

**AMENDED AND RESTATED  
CORPORATE BYLAWS**

NATIONAL INSULATOR ASSOCIATION, INC.  
an Arizona non-profit corporation

Annual Meeting Date: June

Fiscal Year End: December 31st

NATIONAL INSULATOR ASSOCIATION, INC.

Amended and Restated Bylaws

TABLE OF CONTENTS

ARTICLE 1. Name..... 1

ARTICLE 2. Offices..... 1

    Section 2.1 Principal Office..... 1

    Section 2.2 Known Place of Business ..... 1

ARTICLE 3. Establishment and Purposes ..... 1

    Section 3.1 Purposes and Powers ..... 1

    Section 3.2 Limitations on Activities ..... 1

    Section 3.3 Contributions and Transfers ..... 2

    Section 3.4 Gifts, Grants and Distributions..... 2

ARTICLE 4. Membership ..... 2

    Section 4.1 Membership..... 2

    Section 4.2 Categories of Membership..... 2

    Section 4.3 Dues ..... 3

    Section 4.4 Application Process ..... 3

    Section 4.5 Geographic Regions ..... 3

    Section 4.6 Removal of a Member ..... 3

ARTICLE 5. Annual General Meeting of the Members ..... 3

    Section 5.1 Annual Meetings and Notice ..... 3

    Section 5.2 Quorum ..... 4

    Section 5.3 Meeting Rules..... 4

    Section 5.4 Voting ..... 4

    Section 5.5 Proxies ..... 4

    Section 5.6 Ballots ..... 4

ARTICLE 6. Board of Directors ..... 4

Section 6.1	Control of the Corporation .....	4
Section 6.2	Number of Directors .....	4
Section 6.3	Manner of Acting.....	5
Section 6.4	Vacancies.....	5
Section 6.5	Term of Office .....	5
Section 6.6	Resignation or Removal .....	5
ARTICLE 7. Powers and Duties of Directors .....		5
Section 7.1	Powers .....	5
ARTICLE 8. Committees .....		6
ARTICLE 9. Meetings of the Board .....		6
Section 9.1	Regular, Annual and Special Meetings .....	6
Section 9.2	Quorum.....	7
Section 9.3	Adjournment.....	7
Section 9.4	Meeting Notices.....	7
Section 9.5	Waiver of Notice .....	7
Section 9.6	Proxies and Voting .....	7
Section 9.7	Telephone Conference.....	7
Section 9.8	Action Without Meeting.....	7
Section 9.9	Order of Business .....	8
ARTICLE 10. Officers .....		8
Section 10.1	Officer Positions .....	8
Section 10.2	Removal.....	8
Section 10.3	Resignation .....	8
Section 10.4	Duties of Officers .....	8
ARTICLE 11. Nominations and Election of Directors and Officers .....		9
Section 11.1	Nominating Committee .....	9
Section 11.2	Meetings .....	9
Section 11.3	Election of Directors.....	10
Section 11.4	Election and Term of Office of Officers .....	10

ARTICLE 12. Conflicts of Interest .....	11
Section 12.1 Conflict of Interest.....	11
Section 12.2 Interested Person.....	11
Section 12.3 Review of Certain Transactions .....	11
Section 12.4 Compensation .....	12
Section 12.5 Transaction Not Voidable.....	12
ARTICLE 13. Compensation .....	12
ARTICLE 14. Reports.....	12
ARTICLE 15. Contributions .....	13
ARTICLE 16. Records and Reports .....	13
Section 16.1 Records .....	13
Section 16.2 Inspection of Books and Records .....	13
Section 16.3 Checks, Drafts, Notes and Indebtedness .....	13
ARTICLE 17. Indemnification of Officers, Directors and Employees.....	13
ARTICLE 18. Financial Disclaimer .....	14
ARTICLE 19. Rules and Regulations .....	14
ARTICLE 20. Amendments.....	14

**AMENDED AND RESTATED BYLAWS  
OF  
NATIONAL INSULATOR ASSOCIATION, INC.**

THESE AMENDED AND RESTATED BYLAWS amend and replace, in their entirety, the Bylaws of National Insulator Association, Inc. as previously adopted on \_\_\_\_\_ and amended by \_\_\_\_\_.

**ARTICLE 1.**

**Name**

The name of the Corporation is NATIONAL INSULATOR ASSOCIATION, INC. (herein referred to as the "Corporation").

**ARTICLE 2.**

**Offices**

Section 2.1 Principal Office. The initial office of business of the Corporation shall be in Phoenix, Maricopa County, Arizona. The Corporation may move its offices or have offices at such other locations as the Board of Directors may from time to time designate or the activities of the require.

Section 2.2 Known Place of Business. The initial known place of business of the Corporation, as required by law to be maintained in the State of Arizona, will be c/o Capital Document Services, Inc. 815 North First Avenue, Suite 4, Phoenix, Arizona 85003. The address of the known place of business may be changed from time to time by the Board of Directors in accordance with the law of the State of Arizona.

**ARTICLE 3.**

**Establishment and Purposes**

Section 3.1 Purposes and Powers. The Corporation is established as a charitable organization, and is organized exclusively for charitable, educational, religious, literary and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"), or corresponding provision of any future federal tax laws. The Corporations goals are (i) to encourage growth and public awareness of the insulator hobby through collecting, dealing, and educational endeavors; (ii) protect the interests of insulator collectors and dealers; and (iii) establish standards and ethics that govern fair dealing between collectors and dealers. To the extent not inconsistent with the purposes of the Corporation, the Code or the law of the State of Arizona, the Corporation may engage in any and all lawful activities for which nonprofit corporations may be incorporated under the laws of the State of Arizona and may exercise all powers enumerated thereunder.

Section 3.2 Limitations on Activities. The Corporation is not formed for pecuniary or financial gain, and no part of the assets, income, or profit of the Corporation is distributable to; or will inure to the benefit of, its directors or officers, or other private individuals; provided, however, that nothing contained herein shall be construed to prevent the payment of reasonable

compensation for services actually rendered by employees, officers or directors of the Corporation and/or the reimbursement of reasonable expenses incurred in connection with service rendered to the Corporation by volunteers, employees, officers, or directors. Additionally, no substantial part of the Corporation's activities shall be the carrying on of propaganda or otherwise attempting to influence legislation. The Corporation shall not participate in or intervene (including the publishing or distribution of statements) in any political campaign on behalf of or in opposition to any candidate for public office.

Section 3.3 Contributions and Transfers. The Corporation is empowered, subject to the provisions of these Bylaws, to accept donations, contributions, gifts, bequests, and devises of monies and properties ("contributions").

Section 3.4 Gifts, Grants and Distributions. The Corporation is empowered, subject to the provisions of these Bylaws and the Articles of Incorporation, to make gifts, grants and distributions for any charitable, educational, religious, literary and/or scientific purposes within the meaning of Section 501(c)(3) of the Code, including for such purposes as the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

#### **ARTICLE 4. Membership**

Section 4.1 Membership. Persons, who are in any way interested in insulators or related items, are eligible to apply for membership. There shall be two (2) classes of Members whose Membership shall be determined by the Category of Member: Voting Members and Non-Voting Members

Section 4.2 Categories of Membership. Membership categories are as follows: Life, Adult, Junior and Club.

(a) Individual applicants 18 years of age and older may be considered for Adult Membership ("Adult Members"). Adult Members are Voting Members.

(b) Applicants under 18 years of age may be considered for Junior Membership ("Junior Members"). Junior Members are Voting Members.

(c) Immediate family members (significant other, and/or children residing at the mailing address), of any person holding an Adult Membership, are awarded the same privileges as that Adult Member, except for the receiving of official Corporation mailings ("Family Members"). Family Members are Non-Voting Members.

(d) Any club of insulator collectors and/or dealers may apply for a Club Membership upon payment of the annual dues ("Club Members"). Club Members are Non-Voting Members. Club Members shall not become affiliated with the Corporation until it has had its bylaws reviewed and approved by the Corporation's Board of Directors.

2

(e) The Board of Directors may, by majority vote, award a Life Membership to any Member for cumulative meritorious service to the Corporation or the insulator-collecting hobby ("Life Member"). Life Member's are Voting Members. No more than two Life Memberships can be awarded each year and will be presented at the Membership's Annual General Meeting.

Section 4.3 Dues. The Board of Directors shall set the dues for each Membership category.

Section 4.4 Application Process. An application for membership that is submitted within three months of the beginning of the new membership year, if accepted, will be good for the upcoming year.

Section 4.5 Geographic Regions. The Corporation's Membership shall be separated into geographical regions, as follows:

(a) Eastern. Alabama, Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Canada (Newfoundland, New Brunswick, Nova Scotia, Ontario, Quebec, Prince Edward Island), Africa and Europe;

(b) Central. Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Texas, Wisconsin, Canada (Manitoba, Saskatchewan), Central and South America; and

(c) Western. Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming, Mexico (all), Canada (Alberta, British Columbia, Northwest Territories, Yukon), Australia and Asia.

Section 4.6 Removal of a Member. A Member may be suspended or removed from Membership by the Board of Directors upon a recommendation from the Ethics Committee, following an investigation by the Ethics Committee that a Member ("Offending Members") failed to abide by the Code of Ethics, as adopted by the Board of Directors, and amended from time to time, or for other good cause shown. The Board of Directors will provide the Offending Member written notice of its intent to suspend or revoke the Member's Membership at least fifteen (15) days prior to the date that the suspension or revocation is to be effective. The Offending Member may address the Board of Directors, either in person or in writing, to refute the proposed suspension or revocation.

## ARTICLE 5.

### Annual General Meeting of the Members

Section 5.1 Annual Meetings and Notice. The Annual General Meeting of the Members shall be held each year during the Corporation's Annual National Convention, as set by the Board of Directors. Written notice of each Annual General Meeting of the Members shall be given by, or at the direction of, the Board of Directors through an announcement in the spring issue of "Drip Points". Such notice shall specify the place, day, and hour of the Annual Meeting.

Section 5.2 Quorum. Except as otherwise specifically provided by statute or by other provisions of these Bylaws or the Articles of Incorporation, not less than five percent (5%) of the Voting Members will be considered a quorum for purposes of transacting business.

Section 5.3 Meeting Rules. The order of business for the Annual General Meeting shall be governed by the rules of procedure and protocol set forth in the latest edition of Robert's Rules of Orders and shall be as follows:

- (a) Call to Order
- (b) Roll Call
- (c) Approval of minutes of previous Annual General Meeting
- (d) Officers Reports
- (e) Old Business
- (f) Proposed Budget.
- (g) New Business
- (h) Announcement of the results of the election of Board of Directors and Officers
- (i) Adjournment

Section 5.4 Voting. In the transaction of business at any Annual General Meeting of the Members, a majority vote of the Voting Members present in person or shall decide. In the case of any tie vote, the presiding Officer shall cast the deciding vote.

Section 5.5 Proxies. Voting by proxy shall not be permitted.

Section 5.6 Ballots. The Board shall determine the form of ballot, if any, to be used in connection with any vote.

## **ARTICLE 6. Board of Directors**

Section 6.1 Control of the Corporation. Subject to the limitations of the Articles of Incorporation, these Bylaws, and any Rules and Regulations, the management and control of the business, property and affairs of the Corporation shall be vested in and conducted by the Board of Directors which shall be elected as provided in Article 11.

Section 6.2 Number of Directors. The Board of Directors shall consist of ten (10) directors who shall be elected or appointed as provided in Article 11 and subject to Arizona law. Subject to the foregoing limitation, the number of directors may be altered from time to time by a duly adopted resolution of the Board of Directors, provided that no decrease shall have the effect of shortening the term of any incumbent director.



Section 6.3 Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws.

Section 6.4 Vacancies. Vacancies on the Board of Directors resulting from the death, incapacity, resignation, removal, or other cause, shall be filled by the President, after approval of the President's nominee by the directors. A director so appointed shall hold office for the balance of the term of the director replaced, and thereafter until a successor has been duly elected. The foregoing notwithstanding, in the event of a vacancy on the Board due to a past President's death, incapacity, resignation, removal, or other cause, such vacancy shall not be filled by the President.

Section 6.5 Term of Office.

(a) Term of Office. Each director shall hold office for a term of two (2) years and until his successor is duly elected and qualified. The term of office of any director elected to fill any vacancy shall be for the unexpired term of the director being replaced unless otherwise stipulated by the resolution electing him or her.

(b) Limitations on Consecutive Terms. There is no limitation of consecutive terms being served by any Director.

Section 6.6 Resignation or Removal.

(a) Resignation. Any director of the Corporation may resign at any time, by giving written notice thereof to the President of the Corporation. Such resignation shall take effect at the time specified therein and, unless otherwise specified with respect thereto, the acceptance of such resignation shall not be necessary to make it effective.

(b) Removal. Any director may be removed from office at any time, with or without cause, by the vote of a majority of the members of the Board of Directors.

## **ARTICLE 7. Powers and Duties of Directors**

Section 7.1 Powers. All corporate powers of the Corporation shall be exercised by or under the authority of the Board of Directors. Without limiting the generality of the foregoing, in furtherance of the Corporation's purposes, the Board of Directors shall have the following powers:

(a) Except as otherwise provided in the Articles of Incorporation or these Bylaws, to elect directors and officers and remove any officer of the Corporation; to prescribe for all directors' and officers' powers and duties not inconsistent with law, the Articles of Incorporation or the Bylaws; and to fix any compensation to be paid, benefits to be provided, and approve reimbursements of expenses.

(b) To establish principles and policies, including the determination of standards and guidelines for the acceptance of contributions and transfers, for the investment and

management of all monies, properties and assets of the Corporation and for their allocation and distribution.

(c) To adopt further policies, procedures and rules for the functioning of the Corporation, the conduct of its affairs, and the discharge of its responsibilities as may in the discretion of the Board be necessary or desirable.

(d) To provide for legal counsel and the retainer, if any, to be paid. Legal counsel may be a member of the Board and attend Board meetings.

(e) To maintain financial records relating to the contributions, transfers, properties, and other assets of the Corporation and its operations, and to make annual reports within ninety (90) days after the end of each accounting year, setting forth statements reflecting monies, properties and assets received, held and distributed.

(f) To establish the Corporation's annual budget and approve and disburse operating expenses.

(g) To execute documents necessary or appropriate in the performance of the functions and responsibilities of the Board. The President, Vice President, other officers designated by the Board shall be authorized to act on its behalf in the execution of those documents necessary or convenient to carry out the specific resolutions of the Board.

(h) To do and perform all necessary acts for the operation of the Corporation.

#### **ARTICLE 8. Committees.**

The Board of Directors may establish such standing committees, and such other committees as the Board deems appropriate for the conduct of the business of the Corporation. Except as otherwise provided in these Bylaws, each such committee shall serve at the pleasure of the Board, shall act only in the intervals between meetings of the Board, and shall be subject to the control and direction of the Board; provided however that any third party shall not be adversely affected by relying upon any act by any such committee within the authority delegated to it. Each such committee shall act by not less than a majority of those present as long as there is a quorum.

#### **ARTICLE 9. Meetings of the Board**

##### **Section 9.1 Regular, Annual and Special Meetings.**

(a) There shall be not less than one (1) regular meeting of the Board of Directors, during each calendar year, held annually and at such time and on such date as shall be determined by the Board pursuant to notice of meeting as hereinafter provided.

(b) The regular meeting held in July of each year (or such other month selected by a majority of the duly elected Board of Directors) shall be designated as the annual meeting of the Corporation.

(c) Special meetings of the Board may be called by the President or by two (2) of the members of the Board.

Section 9.2 Quorum. Except as otherwise specifically provided by statute or by other provisions of these Bylaws or the Articles of Incorporation, not less than a majority of the then elected and appointed directors shall be required to constitute a quorum for the transaction of business at any meeting, and the act of the majority of the directors present at any meeting, at which a quorum is present, shall be the act of the Board of Directors. The directors shall act only as a Board and the individual directors shall have no power as such.

Section 9.3 Adjournment. In the absence of a quorum at any meeting of the Board of Directors, the majority of those present shall adjourn the meeting from time to time until such time as a quorum is present for conducting the meeting or until the time fixed for the next regular meeting. Notice of any adjourned meeting need not be given.

Section 9.4 Meeting Notices. Written notice of the date, time and place of each meeting of the directors shall be given to each director by the Secretary or the person or persons calling the meeting not more than sixty (60) days nor less than seven (7) days before such meeting; provided that notice by telephone or telecopier or electronic mail devices may be given at least five (5) days prior to the meeting date. Such notice need not specify the purposes of the meeting and may be given by any reasonable means. Notice of any meeting shall be considered given if mailed, faxed or otherwise sent or delivered in writing to the director at his or her address or fax waived by any director who shall attend and participate in such meeting without protesting, prior to or at the commencement of such meeting, the lack of proper notice may be waived, in a writing, by any director either before, at or after such meeting.

Section 9.5 Waiver of Notice. Attendance at any meeting shall constitute a waiver of notice, except when attendance is for the express purpose of objecting to the transaction of any business because a meeting is not duly called or convened. Notice may be waived in writing setting forth the purposes of the meeting and signed by all directors serving on the Board.

Section 9.6 Proxies and Voting. No voting by proxy shall be permitted. Except as otherwise provided herein, all action of the Board shall be determined by a majority of the votes cast at a duly called meeting at which the required quorum is present. Each director shall have one vote.

Section 9.7 Telephone Conference. Unless otherwise prohibited by statute or by resolution of the Board of Directors, meetings of the Board of Directors or any committee, whether annual or special, may be held by means of conference telephone or similar communications equipment that allows all persons participating in the meeting to hear each other. Participation in such a meeting shall constitute presence in person at such meeting.

Section 9.8 Action Without Meeting. Any action required to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of a Board Committee,

may be taken without a meeting if the action is set forth in writing and all directors or Committee members consent thereto in writing. Such consent shall have the same effect as a unanimous vote, and the signed instrument shall be filed with minutes of other proceedings of the directors or of the Committee.

Section 9.9 Order of Business. At meetings of the Board of Directors, business shall be transacted in such order as the Board may determine from time to time. Robert's Rules of Order shall govern in any matter not covered by the Articles of Incorporation or by these Bylaws.

## **ARTICLE 10.**

### **Officers**

Section 10.1 Officer Positions. The officers of the Corporation shall be a President, a Vice President from each geographical region, a Treasurer, a Secretary, an Information Director, a Membership Director, and the two immediate past Presidents. All officers shall be members of the Board of Directors.

Section 10.2 Removal. Any officer may be removed at any time, either with or without cause, by the vote of a majority of the directors at any regular or special meeting called for such purpose. If the officer is also a Director, the Officer will not be entitled to vote at such the special meeting.

Section 10.3 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect when received or at any later date specified therein; and the acceptance by the Board of such resignation shall not be necessary.

#### Section 10.4 Duties of Officers.

(a) President. The President shall be the Chief Executive Officer of the Corporation and shall, when present, preside at all meetings of the Board of Directors. The President may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board, any deeds, mortgages, bonds, contracts, or other instruments which the directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

(b) Vice President. The Vice Presidents shall assist the President in the performance in his or her duties, and in the absence, incapacity or disability of the President, shall perform and exercise the functions, duties and powers of the President. The Vice Presidents will seek responsible members to serve as hosts for all Corporation sponsored meetings and shows.

(c) Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors in books provided for that purpose, see that all notices are duly given in accordance with the provisions of these Bylaws or as required, be custodian of the corporate

records of the Corporation and keep a register of the mailing address of each director which shall be furnished to the Secretary by such director, and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board.

(d) Treasurer. The Treasurer shall have charge and custody of and be responsible for all books, records, funds and monies of the Corporation, and in general perform all duties incident to the office of treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors.

(e) Information Director. The Information Director will coordinate the information and publication services of the Corporation.

(f) Membership Director. The Membership Director will coordinate the Corporation's membership services.

(g) Staff. To facilitate expeditious and efficient conduct of the day-to-day business of the Corporation, the Board of Directors may employ such persons as it deems necessary, whose duties shall be prescribed and whose compensation shall be determined by the Board of Directors.

#### **ARTICLE 11. Nominations and Election of Directors and Officers**

Section 11.1 Nominating Committee. The Nominating Committee shall propose to the Members the nominees for Directors and Officers for election to serve during the upcoming fiscal year. The Nominating Committee shall be comprised of the following Members of the Corporation:

- (a) The President of the Corporation;
- (b) The Treasurer;
- (c) The Secretary; and
- (d) The Vice Presidents of the Corporation. The First Vice President (as defined below) shall serve as Chair of the Nominating Committee.
- (e) The Nominating Committee shall be a standing committee and its members shall remain as such until each respective Director and Officer position's successor shall have been filled and qualified.

#### Section 11.2 Meetings.

(a) Any notice of any meeting of the Nominating Committee shall be in writing and sent not less than five (5) days prior to the date of such meeting. Notice may be provided personally, by mail, or by electronic means, including e-mail or facsimile. Meetings may be conducted by an electronic means, including teleconferencing, video conferencing,

Internet conferencing, or other electronic means allowing for discussion. Participation in such meeting shall constitute waiver of notice of the meeting.

(b) The Chair of the Nominating Committee shall review candidates for the proposed slate of Board Members.

(c) A quorum for the purposes of any meeting of the Nominating Committee shall be constituted by at least two-thirds (2/3) of the committee members.

(d) The slate of proposed Board members, shall be given to the Members in the spring issue of "Drip Points" to be voted upon as provided for in this Article.

#### Section 11.3 Election of Directors.

(a) Election Meeting. Except as otherwise provided in this Article 11, Directors shall be elected from a ballot sent to all Members in the spring issue of "Drip Points" ("Director Ballots"). The Director Ballots must be returned by any member wanting to vote for a Director to the Secretary on or before May 1<sup>st</sup> to be a valid ballot. Results of the election shall be provided to the Members at the Annual General Meeting of the Corporation and reported in the fall issue of "Drip Points."

(b) Nomination of Directors. The Chair of the Nominating Committee shall solicit nominations for Directors, as well as officers to serve for the next fiscal year, in the winter issue of "Drip Points," which nominations shall be cut off on February 1<sup>st</sup>.

(c) Election Vote. The election of new Directors shall be by the Members by the Director Ballots, with the nominees receiving the most votes cast shall be elected to the Board. The Director Ballots shall be tallied by the Secretary on May 1<sup>st</sup>. The elected Directors shall take office at the Annual General Meeting of the Corporation.

(d) Designated Directors. The provisions of this Section 11.3 notwithstanding, each immediate past Presidents shall be designated a member of the Board of Directors for two successive terms beginning on the date of such President's replacement has been duly elected in accordance with Section 11.4(a).

#### Section 11.4 Election and Term of Office of Officers.

(a) President Treasure and Secretary. The President, Treasurer and Secretary shall be elected by the Members from a ballot sent to all Members in the spring issue of "Drip Points" ("Officer Ballots"). Each shall serve a staggered two year term, and may serve successive terms. The Officer Ballots must be returned by any member wanting to vote for an officer to the Secretary on or before May 1<sup>st</sup> to be a valid ballot. The Officer Ballots shall be tallied by the Secretary on May 1<sup>st</sup>. Results of the election shall be provided to the Members at the Annual General Meeting of the Corporation and reported in the fall issue of "Drip Points." The term of office of all elected officers shall commence Annual General Meeting of the Corporation and shall continue until the next Annual General Meeting of the Corporation or a respective successor is elected and qualified.

(b) Information Director and Membership Director. The Information Director and Membership Director shall be appointed by the President after the President is elected as set forth in Section 11.4(a) for a two year term, and may serve successive terms. Section 11.4(d) notwithstanding, in the event a vacancy occurs in either the office of Information Director or Membership Director, such vacancy shall be filled by the President and any officer so appointed shall hold office for the unexpired term of the officer succeeded or until a successor is appointed.

(c) Regional Vice Presidents. A Vice President shall be elected by each geographic region from the slate of officers provided by the Directors to the Membership from a ballot sent to all Members in the spring issue of "Drip Points" ("Regional Ballots"). The Regional Ballots must be returned by any member wanting to vote for a Regional Vice President to the Secretary on or before May 1<sup>st</sup> to be a valid ballot. The Regional Ballots shall be tallied by the Secretary on May 1<sup>st</sup>. Results of the election shall be provided to the Members at the Annual General Meeting of the Corporation and reported in the fall issue of "Drip Points." Each Vice President is elected to a staggered three year term and may serve successive terms. Each Vice President must be a resident of the geographic region that he represents. The First Vice President is the Vice President that has served as a Vice President for the greatest amount of time.

(d) Vacancy. Any vacancy occurring among the officers shall be filled by the Board of Directors of the Corporation at the next regularly scheduled meeting of such Board, and any officer so elected shall hold office for the unexpired term of the officer succeeded or until a successor is elected and qualified.

## **ARTICLE 12. Conflicts of Interest**

Section 12.1 Conflict of Interest. An Interested Person (as defined below) shall make full disclosure to the Board of Directors of any financial interest, direct or indirect, which the director or officer has in or with any person or entity that is a party to a transaction under consideration by the Board of Directors. If the Interested Person is an officer or director of the Corporation, or is related to an officer or director of the Corporation, such director or officer shall abstain from voting on any aspect of the transaction.

Section 12.2 Interested Person. As used herein, the term "Interested Person" shall mean any director or officer of the Corporation, any individual who is in a position to exercise substantial influence over the affairs of the Corporation, family members of such individuals, or any corporation, firm, association or other entity in which one or more of the foregoing individuals is a director, officer or member or is financially interested.

Section 12.3 Review of Certain Transactions. Prior to the Corporation entering into any compensation agreement, contract for goods or services, or any other transaction with any Interested Person, the Board of Directors shall establish that the proposed transaction is reasonable when compared with similarly-situated organizations for functionally comparable positions, goods or services. The Board shall exercise due diligence in reviewing the transaction to ensure it is in the best interests of the Corporation and document the due diligence done to reach such conclusion. The meeting minutes where a transaction is considered shall reflect that

an Interested Person made disclosure, and any action taken with respect to same, as well as the presence or absence of the Interested Person, the not counting of such Interested Person who is a director for quorum purposes, and the abstention of such Interested Person who is a director from voting. The foregoing requirements shall not be construed as preventing such Interested Person from briefly stating his or her position on the transaction nor from answering questions of directors with respect to the transaction.

Section 12.4 Compensation. A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

Section 12.5 Transaction Not Voidable. No contract or other transaction between the Corporation and an Interested Person, including the sale, lease or exchange of property to or from an Interested Person, the lending or borrowing of monies by or from an Interested Person by the Corporation, or the payment of compensation by the Corporation for services provided by an Interested Person, shall be void or voidable because of the relationship or interest between the Corporation and the Interested Person or because any Interested Person is present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such transaction or because his, her or their votes are counted for such purpose if:

(a) The fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of any Interested Person(s); and

(b) The contract or transaction is fair and reasonable to the Corporation at the time the contract or transaction is authorized, approved or ratified in the light of circumstances known to those entitled to vote thereon at that time.

### **ARTICLE 13. Compensation**

No director and no officer shall receive any salary simply for serving in the position of officer or director; provided, however, that nothing contained herein shall be construed to prevent the payment of reasonable compensation for additional services actually rendered by officers or directors of the Corporation, including services performed in connection with an outside business or profession so long as such was adequately disclosed to the Board prior to the rendering of services, and/or the reimbursement of reasonable expenses incurred in connection with service rendered to the Corporation by officers or directors.

### **ARTICLE 14. Reports**

It shall be Corporation's policy that the names of all Donors are confidential and no Donor's name shall be disclosed without first obtaining the approval of the Donor. Notwithstanding this policy, Donor names may be furnished to others in compliance with court process or in connection with any audit of the Corporation by a regulatory agency.



**ARTICLE 15.**  
**Contributions**

The Corporation may accept any contribution, bequest or devise not inconsistent with its general tax-exempt purposes, its Articles of Incorporation and these Bylaws. The Corporation shall retain complete control over all donated funds and shall exercise unlimited discretion as to their investment and ultimate use so as to insure that such funds will be used to the best advantage in carrying out its tax exempt purposes.

**ARTICLE 16.**  
**Records and Reports**

Section 16.1 Records. The Corporation shall maintain adequate and correct accounts, books, and records of its business and properties. All such books, records and accounts shall be kept at its principal place of business in the State of Arizona, County of Maricopa, as fixed by the Board of Directors.

Section 16.2 Inspection of Books and Records. All books and records shall be open to the Directors or Members of the Corporation in the manner provided for by the Board of Directors. The original copy of these Bylaws, as amended or otherwise altered to date and certified by the Secretary, shall be open to inspection for the members of the Corporation.

Section 16.3 Checks, Drafts, Notes and Indebtedness. All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness, issued in the name of or payable to Corporation shall be signed or endorsed by such person or persons and in such a manner as shall be determined by the Board of Directors.

**ARTICLE 17.**  
**Indemnification of Officers, Directors and Employees**

The Corporation shall indemnify, to the maximum extent permitted by Arizona Revised Statutes §§ 10-3851 through 10-3856, any person who is a party to, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative, or any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor, by reason of the fact that he or she is or was a director, officer or employee of the Corporation or is or was serving at the request of the Corporation as a director, officer, committee member, or employee of the Corporation, against expenses, including attorney fees, and against judgments, fines and amounts paid in settlement to the extent permitted by law. Expenses, including attorneys' fees, incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of any such action, suit or proceeding to the extent permitted by law.

The Corporation may, to the full extent then permitted by law and authorized by the directors, purchase and maintain insurance on behalf of any officer, director, committee member or employee against any liability asserted against and incurred by any such person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability.

**ARTICLE 18.**  
**Financial Disclaimer**

The Corporation shall not assume, nor be liable for any personal debt and/or other financial responsibilities, either implied or incurred, of any Member or Director.

**ARTICLE 19.**  
**Rules and Regulations**

The Board of Directors shall promulgate and implement any rules and regulations pursuant to which the purpose of the Corporation shall be accomplished.

**ARTICLE 20.**  
**Amendments**

These Bylaws and the Articles of Incorporation for the Corporation may be amended only with the approval of the Board of Directors for so long as such organization shall exist, and thereafter as allowed by law. The Board of Directors of the Corporation may propose any such amendments. The text of any proposed amendment shall be distributed to each member of the Corporation's Board of Directors, together with the appropriate notice of meeting, at least seven (7) days prior to the date of any meeting at which such amendment is to be considered. Amendments may be approved by the affirmative vote of a majority of all the Directors of the Corporation. The Articles of Incorporation shall never be amended so as to make the Corporation other than a charitable organization within the meaning of Section 501 (c)(3) of the Internal Revenue Code of 1986, as may be amended.

CERTIFICATE OF ADOPTION

THE FOREGOING Bylaws were duly adopted by the Board of Directors of the Corporation pursuant to a resolution of the Board of Directors dated July 10, 2009.

NATIONAL INSULATOR ASSOCIATION, INC., an  
Arizona non-profit corporation

ATTEST:

By: Robert B. Stahl  
Robert B. Stahl, President

By: Colin Jung  
Colin Jung, Secretary