

BYLAWS

OF THE

NATIONAL ASSOCIATION OF MORTGAGE FIELD SERVICES

A Delaware Not-for-Profit Corporation



TABLE OF CONTENTS

ARTICLE I – NAME & PURPOSE	4
<i>Section 1.1 Name</i>	<i>4</i>
<i>Section 1.2 Purpose.....</i>	<i>4</i>
<i>Section 1.3 Not-for-Profit Organization</i>	<i>5</i>
ARTICLE II – MEMBERS	5
<i>Section 2.1 Classes of Members</i>	<i>5</i>
<i>National Members</i>	<i>5</i>
<i>Regional Members</i>	<i>5</i>
<i>Associate Members</i>	<i>5</i>
<i>Affiliate Members.....</i>	<i>6</i>
<i>Life and Honorary Members</i>	<i>6</i>
<i>Section 2.2 Admission of Members</i>	<i>6</i>
<i>Section 2.3 Multiple Memberships</i>	<i>7</i>
<i>Section 2.4 Fees, Dues and Assessments</i>	<i>7</i>
<i>Section 2.5 Voting Rights of Members.....</i>	<i>7</i>
<i>Section 2.6 Termination of Membership.....</i>	<i>8</i>
<i>Grounds for Termination.....</i>	<i>8</i>
<i>Procedure for Expulsion.....</i>	<i>8</i>
<i>Rights on Termination of Membership</i>	<i>9</i>
ARTICLE III – MEETINGS OF MEMBERS.....	9
<i>Section 3.1 Annual Meeting</i>	<i>9</i>
<i>Section 3.2 Special Meetings of Members.....</i>	<i>10</i>
<i>Section 3.3 Action by Written Ballot without a Meeting</i>	<i>10</i>
<i>Section 3.4 Notice of Meetings</i>	<i>10</i>
<i>Time of Notice</i>	<i>10</i>
<i>Manner of Giving Notice</i>	<i>11</i>
<i>Section 3.5 Quorum for Meetings</i>	<i>11</i>
<i>Section 3.6 Conduct of Meetings.....</i>	<i>11</i>
ARTICLE IV – BOARD OF DIRECTORS	11
<i>Section 4.1 Composition of the Board of Directors</i>	<i>11</i>
<i>Section 4.2 Term of Office for Directors.....</i>	<i>12</i>
<i>Section 4.3 Role / Duties of Directors</i>	<i>12</i>
<i>Section 4.4 Minimum Qualifications of Directors.....</i>	<i>13</i>
<i>Section 4.5 Nomination and Election of Directors</i>	<i>13</i>
<i>Section 4.6 Meetings of the Board of Directors</i>	<i>14</i>
<i>Notice of Board Meetings</i>	<i>14</i>
<i>Quorum for Board Meetings</i>	<i>14</i>
<i>Section 4.7 Conduct of Board Meetings.....</i>	<i>15</i>

<i>Section 4.8 Professional Conduct of Directors</i>	15
<i>Section 4.9 Resignation of Directors</i>	16
<i>Section 4.10 Board Vacancies</i>	16
<i>Section 4.11 Non-Liability of Directors</i>	16
<i>Section 4.12 Officers and Directors Insurance</i>	17
ARTICLE V – OFFICERS	17
<i>Section 5.1 Officers of the Association</i>	17
<i>Section 5.2 Term of Office for Officers</i>	17
<i>Section 5.3 Duties of Officers</i>	17
<i>Duties of President</i>	17
<i>Duties of Vice President</i>	18
<i>Duties of Secretary</i>	18
<i>Duties of Treasurer</i>	19
<i>Section 5.4 Minimum Qualifications of Officers</i>	20
<i>Section 5.5 Nomination and Election of Officers</i>	20
<i>President and Vice President</i>	20
<i>Secretary and Treasurer</i>	21
<i>Section 5.6 Professional Conduct of Officers</i>	22
<i>Section 5.7 Resignation of an Officer</i>	23
<i>Section 5.8 Officer Vacancies</i>	23
ARTICLE VI – EXECUTIVE DIRECTOR	23
<i>Section 6.1 Role / Duties of the Executive Director</i>	23
<i>Section 6.2 Assignment and Service</i>	24
ARTICLE VII – COMMITTEES	24
<i>Section 7.1 Association Committees</i>	24
<i>Section 7.2 Organization of Committees</i>	25
<i>Section 7.3 Duties and Responsibilities of Committees</i>	25
ARTICLE VIII – AMENDMENTS	26
<i>Section 8.1 Amendments</i>	26

BYLAWS

OF THE

NATIONAL ASSOCIATION OF MORTGAGE FIELD SERVICES A Delaware Not-for-Profit Corporation

ARTICLE I – NAME & PURPOSE

Section 1.1 Name

The name of the “Association” shall be the National Association of Mortgage Field Services, Inc.

Section 1.2 Purpose

The National Association of Mortgage Field Services is a “trade association” and as such is a group of individuals and companies organized to promote common interests.

The Association was formed to provide a central forum for those individuals or businesses located throughout the United States and its territories that are field service providers on some level for mortgage banking and other financial institutions. The purpose of this forum is to provide opportunities for the following:

- (a) To provide an organized and professional forum to facilitate the education of members and the exchange of ideas enabling members to grow professionally. Such education should include the development and communication of “best practices”, and should encourage extensive communication and interaction among association members in order to facilitate learning experiences. The association may also elect to utilize this education forum as a base for the development of standard certification programs. These educational opportunities are intended to assist association members in providing the highest quality of service in the field service and related industries.
- (b) To facilitate and promote greater understanding and interaction among the “regional” and “national” levels of service providers. Part of this interaction

is to provide networking access, and to promote marketing and business improvement opportunities.

- (c) To provide needed and appropriate member benefits. The combined purchasing power of the Association can be used to assist members in making available common supplies and services typically required in the conduct of their business.
- (d) To assist in lobbying selected government entities and other organizations important to industry business interests.

Section 1.3 Not-for-Profit Organization

The National Association of Mortgage Field Services, Inc. is organized as a not-for-profit corporation.

ARTICLE II – MEMBERS

Section 2.1 Classes of Members

The Association shall have the following classes of members:

Voting Members:

- National Members
- Regional Members

Non-voting Members:

- Associate Members
- Affiliate Members
- Life and Honorary Members

- (a) **National Members.** National members are defined as those firms or individuals who cover a territory encompassing eight or more states. National members are eligible to serve as directors and hold office in the Association.
- (b) **Regional Members.** Regional members are defined as those firms or individuals who cover a territory encompassing one state, a portion of a state, or a region including up to seven states. Regional members are eligible to serve as directors and hold office in the Association.
- (c) **Associate Members.** Associate members are individuals or companies who provide support services to the field service industry, but are not directly engaged in providing field services. These members are service providers, suppliers and vendors to the field service industry. Examples include but are

not limited to software and other technology providers, industry insurance providers, distributors of locks and lockboxes, computer hardware and office equipment sellers, payroll services, building supplies sellers, marketing consultants, waste management companies. Associate members are non-voting members, and are not eligible to serve as directors or officers of the Association. These members are eligible to serve on Association committees.

- (d) **Affiliate Members.** Affiliate members are individuals or companies who are actively involved in fields which are related to or complement the business of the field service industry, other than service providers, suppliers and vendors to the field service industry. These members may also include mortgage companies or other financial institutions who are the customers of other Association members. Examples of affiliate members include but are not limited to real estate brokers, BPO companies, claims processors, banking institutions, mortgage servicers, REO servicers, asset management companies. Affiliate members are non-voting members, and are not eligible to serve as directors or officers of the Association. These members are eligible to serve on Association committees.

- (e) **Life and Honorary Members.** Life and honorary members are individuals deemed to have provided extraordinary service to the Association and to the field service industry over an extended period of time. Life and honorary membership is conferred upon individuals according to terms and qualifications specified from time to time by the Board of Directors. Life and honorary members pay no dues.

Section 2.2 Admission of Members

Application for membership is open to any individual or business that demonstrates they are a current service provider of field services in some capacity to mortgage banking or other financial institutions, a provider of support services to the field service industry, or are actively involved in fields that are complementary to the field service industry. It is contemplated that prospective members would perform services or provide products consistent with membership definitions set forth in Section 2.1 and would be supportive of the purpose statement set forth in Section 1.2 above.

Admission of new members shall be based upon meeting the above requirements, and shall be governed by rules set forth from time to time by a majority vote of the Board of Directors. The Board of Directors may define specific requirements for membership for each class of member which in their collective judgment will best meet the objectives of the Association. Such rules may include prospective member referral requirements or other membership criteria established by the Board. The Board of Directors shall also set forth the specific procedure to be followed in processing new members, which procedure is to be implemented by the Executive Director, or the Membership Committee of the Association, or both.

Section 2.3 Multiple Memberships

If one person or company has ownership interest or management involvement in more than one entity that would qualify for Association membership under more than one membership class, it is permissible for such entities to both be members of the Association. Provided, however, that only one of the memberships can be either a National Member or a Regional Member. For example, two entities under common ownership, one of which would qualify as a Regional Member and the other that would qualify as an Associate Member, can both be members of the Association. Both members would pay annual dues according to the dues schedules for their respective classes of membership.

Section 2.4 Fees, Dues and Assessments

The annual dues payable to the Association by each member class shall be in an amount to be determined from time to time by a majority vote of the Board of Directors. Annual dues shall cover the calendar year, regardless of when actually paid. It is permissible to prorate dues for new members who are joining the Association at various times during the year. It is also permissible to discount first year dues for new members for promotional reasons, but such discounted dues also should not be less than fifty percent (50%) of the annual dues for the specific member class. Prorated or discounted dues, if utilized, should be part of the dues schedule determined and set forth by the Board of Directors.

The Board of Directors is also authorized to issue special assessments to the members of the Association, but such assessments shall require a two-thirds (2/3) vote of the Board. It is also contemplated that the Association periodically may solicit sponsorship donations from its members for conferences and other activities.

Section 2.5 Voting Rights of Members

National Members and Regional Members are entitled to one vote per company, regardless of the number of employees from that company who are active in the Association. Associate Members and Affiliate Members are not entitled to vote.

Members of the Association vote upon the following matters: direct election of the President and Vice President of the Association; a decision to voluntarily wind up/dissolve the Association; and any other matters deemed by the Board of Directors to require a vote of the membership.

National and Regional Members of the Association nominate: Officers of the Association and members of the Board of Directors.

A vote of the membership may be conducted at any Annual Meeting or Special Meeting of Members, or may be conducted by U.S. Mail delivery or by verifiable electronic mail as directed by the Board of Directors.

Section 2.6 Termination of Membership

(a) **Grounds for Termination.** The membership of an Association member shall terminate upon the occurrence of any of the following events:

- (1) *Resignation of the member.* Upon written notice of such resignation being delivered to the President or Secretary of the Association personally, by U.S. Mail delivery, or by verifiable electronic mail, such membership will terminate upon the date of receipt of the resignation by the Association officer. Resignation does not relieve a member from liability for unpaid dues or other financial obligations to the Association that have already accrued at the time of resignation. Annual dues previously paid by the resigning member will not be refunded to that member.
- (2) *Failure to pay annual dues.* Upon failure of a member to renew their membership by paying dues on or before their due date, such termination of membership shall be effective thirty (30) days after written notification of delinquency is sent to such member by the Executive Director of the Association.
- (3) *Conduct prejudicial to the interests of the Association.* Upon determination by the Board of Directors that a member has engaged in conduct materially and seriously prejudicial to the interests or purposes of the Association, the Board may vote to terminate the membership of that member. The decision to initiate expulsion proceedings shall require a two-thirds (2/3) vote of the Board in accordance with the quorum and voting rules set forth in these Bylaws applicable to meetings of the Board. The procedure for terminating the membership of a member under this “prejudicial conduct” rule is set forth under subparagraph (b) of this section.

(b) **Procedure for Expulsion.** Following the determination that a member should be expelled under subparagraph (a)(3) of this section, the following procedure shall be implemented:

- (1) A written notice shall be sent by U.S. Mail delivery or verifiable electronic mail to the last known address(es) of the member as shown in the Association’s records, setting forth the proposed expulsion and the reasons therefore. Such notice shall be sent at least fifteen (15) days before the proposed effective date of the expulsion.

- (2) The member being expelled shall be given an opportunity to be heard, either orally or in writing, at a hearing to be held not less than five (5) days before the effective date of the proposed expulsion. The hearing will be held by the Board of Directors in accordance with the quorum and voting rules set forth in these Bylaws applicable to meetings of the Board. If the member being expelled requests that the hearing be an oral hearing, such hearing may be a telephonic meeting of the Board. The notice to the member regarding the proposed expulsion shall state the date, time, and place of the hearing.
 - (3) Following the hearing the Board of Directors shall decide whether or not the member should in fact be expelled, suspended, sanctioned in some other way, or if no formal action should be taken. This post-hearing decision regarding the action to be taken against the member shall require a majority vote of the Board.
 - (4) If the member being expelled does not elect to be heard, either orally or in writing, the proposed expulsion shall be final on the date of expulsion set forth in the notice described in subparagraph (b)(1) of this section.
 - (5) Any member expelled from the Association under the “prejudicial conduct” rule shall receive a prorated refund of the unaccrued portion of annual dues already paid.
- (c) ***Rights on Termination of Membership.*** All rights of a member of the Association shall cease on termination of the membership as herein provided.

ARTICLE III – MEETINGS OF MEMBERS

Section 3.1 Annual Meeting

The members shall meet annually for the purpose of receiving Association Committee reports and conducting such other business as the Board of Directors designates should come before the Annual Meeting. Each year, the announcement of the election of new Directors (as elected by the Board) shall be made at the Annual Meeting. Every second year, the Association members shall elect Officers of the Association at the Annual Meeting.

The date, time and place of the Annual Meeting shall be set by the Board of Directors. In most instances, the Board may wish to schedule the Annual Meeting in conjunction with the Association’s annual conference, as part of the General Session at that conference.

Section 3.2 Special Meetings of Members

Special Meetings of the members are meetings called to conduct business of the Association that requires a vote of the membership, when it would be imprudent to wait for the next Annual Meeting to conduct such business. Special Meetings may be called by the President of the Association, by a majority vote of the Board of Directors, or by a verified petition signed by twenty-five percent (25%) of the active voting members of the Association.

Section 3.3 Action by Written Ballot without a Meeting

In lieu of a Special Meeting, the Association may also conduct business requiring a vote of the membership by utilizing the procedure of Action by Written Ballot without a Meeting. Under this approach, the matter to be considered is fully documented and explained in a written ballot sent by the President or Secretary of the Association by U.S. Mail delivery or by verifiable electronic mail to each voting member of the Association. A period of not less than ten (10) days shall be allowed for questions and clarifications to be forwarded to the President of the Association, and such queries shall be answered promptly by the President. Once the question/clarification period is closed, each voting member shall vote on the matter(s) to be considered. Such voting shall be conducted by the Executive Director or Secretary utilizing either U.S. Mail delivery or verifiable electronic mail, allowing a reasonable time within which to return the ballots to the Association.

All written ballots shall indicate the number of responses needed to meet the quorum requirement, and shall state the percentage of approvals necessary to pass the measure(s) submitted. The ballots must also specify the time by which they must be received by the Association in order to be counted.

Approval of actions taken utilizing this method (e.g., Action by Written Ballot without a Meeting) shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum requirement for this action.

Action by Written Ballot without a Meeting can be initiated by the President of the Association, by a majority vote of the Board of Directors, or by a verified petition signed by twenty-five percent (25%) of the active voting members of the Association

Section 3.4 Notice of Meetings

- (a) **Time of Notice.** Notice of each meeting shall be provided by the Executive Director or by the Secretary of the Association to each voting member of the Association, as follows:

- (1) For the Annual Meeting: not less than sixty (60) days prior to the scheduled meeting date.
 - (2) For Special Meetings of Members: not less than thirty (30) days prior to the scheduled meeting date.
 - (3) For Action by Written Ballot without a Meeting: The due date for ballots to be returned must be at least twenty (20) days after the ballots are sent out to Association members.
- (b) **Manner of Giving Notice.** Notice shall be given by U.S. Mail delivery or verifiable electronic mail. It is the sole responsibility of each Association member to have on file with the office of the Executive Director a current mailing address, current email address, and current phone number where the member can be contacted.

Section 3.5 Quorum for Meetings

A quorum shall consist of ten percent (10%) of the voting members of the Association for the Annual Meeting; fifty percent (50%) of the voting members of the Association for Special Meetings of members; and fifty percent (50%) of the voting members of the Association for Action by Written Ballot without a Meeting.

Section 3.6 Conduct of Meetings

Meetings of members shall be presided over by the President of the Association, or in his/her absence, the Vice President of the Association, or in the absence of both of these officers, by a Meeting Chair chosen by a majority of the voting members who are in attendance at the meeting. The Secretary of the Association shall act as secretary of all meetings of members, provided that in his/her absence, the presiding officer shall appoint another person as Acting Secretary of the meeting.

Meetings of members shall be conducted in accordance with *Robert's Rules of Order*, as such rules may be revised from time to time, and insofar as such rules are not inconsistent with or in conflict with these Bylaws.

ARTICLE IV – BOARD OF DIRECTORS

Section 4.1 Composition of the Board of Directors

The Board of Directors shall be comprised of the following members:

Voting Members:

- 4 Elected Officers (President, Vice President, Secretary, Treasurer)
- Immediate Past President
- 4 At-large Directors who are National Members
- 4 At-large Directors who are Regional Members

Non-voting Emeritus Members:

- All Past Presidents who are still active in the field service or related industries

The Board of Directors should not include more than one At-large Director from the same Association member company.

Section 4.2 Term of Office for Directors

Elected officers serve as members of the Board of Directors during their two-year term of office as an officer. The Immediate Past President serves as a Director during the two years immediately following his term of office as President. The at-large Directors serve a two year term and may run for reelection to a second two year term. A Director may not serve more than two consecutive terms as an at-large Director. A Director may serve more than two consecutive terms if part of that service is as an at-large Director and part is as an elected officer.

As set forth in more detail in Section 5, officers are elected for a term of two years every other year. The eight at-large Directors are elected to alternating terms, with two National Member at-large directors and two Regional Member at-large directors being elected each year.

Newly-elected at-large Directors shall be announced at the Annual Meeting each year, and shall begin their term at the close of the Annual Meeting.

Commencing in the election of Directors in 2007, one half of the at-large Directors shall be elected for a two year term, the remainder for a one year term. At all elections thereafter, at-large Directors shall be elected for two year terms.

Section 4.3 Role / Duties of Directors

The Board of Directors shall have responsibility for the overall supervision, control and direction of the affairs of the Association and delegates responsibility for the day-to-day operations of the Association to the Executive Director. The Board shall determine Association policies or changes therein within the limits of the Bylaws, shall actively prosecute Association purposes, and shall have discretion in the disbursement of its funds. The Board may adopt such rules and regulations for the conduct of its business as shall be deemed advisable and may, in the execution of the powers granted, appoint such agents as it may consider necessary.

The Board receives no compensation other than reimbursement of reasonable expenditures they may incur on behalf of the Association. Any such expenditures exceeding \$300.00 must be pre-approved by the Board of Directors.

Section 4.4 Minimum Qualifications of Directors

National members and Regional members of the Association are eligible to serve on the Board of Directors. Following are the minimum qualifications and requirements for service as a Director:

- (a) a National or Regional member in good standing with the Association for at least two (2) years
- (b) prior service on an Association committee as either a member or Chair for at least one (1) year
- (c) commitment to attend at least one live board meeting each year
- (d) commitment to participate in at least 67% of all board meetings (live and teleconference meetings)

Section 4.5 Nomination and Election of Directors

Seventy-five (75) days prior to the Annual Meeting, the Executive Director shall issue a call for nominations to the Board of Directors. Any National or Regional member who meets the qualifications set forth in Section 4.4 may be nominated. Nominations may be tendered by any National or Regional member in good standing and the member can nominate his or her self. The nomination period is to be open for two full calendar weeks. Additional nominations may also be made by the Nominations Committee.

Not more than forty-five (45) days and not less than fifteen (15) days prior to the Annual Meeting, a meeting of the Nominations Committee shall be convened to determine the final nominees to the Board of Directors. The Nominations Committee shall be comprised of the President, Vice President, Executive Director, one National Member at-large Director, and one Regional Member at-large Director (both selected by the other three members of the Nominating Committee). The Nominations Committee should not include more than one person from the same Association member company.

The number of nominations to the Board is limited to a multiplier of two (2) for each open Board position. The Nominations Committee shall carefully review all persons nominated for the Board of Directors. They shall then select the following as final nominees to the Board of Directors:

- (a) Four nominees for the position of National at-large Director
- (b) Four nominees for the position of Regional at-large Director

Following the selection of the final nominees to the Board of Directors, the Executive Director shall contact each final nominee to confirm his or her willingness to serve and commitment to board meeting attendance, if elected. If any nominee is unable to commit to the service requirements set forth in Section 4.4, such nominee is to be replaced by another final nominee by the Nominations Committee.

A meeting of the full Board of Directors shall be convened not more than fifteen (15) days prior to the Annual Meeting and not later than just prior to the Annual Meeting. At this meeting, the Nominations Committee shall present the final nominees for the Board of Directors. The current Board of Directors shall vote on the nominees to elect the new Directors. Two National at-large Directors and two Regional at-large Directors shall be elected.

The results of the election shall be announced at the Annual Meeting.

Section 4.6 Meetings of the Board of Directors

The Board of Directors shall meet six (6) times a year. Such board meetings may be held by conference telephone call, although at least one (1) meeting each year shall be a live board meeting to coincide with the Association's annual conference and Annual Meeting. The President shall create the schedule for these regular board meetings, in consultation with the Executive Director and other Officers.

Special meetings of the Board of Directors may also be called as needed by the President, by the Vice President, or by any three Directors.

- (a) **Notice of Board Meetings.** Notice of each *regular meeting* of the Board of Directors shall be given to each board member by U.S. Mail delivery or by verifiable electronic mail not less than fifteen days before the scheduled meeting date. Notice of each *special meeting* of the Board of Directors shall be given to each board member by verifiable electronic mail or by a personal telephone call not less than 72 hours before the scheduled meeting date if meeting is to be held by conference telephone call, and not less than 45 days before the scheduled meeting date if meeting is to be a live meeting.

Notice of each *regular meeting* of the Board shall be provided to the Directors by the Executive Director, President or Vice President for regular Board Meetings. Notice of each *special meeting* of the Board shall be provided to the Directors by the Executive Director, President, Vice President, or by the three Directors (if they are the ones calling the meeting).

- (b) **Quorum for Board Meetings.** A quorum shall consist of a majority of the Board of Directors. No business shall be considered by the Board at any meeting at which a quorum is not present.

Section 4.7 Conduct of Board Meetings

Meetings of the Board of Directors shall be presided over by the President of the Association, or in his/her absence, the Vice President of the Association, or in the absence of both of these officers, by a Meeting Chair chosen by a majority of the Board of Directors present at the meeting. The Secretary of the Association shall act as secretary of all meetings of the Board, provided that in his/her absence the presiding officer shall appoint an Acting Secretary for the meeting.

The agenda for Board Meetings shall be determined by the President in consultation with the Executive Director and the other Officers. Additional agenda items may be submitted to the President by any Board Member or Committee Chair. Association members may request agenda items to be considered by the Board through any Board Member.

Meetings of the Board of Directors shall be conducted in accordance with *Robert's Rules of Order*, as such rules may be revised from time to time, and insofar as such rules are not inconsistent with or in conflict with these Bylaws.

The Secretary of the Association shall keep written minutes of Board Meetings and shall maintain such minutes on file. These minutes shall not be distributed to general members, but may be inspected by same upon written request to the President or Executive Director.

Section 4.8 Professional Conduct of Directors

No single Director or group of Directors is empowered to bind the Association or act as spokesman or negotiator for the Association, unless expressly authorized to do so by a vote of a quorum of the Board of Directors.

Prior to being elected, each Director has committed to certain levels of participation with the Board of Directors. Directors also have a special obligation for appropriate conduct of their personal business affairs because of their position in the Association. Accordingly, the following types of conduct or lack of participation may be considered as grounds for expulsion from office:

- (a) Missing two (2) consecutive meetings of the Board of Directors, if unexcused.
- (b) Substantial inactivity on the Board or significant lack of effort and involvement in Association affairs.
- (c) Accepting a bribe from a third party whose purpose is to influence Board action.
- (d) Engaging in conduct which is a conflict of interest regarding their position as a Director.

- (e) Divulging confidential Board information to parties outside the Board, which disclosure becomes harmful to the Board or the Association.
- (f) Performing any action in his/her capacity as a Director which is contrary to the Association's purpose or its policies and procedures, when such action proves to be harmful to the Board or the Association.
- (g) Civil judgment for fraud, or conviction of a felony, to the extent that such action may reflect on the goodwill and public confidence in the Association.
- (h) No longer being a member in good standing of the Association.

Procedures to be followed to expel a Director from office shall be the same as those set forth in Sections 2.6(a)(3) and 2.6(b) of these Bylaws, including the requirement that a decision to initiate expulsion proceedings against a Director shall require a two-thirds (2/3) vote of the Board (excluding the vote of the Director in question).

Section 4.9 Resignation of Directors

Any Director may resign his position on the Board upon giving written notice to the President, Secretary, or Board of Directors. No Director may resign if the Association would then be left without a duly elected Director or Directors in charge of its affairs.

Section 4.10 Board Vacancies

Vacancies on the Board of Directors may occur from time to time as a result of the death, resignation or removal of any Director. A vacancy can also occur when an "at large" director becomes an "officer" director by virtue of his/her election as an Officer of the Association. Vacancies on the Board shall be filled based on a majority vote by remaining Directors (whether or not less than a quorum). The Board may request the nomination of Director replacement candidates from the Nominations Committee prior to voting on the replacement. If possible, the replacement Director will be the same member class (e.g., National member or Regional member) that he/she is replacing.

The new Director selected shall serve the remainder of the replaced Director's term, and such service shall not preclude the newly appointed Director from standing for election to serve as a Director in his/her own right for two additional consecutive 2-year terms.

Section 4.11 Non-Liability of Directors

Directors of the Association shall not be personally liable for the debts, liabilities, or other obligations of the Association.

Section 4.12 Officers and Directors Insurance

The Board of Directors of the Association shall adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Association, including Officers, Directors, the Executive Director, and any other employee or agent of the Association.

ARTICLE V – OFFICERS

Section 5.1 Officers of the Association

The Officers of the Association shall be: President, Vice President, Secretary, and Treasurer. The position of Executive Director shall not be an officer of the Association, but shall be an employee.

Section 5.2 Term of Office for Officers

The offices of President and Vice President are each limited to one two year term.

The offices of Secretary and Treasurer are also elected to a two year term. Because these two positions require unique skills that may not be generally available from the Association membership, there is no term limit for these two offices.

A currently seated Vice President, Treasurer or Secretary may run for another elected office of the Association in the next election cycle. However, the outgoing President is barred from running for Vice President.

Section 5.3 Duties of Officers

- (a) **Duties of President.** The President of the Association shall be responsible for and perform the following duties:
- Function as the Chief Executive Officer of the Association. Subject to the oversight of the Board of Directors, the President shall supervise and control the affairs of the Association and the activities of the Officers and the Executive Director.
 - Act as chief spokesperson for the Association to the media and other outside groups
 - Preside at all Member meetings
 - Preside at all meetings of the Board of Directors

- Set all meeting agendas, in consultation with the other Officers and with the Executive Director
- Set the schedule for the *regular meetings* of the Board of Directors
- Call *special meetings* of the Board of Directors, as needed
- Enforce the Bylaws
- Execute Association contracts, agreements and other instruments required from time to time
- Represent the Association at other industry conferences or events, as directed by the Board of Directors

(b) **Duties of Vice President.** The Vice President of the Association shall be responsible for and perform the following duties:

- Perform all duties of the President, in the event of his/her inability or refusal to act
- Perform all duties specifically delegated by the President
- Preside at Member meetings, or meetings of the Board of Directors, in the absence of the President
- Appoint Committee Chairmen, as directed by the Board of Directors
- Oversee and supervise the operation of Association Committees; receive reports from Committees regarding their activities and progress
- Provide support and assistance to Committee Chairs, where needed

(c) **Duties of Secretary.** The Secretary of the Association shall be responsible for and perform the following duties:

- Keep minutes of all Member meetings, and maintain a historical record of such minutes
- Keep minutes of all meetings of the Board of Directors, and maintain a historical record of such minutes
- Function as the custodian of Association minutes, Bylaws, and incorporation documents

- Distribute copies of all meeting minutes to members of the Board of Directors
- Provide meeting minutes to Association members, when requested
- See that all meeting notices are given in accordance with these Bylaws

(d) **Duties of Treasurer.** The Treasurer of the Association shall be responsible for and perform the following duties:

- Supervise all funds and investments of the Association; establish bank account(s) for the Association and maintain such accounts; ensure that all Association funds are deposited in such accounts
- Maintain records of bank balances, deposits, checks issued, and other bank activity
- Maintain adequate accounting records for the Association to record its assets, liabilities, receipts, disbursements, gains and losses
- Receive from the Executive Director a detail record of dues and other revenues collected and deposited in the bank. When necessary, receive dues and other revenues directly and deposit same in the bank.
- Issue checks in payment of Association purchases and expenditures
- Oversee the budgeting process for the Association, including preparation of Initial Budgets to be considered by the Board of Directors
- Report actual revenues and expenditures against the approved budget; advise the Board of Directors regarding the budget
- Prepare periodic financial statements for the Association, including budget reports
- Present a Treasurer's Report at the Annual Meeting
- Oversee the filing of Federal and other tax returns, as required
- Oversee annual corporation filings, as required by the State of Delaware

Section 5.4 Minimum Qualifications of Officers

National members and Regional members of the Association are eligible to serve as officers of the Association. Following are the minimum qualifications and requirements for service as an officer:

- (a) a National or Regional member in good standing with the Association for at least two (2) years
- (b) prior service on the Board of Directors, or on an Association committee as either a member or Chair for at least one (1) year
- (c) commitment to attend at least one live board meeting each year
- (d) commitment to participate in at least 67% of all board meetings (live and teleconference meetings)
- (e) knowledge, skills and abilities to perform the duties of office as set forth in Section 5.3 of these Bylaws

Section 5.5 Nomination and Election of Officers

- (a) ***President and Vice President.*** The following nomination and election procedure shall be followed with regard to the positions of President and Vice President of the Association:
 - 1) Seventy-five (75) days prior to the Annual Meeting, the Executive Director shall issue a call for nominations to the offices of President and Vice President. Such nominations shall be forwarded to the Executive Director. Any National or Regional member who meets the qualifications set forth in Section 5.4 may be nominated. A nominee is to be capable of performing the duties set forth in Section 5.3(a) [for President] or Section 5.3(b) [for Vice President]. Nominations may be tendered by any National or Regional member in good standing and the member can nominate his or her self. The nomination period is to be open for two full calendar weeks.
 - 2) Sixty (60) days prior to the Annual Meeting, the Board of Directors of the Association shall provide a questionnaire to each person nominated requesting certain information about their candidacy. The questions to be asked in this questionnaire shall be at the discretion of the Board.
 - 3) Not later than forty-five (45) days prior to the Annual Meeting, each nominee for President and Vice President shall respond to the Board's questionnaire and forward their answers to the Executive Director.

They may also include a supplemental letter about their candidacy and/or resume, if they wish.

- 4) Not later than thirty (30) days prior to the Annual Meeting, a meeting of the full Board of Directors shall be convened to review the questionnaire responses and other materials received from each nominee for President and Vice President. (If a current board member is a nominee for President or Vice President, such board member shall be excused from the discussions and decision on final nominees for the position being sought.) Based on that review, the Board shall select the top two (2) candidates for each office as the final nominees.
 - 5) Immediately following the selection of the final nominees by the Board, the Executive Director shall publish to the membership of the Association the final nominees for President and Vice President, together with their responses to the Board's questionnaire. The Executive Director shall also advise the membership of the time and place of the Annual Meeting (where voting for the officers will be held) in accordance with Section 3.4 of these Bylaws. As part of the Annual Meeting notice, instructions shall also be provided for absentee voting at the Annual Meeting. The procedure for absentee voting shall be in accordance with rules set forth by the Elections Committee of the Association and approved by the Board of Directors.
 - 6) At the Annual Meeting (which may be part of the General Session of the Association's annual conference) or during another session of the annual conference, each final nominee for President and Vice President shall be invited to briefly address the membership. Following these speeches, polls shall be open for voting for a period not to exceed two (2) hours. The voting procedure and tallying of the votes shall be managed and overseen by the Elections Committee. The Elections Committee shall issue rules to assure an accurate tally of votes, to govern the counting of absentee votes, to ensure that only the votes of members in good standing are counted, and to ensure that no company that is a member of the Association casts more than one (1) ballot. Members voting more than once shall have both of their votes disregarded.
 - 7) At the close of the Annual Meeting, the newly elected President and Vice President shall be announced and introduced to the membership.
- (b) **Secretary and Treasurer.** Due to the unique skills required to execute the duties of the offices of Secretary and Treasurer, these positions shall be elected directly by the Board of Directors after careful review of nominee qualifications. Accordingly, the following nomination and election procedure

shall be followed with regard to the positions of Secretary and Treasurer of the Association:

- 1) Seventy-five (75) days prior to the Annual Meeting, the Executive Director shall issue a call for nominations to the offices of Secretary and Treasurer. Such nominations shall be forwarded to the Executive Director. Any National or Regional member who meets the qualifications set forth in Section 5.4 may be nominated. A nominee must also be capable of performing the duties set forth in Section 5.3(c) [for Secretary] or Section 5.3(d) [for Treasurer]. Nominations may be tendered by any National or Regional member in good standing and the member can nominate his or her self. The nomination period is to be open for two full calendar weeks. Additional nominations for these two positions may also be made by the Nominations Committee.
- 2) Not later than forty-five (45) days prior to the Annual Meeting, each nominee for Secretary and Treasurer shall provide a letter about their candidacy together with a resume indicating their experience pertaining to the office being sought. Such letter and resume shall be forwarded to the Executive Director. The incumbent Secretary and Treasurer, if running for re-election, shall be exempt from this requirement.
- 3) Not later than thirty (30) days prior to the Annual Meeting, a meeting of the full Board of Directors shall be convened to review the resumes and other materials received from each nominee for Secretary and Treasurer. The Board shall then elect the Secretary and Treasurer to serve for the next two-year term. (If the current Secretary or Treasurer is a nominee for re-election, such board member shall be excused from the discussions and selection process for the position being sought.)
- 4) At the close of the Annual Meeting, the newly elected Secretary and Treasurer shall be announced and introduced to the membership.

Section 5.6 Professional Conduct of Officers

Since each officer of the Association is also a member of the Board of Directors, the types of conduct set forth in Section 4.8 of these Bylaws that are considered as grounds for expulsion as a Director may also be considered to automatically apply to Officers. The Board shall have the authority to remove an officer whose conduct is contrary to such standards.

Procedures to be followed to expel an officer from office shall be the same as those set forth in Sections 2.6(a)(3) and 2.6(b) of these Bylaws, including the requirement that a decision to initiate expulsion proceedings against an officer shall require a two-thirds

(2/3) vote of the Board (excluding the vote of the Officer in question). Taking into consideration the fact that officers are elected by the membership, the final vote taken by the Board to impose expulsion, suspension, or sanction of the officer [see Section 2.6(b)(3)] shall require a two-thirds (2/3) vote of the Board.

Section 5.7 Resignation of an Officer

Any Officer may resign his office upon giving written notice to the Board of Directors or to the President or Secretary of the Association. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein.

Section 5.8 Officer Vacancies

Vacancies may occur from time to time as the result of the death, resignation or removal of Officers of the Association. In the event of a vacancy in the office of President, the Vice President shall immediately assume the office of Acting President, until the President is formally replaced as set forth below.

In the event of a vacancy in any office, a *special meeting* of the Board of Directors shall be convened at an early date. The officer vacancy shall be filled based on a majority vote of the Board of Directors. The Board may request the nomination of officer replacement candidates from the Nominations Committee prior to meeting and voting on the replacement.

The newly appointed officer shall serve the remainder of the replaced officer's term, and such service shall not preclude the newly appointed officer from standing for election to the same office in his/her own right for a full term.

ARTICLE VI – EXECUTIVE DIRECTOR

Section 6.1 Role / Duties of the Executive Director

The Executive Director shall have responsibility for the daily management and oversight of Association business. The Executive Director is the designated recipient of all correspondence and communication directed to the Association and is responsible for the review and reply to all such communications (with consultation with the Officers and/or Board as warranted).

The Executive Director shall be responsible, in conjunction with the Vice President, for monitoring all Association Committees and Committee activity.

The Executive Director shall be responsible, in conjunction with the Treasurer, for oversight and management of the Association budget and financial accounts. The

Executive Director shall be responsible to collect dues and other revenues for the Association, and coordinate the deposit of these funds with the Treasurer. In that regard, the Executive Director shall maintain the individual member accounts showing dues and other revenues billed, paid, and due. The Executive Director is authorized by the Board to expend funds on behalf of the Association in accordance with the budget approved by the Board. Any expenditures exceeding the budget limits must be reviewed with and pre-authorized by the Treasurer.

The Executive Director shall have responsibility for managing the new member application process to the Association as well as maintenance of the Association member rolls and membership maintenance requirements.

The Executive Director shall have certain notification and information collection duties in the nomination and election processes as outlined in Sections 4.5 and 5.5 of these Bylaws. The Executive Director shall be responsible for oversight of the planning and execution of the annual conference and other conferences held by the Association. The Executive Director shall also perform such other duties as may be delegated by the President or Board of Directors.

From time-to-time the Executive Director may be called on to represent the Association at meetings, conferences or events with the understanding that all expenses related to that attendance (travel, accommodations, meals, etc) are to be reimbursed by the Association.

Section 6.2 Assignment and Service

The Executive Director is hired by a two-thirds (2/3) vote of the Board of Directors. The Executive Director serves at the discretion of the Board for the period of time closed either by resignation or by a two-thirds (2/3) vote of the Board calling for replacement.

The Executive Director shall receive compensation as determined from time to time by the Board.

ARTICLE VII – COMMITTEES

Section 7.1 Association Committees

The Association shall be served by any number of volunteer committees either permanently established or special committees created by majority vote of the Board. Committees are established and maintained by either the ongoing requirements of supporting the purposes of the Association or for special events. The following are the currently identified *permanently established committees*:

Membership Committee
Conference / Meetings Committee
Education Committee
Government / Industry Affairs Committee
Nominations Committee
Elections Committee

Special Committees may be created from time to time by the Board of Directors, as needed.

Section 7.2 Organization of Committees

Each committee shall have at least a designated Chairperson and a designated Vice Chairperson, with other positions named and filled as the committee sees fit. Committees may include as many volunteer members as the committee itself sees fit to include.

Committee participation is open ended meaning an individual may serve on a committee for as long as they wish and may serve on more than one committee simultaneously.

Committee Chairpersons shall be selected by the majority vote of the Board of Directors, and shall be supervised by the Vice President of the Association.

Section 7.3 Duties and Responsibilities of Committees

Each committee shall be given a statement of purpose by the Board of Directors, and shall then develop its own statement of goals and objects based on that statement of purpose. Annually, each committee shall update its statement of goals and objectives for the coming year. All of this should be done in consultation with the Vice President of the Association and the Executive Director.

Each committee, in consultation with the Vice President or Executive Director, shall establish a regular schedule of meetings (usually conference calls) to discuss and conduct their business. Once the schedule is established, the Vice President or Executive Director is responsible for monitoring compliance with the schedule. The committee shall provide meeting notes to the Vice President regarding the topics discussed and actions taken by the Committee.

Each committee shall present a committee report summarizing their activities and accomplishments for the preceding year at the Annual Meeting.

ARTICLE VIII – AMENDMENTS

Section 8.1 Amendments

These Bylaws shall be amended by a two-thirds (2/3) vote of the Board of Directors.

Proposals for amendment to the Bylaws may be initiated by the Board of Directors or by written petition to the Board of Directors by any National Member or Regional Member. Amendments to the Bylaws shall be approved at any *regular meeting* or *special meeting* of the Board of Directors.