



THE WORLD SUBUD ASSOCIATION
Executive Committee
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GT.742 v3

20 December 2008

PROPOSED CHANGES TO WORLD SUBUD ASSOCIATION CONSTITUTION

Dear WSA Member Countries:

The WSA executive team is proposing to the World Congress some alterations to the World Subud Association (WSA) Bylaws based on recommendations of the Washington D.C. lawyer, Earl Metheny, who was an original registered agent for the WSA. These changes are based on the laws within Washington D.C. in the USA, where the WSA is registered as a non-profit association. They have been seen and discussed by the World Subud Council.

These proposed changes are not supposed to constitute controversial alterations to the WSA organization, but rather are simply legal changes to reflect the recommendations of the lawyer in order to better comply with Washington, D.C. regulations. At the end of this letter, we have listed the 17 proposed legal changes to the WSA Bylaws and we are attaching a copy of the bylaws with the proposed alterations. They are also posted online on www.subudworldnews.com under 'ISC' and on www.subud.net in the WSC Diary.

In order for Congress to make alterations to the WSA Bylaws, the WSA Member Countries need to have one year's written notice. With this letter, we are hereby giving you that notice.

Later this month, there is a possibility that we will send proposed organizational changes to the bylaws, quite separate from these alterations.

A. GENERAL CHANGES

1. Changes to the bylaws and articles

The lawyer suggests that we make the currently implied idea that only Congress can change the WSA Bylaws and articles more explicit as follows:

"Bylaw and article changes: [Changes to the Bylaws and the Articles of the Association can be made only by the Members during a Congress](#). Resolutions to change the Constitution or By-laws are [to be](#) circulated to all Members prior to one year before a Congress."

2. Meetings outside of Washington DC

The lawyer recommends that the WSA Bylaws should include a statement that Congress and the annual meeting of the WSA directors and/or the WSC can be held outside of Washington D.C.

3. Special meetings

The WSA Bylaws do not state who has the right to call a special meeting of the WSA or the World Subud Council (WSC). In the existing bylaws, a majority of Zone Representatives can convene a Congress (3.5). Therefore, we propose that this formula be used also for any

special meeting of the WSA members. For special meetings of the WSC, the Chairperson or a majority of the Zone Representatives can call a special meeting.

4. Proxy voting

The lawyer says that the WSA Bylaws do not specify anything with regard to proxy voting. We would suggest that the relevant bylaw should state:

"Proxy voting: Proxy voting is allowed at Congress in a manner that is to be decided by Congress or by the World Subud Council."

Afterwards this bylaw change, Congress or the WSC could pass a resolution specifying a policy with regard to how proxy voting would function, if and when such a thing is needed. This gives maximum flexibility in the bylaws. In general, it is better that policy decisions that may need to be changed are not put in the bylaws.

5. Books and Records under "Miscellaneous"

The lawyer recommends that we would need the following clause:

"Books and Records: The WSA shall maintain a list of registered members, annual accounts and record minutes of WSC meetings, WSA directors' meetings, Congress and any special meeting or resolution of the WSA at its principal office in Washington D.C. or at a place to be determined by the WSC. Any member of the WSA has the right to inspect these records."

B. CHANGES REGARDING DIRECTORS AND OFFICERS

Mr. Metheny recommends strongly that we add some standard provisions in the bylaws with regard to WSA directors and officers. The WSA directors are those members of the WSC who are legally responsible for the WSA and are currently defined in the WSA Bylaws as the WSA Chairperson and the Zonal Representatives.

A point of clarification: the original version of the WSA Bylaws passed at the Sydney Congress in 1989 did not contain any provision regarding directors because the document makes it clear that the WSC is the governing body of the WSA between Congresses, and that the voting members of the WSC are the Zonal Representatives. The WSA directors are not a separate body from the WSC; they are simply that part of the WSC who are responsible before the law.

Following the advice of the lawyer, we recommend that there should be a new section on WSA directors in the bylaws (section 6) with the following clauses in addition to the existing clause 5.10.

- 1) Removal: As directors of the Association, the Zonal Representatives are appointed by their Zonal Councils for a four to five-year term, and may be removed from office by those councils at any time. As a director of the Association, the Chairperson is appointed by the Congress for a term running from congress to congress, and may be removed from office by the Congress or a special meeting of the members of the Association. The World Subud Council has the right to recommend to any Zone Council that its Zone Representative be removed as a director of the Association and to recommend to the members that the Chairperson of the Association be removed as a director of the Association.
- 2) Quorum: In the meeting of the directors of the WSA, the quorum shall be a majority.

- 3) Meeting of Directors: The directors shall normally meet at least each year and shall be called by the Chairperson of the Association or by a majority of the Zonal Representatives. Written notification of meetings shall state the purpose, place, time and agenda of the meeting and shall be delivered not less than one month or more than six months before the meeting. The meetings of directors may take place inside or outside the District of Columbia.
- 4) Meetings of the Board of Directors may take place by telephone conference.
- 5) Decisions: Decisions of the Board of Directors shall be by consensus.
- 6) Officers: The secretary of the Association shall be appointed by the Board of Directors. The other officers of the Association shall be appointed by the ISC Chairperson, who is the executive of the Association. The secretary must be a distinct person from the chairperson. The Board of Directors has the right to remove from office the ISC Chairperson or executive of the Association and his/her appointees.
- 7) Appointment of Committees: The board may appoint by consensus committees to exercise the authority of the board in the management of the Association.
- 8) Loans and grants to directors and officers are prohibited.

C. CHANGES REGARDING LIABILITY

Following the advice from the lawyer, the Bylaws and the Articles of Incorporation can be amended as follows so that the WSA indemnifies its directors and executive from law suits. This provision is a normal protection in non-profit bylaws in the USA. SDIA and MSF have similar provisions in their articles or bylaws.

"The Corporation shall indemnify any director or officer or former director or officer of the Corporation, or any person who may have served at its request as a director or officer of another corporation, whether for profit or not for profit, against expenses actually and necessarily incurred by him or her in connection with the defense of any action, suit, or proceeding in which he or she is made a party by reason of being or having been such a director or officer, except in relation to matters as to which he or she shall be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty."

In addition we would add:

"Liability of WSA: WSA is not responsible for any debts or obligations incurred by or actions or activities of any of its members."

Please kindly let us know at wsa@subud.org if you have any questions or queries about these proposed changes. We would not like these regulatory alterations to the WSA Bylaws to consume time and attention at Congress and so we would like to answer questions beforehand.

With very best wishes,



Garrett
WSA executive chair

A LIST OF PROPOSED WSA BYLAW CHANGES

20 December 2008

Here is a list of the proposed seventeen changes to WSA Bylaws (changes in blue and please note that a 'member' is a WSA member country):

- 1) Add the clause and sentence in red to 3.5: **3.5 Convening Congress:** A majority of the Zone Representatives or 25% of the WSA member countries can convene Congress and a special meeting of the WSA. Congress may take place inside or outside the District of Columbia.
- 2) Add an extra clause at 3.19: **Proxy voting:** Proxy voting is allowed at Congress in a manner that is to be decided by Congress or by the WSC.
- 3) Add an extra clause at 5.10: **5.10 Meetings:** The WSA Chairperson or a majority of the Zone Representatives can convene World Subud Council meetings and any special meetings of the WSC. WSC meetings may take place inside or outside the District of Columbia.
- 4) Add a new section to the Bylaws, section 6, and move the old section 5.10 to 6.1:

“BOARD OF DIRECTORS:

6.1 Board of Directors: The Directors of WSA shall be the WSA Chairman and the Zonal Representatives. Each director shall be entitled to one vote in decisions made by the Board of Directors.”

- 5) Add: **6.2 Removal:** As directors of the Association, the Zonal Representatives are appointed by their Zonal Councils for a four to five-year term, and may be removed from office by those councils at any time. As a director of the Association, the Chairperson is appointed by the Congress for a term running from congress to congress, and may be removed from office by the Congress or a special meeting of the members of the Association. The World Subud Council has the right to recommend to any Zone Council that its Zone Representative be removed as a director of the Association and to recommend to the members that the Chairperson of the Association be removed as a director of the Association.
- 6) Add: **6.3 Quorum:** In the meeting of the directors of the WSA, the quorum shall be a majority.
- 7) Add: **6.4 Meeting of Directors:** The directors shall normally meet at least each year and shall be called by the Chairperson of the Association or by a majority of the Zonal Representatives. Written notification of meetings shall state the purpose, place, time and agenda and shall be delivered not less than one month or more than six months before the meeting. The meetings of directors may take place inside or outside the District of Columbia.
- 8) Add: **6.5 Meetings:** Meetings of the Board of Directors may take place by telephone conference.
- 9) Add: **6.6 Decisions:** Decisions of the Board of Directors shall be by consensus.

10) Add: 6.7 **Officers:** The secretary of the Association shall be appointed by the Board of Directors. The other officers of the Association shall be appointed by the ISC Chairperson, who is the executive of the Association. The secretary must be a distinct person from the chairperson. The Board of Directors has the right to remove from office the ISC Chairperson (or the executive of the Association) and his/her appointees.

11) Add: 6.8 **Appointment of Committees:** The board may appoint by consensus committees to exercise the authority of the board in the management of the Association.

12) Add: 6.9 **Loans** and grants to directors and officers are prohibited.

13) WSA Bylaw 9.2 currently states:

"Notice of Constitution or By-law Change: Resolutions to change the Constitution or By-laws are circulated to all Members prior to one year before a Congress."

We suggest that this (which would be WSA Bylaw 10.2) be amended to read:

"Bylaw and article changes: Changes to the Bylaws and the Articles of the Association can be made only by the Members during a Congress. Resolutions to change the Constitution or By-laws are to be circulated to all Members prior to one year before a Congress."

14) Add: 10.3 **Books and Records:** The WSA shall maintain a list of registered members, annual accounts and record minutes of WSC meetings, WSA directors' meetings, Congress and any special meeting or resolution of the WSA at its principal office in Washington D.C. or at a place to be determined by the WSC. Any member of the WSA has the right to inspect these records.

15) Add: 10.4 **Liability:** The Corporation shall indemnify any director or officer or former director or officer of the Corporation, or any person who may have served at its request as a director or officer of another corporation, whether for profit or not-for-profit, against expenses actually and necessarily incurred by him or her in connection with the defense of any action, suit, or proceeding in which he or she is made a party by reason of being or having been such a director or officer, except in relation to matters as to which he or she shall be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty.

16) Add: 10.5 **Liability of WSA:** WSA is not responsible for any debts or obligations incurred by or actions or activities of any of its members.

17) All additional numbering changes as a result of the above.