate and resolve the following matters regarding the Chapter operation, otherwise specifically provided in the bylaws.
 - (a) Annual activity policy and budgeting
 - (b) Supervise the affairs and conduct the business (contract for outsourcing of clerical work, report at the Annual General Meeting, employment of the clerical staff,

- liquidation of the Chapter)
- (c) Make recommendations to the membership
 - (d) Be subject to the orders of the membership
 - (e) Other meaningful matters

- (2) When necessary, the Board may file an application for incorporation of legal entity with the competent authorities.

Section 15: Board Meeting

- (1) A Board meeting shall be held once every three (3) months, in principle.
- (2) The quorum of the Board meeting shall be half (1/2) or more of Directors.
- (3) Unless otherwise provided, resolutions of the Board shall be adopted by a majority vote of Directors present at the Board meeting or in the case of voting by the electronic means, a majority vote of all Board members. In the case of a tied vote, the Board Chairman shall have the casting vote.
- (4) At each Board meeting, the President, if present, shall act as Chairman. In his/her absence, the Vice-President shall act as Chairman. In the absence of both the President and Vice-President, the Secretary shall act as Chairman for such meeting. In the absence of the President, Vice-President and the Secretary, the Chairman shall be elected by the members of the Board present at the meeting.
- (5) Notice of the Board meeting shall be given in written forms at least ten (10) days prior to the date of such meeting, except in an emergency.
- (6) An extraordinary Board meeting shall be held at the request of the President or three (3) or more Directors.
- (7) Directors may delegate the rights of the vote at the Board meeting to other Directors at the case of their absence.
- (8) When deemed appropriate by the President, a Board meeting may be held in written form or by electronic means.

Article V: Managing Directors

Section 16: The Constitution of Managing Directors

- (1) The Managing Directors of the Chapter shall consist of the President, Vice Presidents, Secretary, Treasurer, and other general Managing Directors.
- (2) The Managing Directors shall be elected by the procedure provided in Article VI.

- (3) The terms "Directors" shall be used for Managing Directors and other general Directors.

Section 17: President

The President shall;

- (a) Preside at the Annual General Meeting and the Board meeting;
- (b) Attend the leadership meeting which is held by the Association and where the representatives from the other local chapters attend and other meeting as the representatives of the Chapter;
- (c) Report the annual activity and announce the annual activity policy to the members of Chapter at the Annual General Meeting;
- (d) Maintain communication with the Association and respond to the inquiries from the Association;
- (e) Submit the Chapter's annual report to the Association;
- (f) Supervise budgetary matters and proper internal control of finances; and
- (g) Perform other duties pertaining to the post of the President or delegated by the Board.

Section 18: Vice President

The Chapter shall have small number of Vice Presidents. Vice Presidents shall assist the President in the management of the Chapter, be in charge of the external affairs and management of Directors and shall act on behalf of the President in the event of his/her absence or inability. The priority in the Vice Presidents shall be decided by the Board.

Section 19: Secretary

Secretary shall:

- (a) Be responsible for the internal administrative affairs and the coordination of the duties between Treasurer and other general Managing Directors;
- (b) Be responsible for the keeping of the Chapter's publication and other documents and the office of secretaries; and
- (c) Maintain the membership records, give notice of the Annual General Meeting and keep the minutes of each meeting.

Section 20: Treasurer

Treasurer shall:

- (a) Be responsible for the finance and the budget;

- (b) Submit the annual budget of subsequent fiscal year and receive the approval of the Board by the beginning of such fiscal year; and
- (c) Prepare and submit the accounting statement to the Board.

Section 21: General Managing Directors

The general Managing Directors shall share and perform the duties of the following matters, which shall not prevent the President, Vice President, Secretary, and Treasurer from sharing and performing such duties:

- (a) Membership matters
- (b) Education for members matters
- (c) CISA examinations matters
- (d) CISM examinations matters
- (e) CGEIT examinations matters
- (f) Public relations and publications matters
- (g) Research and investigations matters
- (h) Legal affairs matters
- (i) IT Governance matters

Article VI: The Appointment and Removal of Directors

Section 22: Appointment

- (1) The Directors shall be appointed from all members of the Chapter by a vote of all members. The aforesaid vote shall be a confidence vote to the members nominated by the Nomination Committee. All of the nominees must be a member of the Chapter.
- (2) The President shall not be reappointed for successive three (3) years or more. Other Managing Directors shall not be reappointed in the same tasks and duties for successive six (6) years or more.

Section 23: Procedures

- (1) Eligible voters shall be the members of the Association who have completed the payment of annual dues by the date designated by the Election Committee (e.g., end of March). (The completion of annual dues payment shall be judged by whether or not the effective termination date of the membership is December 31 in the database of the Association.)
- (2) Voting shall be conducted by mail ballot or otherwise. The vote received by the office of

secretaries twenty (20) days prior to the date of the Annual General Meeting shall be valid.

- (3) Appointment shall be approved with one-half (1/2) or more of the valid votes.
- (4) The result of the approval shall be reported at the Annual General Meeting, in principle.

Section 24: Past Presidents as Directors

The immediate past president and one more past president shall be appointed as Directors regardless of section 22. However, they shall not appoint any of the Managing Directors.

Section 25: Removal

- (1) If a Director's membership in the Association shall for any reason terminate, he/she shall lose the position of Director immediately.
- (2) A Director can be removed by a resolution adopted by two-thirds (2/3) or more of the valid vote at the Annual or Extraordinary General Meeting. The voting shall be conducted with the written form to each member at least ten (10) days prior the General Meeting or with the written form which already informed at the previous General Meeting.

Section 26: Successor

If a vacancy occurs in Directors, a successor shall be elected from the members of the Chapter by the approval of the Board for the remaining term of a predecessor.

Article VII: Committees

Section 27: Committees

The following committees shall be established by the Board.

- (a) The Nomination Committee
- (b) The Election Committee
- (c) The Audit Committee

Section 28: Activities of the Committee

- (1) Each committee shall act in accordance with the purpose for why they were established, and shall submit the reports of the activities to the Board.
- (2) Each resolution of the committee shall be made by the majority vote of the attendees.
- (3) The reports of the committees shall be disclosed to the members of the Chapter after

the approval of the Board.

Section 29: The Nomination Committee

- (1) The Nomination Committee shall consist of following 5 members:
 - Two (2) Chapter members appointed by the President and approved by the Board who are not currently Directors.
 - The President
 - The immediate past president
 - One of the members who is a past president
- (2) A chairman shall be elected from among the members of the Nomination Committee.
- (3) The Nomination Committee shall decide the candidates of Directors and report them to the Board in advance of the vote.
- (4) The Nomination Committee shall examine the candidates from the recommendation by Directors.

Section 30: The Election Committee

- (1) The Election Committee shall consist of three (3) Chapter members who shall be elected by the Board.
- (2) The Election Committee shall manage the voting clerical work, confirm the voting results and report the results of the voting to the Board and at the Annual General Meeting.

Section 31: The Audit Committee

- (1) The Audit Committee shall consist of two (2) or more Chapter members other than Directors.
- (2) The term of the Audit Committee shall be one (1) year. However, reappointment is permitted.
- (3) The Audit Committee shall conduct the accounting audit and report the results to the Board.

Section 32: Other Committees

Other committees may be created as necessary by the Board.

Article : Revision or Abolishment of the Bylaws

Section 33: Proposer of Revision or Abolishment of the Bylaws

The President may propose revision or abolishment of the bylaws to the Board at the request of twenty (20) or more of the Chapter members or ten or more of Directors or based on the advice of the Managing Directors in charge of the legal affairs.

Section 34: The Procedures for Revision or Abolishment

- (1) Chapter bylaw amendments shall be approved at the Board meeting in the advance of the submission to the Association.
- (2) Chapter bylaw amendments shall be forwarded to the Membership Division of the Association. The Association must give approval to all bylaw changes.
- (3) Upon receipt of approval by the Association, Secretary shall inform bylaw amendments to each Director in written forms twenty (20) days prior to the date of the next Board Meeting.
- (4) Chapter bylaw amendments shall be approved by two-thirds (2/3) or more of Directors and adopted by the resolution of two-thirds (2/3) or more of the valid vote at the Annual or Extraordinary General Meeting. The amendment documents shall be informed to each member at least ten (10) days prior the General Meeting or already be informed at the previous General Meeting.
- (5) The President shall inform the approval by the Directors and the adoption at the General Meeting, and shall submit the copy of approved bylaws to the Association.
- (6) The Chapter Board shall conduct a periodic (once a year in principle) comparison of the Chapter practices to the bylaws. The Chapter must ensure the compliance of the bylaws with the Association's bylaws and any applicable Japanese laws and regulations.

Section 35: Dissolution

If the dissolution of the Chapter becomes inevitable, these bylaws must be rescinded by a two-thirds (2/3) vote of the chapter membership after ten (10) days notice has been mailed to each member. In the event of dissolution, the Chapter shall notify the Chief Executive Officer of the Association, in written forms, indicating the reason(s) for dissolution and shall return the Chapter charter and any other Chapter or Association documents to the Association. All residual assets shall be distributed to other selected ISACA chapters or a welfare or education related entity designated by the Chapter members in accordance with applicable laws and regulations under the approval of the President and the Chief Executive Officer of the Association.

Section 36: Parliamentary Authority

If the rules provided in the current edition of Roberts Rules of Order Newly Revised do not contradict with the bylaws and any special rules of the Chapter, the Chapter shall comply with the rules provided in the latest edition of Roberts Rules of Order Newly Revised in all cases to which they are applicable.

Section 37: Indemnification

The Chapter shall indemnify any and all of its directors or officers or former directors or officers or any person who may have served at its request or by its election as a director or officer of another corporation, against expenses actually and necessarily incurred by them in connection with the defense or settlement of any action, suit or proceeding in which they, or any of them, are made parties, or a party, by reason of being or having been directors or a director or officer of the corporation or of such other corporation, except in relation to matters as to which any such director or officer or former director or officer or person shall be adjudged in such action, suit or proceeding to be liable for willful misconduct in performance of duty and to such matters as shall be settled by agreement predicated on existence of such liability.

The indemnification provided hereby shall not be deemed exclusive of any other rights to which anyone seeking indemnification may be entitled under any bylaw, agreement, vote of members, or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office.

Supplementary Provisions:

(1) Effectiveness

The revision of the bylaws shall be effective by April 2012.

1st Revision: May 27th, 1986

2nd Revision: Jun 24th, 1989

3rd Revision: Jun 17th, 1995

4th Revision: October 31st, 1996

5th Revision: Jun 26th, 2004.

6th Revision: November 7th, 2009.

7th Revision: April 13th, 2012

(2) The Documents and the Written Forms

The terms "documents" and "in written forms" as used in the bylaws shall include

electronic means.