

**ASSOCIATION OF SERVICE AND  
COMPUTER DEALERS INTERNATIONAL**

**RESTATED BYLAWS  
AS OF January 1, 2024**

**SECTION 1.**

**NAME, OFFICES AND PURPOSE**

1.1 Name - The name of the association is Association of Service and Computer Dealers International dba ASCDI – The ITAD Association (the “Association”).

1.2 Office - The registered office of the Association is 131 NW 1<sup>st</sup> Avenue, Delray Beach, Florida 33444. The Association may also have offices within or without said State and at such other places as the Board of Directors may from time to time designate. The registered office may be changed from time to time by action of the Board of Directors.

1.3 Purpose - The purpose for which the Association is organized is to promote the general welfare of all persons, firms, and corporations engaged in the business of marketing information technology and communications products and services, including services related to the responsible disposition of used or obsolete information technology and communications assets; to engage in such activities as may, from time to time, be necessary or advisable to serve or advance the interest of all persons, firms, and corporations so engaged; and to promote the general welfare of the public, including through the responsible disposition of information technology and communications assets in an environmentally friendly manner, and of all persons having dealings with such persons, firms, and corporations so engaged. These purposes will be carried out by the Association without any compensation or profit to directly inure to the Association or its Members.

**SECTION 2.**

**MEMBERS**

2.1 Eligibility for Regular Membership - Any company (which may be a corporation, partnership, sole proprietorship or other form of business organization) in the business of marketing information technology and communications products and services, which subscribes to the general purposes of the Association, applies to become a Regular Member in the Association, and pays the Regular Membership fees, dues and assessments in effect at the time of joining shall be eligible to become a Regular Member of the Association upon presentation of the application to the Board of Directors or a duly appointed Committee which, upon review and approval, shall refer such application to the Membership. Upon the

acceptance of the application by a two-thirds (2/3) vote of the Membership who vote, such company shall become a Regular Member.

2.2 Eligibility for the Associate Membership - Any company (which may be a corporation, partnership, sole proprietorship, or other form of business organization) which is actively engaged in a business which is related to the information technology and communications industry, including those companies whose principle business is the manufacture of information technology and communications products, which subscribes to the general purposes of the Association, applies for Associate Membership in the Association, and pays the Associate Membership fees, dues and assessments in effect at the time of joining, shall be eligible to become an Associate Member of the Association upon presentation of the application to the Board of Directors or a duly appointed Committee which, upon review and approval, shall refer such application to the Membership. Upon the acceptance of the application by a two-thirds (2/3) vote of the Regular Members who vote, said company shall become an Associate Member. The criteria for determination of whether a business is “related to the information technology and communications industry” shall be established, from time to time, by the Board of Directors.

2.3 Affiliated Companies - If two (2) or more companies shall have common ownership, control or management, or shall otherwise be affiliated, including, without limitation, corporations which are parents or subsidiaries of one another, then only one of such companies may be a Regular Member and the other(s) shall be entitled, if at all, to become an Associate Member(s).

2.4 Affiliation - If two (2) or more Regular Members of the Association become members of an affiliated group, under common ownership or control, each of them shall promptly notify the Secretary and request a change in Regular Membership classification so as to ensure that only one (1) member of such affiliated or controlled group is a Regular Member of the Association, and the other(s) shall become Associate Members. So long as such requested change in classification would change only the classification of the Regular Member to that of an Associate Member, no action by the Board of Directors shall be required. Otherwise, the Board of Directors shall have the power to determine compliance with this provision.

2.4 Change in Membership Classification - Any Member that is an Associate Member may, upon application to the Board of Directors, seek to have its Membership classification changed to that of a Regular Member. Such application shall clearly state all facts necessary to permit the Board of Directors to make the determination that such Associate Member is properly entitled to the status of a Regular Member. Such change in classification shall require a two-thirds (2/3) vote of the Board of Directors.

If the Board of Directors, by a two-thirds (2/3) vote, shall determine that a Member who is a Regular Member no longer meets the qualifications for Regular Membership, the Board of Directors may change the classification of such Member from Regular Member to Associate Member. Any Regular Member whose classification is changed to that of an Associate Member shall be given notice of the Board of Directors' meeting at which such change in classification is to be considered and shall be given an opportunity to be heard at that meeting.

If a Regular Member requests a change of classification to that of an Associate Member, such change shall be effective upon receipt of such written request and no action by the Board of Directors shall be required.

2.5 Transfer of Membership - Except upon the approval of the Board of Directors, a Membership in the Association is not transferable. The Board of Directors is vested with the power to establish rules relating to the transfer of Memberships. If the Board of Directors determines that an attempt to transfer a Membership has been made which does not conform to its rules, or if the Board of Directors determines that the company to which such Membership is intended to be transferred is not affiliated with the existing Member, the Board of Directors may, after notice and hearing, determine that the Membership has terminated. At such time, such new company may apply for Membership as provided herein.

2.6 Eligibility of Holding Companies - The eligibility for Membership of a corporation which is in the business of holding stock of other corporations shall be determined by the Board of Directors by viewing the business of such holding company and its wholly owned subsidiaries on a consolidated basis, and if, upon such consolidation, such holding company meets the criteria of Section 2.1.1 it shall be eligible for Regular Membership status, or if upon such consolidation, such holding company meets the criteria of Section 2.1.2 it shall be eligible for Associate Membership status; and if, upon such consolidation, it meets neither the criteria for Regular nor Associate Membership, it shall not be eligible for Membership in the Association.

2.7 Voting Rights - Each Regular Member shall be entitled to one vote on each matter submitted to a vote of the Regular Membership.

2.8 Resignation - Each Member shall have the right to resign from Membership at any time. Except as otherwise provided, all resignations from Membership shall become effective upon written notification to the Chairman, President or Secretary, provided that the annual dues and assessments paid or payable by a Member whose resignation becomes effective other than at the end of the calendar year shall not be prorated.

2.9 Pending Complaints of Resigning Members - If a Member shall tender a resignation from the Association, but at the time of such tender there shall be pending against such Member either: (i) a complaint asserting a violation of the Association's Industry Practices Code or, (ii) a recommendation for such expulsion from Membership, then, and in either such event, unless the Board of Directors shall otherwise direct, such resignation shall not become effective unless and until such complaint shall have been determined and all action shall have been completed with respect to any sanctions recommended with respect to any violation that may be found based upon such complaint or such recommendation of expulsion shall have been finally resolved; provided, however, that during the pendency of such resignation, such Member shall not be required to pay dues coming due after the submissions of such resignation and shall not be entitled, so long as such dues are unpaid, to attend any meetings of the Association.

2.10 Termination - Regular and Associate Membership dues shall be billed for the calendar year prior to or at the beginning of each year, no later than January 31 of such year. A Member who fails to pay their dues by December 31 of such year will automatically be terminated from Membership, provided that written notice of delinquency was sent at least 30 days prior to such termination.

If any Member fails to pay any other indebtedness to the Association for longer than ninety (90) days after written notice of delinquency, the Membership of such Regular or Associate Member may be terminated by the Board of Directors. Termination shall be effective upon the taking of the vote, and no terminated Member may be readmitted into Membership nor may such termination be revoked unless and until all such other indebtedness has been paid in full.

2.11 Expulsion - Any Member may be expelled by the Membership for any conduct that, by vote of the Membership, is found to be contrary to the best interests of the Association; provided, however, such action shall not be taken until (i) the Member shall have been given a reasonable opportunity to appear before the Board of Directors with legal counsel to answer the charge or charges against such Member; and (ii) a vote of a simple majority of the Board of Directors and two-thirds (2/3) of the Membership present recommending such expulsion has been taken.

2.12 Membership Fees, Dues and Assessments - The Board of Directors is vested with the power to determine annual dues, Membership fees and assessments by a simple majority vote.

2.13 Definition of a Member - The term "Member" shall include not only the company, but, in the case of Members which are not sole proprietorships, and as the context



requires, the employee designated to represent the company. The term “Membership” shall refer to all Members, including those entitled to vote as a Regular Member hereunder.

2.14 Rights of Associate Members - An Associate Member may attend all meetings of the Members but shall have no right to vote on any question presented to the Regular Membership. No more than one (1) Elected Director of the Association may be an Associate Member. Any Associate Member may serve on any Association committee.

2.15 Powers of Regular Members - The Regular Membership shall have the following powers:

- (a) to elect members of the Board of Directors as provided in these bylaws;
- (b) to accept or reject all applications for Membership in the Association;
- (c) to expel a Member as provided in Section 2.11 above; and
- (d) to exercise all other powers reserved to the Membership by these bylaws or generally exercisable by members of a not-for-profit corporation under the laws of the State of Texas.

2.16 Annual Meeting - The Association shall hold an annual Membership meeting for the purpose of conducting Association business including the election of Directors and officers whose terms have expired. The Annual Meeting may be conducted in person or in a virtual format as provided herein.

2.17 Special Meetings - Special meetings of Members may be called by any one or more of the Chairman, the Board of Directors, the Executive Committee or the Regular Members upon written application of ten percent (10%) or more of the Regular Members, followed by written notice thereof given pursuant to Section 2.19. Any of such calls for a special meeting shall state the place (if such meeting is to be held in person), date, hour and purpose of the meeting. Special meetings may be conducted in person or in a virtual format as provided herein.

2.18 Place of Meetings; Virtual Meetings - All meetings of Members shall be held at such places, or in a virtual video or teleconference format by which all participants in such meeting can communicate with all other participants in such meeting, and at such times as may be fixed by the Board of Directors, the Executive Committee or by the President, all as stated in the notice of the meeting.

2.19 Notice of Meetings - A written notice of the format (virtual or in person), place, date, hour and purpose of each meeting of Members shall be given by the Secretary or by the person calling the meeting, at least ten (10) days before the meeting or within such greater period as may be prescribed by law, to each Member, by providing written or electronic notice sent to the address or electronic mail address as it appears in the records of the Association. In the case of a virtual meeting, such notice shall specify the form of communications to be used for such meeting and the means of accessing such communication. A written waiver of notice of a meeting, executed before or after the meeting by such Member, and filed with the records of the meeting, shall be deemed equivalent to such notice. Notice of a meeting need not be given to any Member who executes a waiver of notice, before or after the meeting, that is filed with the records of the meeting, or to any Member who attends the meeting without protesting, at or before its commencement, the lack of notice to him.

2.20 Quorum - Members holding ten percent (10%) of the votes entitled to be cast shall constitute a quorum for any meeting, but a lesser number may, by majority vote, adjourn such meeting from time to time, and the meeting may be held as adjourned, without further notice.

2.21 Designation of Member's Representatives - Each Regular Member shall designate an employee to serve as such Regular Member's voting representative. Each such designation shall be in writing and the written designation shall be filed with the Secretary prior to the commencement of the particular meeting.

2.22 Action at Meeting - When a quorum is present at any meeting, a simple majority of the Regular Members who vote shall be necessary and sufficient to decide any matter or take any action, except to the extent that a greater proportion is required by law, by the certificate of incorporation or by these bylaws.

2.23 Voting; Manner and Method - Regular Members may vote in person (which shall include in-person participation in a virtual meeting), or by proxy as provided in Section 2.24, or via electronic mail. In the case of electronic mail, the Association shall provide to each Regular Member, via electronic mail, either a ballot or instructions for voting electronically, accompanied by all relevant background information, including a brief summary of the issue to be submitted to a vote and a deadline for electronic voting. In case of a virtual meeting, the Board of Directors shall implement reasonable measures to verify that every person voting by means of remote communications is sufficiently identified.

2.24 Proxies - Members may vote in person or by proxy. Proxies shall be filed with the Secretary of the meeting before being voted. No proxy dated more than two (2) months before the meeting named therein shall be valid and no proxy shall be valid after the final adjournment of such meeting. A proxy purporting to be executed by or on behalf of a Member

shall be deemed valid unless challenged at or prior to its exercise and the burden of proving invalidity shall rest on the challenger.

2.25 Action Without Meeting - Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting if a majority of Regular Members who vote on the matter consent to the action in accordance with the procedures set forth in section 2.23.

### **SECTION 3.**

#### **DIRECTORS**

3.1 Powers - The management of the Association shall be vested in the Board of Directors, which may exercise all the powers of a governing body under the laws of the State of Texas; provided, however, that the Board of Directors shall not exercise the powers reserved to the Members in Section 2.15 of these bylaws with the exception of the election of the Executive Director, President and Assistant Secretary.

3.2 Number - The Board of Directors shall consist of the Officers of the Association and up to nine (9) other persons elected to serve as Directors (herein the "Elected Directors").

3.3 Qualification - All Directors of the Association shall be elected from among the Regular Members, provided, however, that one Elected Director may be elected from among the Associate Members.

3.4 Term of Elected Directors - Each Elected Director shall serve a term of three (3) years and one-third (1/3) of the Elected Directors shall be elected at the Annual Meeting each calendar year. An Elected Director appointed to fill a vacancy shall be appointed for the unexpired balance of the term for the Elected Director whose resignation or disability caused such vacancy to arise. Elected Directors may serve up to three (3) consecutive terms and may be re-elected after one (1) year in which they do not serve as a Director.

3.5 Quorum - At any meeting of the Board of Directors, a simple majority of the entire number of Directors then constituting the Board of Directors shall constitute a quorum. When a quorum is present at any meeting, a simple majority in number of the Directors present at the meeting shall decide any question brought before such meeting, except as otherwise specifically provided in these bylaws.

3.6 Minutes - The Secretary or Assistant Secretary shall record minutes of the actions taken by the Board of Directors, which minutes shall be approved by the Board of Directors at a subsequent meeting.

3.7 Notice - Written notice of each meeting of the Board of Directors shall be mailed to each Director at least ten (10) days before the meeting; or delivered to him in person; or given to him by facsimile or electronic mail at least forty-eight (48) hours before a meeting. Notice of a meeting need not be given to any Director if a written waiver of notice, executed by him before or after the meeting, is filed with the records of the meeting, or to any Director who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him.

3.8 Action by Consent - Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if two-thirds (2/3) all the Directors consent to the action in writing by delivery of a written document or by facsimile or electronic mail, and the written consents are filed with the records of the meetings of the Board of Directors.

3.9 Executive Director, President and Assistant Secretary as Directors - Those persons holding the offices, if any, of President, Executive Director, and/or Assistant Secretary (if also legal counsel to the Association) shall be Directors but shall have no right to vote at meetings of the Board of Directors. The above individuals shall not be counted toward a quorum of the Board of Directors and their respective consents shall not be required for actions taken in accordance with Section 3.8 of these bylaws.

3.10 Tenure - Subject to law, to the certificate of incorporation and to these bylaws, each Director shall hold office until his successor is duly elected and qualified. Any Director may resign by delivering his written resignation to the Association at its principal office or to the Chairman, President or Secretary. Such resignation shall be effective upon receipt, unless it is specified to be effective at some other time or upon the happening of some other event.

3.11 Removals - Any Director may be removed by a two-thirds (2/3) vote of the Members present at any meeting with or without cause, provided that such action shall not be taken for cause until after such Director has been given a reasonable opportunity to appear before the meeting, with legal counsel if requested, to answer the charge against him. The failure of a Director to attend at least two-thirds (2/3) of the meetings held during his term within the preceding eighteen (18) months shall be grounds for removal. Removal shall be effective upon the taking of the vote, except as otherwise provided by such vote. Any Director who ceases to be a representative of a Member shall cease to be a Director effective upon the written receipt by the Association of notice from the Member that the representation has terminated. Any director who is a representative of a company that ceases to be a Member shall cease to be a Director effective upon the termination of that Membership.

3.12 Vacancy - If a vacancy shall occur among the Elected Directors, or if the number thereof shall be increased, such vacancy may be filled by a vote of the Board of Directors.

## **SECTION 4.**

### **OFFICERS**

4.1 Enumeration - The officers of the Association shall consist of a Chairman and a Past-Chairman of the Board of Directors, a President, a Treasurer, a Secretary, and such other officers, including, without limitation, one or more vice presidents, assistant treasurers, and assistant secretaries as the Directors may, from time to time, determine.

4.2 Qualification - All officers, except any Executive Director serving as President or legal counsel serving as Assistant Secretary, shall be elected from among the Regular Members.

4.3 Election - All officers, except any Executive Director serving as the President or Assistant Secretary serving as legal counsel, shall be elected by the Regular Members at the Annual Meeting. The officers, except any Executive Director serving as the President or legal counsel serving as Assistant Secretary, for each corporate year other than the first shall be nominated as provided in Section 6 of these bylaws. The Directors may fill any vacancy and the nominating procedures provided for in Section 6 shall not apply.

4.4 Tenure - Subject to law, to the certificate of incorporation, and to these bylaws, the officers shall each hold office until the next year's Annual Meeting of Members, and thereafter until their successors are elected and qualified. No person shall hold any one office, except that of the President or Assistant Secretary (if legal counsel to the Association), for more than nine (9) years, provided that such person whose eligibility has expired shall serve until the next calendar year's Annual Meeting or special meeting in lieu thereof. A person who has held an office for nine (9) consecutive years shall be eligible for re-election to that office after the expiration of one (1) year.

4.5 Removal of Officers - The Directors may remove any officer from his office with or without cause by the vote of at least a simple majority of the entire Board as then constituted, except that an officer may be removed for cause only after reasonable notice and opportunity to be heard, with the assistance of legal counsel, by the Board of Directors prior to action thereon. Any officer who ceases to be an employee of a Member shall cease to be an officer effective upon the receipt by the Association of a notice from the Member that the representation has terminated. Any officer who is an employee of a company that ceases to be a Member, shall cease to be an officer effective upon the termination of Membership.

4.6 General Powers - Subject to law, to the certificate of incorporation and to these bylaws, each officer shall have, in addition to the duties and powers herein set forth, such duties and powers as the Directors may from time to time designate.

4.7 Chairman and Past-Chairman of the Board

(a) The Chairman of the Board of Directors (sometimes referred to in these by-laws as Chairman) shall be the chief executive officer of the Association and shall, subject to the direction of the Board of Directors, have general supervision and control of the affairs of the Association. Unless otherwise provided by the Board of Directors, the Chairman shall, when present, preside at all meetings of the Members, and the Board of Directors.

(b) The Past-Chairman, in the absence or disability of the Chairman, shall perform the duties and exercise the powers of the Chairman and shall have such other duties and powers as the Board of Directors may, from time to time, determine.

4.8 President as Chief Operating Officer - Except as otherwise provided in these bylaws, the President shall be the Chief Operating Officer of the Association subject to the direction of the Board of Directors and the Chairman, and generally manage the affairs of the Association and shall have such other powers and duties as the Board of Directors may, from time to time, determine.

4.9 Treasurer and Assistant Treasurer - The Treasurer shall, subject to the direction of the Board of Directors, have general charge of the financial affairs of the Association and shall cause accurate books of account to be kept. He shall have care and custody of all funds, securities and valuable documents of the Association except as the Board of Directors may otherwise provide. Any Assistant Treasurer shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall have such other duties and powers as the Board of Directors may from time to time designate.

4.10 Secretary and Assistant Secretary - The Secretary shall, subject to the direction of the Board of Directors, have general charge of the correspondence of the Association, shall record all proceedings of the Board of Directors, and shall keep the original or attested copies of the certificate of incorporation, these bylaws, records of all meetings and consents in lieu of meetings of incorporators, Members and Board of Directors and of the Executive and other committees of the Board of Directors, and lists of the Members and of the members of all committees. Such copies, lists and records shall be open at all reasonable times for the inspection by Members and Board of Directors of the Association at the principal office of the Association or office of the Secretary or an Assistant Secretary. Those copies, lists and records

need not all be kept in the same office. Any Assistant Secretary shall, in the absence of the Secretary, perform the duties and exercise the powers of the Secretary, and shall have such other duties and powers as the Board of Directors from time to time designate. At the direction of the Chairman, or other presiding officer, minutes of any meeting shall be kept by the Secretary or Assistant Secretary.

4.11 Executive Director and Assistant Secretary - The Executive Director and the Assistant Secretary shall each have such powers and duties as may be vested in each of them by the Board of Directors.

## SECTION 5.

### COMMITTEES

5.1 Executive Committee - The Board of Directors may, from time to time, appoint from their members an Executive Committee to consist of not less than five (5) nor more than seven (7) Directors, one of whom shall be the Chairman of the Board and another of whom shall be the Past Chairman of the Board.

5.2 Executive Committee Powers - The Executive Committee, if so appointed, shall have and may exercise, subject to review by the full Board of Directors, all such powers of the Association and do all such lawful acts and things as are not by statute, the certificate of incorporation or these bylaws directed or required to be exercised or done by the entire Board of Directors. Unless these bylaws specifically provide that the Board of Directors may not delegate a function or require the action by the entire Board of Directors, the Executive Committee may exercise such powers. The Board of Directors may, from time to time, establish limitations on the powers of the Executive Committee. The Executive Committee shall keep a written record of its proceedings and shall report the same at the next ensuing meetings of the Board of Directors. A quorum for the Executive Committee shall be the same as a quorum for the Board of Directors.

5.3 Other Committees - Committees may be established by any one of the Chairman, the Executive Committee, or the Board of Directors. The Chairman of the Board of Directors shall appoint each committee Chairman and the committee Chairman shall appoint the committee members.

5.4 Special Committees - Upon the request of three or more Members, the Chairman may appoint one or more Special Committees to deal with particular issues relating to the industry as a whole or certain segments thereof. The memberships of each Special Committee may be limited. Each such Special Committee shall be appointed for an initial term of one year and may be reconstituted annually either pursuant to further request or upon approval of the Executive Committee or Board of Directors. Each such Special Committee



may, subject to approval of the Executive Committee or Board of Directors, establish its own criteria for membership and its own rules of procedure. No such Special Committee shall take any action either in the name of the Association or in the name of the committee, except upon the prior approval of the Executive Committee or Board of Directors.

## **SECTION 6.**

### **NOMINATING COMMITTEE**

6.1 Formation - The Nominating Committee shall consist of seven (7) persons including the Chairman of the Board of Directors, the Past Chairman, who shall be the Chairman of the Nominating Committee, and five (5) Regular Members appointed by the Chairman of the Nominating Committee subject to the approval of the Board of Directors.

6.2 Qualification - Of the five (5) Regular Members appointed to the Nominating Committee by the Chairman of the Nominating Committee, not more than two (2) shall be Officers or Directors of the Association at the time. Proposed appointments to the Nominating Committee shall be submitted to the Board of Directors. If any proposed appointment is disapproved by the Board of Directors, the Chairman of the Nominating Committee shall thereupon submit additional proposed appointments at that meeting until the Nominating Committee task is complete.

6.3 Duties – Prior to the Annual Meeting of the Membership, the Nominating Committee shall place in nomination a slate of candidates for election to the Board of Directors and a slate of candidates for election as Officers of the Association with the exception of any Executive Director serving as President and legal counsel serving as Assistant Secretary. Such slates shall relate solely to the number of Directors and Officers whose terms are to expire and to be elected at the Annual Meeting by the Membership.

6.4 Time for Filing Slate - The Nominating Committee shall file its aforesaid slate of candidates for election to the Board of Directors and Officers with the Secretary at the first meeting of the Board of Directors to be held at least thirty (30) days prior to the Annual Meeting of Members. The Secretary shall furnish a copy thereof to each member of the Board of Directors.

6.5 Approval by Board - The slate of candidates proposed by the Nominating Committee shall be deemed to be approved by the Board of Directors, unless such slate shall be rejected in whole or in part by a vote of the Board of Directors. To the extent that the Board of Directors shall reject the slate proposed by the Nominating Committee, the Board of Directors shall designate alternate nominees. The number of nominees shall be limited to the number of Board seats being vacated by Elected Directors and Officers to be elected at the Annual Meeting.

6.6 Notice of Slate - The Chairman of the Nominating Committee or the Secretary shall deliver to the Members at least fifteen (15) days prior to the Annual Meeting the proposed slate of candidates as approved by the Board of Directors, and a copy of such slate shall accompany or be incorporated in the notice of such Annual Meeting.

6.7 Criteria for Nominations - In selecting its aforesaid slates of candidates, the Nominating Committee shall give due regard to the objective of affording representation among the Officers and the Elected Directors to the various geographical areas in which the Membership is located, the various segments of the industry, including companies engaged in the business of marketing information technology and communications products and services, and companies involved in the responsible disposition of information technology and communications assets, and to the size of the Regular Members as business entities, so far as is practicable. The Nominating Committee may consult with Members, Officers, and Directors and shall give careful consideration to the views expressed by them, although it shall not be bound thereby. The Nominating Committee shall act by simple majority vote.

6.8 Nominations from the Floor - Nothing herein contained shall disqualify any member of the Nominating Committee from being a candidate, nor bar nominations from the floor, at any election of Officers or Directors.

## **SECTION 7.**

### **INDEMNIFICATION**

A. For purposes of this Section 7:

- (1) “Association” - includes any domestic or foreign predecessor entity of the Association in a merger, consolidation, or other transaction in which the liabilities of the predecessor are transferred to the Association by operation of law and in any other transaction in which the Association assumes the liabilities of the predecessor but does not specifically exclude liabilities that are the subject matter of this Section 7.
- (2) “Director” means any person who is or was a director of the Association and any person who, while a director of the Association, is or was serving at the request of the Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise.
- (3) “Expenses” means all reasonable out-of-pocket expenses and shall include court costs and attorneys’ fees.

- (4) “Official capacity” means:
    - (a) When used with respect to a Director, the office of Director in the Association; and
    - (b) When used with respect to a person other than a Director, the elective or appointive office in the Association held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the Association; but
    - (c) In both paragraphs (a) and (b) does not include service for any other foreign or domestic corporation or any partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise.
  - (5) “Proceeding” means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such action, suit or proceeding, and any inquiry or investigation that could lead to such action, suit, or proceeding.
- B. The Association shall indemnify a person who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the person is or was a Director only if it is determined in accordance with subsection F of this Section 7 that the person:
- (1) Conducted himself or herself in good faith;
  - (2) Reasonably believed:
    - (a) In the case of conduct in his or her official capacity as a Director of the Association, that his or her conduct was in the Association’s best interests; and
    - (b) In all other cases, that his or her conduct was at least not opposed to the Association’s best interests; and
  - (3) In the case of any criminal Proceeding, had no reasonable cause to believe his or her conduct was unlawful.
- C. A Director may not be indemnified under subsection B of this Section 7 for obligations resulting from a Proceeding:

- (1) In which the person is found liable on the basis that personal benefit was improperly received by him, whether or not the benefit resulted from an action taken in the person's official capacity; or
  - (2) In which the person is found liable to the Association.
- D. The termination of a Proceeding by judgment, order, settlement, or conviction or on a plea of nolo contendere or its equivalent is not of itself determinative that the person did not meet the requirements set forth in subsection B of this Section 7.
- E. A person shall be indemnified under subsection B of this Section 7 against judgments, penalties (including excise and similar taxes), fines, settlements, and Expenses actually incurred by the person in connection with the Proceeding; but if the Proceeding was brought by or in behalf of the Association, the indemnification is limited to Expenses actually incurred by the person in connection with the Proceeding.
- F. A determination of indemnification under subsection B of this Section 7 must be made:
  - (1) by a majority vote of a quorum consisting of Directors who at the time of the vote are not named defendants or respondents in the Proceeding;
  - (2) if such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all Directors, consisting solely of two or more Directors who at the time of the vote are not named defendants or respondents in the Proceeding;
  - (3) by special legal counsel selected by the Board of Directors or a committee of the Board of Directors or a committee of the Board by vote as set forth in subsection (1) or (2) of this subsection F, or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors; or
  - (4) by the Members in a vote that excludes the vote of Directors who are named defendants or respondents in the Proceeding.
- G. Authorization of indemnification and determination as to reasonableness of Expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination that

indemnification is permissible is made by special legal counsel, authorization of indemnification and determination as to reasonableness of Expenses must be made in the manner specified by subsection (3) of subsection F of this Section 7 for the selection of special legal counsel. A provision contained in the Articles of Incorporation, the Bylaws, a resolution of shareholders or Directors, or an agreement that makes mandatory the indemnification permitted under subsection B of this Section 7 shall be deemed to constitute authorization of indemnification in the manner required by this subsection G even though such provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

- H. The Association shall indemnify a Director against Expenses incurred by him or her in connection with a Proceeding in which he or she is a named defendant or respondent because he or she is or was a Director if he or she has been wholly successful, on the merits or otherwise, in the defense of the Proceeding.
- I. Expenses incurred by a Director who was, is, or is threatened to be made a named defendant or respondent in a Proceeding may be paid or reimbursed by the Association in advance of the final disposition of the Proceeding after:
  - (1) The Association receives a written affirmation by the Director of his or her good faith belief that he has met the standard of conduct necessary for indemnification under this Section 7 and a written undertaking by or on behalf of the Director to repay the amount paid or reimbursed if it is ultimately determined that he has not meet those requirements; and
  - (2) A determination that the facts then known to those making the determination would not preclude indemnification under this Section 7.
- J. The written undertaking required by subsection I of this Section 7 must be an unlimited general obligation of the Director and need not be secured. It shall be accepted without reference to financial ability to make repayment. Determinations and authorizations of payments under subsection I of this Section 7 must be made in the manner specified by subsection F of this Section 7 for determining that indemnification if permissible.
- K. Notwithstanding any other provisions of this Section 7, the Association shall pay or reimburse Expenses incurred by a Director in connection with his or her appearance as a witness or other participation in a Proceeding at a time when he is not a named defendant or respondent in the Proceeding.

- L. Officers of the Association, chairpersons of a committee of the Board or Association, employees or agents of the Association shall be indemnified as, and to the same extent provided by subsection B and H of this Section 7 for a Director and are entitled to seek indemnification under such subsections to the same extent as a Director. The Association shall indemnify and advance expenses to an officer, chairperson of a committee of the Board or Association, employee, or agent of the Association to the same extent that it is required to indemnify and advance expenses to Directors under this Section 7.
- M. The Association may indemnify and advance expenses to a person who is not or was not an officer, employee, or agent of the Association but who is or was serving at the request of the Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise to the same extent that it is required or may indemnify and advance expenses to Directors under this Section 7.
- N. The Association may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee, or agent of the Association or who is or was serving at the request of the Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise against any liability asserted against him and incurred by him in such a capacity or arising out of his or her status as such a person, whether or not the Association would have the power to indemnify him against that liability under this Section 7.
- O. Any indemnification of or advance of expenses to a Director in accordance with this Section 7 shall be reported in writing to the Members of the Association with or before the notice or waiver of notice of the next meeting of Members and, in any case, within the 12-month period immediately following the date of the indemnification or advance.
- P. For purposes of this Section 7, the Association is deemed to have requested a Director to serve as trustee for an employee benefit plan whenever the performance by him of his or her duties to the Association also imposes duties on or otherwise involves services by him to the plan or participants or beneficiaries of the plan. Excise taxes assessed on a Director with respect to an employee benefit plan pursuant to applicable law are deemed fines. Action taken or omitted by him with respect to an employee benefit plan in the performance of his or her duties for a purpose reasonably believed by him to be

in the interest of the participants and beneficiaries of the plan is deemed to be for a purpose which is not opposed to the best interests of the Association.

- Q. The Articles of Incorporation of the Association may restrict the circumstances under which the Association is required or permitted to indemnify a person under subsections H, L, or M of this Section 7.

## **SECTION 8.**

### **MISCELLANEOUS PROVISIONS**

- 8.1 Fiscal Year - The Board of Directors shall set the fiscal year of the Association.

8.2 Seal - The Board of Directors may from time to time adopt, alter or abandon a corporate seal for the Association.

8.3 Execution of Instruments - All deeds, leases, transfers, contracts, bonds, notes, drafts, and other obligations made, accepted, or endorsed by the Association, other than checks, shall be first approved by the Board of Directors and then shall be signed by the Chairman of the Board of Directors, the President, the Treasurer or by such other persons as the Board of Directors shall determine. Checks shall be signed by the Chairman, President, Vice President, Treasurer or Secretary, except as otherwise determined from time to time by the Board of Directors.

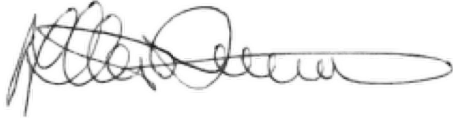
8.4 Transactions with Interested Parties - In the absence of fraud, no contract or other transaction between the Association and one or more of its Directors or Officers, or between the Association and any other corporation, firm association or entity in which one or more of its Directors or Officers are directors or officers, or are financially interested, shall be affected or invalidated; provided, that such common directorship, ownership or financial interest, if material, is disclosed or known to each of the Directors voting or concurring on the matter of the approval of such contract or transaction. Common or interested Directors may be counted in determining the presence of a quorum at such meeting, and such common or interested Directors may vote on the matter of the approval of such contract or transaction provided, that any such vote shall require the affirmative vote of a simple majority of the Directors who have no interest in such contract or transaction, and are present at a meeting of the Directors at which a quorum is present, even though the disinterested Directors be less than a quorum or by all disinterested Directors be less than a quorum or by all disinterested Directors in the event such contract or transaction is to be approved by written consent to action under Section 3.5.

8.5 Amendments to Bylaws - These bylaws may be altered amended or repealed and new bylaws may be adopted by Regular Members - by a two-thirds (2/3) vote of



the Regular Membership voting at the Annual Meeting or a Special Meeting, if at least fifteen (15) days' written notice is given of an intention to alter, amend or repeal these bylaws or to adopt new bylaws at such meeting.

I, the undersigned, being the Assistant Secretary of the Association, Do Hereby Certify that the foregoing are the bylaws of the said Association as adopted at a meeting of the Membership held on the 20<sup>th</sup> day of February 2024.

A handwritten signature in dark ink, appearing to read 'Arthur P. Freierman', written over a horizontal line.

Arthur P. Freierman, Esq., Assistant Secretary