

**AMENDED AND RESTATED BYLAWS OF AMERICAN MAINE-ANJOU
ASSOCIATION**

ARTICLE I. Purpose. The purpose of the Association shall be to register Maine-Anjou cattle, to keep suitable records with regard to the ownership and pedigree of Maine-Anjou cattle, and to maintain and enhance the Maine-Anjou breed through shows, sales, publications and other activities.

ARTICLE II. Principal office. The principal office of the Association shall be in Platte City, Platte County, Missouri.

ARTICLE III. Membership.

Section 1. **Classes of Members.** The Association shall have seven (7) classes of members: Active, Junior Active, Associate, Honorary, Affiliate, Foreign, Inactive.

A. **Membership Fee.** The Board of Directors shall set a membership fee for each class of member except for Honorary and Inactive members. The applicable membership fee, if any, shall be payable at the time of becoming a member. Upon request, the membership fee paid by a Junior Active member shall be applied toward his fee for becoming an Active member. Membership fees shall be not be refunded, in whole or in part, upon withdrawal, suspension or expulsion of a member.

B. **Eligibility Requirements.** The eligibility requirements for membership shall include payment of the initial membership fee, if any, in addition to the following:

(i) Active members, (including persons who were founding members of the Association) shall be at least 21 years of age, reside in North America, own or breed Maine-Anjou cattle, and pay annual dues as prescribed by the Board of Directors. Only active members shall be eligible to vote and hold office. Active members may register and transfer cattle at member rates.

Junior Active members shall be under 21 years of age and pay annual dues as prescribed by the Board of Directors. Junior Active members may register and transfer cattle at member rates.

(iii) Associate members shall be persons interested in promoting the Association and pay annual dues as prescribed by the Board of Directors.

(iv) Honorary members shall be persons who have made an outstanding contribution to the development of the Maine-Anjou breed or the Association. They shall be recommended by the Board of Directors and elected by the membership of the Association.

(v) Affiliate members shall be state or regional Maine-Anjou associations, as provided for in Article X of these Bylaws, and pay annual dues as prescribed by the Board of Directors.

(vi) Foreign members shall reside outside North America, and pay annual dues as prescribed by the Board of Directors. Foreign members may register and transfer cattle at member rates.

(vii) Inactive members shall be Active members who fail to pay their annual dues and Junior Active members who fail to pay their annual dues. Inactive members shall be automatically reinstated to Active or Junior Active status upon paying his annual dues for the current year.

Section 2. **Application for Membership.** Applications for membership shall be submitted to the principal office of the Association in such forms and with such information as shall be prescribed by the Board of Directors. The Board of Directors shall have the power to accept or reject applications for membership, subject to such terms and conditions as determined by the Board of Directors. Memberships in the Association (except for inactive memberships) shall be evidenced by certificates signed and sealed on behalf of the Association. Membership in the Association, and all rights and privileges thereof, may be cancelled or suspended by the Board of Directors or Executive Committee after notice and opportunity to be heard as hereinafter provided in Article VIII.

Section 3. **Change of Name and Transfer Membership.** The name of a membership may be changed at the request of the owner upon presentation of evidence that there has been no change in ownership, and, in the case of the second and all subsequent changes, upon payment of the fee prescribed by the Board of Directors; provided that if the Association requests a member to change his name in order to avoid duplication, no charge shall be imposed upon the member. Memberships in the Association shall not be transferable, except that upon the death of an individual member, his estate, with the written approval of the Board of Directors, shall succeed to his rights and duties of membership for a period of one (1) year.

Section 4. **Voting Rights.** Only Active members shall have voting rights and each Active Member shall be entitled to one (1) vote on each matter submitted to a vote of the Active members.

Section 5. **Withdrawal from Membership.** Members may withdraw by submitting written notice of their withdrawal to the principal office of the Association specifying the effective date of withdrawal.

Section 6. **Nonindividual Members.** A corporation, partnership or other legal entity may become a member of the Association with the rights, privileges, duties, and obligations of an individual member; provided the member supplies information to the Association specifying the person authorized to act for the entity.

Section 7. **Registration and Transfers on Behalf of Members.** Any number of persons may be authorized to transfer or register cattle on behalf of a member.

ARTICLE IV. Board of Directors.

Section 1. **Powers.** The American Maine-Anjou Herdbook, and the property, business and affairs of the Association shall be managed and controlled by the Board of Directors.

Section 2. **Regions of the Association.** The United States shall be divided into the following regions (each, a “Region”) in order to provide diversification in the election of directors:

A. **Region I** consisting of Michigan, Wisconsin, Illinois, Missouri, Indiana, Kentucky, Ohio, West Virginia, Virginia, Maryland, Delaware, Rhode Island, Massachusetts, Vermont, New Hampshire, Maine, Arkansas, Louisiana, Mississippi, Tennessee, Alabama, Georgia, Florida, South Carolina, North Carolina, New York, Pennsylvania, New Jersey and Connecticut.

B. **Region II** consisting of Alaska, Washington, Oregon, Idaho, Montana, Wyoming, North Dakota, South Dakota, Nebraska, Kansas, Iowa, Minnesota, Hawaii, California and Nevada.

C. **Region III** consisting of Utah, Arizona, Colorado, New Mexico, Oklahoma and Texas.

Section 3. **Number of Directors: Term of Office.**

A. **Number of Directors.** The Board of Directors shall consist of fifteen (15) persons. The Board of Directors shall consist of the following: four (4) persons who reside in Region I; four (4) persons who reside in Region II; four (4) persons who reside in Region III (collectively, the “Regional Directors”); and three (3) persons who reside anywhere in the United States (the “At-Large Directors”).

B. **Term of Office.** All directors shall be elected to serve a term of three (3) years. The term of the directors shall be staggered. No director shall serve more than two (2) consecutive terms, including any unexpired portion of the term of his predecessor. Notwithstanding any other provisions in these Bylaws, each director shall hold office beginning on the date of the meeting where his election is announced and continue until his successor is duly elected and qualified.

Section 4. **Eligibility.** An individual shall not be eligible to serve as a director unless for the three (3) consecutive years immediately preceding his nomination such individual has been either an Active or Honorary member in good standing of the Association or has been associated with an organization which has been an Active or Honorary member in good standing of the Association during such three-year period. For this purpose, an individual shall be treated as having been associated with an organization if, and only if, such individual has been:

- A. An officer, director, or shareholder of a corporate member;
- B. A general partner of a partnership member;
- C. A trustee of a member which is a trust;
- D. The personal representative of an estate which is a member;
- E. A member, manager, or officer of a limited liability company member; or
- F. A member, director, or officer of a non-profit member.

Section 5. **Nominating Committee.** The President shall appoint a Nominating Committee at least one hundred and twenty (120) days prior to the annual meeting of the members. The Nominating Committee shall recommend nominees and designate the specific director slot for

which each nomination is made. The nominees recommended by the Nominating Committee shall be submitted to the Association no later than ninety (90) days prior to the annual meeting of the members.

Section 6. **Nominations by Members.** No later than one hundred twenty (120) days prior to the annual meeting of the members, the Association shall call for additional nominations by the members either by letter or through the American Maine-Anjou Voice (or in such other publication designated by the Board of Directors). Any three (3) Active members may jointly sign and submit a written nomination of an individual to fill each At-Large Director position to be voted upon at the annual election. Any three (3) Active members residing within a Region may jointly sign and submit a written nomination of an individual to fill each Regional Director position in such Region to be voted upon at the annual election. Nominations by members must be provided in writing to the Association no later than ninety (90) days prior to the annual meeting of the members.

Section 7. **Publication of Ballots.** No later than fifty (50) days prior to the annual meeting of members, the Association will publish in the American Maine-Anjou Voice (or in such other publication designated by the Board of Directors) or otherwise send to the Active members ballots listing all persons validly nominated (whether by the Nominating Committee or by the members).

Section 8. **Election of Directors.** The annual election of directors shall be conducted by written ballot, unless the Board of Directors determines that the election will be conducted at the annual meeting of the members. The Regional Directors shall be elected by the Active members in their Region, and the At-Large Directors shall be elected by all of the Active members.

Section 9. **Procedure for Election of Directors.**

A. **Written Ballots.** If the election is conducted by written ballot, directors shall be elected from the list of nominees on the ballot. Ballots must be faxed, mailed, hand-delivered or sent via federal air courier to the Association no later than thirty (30) days prior to the annual meeting of members and must be received by the Association no later than twenty (20) days before the annual meeting of members. The results of the written ballots shall be tabulated according to the procedures established by the Board of Directors and such results shall be filed with the minutes of the meeting of the members.

B. **Quorum for Written Ballots.** If the election is conducted by written ballot, the number of votes cast by ballot must equal or exceed the quorum required to be present at a meeting.

C. **Election of Regional Directors.** The nominee for a Regional Director position receiving the highest number of affirmative votes (and if two Regional Directors positions are being filled, the nominee receiving the highest number of affirmative votes and the nominee receiving the same or the second highest number of affirmative votes) shall be elected; provided, however, that if such election would cause there to be more than three (3) directors from a single state (without taking into account the concurrent election for At-Large Directors), the nominee which would be

the fourth director from a single state shall not be elected and the nominee receiving the next highest number of affirmative votes shall be elected in his place.

D. **Election of At-Large Directors.** The nominee for an At-Large Director position receiving the highest number of affirmative votes shall be elected; provided, however, that if such election would cause there to be more than three (3) directors from a single state (after taking into account the concurrent election for Regional Directors), the nominee which would be the fourth director from a single state shall not be elected and the nominee receiving the second highest number of affirmative votes shall be elected.

E. **Run-Off Election.** If two or more nominees for a director position receive the same number of affirmative votes (except where there are two (2) director positions to be filled), the Association shall send new ballots to the applicable Active members listing the nominees which received the same number of affirmative votes in the first election in accordance with procedures established by the Board of Directors.

Section 10. **Vacancies.** In the event of a vacancy on the Board of Directors, the Board of Directors shall elect a qualified replacement; and in the case of a Regional director, the replacement shall reside in the Region where the vacancy occurred. The replacement director shall serve for the balance of the term of his predecessor.

Section 11. **Removal.** A director may be removed at a meeting of the members called for the purpose of voting upon such removal, provided that a Regional Director may be removed by a majority vote of the Active members from his Region and an At-Large Director may be removed by a majority vote of all the Active members.

ARTICLE V. Meetings of the Association.

Section 1. Meetings of the Members.

A. **Annual Meeting.** Annual meetings of the members shall be held at such date, time and place as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting.

B. **Special Meetings.** Special meetings of members may be called by the President or Board of Directors. At any time, upon receipt of a written request signed and dated by at least five percent (5%) of all Active members and stating the purpose or purposes for which a special meeting is called, a corporate officer shall call a special meeting of the members to be held at the date, time and place which such officer fixes, not less than thirty (30) days after receipt of the request. If such corporate officer neglects or refuses to issue a call, the person making the request may do so. The close of business on the thirtieth (30th) day before delivery of the demand for a special meeting to any corporate officer is the record date for the purpose of determining whether the five percent (5%) requirement in this Section 1B has been met.

C. **Notice.** Notice stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than

ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President or the Board of Directors, to each Active member of record as of the record date. If mailed, such notice may be included with any regular publication mailed to the members and shall be deemed to be delivered when deposited in the United States mail addressed to the member at his last address as shown on the records of the Association, with the postage thereon prepaid (at third class bulk rates, or any higher rate).

D. **Quorum**. A quorum for any annual or special meeting of the members shall consist of twenty-five (25) Active members. For purposes of electing Regional Directors, a quorum of the Active members of the Region shall consist of five (5) Active members. If a meeting cannot be organized for lack of quorum, the meeting may be adjourned to a date not more than ninety (90) days later, and no notice of the adjournment shall be required. If a director position cannot be filled by written ballot due to a lack of a quorum, the Association shall re-send written ballots to the applicable members in accordance with procedures established by the Board of Directors.

E. **Action by the Members**. Except as otherwise specified required by law or by the Association's Articles of Incorporation or Article IV, Section 9 of these Bylaws, the vote of a majority of the Active members present at any regular or special meeting at which a quorum is present shall constitute the action of the members.

F. **Proxies**. Members may not vote by proxy in an election for directors. For all other matters, a member may vote either in person or by proxy executed in writing by the member or by his authorized attorney-in-fact and filed with the Association at or before the meeting. A proxy shall be revocable at the pleasure of the member executing it. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the appointment form, but in no case shall an outstanding proxy be valid for more than three (3) years from its date of execution.

G. **Record Date**. Except as provided in Article V, Section 1B, in order to determine the members entitled to notice of and to vote at any meeting of members or an adjournment thereof, the Board of Directors may fix, in advance, a record date, which shall not be more than seventy (70) days before the date of the meeting or other action by the members. A determination of members of record entitled to notice of and to vote at a meeting of members shall apply to any adjournment of the meeting, provided, however, that the Board of Directors may in its discretion, fix a new record date for the adjourned meeting.

If the Board of Directors does not fix a record date, the record date for determining members entitled to notice of and to vote at a meeting of members shall be the close of business on the day next preceding the day on which the notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

Section 2. **Meetings of the Board of Directors**. Meetings of the Board of Directors of the Association shall be held as follows:

A. **Time and Place of Meetings**. The annual meeting of the Board of Directors shall be held at the same place as and immediately following adjournment of the annual meeting of members.

Regular meetings of the Board of Directors shall be held at such time and place as may be determined by the Board of Directors. Special meetings of the Board of Directors may be called by any corporate officer upon the written request of the President or a majority of the Executive Committee.

B. **Notice**. The annual meeting and all regular meetings of the Board of Directors may be held without notice. Written notice of the time and place of special meetings shall be given to each director at least ten (10) days before the meeting. If mailed, any notice to directors may be included in any regular publication mailed to the directors and shall be deemed to be delivered when deposited in the United States mail addressed to the director at his last address as shown on the records of the Association, with postage thereon prepaid (at third class bulk rates or any higher rate). Notices of meetings of the Board of Directors and waivers of notice need not specify the business to be transacted at or the purpose of the meeting.

Any notice required under Article V, Section 2B, may be waived by the director signing a waiver of notice before or after the meeting. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purposes of objecting to the transaction of business because the meeting is not lawfully called or convened.

C. **Quorum**. A quorum for any meeting of the Board of Directors shall consist of not less than a majority of all directors.

D. **Voting**. Each director shall be entitled to cast one (1) vote. The act of the majority of the directors present and voting at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by the Association's Articles of Incorporation or Bylaws.

Section 3. **Action by Consent**. Any action permitted or required to be taken at a meeting of the members or directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members entitled to vote thereon, or by all of the directors, as the case may be.

ARTICLE VI. Officers.

Section 1. **Number**. The officers of the Association shall be a President, an Executive Vice President, two Vice Presidents, a Secretary, a Treasurer, and such other officers as the Board from time to time may elect. Any two or more offices may be held by the same person except the offices of President and Secretary and President and Vice President.

Section 2. **Election and Term**. All officers shall be elected at the annual meeting of the Board of Directors. All officers must be Active members. Each officer shall hold office until the next annual meeting of the Board of Directors and until his successor shall have been duly elected and qualified.

Section 3. **Removal.** Any officer may be removed at any time by a four-fifths vote of the entire Board of Directors, if in their judgment the best interests of the Association would be served by such removal.

Section 4. **Vacancies.** In case any office shall become vacant by reason of death, resignation, removal, or otherwise, the Board of Directors shall promptly elect a successor to fill the vacated office.

Section 5. **Duties.** The officers of the Association shall have the following duties:

A. **President.** The President shall be the chief executive officer of the Association, shall preside at all meetings of the membership, the Board of Directors, and the Executive Committee. He shall sign all contracts and other instruments of writing binding the Association and shall exercise such authority and perform such duties as the Board of Directors or Executive Committee may from time to time prescribe.

B. **Vice Presidents.** The Vice Presidents shall perform such duties and exercise such powers as shall be assigned and granted to them by the President, Board of Directors, or Executive Committee. In the event of the death, absence, incapacity, or refusal to act of the President, the Vice Presidents may perform the duties and exercise the powers of the President with the same force and effect as if performed by the President.

C. **Secretary.** The Secretary shall keep full, true and correct minutes of all meetings of the Board of Directors, the Executive Committee, and the members; he shall have charge of and keep in his possession the seal of the Association and affix the seal when properly authorized to do so. He shall perform all other duties ordered by the President, Board of Directors or Executive Committee.

D. **Treasurer.** The Treasurer shall have supervision and custody of all monies and securities of the Association; shall cause to be kept full and accurate accounts of the receipts and disbursements of the Association; shall cause all monies and other valuable effects to be deposited in the name and to the credit of the Association in such accounts and depositories as may be designated by the Board of Directors or Executive Committee; shall disburse and supervise the disbursement of funds of the Association in accordance with the authority of the Board of Directors and Executive Committee, taking proper vouchers therefore; shall render to the President and to the Board of Directors and Executive Committee at regular and special meetings thereof (or whenever otherwise requested by the President, Board of Directors or Executive Committee), a written detailed account of his transactions as Treasurer and of the financial condition of the Association, including a statement of all its assets, liabilities, and financial transactions; and shall perform such other duties as directed by the President, Board of Directors or Executive Committee.

Section 6. **Delegation of Duties.** The Board of Directors may from time to time delegate some or all of the functions, duties, powers and responsibilities of any officer to any other officer or to any other agent or employee of the Association or other responsible person.

Section 7. **Executive Vice President.** The Board of Directors may employ a person to serve as the Executive Vice President of the Association full-time at the principal office of the Association for such term and at such level of compensation as the Board of Directors may reasonably determine. The Executive Vice President shall be responsible for the daily management and administration of the Association and any other duties as specified by the Board of Directors.

ARTICLE VII. Committees.

Section 1. **Executive Committee.** At each annual meeting the Board of Directors shall elect an Executive Committee, consisting of the President and two Vice Presidents of the Association (not including the Executive Vice President), plus two other directors. Except as provided in Article VII, Section 3 hereof, the Executive Committee shall possess and may exercise all of the powers of the Board of Directors during intervals between meetings of the Board of Directors. All action of the Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action and shall be subject to revision and alteration by the Board of Directors; provided, however, that no rights of third parties shall be affected by such revision and alteration.

The Executive Committee shall keep minutes of its proceedings. Vacancies in the Executive Committee shall be filled by the Board of Directors. A majority of the Executive Committee shall constitute a quorum for the transaction of business and the vote of a majority of Executive Committee members present at any meeting having a quorum shall be necessary to take action. Meetings of the Executive Committee may be called by the President or either of the two Vice Presidents (not including the Executive Vice President), upon 24 hours notice delivered in person or by mail or telegraph to the last address of each member of the Executive Committee as shown on the records of the Association. The notice shall state the time and place of the meeting, but need not state the purpose of the meeting.

Arbitration procedures will be heard by the Executive Committee concerning disputes voluntarily submitted by members of the Association. Occasionally, members have good faith disputes involving unintentional errors and honest differences of opinion. The Committee brings its expertise to the disputes in an effort to resolve them quickly and without substantial cost. Involved parties to the dispute will follow arbitration procedures set forth/available from the American Maine-Anjou Association.

Section 2. **Other Committees.** The Board of Directors shall have the authority to establish such other standing or special committees of the Board of Directors as it deems necessary or appropriate, each of which shall consist of one or more directors. Unless otherwise directed, the President shall appoint the chairman of each committee, and shall serve as an ex officio member of each committee (unless he is an appointed member). The Board of Directors shall have authority to withdraw the appointment of any committee or member thereof. Each committee shall possess and may exercise such powers as authorized by the Board of Directors from time to time. Each committee chairman shall make a written report to the Board of Directors at its meeting next succeeding such action and such action shall be subject to revision and alteration by the Board of Directors; provided, however, that no rights of third parties shall be affected by such revision and alteration.

Section 3. **Limitation of Power of Committees.** No committee appointed by the Board of Directors shall have authority to amend, alter, or repeal these Bylaws; elect, appoint or remove any member of the committee or any director or officer of the Association; amend the Articles of Incorporation; adopt a plan of merger or consolidation with another corporation, authorize the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Association; authorize the voluntary dissolution of the Association or revoke proceedings therefore; adopt a plan for the distribution of the assets of the Association, or amend, alter or repeal any resolution of the Board of Directors which by its terms provides that it shall be amended, altered, or repealed by such committee.

ARTICLE VIII. Hearings and Appeals.

Section 1. **Offenses and Penalties.** If any person violates the Bylaws, rules or regulations of the Association, or impairs or threatens to impair the reliability of the records of the Association, he may be censured, suspended or expelled, if he is a member, or denied any or all privileges of the Association, if he is not a member, after notice and an opportunity to be heard as hereinafter provided. If the Association doubts the propriety of the registration or transfer of any animal, the proceedings or records of the Association with respect to such animal and its descendants may be suspended (but not for more than three months unless charges are preferred against someone in connection with the animal), and the Board of Directors, after notice and opportunity to be heard as hereinafter provided, may deny any application for, or may expunge any existing registration or transfer found to be improper, or take such other steps as are reasonably required.

Section 2. **Filing of Charges.** The Executive Vice President or such other person as designated by the Board of Directors (the "Executive Officer") shall have the right to investigate any member or other person who has registered or transferred an animal with the Association. Following an investigation, the Executive Officer, with the concurrence of an officer, may file written charges with the Executive Committee against such member or other person, either on behalf of the Association itself, or on behalf of another complainant. At least 30 days prior to the date scheduled for the hearing before the Executive Committee (pursuant to Section 3 of this Article VIII), the Executive Officer shall give notice of the hearing to the person who has been charged and all other interested parties. The notice shall state the time and place of the hearing and the purpose and scope thereof, and advise that the hearing shall be conducted in accordance with the procedures set forth in the Bylaws of the Association entitling all interested parties to be represented in person or by counsel and to present witnesses, affidavits and other forms of evidence. A copy of the charges and of the Bylaws shall be enclosed with the notice.

Section 3. **Hearings.** Hearings shall be conducted by the Executive Committee, in accordance with the following procedures:

A. **Quorum.** At least three (3) members of the Executive Committee shall participate in all hearings, with a majority vote of those participating required to take action.

B. **Presiding Officer.** The President shall preside over hearings before the Executive Committee. He may rule upon all motions, objections and questions, subject to review by the Executive Committee.

C. **Burden of Proof.** The person preferring charges shall have the burden of proving such charges by a preponderance of the evidence.

D. **Representation by Counsel.** All interested parties may be represented in person or by counsel. The counsel for an interested party shall not advise or consult with the Executive Committee or Board of Directors in connection with the hearing.

E. **Evidence.** All interested parties may present witnesses, affidavits, and other forms of evidence if they are relevant and material and not unduly repetitious. Witnesses may, but need not, be sworn.

F. **Record.** All proceedings before the Executive Committee and the Board of Directors shall be transcribed. Copies of the record shall be made available to any interested party, upon payment, in advance, of the reasonable cost thereof.

G. **Decision.** As soon as reasonably possible after conclusion of the hearing, the Executive Committee shall render its written finds and conclusions, and give notice thereof to all interested parties. The decision of the Executive Committee shall remain in effect unless and until reversed or modified by the Board of Directors.

Section 4. **Appeals.** The person who has been charged may appeal the decision of the Executive Committee, if the Executive Officer receives such person's written request to appeal at the principal office of the Association not more than thirty (30) days after notice of the decision of the Executive Committee has been mailed to the person who has been charged. At least 30 days prior to the date scheduled for the hearing before the Board of Directors, the Executive Officer shall give notice of the hearing to all interested parties. The notice shall state the time and date of the hearing before the Board of Directors, and the purpose and scope thereof, and advise that the hearing shall be conducted in accordance with the procedures set forth in the Bylaws of the Association, entitling all interested parties to be represented in person or by counsel. In all appeals the following shall apply.

A. **Record of Proceedings.** The Executive Officer shall transmit to the Board of Directors the record of the proceedings before the Executive Committee, including its written findings and conclusions.

B. **Eligible Directors.** Only the ten (10) directors who are not on the Executive Committee shall be eligible to participate in the hearing before the Board of Directors. The eligible director who presides over the hearing shall be selected by the other eligible directors; he may rule upon all motions, objections and questions, subject to review by all of the eligible directors.

C. **Quorum.** At least eight (8) of the ten (10) eligible directors shall participate in all hearings, with a majority vote of those participating required to take action.

D. **Representation by Counsel.** All interested parties may appear in person or by counsel.

E. **Scope of the Review.** The decision of the Board of Directors shall be based solely upon the record before the Executive Committee and the arguments of interested parties; provided that the Board of Directors may hear and consider additional evidence which in the exercise of reasonable diligence could not have produced or was improperly excluded at the hearing before the Executive Committee.

F. **Decision.** As soon as reasonably possible after the conclusion of the hearing, the Board of Directors shall render its written findings and conclusion, affirming, reversing, or modifying the decision of the Executive Committee (with discretion to make the penalty more or less severe). The Executive Officer shall promptly send notice of the decision of the Board of Directors to all interested parties.

Section 5. **Publication of Decision.** If necessary to protect the interests of the Association and its members, the decisions of the Executive Committee and Board of Directors may be announced in the annual report of the Association or in any other form of publication distributed by the Association.

Section 6. **Notices.** All notices required under this Article VIII shall be sufficient if sent by United States certified mail, postage prepaid, addressed to the person being notified at his last known address on the records of the Association.

ARTICLE IX. Indemnification.

Section 1. **Actions by or in the Right of the Association.** The Association shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative other than an action by or in the right of the Association by reason of the fact that he is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he is reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, and no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which is reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. **Actions by Third Parties.** The Association shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or the right of the Association to procure a judgment in its favor by

reason of the fact that he is or was a director, officer, employee or agent of the Association, or ever was serving at the request of the Association as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of a liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which such court shall deem proper.

Section 3. **Indemnification Upon Successful Defense.** THE Association shall indemnify a director, officer, employee or agent of the Association which has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Article IX, Sections 1 and 2, or in defense of any claim, issue or matter therein, his in connection therewith.

Section 4. **Determination of Conduct.** Any indemnification under Article IX, Section 1 and 2, unless ordered by a court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Article IX, Sections 1 and 2. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit, or proceeding, or if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in written opinion, or by the members.

Section 5. **Payment in Advance.** Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in Article IX, Section 4, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this article.

Section 6. **Rights Other Than Indemnification.** The indemnification provided by this Article IX shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of members, or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 7. **Indemnification Insurance.** The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise

against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article IX.

ARTICLE X. State and Regional Associations.

Section 1. **Approval of State and Regional Associations.** A state or regional association may be recognized by the Association if approved by the Board of Directors upon submission of an application and other pertinent information, including its articles of incorporation, bylaws, and rules, the names and address of its officers, directors and members, and a statement of its proposed activities.

Section 2. **State Associations.** State associations shall be confined to their own state interest and shall in no way conflict with the aims and objectives of the Association. Only one Affiliate member may be recognized from each state.

Section 3. **Regional Associations.** Several states may combine to form a regional association if none of them has state associations.

ARTICLE XI. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year.

ARTICLE XII. Amendments. The Board of Directors may recommend to the members that these Bylaws be amended, altered or repealed or that new bylaws be adopted. These Bylaws may be amended, altered or repealed and new bylaws may be adopted at any regular or special meeting of the members at which a quorum is present or by written ballot, by the affirmative vote of a majority of the members entitled to a vote on the proposed amendment or of two-thirds of the votes cast, whichever is less. If the proposed amendment is to be approved at a meeting of the members, the members shall be given notice of the meeting in accordance with these Bylaws, stating that the purpose or one of the purposes, of the meeting is to consider the proposed amendment and containing a copy or summary of the proposed amendment. If the proposed amendment is to be approved by written ballot, the material soliciting the approval shall contain a copy or summary of the proposed amendment.