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AR-IDB

OPERATIONAL REGULATIONS OF THE BOARD OF DIRECTORS

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AR-IDB

OPERATIONAL REGULATIONS OF THE BOARD OF DIRECTORS

In accordance with the provisions of Article 9 of the Bylaws of the Association of Retirees (AR-IDB), the Association's Board of Directors adopts these Operational Regulations (the "Regulations").

With effect from the date of their approval, these Regulations replace in their entirety the "AJ-BID Rules of Procedure for the Agenda and Minutes of Meetings of the Board of the Association of Retirees of the Inter-American Development Bank" (amended version of May 6, 2009, with amendments to July 22, 2020).

1 POWERS AND ATTRIBUTIONS OF THE BOARD OF DIRECTORS

The Board of Directors is responsible for managing, controlling and directing the affairs and property of the Association and may exercise the powers provided in the District of Columbia Nonprofit Corporation Act (the "Act"), the Articles of Incorporation and the Bylaws of the Association (Bylaws, Art. 7(a)).

The Board is empowered to:

- a) Determine the activities, partnerships, operations, and the appropriate strategic and operational direction to carry out the mission and the purposes of the Association (Bylaws, Art. 2 and 7(a)),
- b) Support the establishment of Chapters to contribute to the achievement of the Association's objectives and establish the regulations for their organization and operation (Bylaws, Art. 3(c)),
- c) Establish the dues for the Associate Members of the Association, establish the requirements to designate persons as Honorary Members and appoint such Members, and consider suspensions, cancellations, and other aspects of membership (Bylaws, Art. 4),
- d) Convene annual and extraordinary meetings of Members or international meetings of Chapters¹, conduct any voting at a meeting (Bylaws, Art. 5), and maintain a register of Members (Bylaws, Art. 7(b)),
- e) Establish the nomination and voting processes, carry out the election of new Directors or Officers, remove Officers if necessary and fill vacancies on the Board (Bylaws, Art. 6),
- f) Meet at least twice a year (Bylaws, Art. 6(f)(i)) in ordinary meetings and call extraordinary or special meetings, if necessary,
- g) Designate the additional functions of the President, Vice President, Secretary, Treasurer², Deputy Secretary and Deputy Treasurer³ (Bylaws, Art. 7(b)),

¹ International meetings also can be convened at the initiative of one or more Chapters.

² The responsibilities of the Treasurer position are set forth in a document approved by the Board of Directors on May 22, 2013.

- h) Authorize particular Officers to celebrate or execute contracts and similar documents on behalf of the Association (Bylaws, Art. 7(c)),
- i) Appoint, remove agents and employees and delegate these functions (Bylaws, Art. 7(d)),
- j) Authorize the creation of committees and grant them authority, designate their coordinators, fill vacancies, change the composition of and dissolve a committee (Bylaws, Art. 8(a)),
- k) Approve amendments to the Bylaws that do not affect the rights and responsibilities of the Active Members (Bylaws, Art. 13(b)),
- l) Ensure prudent fiduciary supervision and financial management, approve the budget, and monitor the programs, activities, and services of the Association (Bylaws, Art. 7(b)),
- m) Adhere to the Association's Code of Conduct (Bylaws, Art. 10),
- n) Establish a program for the retention, filing and custody of the Association's documents (Bylaws, Art. 7(b)),
- o) Safeguard the public image of the Association,
- p) Determine the Headquarters of the Association (Bylaws, Art. 3(a)),
- q) Evaluate its own performance as the governing body of the Association, and
- r) Exercise all the powers established in the Act, the Articles of Incorporation or the Bylaws that are necessary or convenient to carry out the purposes of the Association.

2 BOARD OF DIRECTORS MEETINGS

- a) Ordinary and special meetings of the Board will be carried out in accordance with the provisions of Article 6(f) of the Bylaws. All meetings of the Board of Directors and committees will be governed by the Bylaws, these Regulations and, in a complementary manner, by the then-current version of the regulation “Robert’s Rules of Order.”
- b) Ordinary meetings will be held at least twice a year to deal with routine matters, business issues, problems arising during the time period, progress of the work program and Committee reports, among others. As a regular and recommended practice, ordinary meetings will be held once a month, will be called by the President and notified by the Secretary to the Directors at least ten (10) calendar days in advance, at the times and in the places designated by the President.
- c) The Board of Directors may hold special meetings to discuss specific issues that require extraordinary attention or to address issues that require urgent attention. These meetings must be called at the discretion of the President, or at the request of one third (1/3) of the members of the Board of Directors, and will be previously notified by the

³ The Bylaws also authorize the President to designate the duties of the other Officers, except for the Treasurer (Bylaws, Art. 7(b)(iv)).

Secretary with at least two (2) calendar days, at the times and in the places designated by the President.

- d) The notification about the occurrence of a Board meeting does not need to specify the purpose of the meeting or the business to be conducted, but it is considered a good practice to send an agenda with the matters to be discussed. The notification can be sent by email to the address that appears in the Association's registry and will be considered delivered upon receipt of confirmation that the transmission has been successful.
- e) In accordance with Article 6(f) of the Bylaws, the Board or a committee thereof may hold meetings using electronic means, such that Directors and others who must attend can establish a video and audio (or audio only) connection according to the means available for each meeting. Such participation will be considered the same as being in person at the meeting.
- f) A quorum for Board meetings will be the absolute majority of the number of Directors established by the Bylaws. In the absence of a quorum, the President must postpone or reschedule the meeting.
- g) Except as otherwise provided by law, the Act or the Bylaws of the Association, all matters that require the consideration of the Board will be decided by the majority vote of the Board members present at a meeting for which a quorum exists. Voting on any matter may be conducted without a meeting if all Board of Directors' members give their consent in writing (see Sec. 4 of these Regulations).
- h) Board meetings will be attended by Directors and the staff, employees or Members designated by the Board in connection with the issues to be discussed, and the persons that the Board deems appropriate to invite.
- i) The President, or in her absence or incapacity the Vice President, will preside over the Board meetings.

2.1 Executive Sessions

- a) A meeting of the Board of Directors may move to an executive session subject to a majority vote. The executive sessions will be strictly confidential, and no member of the Board of Directors will disclose the topics discussed and conclusions of the discussion without the approval of the Board. It is understood that the Code of Conduct also requires that the Board of Directors respect the confidentiality of any information to be discussed in an executive session. The purpose of an executive session will determine who should attend or how attendance will be limited (for example, by inviting auditors or legal advisers or excluding staff). All attendees will be bound to respect the confidentiality of the discussions in an executive session. The minutes of an executive session will reflect the general purpose of the sessions. The conclusions of an executive session will be included in the minutes for the approval of the Board and only the conclusions that are not of a confidential nature will be published. A majority vote of the Board of Directors is required to end an executive session and resume a Board meeting outside of the executive session.
- b) There is a presumption that the following topics will be discussed in executive session:
 - (a) legal issues, legal negotiations or discussions and matters involving acts of a

criminal nature, fraud or embezzlement and others that must be treated in confidence, including with the legal advice of a lawyer or subject to laws or arrangements ensuring privacy among the affected parties; (b) arrangements to handle a significant crisis or ensure the safety of the Board or Association; (c) issues involving the Code of Conduct, including the removal of an Officer from office; (d) labor situations, including salary, performance or dismissal of personnel; (e) discussions with the auditors of the Association; (f) disputes between the Association and a Member in which the Member has requested an executive session; and (g) information on proposals and execution of contracts and contract negotiations. The decision to award a contract will be made outside of an executive session. No discussion of a policy affecting Active Members will take place in an executive session. If there is a situation affecting the Members, which by its nature would hinder the Association's ability to carry out its mission, it can be discussed in executive session only if there are no other means, but the minutes will reflect the conclusions that affect the Members to the fullest extent possible.

2.2 Meeting Agendas

- a) The President will prepare or cause to be prepared a provisional agenda for each meeting, which will be distributed to the Directors five (5) business days prior to the meeting, together with any relevant supplementary documents.
- b) A Director individually may present to the President and to the Secretary any other topic for inclusion in the provisional agenda, preferably via email three (3) business days prior to the meeting. Likewise, the Directors may propose changes to the provisional agenda on the day of the meeting, as indicated in the next paragraph.
- c) Before the provisional agenda is put to a vote for approval during the Board meeting, a Director may propose a change (including adding a new topic or removing a topic from the provisional agenda) with respect to the agenda.
- d) The provisional agenda, including any proposed changes, will be subject to the agreement of the majority of the Board.
- e) At the request of the President or a Director, the consideration or decision of a matter submitted to the Board will be postponed until the next meeting. Any topic on the official agenda, whose consideration has been postponed or whose consideration has not been finalized during a meeting, will be automatically included in the agenda of the next meeting, unless the Board decides otherwise. Meeting minutes will identify postponed items.

3 MINUTES

3.1 The Secretariat

- a) The Board of Directors will have a Secretary, assisted by a Deputy Secretary and the necessary personnel for the fulfillment of their functions.
- b) The Secretary, or in his/her absence, the Deputy Secretary, will be responsible for the preparation of the provisional and final minutes of the Board meetings. In the absence or incapacity of both the Secretary and the Deputy Secretary, the Board may, at the beginning of the meeting, assign to another member the preparation of the minutes.

- c) The Secretary will keep appropriate records of all votes and will be responsible for the custody of governing documents, minutes, committee reports and other documents related to the actions of the Board of Directors. The Secretary and the Deputy Secretary will follow up on the decisions made by the Board.
- d) The Deputy Secretary will be responsible for supervising the proper filing of the minutes and other documents used or distributed in the Board sessions.

3.2 Minutes in General

- a) All Board meetings will be recorded, and these recordings will serve as the basis for the preparation of the minutes. Directors will have access to said recordings if they so request.
- b) Subject to the Association's policies on document retention, recordings and transcripts of meetings will be confidential and must be kept for one year only for the purpose indicated above. The Board of Directors may expressly authorize the President, the Secretary or Deputy Secretary to proceed to destroy or publish information and related documents on any topic considered pertinent.
- c) The minutes of the Board meetings will include the date, start time and end time, type of meeting (e.g., regular, special, virtual), persons in attendance and absent Directors, a summary of the main topics considered, resolutions adopted and conclusions formulated, and the follow up steps and actions. The minutes will follow the order of the agenda, unless the Board has decided to follow another order, and will note if the minutes of the previous meeting were adopted.
- d) Minutes are a record of what was decided at a meeting, not a record or transcript of what was said. Said record may include the main foundations of the decisions taken. In exceptional cases, with the approval of the Board of Directors, the minutes may include the affirmative and dissenting votes cast in respect of a proposal, and at the request of a Director, his or her name will be included as a dissenting vote. The minutes will not include the texts of the committee reports, unless the Board of Directors has explicitly indicated that it adopts the full text of the report; the resolutions or conclusions adopted by the Board after considering a report from a committee will be recorded in the minutes.

3.3 Provisional Minutes

- a) The provisional minutes will be distributed electronically to the Directors within five (5) business days after each meeting. The Directors may offer comments, suggestions and corrections within the deadlines established by the Secretary. The Board of Directors may approve the minutes by unanimous consent in writing. It is expected that a Director who has not participated in the meeting will inform him or herself about the decisions taken there and vote either for the approval of the minutes or to schedule the minutes for discussion. If there are matters not agreed upon, the provisional version will be presented for discussion and approval at the next Board meeting, and this matter should be included in the respective agenda.
- b) Only the approved minutes will be published on the Association's website.

- c) If it becomes necessary to amend minutes after they have been approved, these corrections may be considered by means of a motion to "Amend Something Previously Approved." In that case, the exact wording of the motion, whether approved or rejected, must be recorded in the minutes of the respective meeting in which it was considered. Any amendments thus approved must be included in the text of the minutes that are being corrected.

3.4 Approved Minutes

- a) The Secretary and/or Deputy Secretary responsible for preparing the minutes must sign them immediately after approval by the Board, send them to the archives of the Association and authorize their publication on the Association's website. The signature may be electronic. This same procedure also applies in cases when a Director is appointed to prepare the minutes in lieu of the Secretary or Deputy Secretary.
- b) The minutes of Board meetings, in at least one language, will be made available to the Members and the public on the Association's website within a maximum period of five (5) business days after their approval.

4 BOARD DOCUMENTS

- a) The Board of Directors produces and receives various types of documents that are presented or submitted for information, analysis, consideration, or approval of the Board, as the case may be. Some examples of these documents include proposals or reports of the committees, aide memoires or minutes of meetings, analytical reports on benefits, progress statements on work, programs, official opinions, presentations, financial statements, etc.
- b) When a document requires approval from the Board of Directors, one of the following two procedures may be followed:
 - i. Standard Procedure: The document will be included in the agenda of the Board for approval by majority.
 - ii. Unanimous Consent: The document will be circulated electronically without the need to call a meeting or achieve a quorum. The approval of the document requires the written and unanimous consent of the Board of Directors within the period prescribed in the document. Written consent may be granted electronically, including by electronic voting forms that indicate the name of the Director submitting it and his or her position regarding the document. If written consent is received, the document will enter into force on the date all responses are received from the Directors or on the date established in the proposal. If the unanimous written consent is not received within the established term, the proposal will expire and the document must be included in the agenda of the next Board meeting, subject to the rules for including documents in the agendas. If comments are received on the document, approval of the document must be postponed to the next meeting or a new version must be circulated and the process of obtaining the consent of each Director must be restarted. The approval of the document will be recorded in the minutes of the meeting subsequent to its approval.

- iii. The approved document (or the approved portions) must be included as an annex to the minutes of the meeting where its approval is recorded or alternatively it may be included through an electronic link for access on the Association's website.
- c) When a document does not require approval by the Board of Directors, it will be understood that it is for information only or that it is background for the discussion and/or analysis of an issue on the Board's agenda. If the Board of Directors agrees, the document may be included as an annex to the minutes of a meeting and in all cases the current provisions regarding custody of Association documents will apply.

5 BOARD COMMUNICATIONS

- a) In the case of official communications (whether on the website or other means) from any member of the Board of Directors to Members or third parties that involve topics such as the policies, strategies, initiatives, finances or commitments of the Association, such communications must reflect the position of the Board and its decisions thereon.
- b) Prior consultation with the Board regarding communications is a prudent practice that increases trust and collaboration among Directors and therefore promotes a better governance climate.
- c) The Board recognizes the need for a pragmatic approach. Previously submitting each word of each communication through various means (e.g., website, Newsletters, etc.) for the consideration of the Board of Directors would result in inefficiencies. The Board of Directors will exercise its best judgment and trust by delegating to members of the Board the task of formulating communications, which frequently occurs in the case of committee coordinators.

6 GENERAL

- a) These Regulations will be periodically reviewed by the Board of Directors, preferably annually. These Regulations may be modified by majority vote of the Board of Directors at any meeting. The changes must be recorded in the minutes of the meeting subsequent to the approval of any change and a new version, reflecting the amendments, must be circulated to the Directors and published on the Association's website.
- b) In case of any conflict, the law of the District of Columbia on non-profit corporations, and the Articles of Incorporation and the Bylaws of the Association take precedence over these Regulations.
- c) In these Regulations, whenever a gender-specific term is used, it must be understood to refer to both sexes, unless explicitly stated. Defined terms are used in these Regulations with the meaning that appears in the Association's Bylaws.