MULTI-STATE MSB EXAMINATION TASKFORCE
OPERATING PROCEDURES

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Section I. Purpose and Applicability

The Nationwide Cooperative Agreement for MSB Supervision (“Agreement”), and the Protocol for Performing Multi-State Examinations (“Protocol”) and these Operating Procedures (“Procedures” or “Operating Procedures”) are the governing documents for the operations and procedures of the Multi-State MSB Examination Taskforce (MMET). The purpose of these Operating Procedures is to affirm the policies and procedures governing the administration of the MMET and the conduct of activities in support of the MMET’s mission.

Section II. Definitions

Definitions have been included in the Agreement and the Protocol.

Section III. MMET – Composition – Terms – Structure

A. Composition. The MMET acknowledges that CSBS and MTRA may consider the following criteria in appointing members of the MMET:
1. The MMET members are Participating State Regulators appointed by the MTRA and CSBS boards. The appointed MMET member must be a Participating State Regulator.
2. The MMET member appointments should be based on a consideration of a state’s leadership ability, experience, qualifications, past commitment, and geographical diversity.
3. The optimal operating state of the MMET is at full capacity (10 members). When terms are completed or when a state can no longer serve, the MTRA and CSBS boards should be briefed immediately by the MMET Chairman to minimize delay in replacing members.

B. Terms & Structure. The MMET establishes the following operating procedures to implement the intent of the Agreement for the terms and structure of the MMET:

1. If at any time a state ceases to be a Participating State Regulator pursuant to the Agreement, or if a member rescinds its signature on the Agreement, the term of the MMET member will be immediately terminated.

2. The MMET member terms are complete at the end of the second calendar year of the two year term to which elected, with the exception of the initial terms for five MMET members at the inception of the MMET, which will serve three year initial terms in order to stagger future MMET member appointments to five per year. All future terms will be two year terms.

3. The MMET members are expected to actively participate in the MMET, including regular meeting attendance and participation on work groups. The MTRA and CSBS boards may replace, remove, or substitute any member of the MMET appointed by such association, for cause, including the member’s lack of participation.

4. Pursuant to Section V, the MMET members shall elect a Chairman and Vice Chairman each of whom shall serve one year terms.

Section IV. MMET Responsibilities

Pursuant to the Protocol, the MMET will have the responsibility to identify MMSBs and to coordinate the supervision of MMSBs according to a Supervisory Program as more fully described in the Protocol, as may be amended from time to time.

Section V. MMET Chairman and Vice Chairman Election – Term

The following procedures shall apply to the election and term of the Chairman and Vice Chairman:

A. The MMET, with a quorum and through a minimum of six votes, shall elect a Chairman and Vice Chairman. In the event the MMET election results in a split vote, the MMET members may conduct subsequent votes in an attempt to break the stalemate. In the event of a stalemate, the current Vice Chairman’s vote shall count twice. In the event an election occurs without a reigning Vice Chairman, the MTRA and CSBS boards shall break any stalemate.

B. The term of the Chairman and Vice Chairman shall extend through the earlier of the Annual Meeting or the 12 month period for which the Chairman and Vice Chairman were elected to, except that:

1. In the event the Annual Meeting occurs earlier than the month of April, the terms shall continue through the end of March.

2. In the event the Chairman’s term is vacated, the Vice Chairman shall immediately become the Chairman for the remainder of the Chairman’s term. If the Vice
Chairman is unable to serve as Chair, a new Chairman shall be elected by the members.

3. In the event the Vice Chairman becomes the Chairman, a new Vice Chairman shall be elected by simple majority of the MMET members as described above.

C. The Chairman shall serve only until the end of the term elected and shall serve no more than three successive terms without the approval of the MTRA and CSBS boards. The intent of the MMET is that each Chairman’s term be limited to no more than three successive terms with the following exceptions:
   1. An existing Chairman may be elected as Vice Chairman and then be elected as Chairman with a break in successive terms.

D. In the event that the Vice Chairman’s term has been vacated, the following shall be followed:
   1. The MMET members shall elect a Vice Chairman as soon as possible following the procedures above.

E. In the event that both the Chairman and Vice Chairman terms have been vacated the MMET members shall act as soon as possible to elect a Chairman and Vice Chairman who shall serve out the remainder of the current terms plus the succeeding term as Chairman and Vice Chairman. For example, if a new Chairman and Vice Chairman are elected on October 1st, both the Chairman and Vice Chairman shall serve terms of one and a half (1 ½) years before the MMET must elect a new Chairman and Vice Chairman at the Annual Meeting.

F. In the event the Chairman is unable to attend a meeting, the Chairman may designate the Vice Chairman as his or her proxy for administrative purposes. The Vice Chairman shall have the same procedural authorities as the Chairman in his or her role as proxy, but may not vote on behalf of the Chairman unless they possess his or her written proxy. If neither the Chairman nor Vice Chairman are available for a meeting, the meeting may occur, if the Chairman and Vice Chairman have provided his or her written proxy to a designated MMET member.

Section VI. Chairman and Vice Chairman – Responsibilities – Authorities

The responsibilities of the Chairman and Vice Chairman are enumerated as follows:

A. The Chairman shall call for a MMET vote to set the date, time and place for the MMET Annual Meeting as described in Section IX. In the event of a split decision on locations or date, the Chairman shall have the authority to break the stalemate.

B. The Chairman shall work with the MMET members to determine the agenda for the Annual Meeting.

C. The Chairman shall work with the MMET members to set the date, time and place for MMET regular meetings as described in Section IX, and shall determine the agenda for each meeting.

D. The Chairman, upon counsel of the Vice Chairman and/or the MMET members, shall establish any work groups necessary for the conduct of MMET business as described in Section VIII, and shall have the authority to appoint MMET members or others to such work groups, including a leader for each work group.
E. The Chairman shall preside over each MMET meeting, and where necessary calling for votes from MMET members.
   1. The Chairman’s vote shall count as a regular MMET member vote.
   2. In the event an MMET vote results in a split decision, the Chairman holds the authority to break the stalemate.
F. Absent the Chairman, the Vice Chairman shall hold the responsibilities and authorities of the Chairman under this section.

Section VII. MMET Meetings – Voting

A. A majority of the MMET members shall meet in person at least once a year for an annual meeting.
B. The current MMET Chairman and Vice Chairman shall preside over the Annual Meeting with the culmination of the Annual Meeting marking the transition point for the Chairman and Vice Chairman pursuant to Section V.
C. A quorum is required for official MMET votes. Six members of the MMET shall constitute a quorum and a unanimous six votes shall govern.
D. The MMET shall follow Robert’s Rules of Order to the extent it does not conflict with an express provision of these Operating Procedures.
E. The Chairman shall seek an official vote for the following:
   1. Standards for producing a list of MMSBs with which the MMET will focus efforts on.
   2. Approval of any formal processes developed by or for the MMET.
   3. Date and location for the Annual Meeting.
   4. Approval of meeting minutes.
F. The Chairman is encouraged, but not required, to seek MMET member counsel and advice for all other areas involving MMET administration.
G. Official votes may include electronic votes. Electronic votes must be reflected in the minutes of the next meeting.
H. Official votes may be taken via telephone. To ensure votes are properly considered, the MMET shall make record of the vote.

Section VIII. MMET Work Groups – Establishment – Work Groups and Sub Work Groups – Responsibilities

A. The MMET may establish work groups to ensure the primary functions of the Protocol and Agreement are fulfilled:
B. Work groups shall be comprised of at least two MMET members.
C. Each work group will have an MMET member assigned as the Leader. Committee members may be comprised of any Participating State Regulators.
D. The Chairman shall establish, deactivate or disband work groups as necessary. The Chairman may determine the need to deactivate a work group or sub work group, but leave it as a “standing” work group for quick reactivation as needed.
E. Work groups are responsible for projects as assigned by the Chairman.
F. The Chairman may request regular or periodic reports of progress from work groups in a manner acceptable to the Chairman.

G. Work group leaders are responsible for scheduling work group meetings, setting agendas and assignments, establishing and monitoring sub work groups, and reporting as requested by the Chairman.

H. The Chairman and work group leaders may request CSBS and/or MTRA staff support as necessary to fulfill work group and sub work group obligations.

I. The MMET Annual Report shall be as of December 31st and completed by March 31st. The MMET Annual Report shall detail work group activities including: a list of the individuals on each work group, the work group purpose, the work performed by the work group, and the status of the projects undertaken.

Section IX. Meetings

A. The MMET members shall meet in person at least once a year at a time and place selected by the MMET. One such meeting shall be designated as the Annual Meeting, and shall be the marking point for the start and end of terms of MMET members and the Chairman. In addition, the MMET members shall meet on a schedule with such frequency that the MMET can fulfill its responsibilities.

B. The following shall govern MMET meetings:

1. An in-person meeting has occurred whenever the Chairperson or the Vice Chair and a minimum of five other members (for a total of six members) have met face to face.

2. The designated Annual Meeting may not need to be an in-person meeting provided the MMET has held, or will hold, at least one in person meeting during the year.

3. The Chairman may utilize communications technology to achieve a face to face or in person meeting.

4. The Chairman may suspend the in person meeting if such meeting would be impracticable or impossible.

5. Each meeting may be supported by an agenda developed at the direction of the Chairman. Whenever possible, agendas and associated documentation should be provided to members in advance.

6. Each meeting should be memorialized by minutes, in a format and style determined by the Chairman, recording attendance, discussions, decisions and votes. Minutes should be made available to the MMET as soon as possible following the meeting.

Section X. Administrative Support

Support to the MMET and Joint Examination Teams and Concurrent Examination Teams will be provided by CSBS and/or MTRA upon request and direction of the MMET. No person providing support to the MMET shall be permitted access to Confidential Supervisory Information, as defined in the Nationwide Cooperative Agreement for MSB Supervision, unless such person is an employee of a Joint Examination State Regulator or has, as permitted by applicable law, signed a Confidentiality Nondisclosure Agreement.