

Natural Products Association Bylaws

Article I

NAME, OFFICE AND AGENT

Section 1. **Name.** The Name of the Corporation shall be NATURAL PRODUCTS ASSOCIATION (the "Association"), a not-for-profit, nonstock corporation organized under the General Corporation Law of the State of Delaware, Del. Code tit. 6, §§ 1-101, et seq., as amended, (the "GCL").

Section 2. **Office and Agent.** The Association shall have a registered office and a registered agent in the State of Delaware, shall continuously maintain a business office in the District of Columbia or greater District of Columbia area, and may have other offices as the Board of Directors determines.

Article II

OBJECTIVES

Section 1. **Objectives.** The objectives of the Association are:

- To promote and protect the unique values and shared interests of suppliers and retailers of natural nutritional foods, dietary supplements, natural personal care products and other natural consumer products;
- To represent the natural products industry before federal, state and international regulatory and legislative bodies;
- To advocate for the rights of consumers to have access to natural products that will maintain and improve their health, and for the rights of suppliers and retailers to sell these natural products;
- To acquire and disseminate for the use of members such business, public policy, and scientific information as may prove of value to them;
- To promote the competency and trustworthiness of its membership to the general public; and
- To participate in cooperative enterprises with the various branches of the natural products industry worldwide.

Section 2. **General Purposes.** The general purposes of the Association are to engage in any activity that is lawful under the GCL and within the scope of Section 501(c)(6) of the Internal Revenue Code. All policies and activities of the Association shall be consistent with applicable federal, state and local laws, trade regulations and other legal requirements, and applicable tax-exemption requirements, including the requirements that the Association not be organized for profit and that no profit and no part of its net earnings inure to the benefit of any private individual.

Section 3. **Powers.** Except as provided otherwise by the Certificate of Incorporation or by these

Bylaws, the Association shall have all the powers of a corporation organized under the GCL and shall have such additional powers as are permitted by any applicable law.

Section 4. Actions Required to be in Writing. Unless otherwise provided in the resolution approving an action, any action required to be "written", to be "in writing", to have "written consent", to have "written approval" and the like by Association directors, committee members, or members shall include any writing transmitted or received by electronic means. Further, any reference to "mail" or "mailing(s)" shall include communications transmitted or received by electronic means. The Board of Directors, by resolution, may adopt procedures for sending and receiving such electronic and mail communications that do not conflict with these Bylaws.

Article III
REQUIREMENTS AND MEMBERSHIP

Section 1 Definition. For the purposes of these Bylaws, a "natural product" is a food, drug, device, or cosmetic, as defined in the Federal Food, Drug, and Cosmetic Act, or other consumer product, recommended or intended for internal or external use by humans and sold or offered for sale to the general public.

Section 2 Requirements. For the purposes of the Association, a natural product must be manufactured, packaged, labeled, and advertised or otherwise promoted, in compliance with the provisions of the Federal Food, Drug, and Cosmetic Act, the Federal Trade Commission Act, and any other applicable statutes.

Section 3 Membership.

(a) All persons, firms, corporations, or other entities that manufacture or supply ("Suppliers") or that retail or sell ("Retailers") any natural product sold in the United States for domestic use, and otherwise meet the qualifications for membership will be eligible for Active Membership in the Association.

(b) All persons, firms, or corporations who do not qualify for Active Membership but are otherwise interested in the sale, research, or promotion of natural products, as defined, and meet the requirements set forth in this Article, shall be eligible for Associate Membership in the Association. International firms not selling natural products in the United States will also be eligible for Associate Membership.

(c) Only Active Members shall be entitled to vote on matters that must be approved by Association members pursuant to the Certificate of Incorporation, Bylaws, or the GCL. A voting member, through its Official Representative or other authorized officer, may designate its proxy in writing either to another voting member or to the Chair of the Association, or vote in writing as provided for in Article II section 4. Each voting member shall have one vote and, when so requested, shall designate the person who shall cast its vote.

Section 4 Application for Membership.

(a) No applicant shall be considered eligible for Active Membership in the Association unless said applicant is a member of the natural products industry in good standing as determined by the Board of Directors. To procure compliance with this requirement, each Supplier applicant for membership shall furnish the Association with complete labeling for its natural products, literature contained in or accompanying product packages, the advertising, and such other pertinent information as may assist the Board of Directors or the President/CEO in determining whether the applicant is a member of the industry in good standing. Each Retailer applicant for membership shall furnish the Association with its advertising and such other pertinent information as may assist the Board of Directors or the President/CEO in determining whether the applicant is a member of the industry in good standing. The President/CEO has the right to determine status unless a majority of the Board of Directors approves a resolution to the contrary.

(b) No applicant shall be considered eligible for Associate Membership in the Association unless it is engaged in the sale, research, or promotion of natural products, as defined, and meets the requirements set forth in this Article. To procure compliance with this requirement, each applicant for membership shall furnish the Association pertinent information to assist the Board of Directors or the President/CEO in determining whether the applicant is a member of the industry in good standing. The President/CEO has the right to determine status unless a majority of the Board of Directors approves a resolution to the contrary.

Section 5 Committee Membership. The following shall be eligible for appointment to membership on committees of the Association: (a) Any person who is a member of the Association; (b) Any person from any firm which is a member of the Association; and (c) Any person designated by any firm, corporation, or other entity which is a member of the Association where such person has confidentiality obligations to the member. Annually, the President/CEO and Chair shall nominate the chairs and members of Finance, Nomination, and Audit committees. While multiple individuals may represent a firm on a committee, any firm represented on a given committee will only have one vote. The Board of Directors shall vote to approve such nominations by a majority of votes cast.

Section 6 Withdrawal. Any member may retire from membership by giving written notice to that effect to the Association, accompanied by the payment of any outstanding dues and fees as reflected on the records of the Association.

Article IV

OFFICERS AND THE BOARD OF DIRECTORS

Section 1 Officers. The officers of the Association shall consist of a Chair, a Vice Chair, a President/CEO, a Treasurer, and a Secretary. The Chair, Vice Chair, Treasurer and Secretary shall be elected by the Active Members of the Association at an Annual Meeting for a term of three years. Not all of the Chair, Vice Chair, Treasurer and Secretary may be from the same industry segments (*i.e.*, Retailers and Suppliers), and the positions will rotate between the two segments. The Chair, Vice Chair, Treasurer, and Secretary may not serve more than two consecutive three year terms in a position; however, each may be eligible to serve in such capacity three years after the expiration of their term. The President/CEO shall be appointed by the Board of Directors to serve at the pleasure of said Board. No person may simultaneously hold more than one office in the

Association.

Section 2 Board of Directors. There shall be a nine-member Board of Directors, composed of Active Members, which shall include the Chair, the Vice Chair, Treasurer, Secretary, two members elected by Retailers and three members elected by Suppliers at an Annual Meeting of the Association for a term of three years. Only one Retailer and Supplier member from a particular entity or its parents, subsidiaries or affiliates may serve as a director at the same time. A director may not serve more than two consecutive three-year terms. A director may be eligible to serve as a director three years after the expiration of their term. The Chair of the Association shall be the Chair of the Board of Directors. Except as set forth in Article V Section 4, the President/CEO of the Association shall be a non-voting *ex officio* member of the Board. A quorum of the Board shall consist of a simple majority of the Board of Directors.

Section 3 Compensation. No member of the Board of Directors shall receive compensation for services rendered to the Association in the capacity of director, but directors, at the discretion of the Board, may be entitled to reimbursement for reasonable and necessary expenses actually incurred in connection with the performance of their duties in the manner and to the extent that the Board may authorize. Directors may receive compensation for services performed in other capacities for or on behalf of the Association. Notwithstanding the foregoing, the Association shall neither authorize nor provide reimbursement for expenses or compensation other than those reasonable and necessary in furthering the Association's purposes.

Section 4 Election. The initial Board of Directors shall be appointed by and their terms set by the Incorporator at the Organizational Meeting. Thereafter, the officers and members of the Board of Directors shall be elected at any Annual Meeting of the Association when a term is due to end, or at any special meeting called and held for that purpose, and shall hold office for the ensuing term, or until their successors are elected and qualified. The candidate for any office who receives the greatest number of all votes cast, as certified by an independent third party, shall be declared elected.

Section 5 Vacancies. Whenever any vacancy occurs among the elected officers or in the Board of Directors through death, resignation or otherwise, the Board of Directors or a majority of such of its members as are remaining shall fill any such vacancy at any duly called meeting of the Board of Directors. Officers or members of the Board of Directors chosen to fill vacancies shall hold office until the next succeeding annual election or until their successors are elected and qualified.

Section 6 Transition Provision. Upon the adoption of these Bylaws and an election of officers and directors hereunder by the Active Members, the officers and directors of the Association's predecessor entity shall be deemed to have vacated their offices.

Article V:
DUTIES

Section 1 Board of Directors General Powers and Duties. The affairs of the Association shall be managed by or under the direction of its Board of Directors. The Board of Directors of the Association shall have the powers and duties ordinarily delegated to the governing body of a corporation, including but not limited to the following:

- (a) To exercise its legal authority and responsibility in the general supervision, direction, and control of the affairs of the Association in order to promote the purposes of the Association;
- (b) To establish general administrative rules and procedures governing the activities of the Association and to develop long term policies to foster the Association's growth and development;
- (c) To adopt an annual budget to carry out the affairs of the Association; and
- (d) To report to the membership of the Association annually on its activities, including a full financial statement prepared by a certified public accountant, and to make such interim reports as may be necessary or advisable.

Each director owes fiduciary duties of due care, loyalty and good faith to the Association and not to any industry segment that elected them.

Section 2 The Chair. The Chair shall preside at all meetings of the Association and of the Board of Directors. The Chair, in cooperation with the President/CEO, shall execute the policies and decisions of the Association and its Board of Directors. The Chair shall, from time to time, make such suggestions which may tend to promote the prosperity and welfare, and increase the usefulness of the Association.

Section 3 The Vice Chair. In the event of the absence of the Chair, the Vice Chair or another member of the Board of Directors designated by the Chair or Vice Chair shall perform the duties of the Chair. The Vice Chair shall have such other duties as may be assigned by the Board of Directors.

Section 4 The President/CEO. The President/CEO shall be appointed by the Board of Directors. The term of office shall be at the pleasure of the Board of Directors and may be terminated by a majority vote of that Board. The President/CEO, under the direction of the Chair and the Board of Directors, shall assume full responsibility for all activities of the Association. The President/CEO shall consult freely with the Chair, and in the Chair's absence with the Vice Chair and Board of Directors, on matters of internal policy of the Association and on such matters will carry out their instructions. The President/CEO shall appoint members of all Association committees other than those that are appointed by the Chair pursuant to these Bylaws. The President/CEO shall be a non-voting *ex officio* member of the Board of Directors, except that the President/CEO may vote in the event of a tie vote by the Board of Directors. The President/CEO shall be a non-voting *ex*

officio member of all committees, except the Audit Committee.

Section 5 **The Treasurer and Secretary.**

(a) The Treasurer, shall be a supplier member and shall perform such duties as are usually and customarily performed by such officer or as may be assigned by the President/CEO or the Board of Directors. Specifically, the Treasurer shall: have custody of all funds of the Association and deposit the same in a bank or other financial institution as directed by the Board of Directors; honor orders for payment of money when the same have been approved by the Chair or by a person authorized by the Board of Directors; collect all dues and other moneys payable to the Association; report delinquencies and arrears in dues at regular meetings of the Board of Directors with appropriate recommendations thereon; and present an annual report to the Board. All checks shall be signed by the Treasurer or such other person as may be designated by the Board of Directors and countersigned by one other person to be selected by the Board of Directors. The Treasurer shall provide a bond to the Association, at the Association's expense, in such amount and with such sureties as the Board of Directors may require.

(b) The Secretary, shall be a Retailer and shall perform such duties as are usually and customarily performed by such officer or as may be assigned by the Chair, President/CEO or the Board of Directors.

Section 6 The Board of Directors. The governing body of the Association shall be a Board of Directors, which shall have full power to do any and all things necessary or desirable in conducting the business of the Association, including specifically the following:

(a) The Board shall have an annual meeting on the day of the Association's annual meeting and hold not less than two other regular meetings during the year, the time and place of the meetings to be fixed by the Chair. Special meetings may be called by the Chair, or by any five members of the Board. A majority of the members of the Board shall constitute a quorum at all meetings.

(b) Notice of Board meetings shall be distributed not less than ten (10) days and not more than sixty (60) days prior to the time designated for such meeting.

(c) The Board of Directors may assert internal charges against any director or member of the Association that has engaged in conduct that is illegal, contrary to the Certificate of Incorporation, Bylaws, or policies and procedures of the Association or deemed disparaging or otherwise detrimental to the Association. Such charges shall be served in writing upon the director or member with notice to answer personally before the Board, or by written statement filed with the President/CEO within fifteen (15) days. After hearing such answer, or if the director or member fails to answer within the time specified, the Board may suspend the director or member, who shall then have thirty (30) days within which to file with the President/CEO a written appeal from the judgment of the Board. Failure to so appeal within thirty (30) days shall cause the suspended director or member to be removed from the Board of Directors or membership in the Association. If an appeal is filed, it shall be heard and shall have final action at the next special or regular meeting of the Association, and the director or member may be removed by a majority vote

of the Active Members. A person against whom charges are pending shall not participate in any deliberations or cast a vote on such charges.

(d) The Board of Directors may fix such fees or charges as are just and reasonable for special services rendered to an Association member by the Association.

Section 7 Limitation of Liability; Indemnification of Board of Directors, Officers, and Staff.

(a) No director or officer shall have personal liability to the Association for monetary damages for breach of fiduciary duty as a director or officer, except: (i) for any breach of the duty of loyalty to the Association, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (iii) for any transaction from which the director or officer derived an improper personal benefit.

(b) The Association shall indemnify and advance expenses of any person (an "Indemnitee") who is or was a director, officer, or employee of the Association to the full extent permitted by the laws of the State of Delaware, as they exist on the date hereof or as they may hereafter be amended. The Association shall indemnify an Indemnitee who was or is involved in any manner (including, without limitation, as a party or witness) in any threatened, pending or completed investigation, claim, action, suit or proceeding, whether civil, criminal, administrative, arbitrative, legislative, or investigative (including, without limitation, any action, suit, or proceeding by or in the right of the Association to procure a judgment in its favor) (a "Proceeding"), or who is threatened with being so involved, by reason of the fact that he or she is or was a director, officer, or employee of the Association or, while serving as a director, officer, or employee of the Association, is or was at the request of the Association also serving as a director, officer, or employee of another corporation, partnership, joint venture, trust or other enterprise, against all expenses (including attorneys' fees), judgments, fines, penalties, excise taxes, and amounts paid in settlement actually and reasonably incurred by the Indemnitee in connection with such Proceeding; provided that, there shall be no indemnification hereunder with respect to any settlement or other nonadjudicated disposition of any threatened or pending Proceeding unless the Association has given its prior consent to such settlement or disposition, which consent will not be unreasonably withheld. The provisions of this Section shall inure to the benefit of the heirs and legal representatives of an Indemnitee and shall be applicable to proceedings commenced or continuing after the adoption of this Section, whether arising from acts or omissions occurring before or after such adoption. The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which such director, officer, or employee may be entitled. No amendment, alteration, change, addition, or repeal of or to these Bylaws shall deprive any Indemnitee of any rights under this Section with respect to any act or omission of such Indemnitee occurring prior to such amendment, alteration, change, addition, or repeal.

Section 7 Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any officer, director, employee, or other agent against any expense incurred in any proceeding and any liabilities asserted by reason of being or having been in such capacity, whether or not the Association would have the power to indemnify the such person against those expenses and liabilities under the provisions of these Bylaws, and to purchase and maintain insurance to cover the Association, including for indemnification of Association officers, directors, and agents.

Section 8 Interested Directors. (a) An "interested Director" is a director who is directly or indirectly a party to a transaction with the Association. A director is indirectly a party to a transaction if the director has a material financial interest in the transaction or is an officer, director, or general partner in an entity which is a party to the transaction. (b) An interested director shall disclose the material facts of the transaction and his or her interest in or relationship to such transaction to the members, the Board of Directors, or any committee of the Board of Directors or committee of the Association considering such transaction prior to any action by the members, the Board of Directors, or such committee to authorize, approve, or ratify such transaction. (c) The presence of an interested Director or of a director who is otherwise not disinterested may not be counted in determining whether a quorum of the Board of Directors or a committee of the Board of Directors is present, and may not be counted when action is taken on the transaction.

Article VI

COMMITTEES AND THEIR DUTIES

Section 1 Finance Committee. The Finance Committee shall adopt ways and means of providing adequate revenues for the efficient and economical conduct of the affairs of the Association, subject to the approval of the Board of Directors. The Finance Committee Chair and members of the Committee shall be nominated by the President/CEO and Chair and elected annually, or until their successors are elected, by a majority of votes cast by the Board of Directors.

Section 2 Nominations Committee. The Nominations Committee shall nominate candidates for officers and members of the Board of Directors from the Active and Associate Membership of the Association, other than those whose nomination and appointment are otherwise provided for in these Bylaws, and in accordance with the limitations and requirements otherwise provided in these Bylaws. Any other Active or Associate Member in good standing may be nominated for such elective offices or membership by a voting member from the floor of the Association meeting, in accordance with the limitations and requirements otherwise provided in these Bylaws. The Nominations Committee Chair and members of the Committee shall be nominated by the President/CEO and Chair and elected annually, or until their successors are elected, by a majority of votes cast by the Board of Directors.

Section 3 Audit Committee. The Audit Committee shall audit the annual report of the Treasurer and make a report thereon to the Association. The Audit Committee Chair and members of the Committee shall be nominated by the President/CEO and Chair from among the members of the Board and elected annually, or until their successors are elected, by a majority of votes cast by the Board of Directors. The President/CEO shall not serve as an *ex officio* or a voting member of the Audit Committee.

Section 4 Committee on Product and Label Integrity (COMPLI). The Committee on Label and Product Integrity shall advise the Board of Directors on issues related to the self-regulation of the natural products industry and such other matters as the Board of Directors may provide. The Committee Chair and members of the Committee shall be nominated by the Board Chair and elected annually, or until their successors are elected, by a majority of votes cast by the Board of

Directors.

Section 5 Committee of Regional Presidents. The Committee of Regional Presidents shall consist of the Chair and the Presidents of regional organizations duly chartered by the Association. The Committee shall meet at least quarterly to advise the Chair and Board of Directors on regional issues affecting the natural products industry, the Association, and such other matters as the Board of Directors may provide. The Chair shall report on the Committee meetings to the Board of Directors.

Section 6 Additional Committees. The Board of Directors may establish such additional committees as may be necessary for the best interests of the Association.

Section 7 Advisory Councils. The Board of Directors may establish one or more advisory councils to advise the Association on matters of special interest to particular segments of the industry. The members of such advisory councils shall, in consultation with the Board of Directors, be appointed by the President/CEO. Advisory councils may (a) actively consider and discuss affairs and issues affecting their respective industry segments; (b) advise and make recommendations to the Board of Directors or the President/CEO on such actions as will further the objectives of the Association; and (c) consider such other issues or matters as the Board of Directors deems useful or beneficial to the Association.

Article VII
ANNUAL DUES

Section 1 Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 2 Active Membership. (a) For each fiscal year the annual dues for Active Membership in the Association shall be based on the member's annual net sales during the preceding calendar year of any natural product within product class limitations determined by the Board of Directors which (1) is manufactured or controlled by the member, or its parent or subsidiary entities, if any, and (2) is sold in the United States for domestic use, according to a schedule of dues approved by the Board of Directors.

(b) For the purpose of determining membership dues, "net sales" are gross sales less discounts and returns, on all natural products within product class limitations determined by the Board of Directors sold by the Active Member or its affiliates, subsidiary entities or divisions in the United States for domestic use, but a member may exclude sales of products which in the case of a manufacturer, are controlled by another Active Member; provided, however, that minimum dues for any Active Member shall be payable as set forth in the most current dues schedule approved by the Board of Directors.

(c) The annual dues of Active Members shall be payable annually in January of each year.

Section 3 Associate Membership. The annual dues for Associate Membership in the Association shall be fixed by the Board of Directors and shall be payable annually in January of each year.

Section 4 **Pro Rata Dues.** During any year in which a member of either class is elected to membership, a pro rata payment only shall be required for the unexpired portion of the fiscal year.

Section 5 **Delinquencies.** Whenever any member shall have failed to pay the established dues within thirty (30) days after notice of the same being due and payable, the Association shall notify such delinquent member in writing that if at the expiration of thirty (30) days, said dues are still unpaid, membership will be cancelled and all rights and privileges as a member of the Association will be cancelled. A member may be restored to good standing upon payment in full of all dues or other amounts due and owing at the time of cancellation.

Article VIII
MEETINGS

Section 1 **Method of Calling Meetings.** There shall be called and held an Annual Meeting of the Association at such time and place as the Board of Directors may determine. Meetings of the Association shall be called by written, electronic or printed notices. Notices for each meeting of the Association shall be distributed not less than thirty (30) days and not more than sixty (60) days prior to the time appointed for such meeting. Special meetings of the Association may be called, on due notice, at any time by the Chair or by a vote of the Board of Directors or by the request in writing of at least twenty-five percent (25%) of the voting members of the Association as of the date of the request. Members may vote at an annual or special meeting in-person or by electronic or mail voting.

Section 2 **Business at the Annual Meeting of the Association.** Matters to be incorporated in the program of business shall include the following:

- (a) Approval of Minutes.
- (b) Report of the Chair.
- (c) Report of the President/CEO.
- (d) Report of the Audit Committee.
- (e) Report of the Nominations Committee.
- (f) Election of officers and members of the Board of Directors.
- (g) Report of the Committee of Regional Presidents.
- (e) Report on the results of any votes taken at the meeting.

Section 3 **Quorum.** Five percent (5%) of the voting members of the Association registered for a regular or special properly noticed meeting of members in person or by electronic mail ballot shall constitute a quorum for the consideration of matters at such meeting, provided that in determining the number of voting members present the number of proxy votes present shall be considered. Withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

Section 4. **Fixing Record Date for Voting.** For the purpose of determining members entitled to notice of or to vote at any meeting of members, or in order to make a determination of members for any other proper purpose, the Board of Directors may fix in advance a date as the record date for such determination of members, such date to be not more than sixty (60) days and, for a meeting of

members, not less than ten (10) days, immediately preceding such meeting or other event requiring a determination of members. If no record date is fixed for the determination of members entitled to notice of or to vote at any meeting of members, the date on which notice of the meeting is delivered shall be the record date for such determination of members.

Article IX

AMENDMENT OF BYLAWS

These Bylaws may be amended, repealed or altered at any properly noticed regular or special meeting of the Association by the affirmative vote of sixty percent (60%) of the voting members present, provided that notice of such amendment is included in the notice calling the meeting.

Article X

ADDITIONAL PROVISIONS

Section 1 **Contracts.** The Board of Directors may authorize the President/CEO or the Treasurer to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 2 **Loans.** No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in the name of the Association unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specified instances. No loan shall be made by the Association to a director, officer, or employee of the Association.

Section 3 **Checks, Drafts, Etc.** All checks, drafts, or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination, such instruments may be signed by the Treasurer and countersigned by one other officer.

Section 4 **Deposits.** All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 5 **Gifts.** The Board of Directors may consider and accept on behalf of the Association any contribution, gift, bequest, or devise for the general purpose or for any special purpose of the Association.

Section 6 **Trademarks.** No Association member or other person may use or otherwise display Natural Products Association trademarks and other identifying emblems, logos, acronyms, etc., without prior approval by the Board of Directors and express written authorization from an authorized officer of the Association. All such use and display shall be in accordance with guidelines as may be established and from time to time amended by the Board of Directors and published in the Association's Policies and Procedures Manual.

Section 7 **Records.** The Association shall keep correct and complete books and records of account

and shall also keep minutes of the proceedings of its members, Board of Directors, and committees, and shall keep at its registered office or principal office a record giving the names and addresses of its members, directors, officers, and committee members. All books and records of the Association may be inspected by any voting member, or any member's agent or attorney, for any proper purpose at any reasonable time at the Association's principal offices.

Section 8 Regional Organizations. The Association may charter Regional Organizations by resolution of the Board of Directors of the Association on such terms as the Association may prescribe. A chartered Regional Organization shall provide services to members within its region on regional issues such as membership recruitment and education, regional trade shows and publications, and regional legislation, pursuant to the terms of the charter. On such terms as the Board of Directors may prescribe, any Regional Organization must coordinate its activities with the Association and shall report to the Association's Chair, on not less than a quarterly basis, on services (*i.e.*, legislative advocacy) provided to its members.

Section 9 Policies and Procedures Manual. The Association may maintain a Policies and Procedures Manual, which contains such rules, regulations, policies, and procedures as may be adopted and from time to time amended by the Board of Directors; provided that, such rules, regulations, policies and procedures shall not be inconsistent with the law, the Certificate of Incorporation, or these Bylaws.

Section 10 Conflict of Interest Disclosure. Each officer, director, committee member, staff member, and agent of the Association shall complete and sign a conflict of interest disclosure form and shall comply with such conflict of interest policies and procedures as may be adopted and from time to time amended by the Board of Directors and published to such persons.

Section 11 Dissolution. Upon recommendation of the Board of Directors by resolution adopted at a meeting of the whole Board, the Association may be dissolved and its Certificate of Incorporation surrendered if approved by a vote of seventy five percent (75%) of Active Members, provided that the proposed dissolution has been a matter of formal discussion at a meeting of the Board of Directors and that notice of the proposed dissolution was given with the notices of the Board of Directors meeting. Upon the dissolution of the Association, the Board of Directors shall make provision for the payment, satisfaction, and discharge of all of the liabilities and obligations of the Association, and shall return, transfer, or convey any assets held by the Association upon a condition requiring return, transfer, or conveyance by reason of the dissolution. Thereafter, all of the assets and property of every nature and description remaining shall be distributed to one or more organizations which engage in activities substantially similar to those of the Association and which are then qualified for exemption from federal income taxes as organizations described in Section 501(c)(3) or Section 501(c)(6) of the Internal Revenue Code or corresponding section of any future federal tax code. Any such assets not so disposed of shall be distributed to the federal government, or to a state or local government for a public purpose.

Section 12 Construction. The Association has been formed pursuant to the laws of the State of Delaware. These Bylaws shall be construed in accordance with the GCL and any other applicable laws. Unless these Bylaws expressly or by clear construction or implication so provide, nothing contained in these Bylaws is intended to or shall limit, qualify, or restrict any power or authority

granted or permitted to nonstock corporations by the GCL. References in these Bylaws to the Certificate of Incorporation shall include all amendments thereto unless specifically excepted. Should any of the provisions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions shall be unaffected by such holding.