

**CHARTER OF THE HRO MIDDLE MARKET ADVISORY BOARD, A SPECIAL
INTEREST GROUP OF THE**

HUMAN RESOURCES OUTSOURCING ASSOCIATION, INC.

A New Jersey Nonprofit Corporation

Recitals

Unless specifically stated within this document, the HRO Middle Market Advisory Board shall adhere to the Bylaws of the Human Resources Outsourcing Association.

This Charter shall be deemed approved and adopted by the HRO Middle Market Advisory Board, designated by the presence of signatures of the HRO Middle Market Advisory Board Chair, Secretary and Member-at-large further below. Subsequently, the HRO Middle Market Advisory Board shall present this Charter to the HROA Board of Directors for approval.

Signature of the HROA Chair and Secretary, and one other non-Executive Committee HROA Director, shall commit approval and acceptance of this HRO Middle Market Advisory Board Charter on behalf of the HROA.

This Charter shall be deemed approved and adopted by the HROA and the HRO Middle Market Advisory Board immediately upon the execution by the above referenced individuals.

**ARTICLE I
NAME AND PRINCIPAL OFFICE**

Section A. Name and Principal Office; Purpose

The Human Resources Outsourcing Association is incorporated as a non-profit, tax exempt corporation organized under the laws of the United States and the state of New Jersey, as a professional organization for the purposes set forth in HROA Bylaws and in the Articles of Incorporation. The Human Resources Outsourcing Association name can be abbreviated as HROA® or the "Association." The name of herein referenced HROA special interest group is the Middle Market HR Process Outsourcing Advisory Board, which may be abbreviated as MMHRO Advisory Board™. The Principal Office(s) of the HRO Middle Market Advisory Board shall be the same principal office(s) as the HROA.

ARTICLE II
PURPOSES AND LIMITATIONS OF THE ASSOCIATION

Section A. Purpose(s) of the HRO Middle Market Advisory Board

General Purpose. The HRO Middle Market Advisory Board has been founded as a global interest group of the HROA. The HRO Middle Market Advisory Board believes that Middle Market Outsourcing is a cost effective strategic business initiative, which grants access to industry best practices and specialized expertise while improving service quality through enhanced HR capabilities and technology. Middle market HRO is defined as leveraging three or more HR functions with an employee market targeted between 3,000 to 15,000.

Specific Purposes. The HRO Middle Market Advisory Board's objective is to provide a platform for consumers, providers, and other stakeholders to contribute research, data, and tools to make informed decisions related to the evaluation, purchase, implementation and management of HR process outsourcing. The purpose is to establish, evolve and continuously improve the industry standards and practices for the middle market HRO.

ARTICLE III
MEMBERSHIP IN THE HRO MIDDLE MARKET ADVISORY BOARD

Section A. General Membership Provisions

Membership in the HRO Middle Market Advisory Board shall be open to any person or firm who is an HROA member in good standing and is interested in the declared purposes of the HRO Middle Market Advisory Board.

Section B. Membership Resignation, Suspension, Expulsion, Termination or Transfer

Resignation. Any member may resign by filing a written resignation with the HRO Middle Market Advisory Board leadership; however, resignation from the HRO Middle Market Advisory Board does not constitute resignation from the HROA and does not relieve a member from liability for dues accrued and unpaid as of the date of resignation.

Suspension/Expulsion. Any member may be expelled from participation in the HRO Middle Market Advisory Board for adequate reason by a two-thirds vote of the HRO Middle Market Advisory Board Leadership. Failure to pay HROA dues or to meet the criteria for HROA membership is presumed to be adequate reason for expulsion and does not require advance notice to the member and/or deliberation by the HRO Middle Market Advisory Board Leadership. Any member proposed for expulsion for another reason is 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 HRO Middle Market Advisory Board Leadership, and final written notice of the HRO Middle Market Advisory Board Leadership decision.

Termination. Following notice by invoice, and consistent with the HROA Bylaws and applicable policies, the HRO Middle Market Advisory Board may terminate the membership of any member who has not satisfied the membership requirements related to the payment of all applicable dues, fees, and assessments.

Transfer. Membership in the HRO Middle Market Advisory Board is not transferable to any other person, regardless of category or classification with the exception of a Corporate member that might merge with or be acquired by a third party – in this event the new Corporate entity that results from any such transaction is the new Corporate member.

Section C. Member Ethical Standards and Procedures

The HRO Middle Market Advisory Board Leadership, or the voting membership of the HRO Middle Market Advisory Board, may adopt and publish ethical standards, which standards shall not conflict with the HROA. In the event ethical standards are adopted (“HRO Middle Market Advisory Board Member Ethical Standards”), members of the HRO Middle Market Advisory Board shall agree to comply with such standards, which shall, among others, prohibit violations of the HROA Bylaws and policies of the HRO Middle Market Advisory Board and the Association respectively.

ARTICLE IV
MEMBERSHIP DUES, FEES AND ASSESSMENTS

Section A. HRO Middle Market Advisory Board Dues, Fees, and Assessments

The HRO Middle Market Advisory Board will adhere to the HROA Bylaws for dues, fees and assessments.

ARTICLE V
MEMBERSHIP MEETINGS

Section A. Annual Business Meeting, Special Meetings, Notices

The HRO Middle Market Advisory Board shall conduct an Annual Business Meeting of the membership (“Annual Membership Meeting”) each year and on a date to be established by the HRO Middle Market Advisory Board Leadership. The HRO Middle Market Advisory Board shall announce such date and location for the subsequent Annual Membership Meeting at each current Annual Membership Meeting. The HRO Middle Market Advisory Board Leadership may

also call other membership meetings, as deemed necessary. Special meetings and notices shall be facilitated in adherence to the HROA Bylaws.

Section B. Member Questions and Resolutions

The HRO Middle Market Advisory Board Leadership shall give members of the Advisory Board reasonable opportunities to express their views on questions and to present resolutions in an appropriate manner. Upon ninety (90) days notice and a petition signed by five percent (5%) or more of the voting membership to the Secretary-Treasurer, a question and resolution shall be submitted to the quorum of voting members present at the next scheduled Annual Membership Meeting of the Association. Except where a larger vote is required by law or by the HROA Bylaws, a question affirmed by a majority of the eligible members voting and present shall be binding upon the HRO Middle Market Advisory Board Leadership unless determined to be contrary to applicable law or regulations.

Section C. Quorum Requirements

A quorum of the eligible voting membership of the HRO Middle Market Advisory Board shall exist at any Annual Membership Meeting for the purpose of voting on all questions, resolutions, and other actions, so long as the Annual Membership Meeting has been properly announced and questions have been submitted consistent with the requirements of the HROA Bylaws and applicable law.

Section D. Voting Procedures and Balloting

The HRO Middle Market Advisory Board will adhere to the HROA Bylaws for voting procedures and balloting.

ARTICLE VI

HRO MIDDLE MARKET ADVISORY BOARD LEADERSHIP

Section A. Executive Committee and HRO Middle Market Advisory Board Leadership

General. An elected HRO Middle Market Advisory Board Leadership team shall govern the HRO Middle Market Advisory Board. It is the duty of the HRO Middle Market Advisory Board Leadership to carry out the purposes and objectives of the HRO Middle Market Advisory Board. The HRO Middle Market Advisory Board Leadership shall constitute no less than five (5) individuals but no more than nine (9) individuals.

Executive Committee. The HRO Middle Market Advisory Board Executive Committee constitute a Chairperson, Vice Chairperson, Treasurer, Secretary and Member-at-large

HRO Middle Market Advisory Board Leadership. The HRO Middle Market Advisory Board Leadership shall constitute the HRO Middle Market Advisory Board Executive Committee and four (4) additional elected individuals.

Section B. HRO Middle Market Advisory Board Leadership (Individuals)

Qualifications. Save for the initial HRO Middle Market Advisory Board Leadership, any HRO Middle Market Advisory Board Leader shall be an eligible HROA member (either Individual members or designees of Corporate members) in good standing. The HRO Middle Market Advisory Board Leadership, in its discretion, may determine additional qualifications consistent with HROA Bylaws.

Length of Terms. Each HRO Middle Market Advisory Board leader shall be elected by the voting membership of the HRO Middle Market Advisory Board and shall serve a term of two (2) years. There shall be no limit to the number of terms, consecutive or non-consecutive, that an HRO Middle Market Advisory Board leader may serve.

Nomination/Election. Candidates for election may be nominated by petition or by selection of the Nominating Committee. The terms of the HRO Middle Market Advisory Board Leadership shall be staggered to ensure that approximately one-third of the HRO Middle Market Advisory Board Leadership terms of office expire each year. All HRO Middle Market Advisory Board Leadership shall be elected by the voting membership of the Advisory Board, the results of which shall be announced no later than at the next most immediate HRO Middle Market Advisory Board Meeting.

Resignations. An HRO Middle Market Advisory Board Leader may resign at any time by submitting a written resignation to the Chair. Any resignation will be effective as of the time specified in the written resignation, or, if no date is specified, as of the acceptance date of the written resignation as determined by the Chair.

Removal. An HRO Middle Market Advisory Board Leader who is no longer an HROA member in good standing shall be removed and replaced by the HRO Middle Market Advisory Board Leadership team. An individual may also be removed by operation of applicable law or by a two-thirds (2/3rds) affirmative vote of the HRO Middle Market Advisory Board Leadership for cause at any regular or special meeting at which a quorum of the HRO Middle Market Advisory Board Leadership is present.

Vacancies. In the case of a vacancy, resignation, or removal, the remaining HRO Middle Market Advisory Board Leaders may elect another qualified individual to fill the vacancy for the unexpired portion of that respective individual's term.

Section C. Nominating Committee

Establishment and Purpose. A Nominating Committee shall be established to oversee and supervise the nominating process for HRO Middle Market Advisory Board Leadership. The Nominating Committee shall ensure that appropriate procedures, as established by the Nominating Committee Charter and approved by the HRO Middle Market Advisory Board, are in place for the selection and presentation of qualified nominees for HRO Middle Market Advisory Board Leadership positions.

Disputes. Any disputes concerning the election or nomination process shall be facilitated in adherence to the HRO Middle Market Advisory Board's dispute resolution policy and procedures, as set forth in the Nominating Committee Charter.

ARTICLE VII

EXECUTIVE COMMITTEE OF THE ADVISORY BOARD

Section A. HRO Middle Market Advisory Board Executive Leadership

Executive Committee Titles. Notwithstanding the initial HRO Middle Market Advisory Board Executive Committee, the full incoming HRO Middle Market Advisory Board Leadership shall approve the following Executive Committee Members: Chair; Vice Chair; Secretary; Treasurer; and, Member-at-large.

Section B. Executive Committee Qualifications and Duties

General. The Executive Committee Qualifications and Duties shall be consistent with, and in adherence to, the HROA Bylaws, which every HRO Middle Market Advisory Board member has agreed to adhere to upon agreeing to join the HROA and subsequently the HRO Middle Market Advisory Board.

ARTICLE VIII

ALLIED AND COOPERATIVE RELATIONSHIPS

Section A. Establishment and Purposes

The HRO Middle Market Advisory Board Leadership may promote such cooperative relationships with other human resources and recruitment groups, institutions or entities, including global organizations, where such relationships will serve to further the interests and objectives of the HROA and the HRO Middle Market Advisory Board. The HRO Middle Market Advisory Board Leadership shall develop and approve policies and procedures to govern the establishment of cooperative relationships.

