

CALIFORNIA ALARM ASSOCIATION

CODE OF ETHICS CONSTITUTION AND BY-LAWS

As amended December 2006

CODE OF ETHICS

1. To promote the highest standards of performance and professional conduct in the electronic security industry.
2. To foster objectives founded on principles of justice and integrity that are beneficial to all persons involved in the electronic security industry and the general public.
3. To deal honestly, fairly, and to be guided by a spirit of justice and honor in all matters.
4. To provide mutual aid to members and to disseminate information vital to the electronic security industry.
5. To encourage and support sound legislation affecting the electronic security industry.

CONSTITUTION AND BY-LAWS

ARTICLE 1. NAME

The official name of this Association shall be the California Alarm Association.

ARTICLE 2. PURPOSE

Section A. The members do hereby associate themselves together in this Association in order that they may, through mutual aid, better advance the welfare of all; such Association contemplates free exchange, among the members, of ideas and the dissemination of information concerning trade practices, business conditions, technical developments and any and all related subjects of concern to the electronic security industry. The Association does not contemplate monetary gain or profit, incidental or otherwise. The Association is a Chartered Association of the National Burglar and Fire Alarm Association, Inc. ("NBFAA").

ARTICLE 3. MEMBERSHIP

Section A. There shall be seven (7) classes of membership for the Association:

1. Regular Membership in the Association shall be open to any individual, partnership, firm, corporation or other business entity, located within the State of California which shall meet the following requirements:

- (a) Provide installation and repair of electronic security systems to the general public.
- (b) Have a valid California state license to operate in those segments of the electronic security industry as the member may be operating.

2. Out-of-State Membership in the Association shall be open to any individual, partnership, firm, corporation or other business entity, located outside the State of California, which shall meet the following requirements:

- (a) Provide installation and repair of electronic security systems.
- (b) Have a valid state license in the state in which it is located to operate in the electronic security industry, provided, however, that if the state where the prospective Out-of-State Member does business does not require such a license, then the prospective Out-of-State Member shall have been in the electronic security industry for at least two (2) years preceding the date of application for membership. Waiver of this two (2) year requirement may be permitted by the Board of Directors for an applicant whose designated representative has previously served as a representative in the Association for at least two (2) years.

(c) Out-of-State Members shall be subject to all rules and regulations pertaining to Regular Membership, including payment of dues. Out-of-State Members, however, shall not be subject to any assessments. Out-of-State Members may attend all open meetings, but shall not have the right to vote nor the right to hold office.

3. Associate Membership in the Association shall be open to any individual, partnership, firm or corporation or other business entity which does not qualify as a Regular Member, but who may supply any services, equipment, or otherwise to the Regular Members. Associate Members shall be subject to all rules and regulations pertaining to Regular Membership, may attend all open meetings, including open Board meetings, but shall not have the right to vote nor the right to hold office.

4. Life Membership in the Association may be conferred on a person who has performed meritorious service to the Association, provided that such membership shall be recommended by the Board of Directors and shall receive a majority vote of the Association. Life Members shall be exempt from payment of all dues and assessments and shall have the privilege of attending all open meetings, but shall not have the right to vote nor the right to hold office.

5. Honorary Membership in the Association may be conferred on a person who has performed meritorious service to the Association and who would desire to attend conventions and meetings but cannot fulfill the requirements of Regular or Associate Membership. Such membership shall be recommended by the Board of Directors and shall receive a majority vote of the Association. Honorary Members shall be exempt from all dues and assessments, may attend all open meetings, but shall not have the right to vote nor the right to hold office.

6. Courtesy Membership in the Association may be conferred on a person who would desire to attend conventions and meetings but cannot fulfill the requirements of other membership. Such membership shall be given at the discretion of the President or shall be recommended by the Board of Directors and shall receive a majority vote of the Association. Courtesy Members shall be exempt from all dues and assessments, may attend all open meetings, but shall not have the right to vote nor the right to hold office.

7. Affiliate Membership in the Association shall be open to any individual, partnership, firm or corporation or other business entity that does not otherwise qualify for membership under any other membership category, but meets the following requirement and conditions:

(a) Has the capability of contributing significant value or expertise to the electronic security industry, or provides design, installation, service or monitoring of electronic security systems for its own use and not to either the general public or to electronic security dealers; Affiliate Members may attend all open meetings, including open board meetings, but shall not have the right to vote nor the right to hold office.

Section B. Any member or candidate for membership who meets the requirements for Regular Membership as set forth herein, must join the Association as a Regular Member.

Section C. A candidate for Regular or Out-of-State Membership must be willing and agree to conduct that firm's business in accordance with the Code of Ethics adopted by the Association and these By-Laws, and in accordance with the Code of Ethics, By-Laws and Anti-Trust Statement of the NBFSA.

Section D. All candidates for Regular, Associate or Affiliate Membership shall apply for such membership by making application to one of the recognized Local Associations covering the area in which such prospective member is located or in which such prospective member is located closest to. All candidates for Out-of-State Membership shall apply for membership directly to the Association.

Section E. In the case of applicants for Regular, Associate or Affiliate Membership, the Local Association shall provide for an investigation of the applicant to determine if the applicant meets the requirements for Regular, Associate or Affiliate Membership, as the case may be, contained in Section A above. Upon approval of the Local Association, and payment by the applicant of applicable dues, the applicant will become a Regular Member, Associate Member or Affiliate Member, as the case may be, of the Local Association, the Association and the NBFSA.

Section F. In the case of applicants for Out-of-State Membership, the Association shall provide for an investigation of the applicant to determine if the applicant meets the requirements for Out-of-State membership contained in Section A above. Upon approval by the Board of Directors of the Association and payment by applicant of applicable dues, the applicant will become an Out-of-State Member.

Section G. All Regular Members will be given due notice, fair representation and the right to participate in all elections.

Section H. Membership in the Association shall not be transferable or assignable except upon the approval of the majority of the members at the next regular meeting.

ARTICLE 4. LOCAL REGIONS

Section A. There shall be up to twelve (12) Local Regions within the State of California. The geographic boundaries of the twelve (12) Local Regions shall be determined by the Board of Directors from time to time. The Board of Directors shall designate one (1) Local Association within each of the Local Regions which

shall become the local association for that Region. For purposes of representation to the Board of Directors, each Local Association shall be included within one (1) of the twelve (12) designated Local Regions.

Section B. The State shall be divided into two (2) areas, Northern California and Southern California. Any Local Region whose boundaries are located substantially south of the 36th parallel shall be considered in Southern California, and any Local Region whose boundaries are located substantially north of the 36th parallel shall be considered in Northern California.

ARTICLE 5. LOCAL ASSOCIATIONS

Section A. There shall be up to twelve (12) Local Associations within the Association, one (1) located within each of the Local Regions. If no Local Association exists in an area where a prospective Regular Member is located, then a prospective Regular Member shall make application to become a member of the Local Association (and thereby the Association) closest to where such prospective member does business.

Section B. The Board of Directors shall have the power and authority to approve and recognize the Local Associations which shall become members of the Association.

Section C. Each Local Association shall have a fiscal year corresponding with the fiscal year of the Association.

Section D. The by-law requirements of a Local Association must be consistent with the Association and must contain the by-law requirements of the Association for Regular, Out-of-State and Associate Membership.

Section E. Each Local Association must maintain a provision in its By-Laws for a grievance procedure which is not in conflict with ARTICLE 18 of these By-Laws or the provisions of the National Burglar & Fire Alarm Association By-Laws regarding a grievance procedure.

ARTICLE 6. VOTING RIGHTS

Section A. Each Regular Member shall be entitled to cast one (1) vote in all elections.

Section B. Only Regular Members in good standing shall be entitled to vote.

ARTICLE 7. GOOD STANDING

Section A. Only representatives of Regular Members in good standing may serve as Officers or Directors of the Association, with the exception of the representative elected by the Associate Members to serve on the Board of Directors who shall be a representative of an Associate Member in good standing. A person may not continue to serve on the Board of Directors or serve on any committee, or hold any office in the Association unless the company said member represents remains in good standing.

Section B. A member in good standing is one who is not in arrears in the payment of any indebtedness to the Association or a Local Association. A member is in arrears sixty (60) days from the date when said obligation was first due.

1. Any dues-paying member who fails to pay dues or indebtedness to the Association sixty (60) days from the day it was due will automatically be suspended. If the dues or indebtedness is not paid ninety (90) days from the date originally due, the member will automatically be expelled.

2. The Board of Directors may reinstate an expelled member to good standing upon the showing of good cause within one hundred and eighty (180) days after the date of expulsion.

Section C. A member may also be suspended from the Association on any one of the following grounds: (1) failure to uphold the principles of the Code of Ethics of the Association or the NBFSA; (2) making false

reports to the Association or the NBF AA; (3) failure to continue to fulfill all the standards and requirements for membership adopted by such member's Local Association, the Association or the NBF AA.

Section D. A determination by the Board that a member has committed any of the acts set forth in Section C shall be conclusively deemed to constitute good cause. The period of suspension shall not exceed three (3) months. Notice of suspension stating the reason for suspension and the terms and conditions of the suspension, shall be promptly sent to said member by first class mail, or facsimile.

Section E. At the next regular meeting of the Board of Directors following the end of the suspension period, the Board of Directors shall consider the reinstatement, further suspension or the expulsion of said member. If the Board of Directors recommends expulsion, said recommendation shall be presented to the general membership. The member shall be expelled upon the affirmative vote of two-thirds (2/3rds) of the voting members in attendance at the next regular meeting of the Association.

Section F. If a member who has been expelled reapplies for membership to the Association, such expelled member shall submit a new application accompanied by a check for payment of all unpaid dues and assessments during the period of time in which such member was a member in good standing and during the period of time in which such member was under suspension. Said applicant shall also submit evidence indicating that the terms and conditions for lifting the original suspension have been satisfied.

ARTICLE 8. BOARD OF DIRECTORS

Section A. The business and affairs of the Association shall be managed by the Board of Directors.

Section B. The Board of Directors of the Association shall consist of the following:

1. The President of the Association;
2. Each of the two (2) Vice Presidents of the Association, one (1) from Southern California and one (1) from Northern California;
3. The Secretary of the Association;
4. The Treasurer of the Association;
5. The Sergeant at Arms of the Association;
6. One (1) Regular Member representative from each of the existing Local Associations;
7. One (1) representative elected by the Associate Members;
8. All past Presidents of the Association. Only the ~~last two (2)~~ most immediate past Presidents in attendance, whose company maintains a Regular Membership, shall have voting rights;
9. One (1) representative to represent the large companies in the State. Such large company representative shall be selected from amongst those Regular Members having three hundred and one (301) or more employees and two (2) or more offices.

Section C. Term. Each Director shall be elected to serve for a term of one (1) year commencing with the meeting of the Association designated as the bi-annual meeting for the election of Officers of the Association.

Section D. Election of Directors.

1. The voting members from each Local Association shall elect their representative to serve on the Board of Directors. The Board representative from each Local Association must be nominated from and be authorized to represent a Regular Member in good standing.

2. The Associate Members shall elect their representative to the Board.
3. The large/multi-office companies shall elect their representative to the Board.
4. All directors elected by the voting members shall be elected by a majority of such members present at any meeting electing such directors.

Section E. Ex Officio Members of the Board

The Executive Director of the Association, if any, the counsel to the Association and the accountant to the Association shall all be ex officio members of the Board and as such shall be entitled to attend all meetings of the Board but shall not have a vote on the Board.

Section F. Voting Rights.

Each member of the Board of Directors shall be entitled to one (1) vote.

Section G. Executive Committee

1. The Executive Committee shall act for the Board of Directors during the intervals between the meetings of the Board of Directors, subject to the policies agreed to by the Board of Directors.
2. The Executive Committee shall consist of the following: The president, two (2) vice-presidents, secretary, treasurer, sergeant at arms, and the immediate past president.
3. The President or a majority of the Executive Committee may call a meeting of the Executive Committee.
4. Minutes of the Executive Committee's meeting will be taken and forwarded to all of the Board of Directors.
5. The Executive Committee may invite whomever they deem appropriate to attend Executive Committee meetings.

ARTICLE 9. OFFICERS

Section A. The Officers of the Association shall be:

President
Vice President - Northern California
Vice President - Southern California
Secretary
Treasurer
Sergeant at Arms

Section B. Term.

1. Each Officer shall be elected to serve for a term of two (2) years commencing at the conclusion of the meeting of the Association designated as the bi-annual meeting for the election of officers of the Association. If a vacancy should arise in any of the elected offices during the two (2) year term for any office, the Board of Directors shall be authorized to fill the vacated office for the remainder of the term.

Section C. Election of Officers.

1. Elections for each office shall be held, by ballot, at the regular meeting of the Association designated as the bi-annual meeting for the election of officers of the Association. Each Regular Member in good standing prior to the start of the general meeting shall be entitled to vote in accordance with the appropriate provisions of these By-Laws. All eligible members in attendance at the meeting, and not by proxy, shall receive a ballot, except where the election of officers has been

determined as not contested by the Election Committee. A majority of the votes cast shall elect.

2. All elected Officers must be selected from, and be authorized to represent, a Regular Member in good standing. A member may not be nominated for or be elected President of the Association unless the member has served on the CAA Board of Directors for a period of at least two (2) years. A member may not be nominated for or be elected for any office other than President of the Association unless the member has serviced on the CAA Board of Directors or the Board of Directors of a CAA Local Association for a period of at least two (2) years.

3. The ballots shall be tabulated by the Election Committee to determine the final results of the election. All ballots shall be sealed for privacy and remain in the possession of Legal Counsel, then destroyed 90 days from the date of the election.

Section D. Nominating Committee.

1. The Board of Directors shall, at least one hundred twenty (120) days prior to the bi-annual meeting of the Association for the election of officers, appoint a Nominating Committee and its Chairperson, consisting of a minimum of three (3) and not exceeding five (5) Regular Members. At least one (1) of the members of such committee shall be a past President of the Association. In addition, no member of the Nominating Committee shall be eligible for nomination of office.

2. A notification to the membership shall be published in August, soliciting qualified nominees for each office. Nominations for each office may be submitted to the office of the CAA as instructed by the published nomination submittal form, provided that the nomination is made and seconded by Regular Members in good standing, and provided further that the nominee shall be qualified to hold office in accordance with these By-Laws.

3. The Nominating Committee shall submit in writing to the Executive Director, its slate of nominees for each office, including if submitted, qualified nominees as outline in Article 9 - Section D, paragraph 2 above. The slate of nominees including the qualified list of nominees for each office shall be published to the membership of the association at least 30 days prior to the day of election. The Executive Director shall obtain the prior consent of any person nominated for a given office allowing for the use of the nominee's photograph, biography and campaign platform in the publication, listing all the nominees.

4. Other nominations for each office may be made from the floor at the time of the election by a Regular Member in good standing, provided there is a second to the nomination by a Regular Member in good standing and provided further that the nominee shall be qualified to hold office under these By-Laws.

Section E. Election Committee.

1. The Election Committee shall consist of the association's Legal Counsel, Accountant and Sergeant-of-Arms.

2. The Election Committee shall supervise the voting process on the day of the election, including the distribution, collection and tabulation of ballots.

ARTICLE 10. DUTIES OF OFFICERS.

Section A. President.

The President shall be the chief executive officer of the Association and shall have supervision, direction and control of the business and affairs of the Association. The President shall preside at all meetings and shall be a member of all committees except the Nominating and Grievance Committee and shall have such other powers and duties as may be prescribed by the Board of Directors or by these By-Laws. The President shall have the authority to declare any meeting or any portion of any meeting a "closed session" which would exclude all but voting members of the Association.

Section B. Regional Vice-Presidents.

There shall be one (1) Vice-President from Northern California and one (1) Vice-President from Southern California. Each of the two (2) Vice-Presidents shall promote the objectives of the Association and shall perform such duties as are assigned to them by the President and the Board of Directors from time to time. In the absence of the President, the Vice President who is from the same part of the State as the current President shall preside over meetings and shall perform all the duties of the President and when so acting, shall have the powers and be subject to all the restrictions upon the President.

Section C. Secretary.

The Secretary shall keep or cause to be kept all the records of the Association, including minutes of all Board of Directors meetings and all regular and special meetings of the Association; shall keep or cause to be kept the membership book containing the names and addresses of each member; shall give notice of all regular and special meetings of the Association; and shall generally do and perform all such duties as pertain to such office and as may be required by the Board of Directors or by the President.

Section D. Treasurer.

The Treasurer shall keep or cause to be kept and maintained adequate and correct accounts of the Association and shall collect all membership fees, dues and assessments owing to the Association. All such funds shall be deposited in an account in the name of the Association with said depository as the Board of Directors may designate. The Treasurer shall further distribute such money as is necessary to meet the proper expenses necessary to carry on the activities of the Association as prescribed by the Board of Directors; shall have authority to sign checks in such amounts and with such approvals as may be designated by the Board of Directors; shall maintain proper books and records reflecting the financial condition of the Association; and shall perform such other duties as may be required or prescribed by the President or the Board of Directors of the Association.

Section E. Sergeant at Arms.

The Sergeant at Arms, at the direction of the President, shall be responsible for maintaining the decorum of each Association meeting, including regular meetings, Board meetings and special meetings. The Sergeant at Arms shall maintain a record of all persons who shall enter and exit from each meeting; and shall further distribute to, and collect from each person, who shall enter and leave from the regular and special meetings of the Association, a badge setting forth the names and classification of each person.

ARTICLE 11. REMOVAL OF OFFICERS AND DIRECTORS.

Any Officer or Director may be removed by a vote of three fourths (3/4ths) of the voting members at a regular or special meeting.

ARTICLE 12. MEETINGS OF ASSOCIATION

Section A. Regular and Special Meetings

1. The Association shall hold at least Two (2) regular meetings per year, one (1) of which shall be designated as the bi-annual meeting for the election of Officers. The Board of Directors or the President shall be authorized to call special meetings when necessary.

2. The regular meetings shall be alternated between the Northern and Southern Regions. Special meeting shall be held at such location within the State of California as the Board of Directors or President shall determine.

Section B. Regional Meetings

1. Regional meetings may be held in Northern California and Southern California as may be called by the President or by a Vice-President from such region.

2. Regional meetings shall not pass on any policy or obligate the Association, but all recommendations and other such business shall be submitted to the Board of Directors, and if appropriate, submitted at the next regular or special meeting of members.

Section C. Limitations

1. Neither the Association nor any of its Officers or committees shall incur any obligation or announce any policy in the name of the Association unless the action or obligation or policy shall have been formally approved by a majority vote of the Board of Directors.

2. All meetings of the Association shall be conducted in accordance with Roberts Rules of Order unless otherwise specified in these By-Laws.

Section D. Notice of Meetings

It shall be the duty of the Secretary to inform all members, in writing, of the time and place of all meetings. At least thirty (30) days written notice of a regular meeting of the Association must be given.

Section E. Quorum.

1. Members representing twelve per cent (12%) of the members in good standing and entitled to vote, present in person and not by proxy at any properly called meeting of the general membership, shall constitute a quorum. Except as may otherwise be provided in the By-Laws, all action taken shall be by majority vote of those members present in person and not by proxy. Proxy voting is not permitted.

ARTICLE 13. MEETINGS OF BOARD OF DIRECTORS

Section A. Regular and Special Meetings

The Board of Directors shall hold at least four (4) regular Board Meetings per year. Two (2) of the four (4) meetings shall be held prior to the two (2) regular bi-annual meetings of members. All Board meetings shall be open to Regular, Out-of-State and Associate Members who are in good standing. Regular, Out-of-State and Associate Members attending Board meetings may be invited to participate in discussions of agenda items, but shall not vote on matters before the Board. The President or the majority of the Board of Directors may call a special meeting of the Board of Directors.

Section B. Action Without Meeting.

Any action required or permitted to be taken by the Board of Directors according to these By-Laws may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board, and shall have the same force and effect as a unanimous vote of the Board.

Section C. Meetings by Conference Telephone.

Members of the Board of Directors may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such a meeting can hear and speak to one another. Participation by a Director in a meeting in the manner provided in this Section shall constitute presence in person by such Director at such meeting.

Section D. Action at Meeting: Quorum and Required Vote.

Presence of a majority of the authorized number of Directors at a meeting of the Board of Directors constitutes a quorum for the transaction of business, except as hereinafter provided. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless a greater number is required by law or by these By-Laws.

Section E. Notice of Meeting/Waiver of Notice

1. Notice of the time and place of special meetings of the Board shall be delivered personally or by telephone, telefacsimile, E-mail or sent to the Directors by regular mail. If notice is delivered personally or given by telephone, telefacsimile or E-mail, it shall be given at least forty-eight (48) hours before the meeting. If notice is mailed, it shall be deposited in the United States mail at least ninety-six (96) hours before the meeting. A notice of meeting need not specify the purpose of any regular or special meeting of the Board of Directors.

2. The transactions of any meeting of the Board of Directors, however called and noticed or whenever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and, if either before or after the meeting each of the Directors not present or who, though present, has prior to the meeting or at its commencement, protested the lack of proper notice to him or her, signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. A waiver of notice need not specify the purpose of any regular or special meeting of the Board of Directors.

ARTICLE 14. COMMITTEES

Section A. The President shall appoint a Grievance Committee and a Membership Committee. The Board shall appoint a Nominating Committee. The President or the Board of Directors may appoint any other committees as may be deemed necessary or desirable by the Board or President.

Section B. Committees shall report to the Board of Directors, and to the members, if so directed, by the submission of the minutes of their meetings and by such other means as are desirable or appropriate.

ARTICLE 15. EXECUTIVE DIRECTOR

Section A. Executive Director. The Board of Directors may hire a paid Executive Director for the Association at a fee to be determined by the Board of Directors. The paid Executive Director shall not be an elected Officer of the Association, and is not required to be a member of the Association. The Executive Director shall perform such duties as may be assigned from time to time by the Board of Directors and the President and shall report to them.

ARTICLE 16. RETENTION OF COUNSEL/ACCOUNTANT/LEGISLATIVE ADVOCATE

Section A. The Association shall be authorized to retain an attorney to protect the interests of the Association. The Association shall pay a monthly retainer plus all expenses, costs and any additional fees of such counsel that are approved by the Board of Directors.

Section B. The Association shall be authorized to retain a legislative advocate to protect the interests of the Association. The Association shall pay fees, costs and expenses of such legislative advocate as approved by the Board of Directors.

Section C. The Association shall be authorized to retain a certified public accountant. The Association shall pay fees, costs and expenses of such accountant as approved by the Board of Directors.

ARTICLE 17. MEMBERSHIP FEES AND DUES

Section A. The membership fee and the annual dues for each Regular, Out-of-State and Associate Member

shall be recommended to the membership by the Board of Directors from time to time, presented to the membership for approval, and shall be published in the membership application and in the minutes of the Association at least once per year.

Section B. The membership fees must accompany each application for membership to the Association. Membership fees of the Association shall be paid directly to the Association unless the Local Association has been granted permission to collect membership fees directly from prospective members, in which event such Local Association shall remit such membership fees promptly to the Association.

Section C. The membership fees shall become due and payable in advance on the first day of each month.

ARTICLE 18. GRIEVANCE COMMITTEE

Section A. The President shall appoint a Grievance Committee consisting of a minimum of three (3) Regular Members. One (1) of the members shall be from the Northern Region and one (1) of the members shall be from the Southern Region. The President shall appoint the remaining member(s) from either Region.

Section B. Any Regular Member in good standing, who shall have a grievance against another member, shall submit same, in writing, to the President, setting forth the following:

1. Complainant's name and address;
2. The trade name, personal name and address of the accused party; and
3. The nature of the complaint, attaching supporting data, places, pictures, advertising clips and/or other applicable items.

Section C. Within thirty (30) days from receipt of the grievance, the President shall submit the same to the Grievance Committee Chairman who shall designate one (1) member of such committee to perform a preliminary investigation of the grievance. Such Committee member shall report his or her findings to the Committee within sixty (60) days after the grievance is submitted to him or her by the President.

Section D. If a grievance is substantiated, a mutually agreeable time shall be set for a meeting of the Accused and the Complainant presided over by the Grievance Committee. The meeting shall take place no later than thirty (30) days after the Committee member conducting the investigation reports to the Committee.

Section E. Within sixty (60) days after such meeting, the Chairman of the Grievance Committee shall make a report of the Committee's findings to the Board of Directors in writing. If the grievance is not resolved, both the Complainant and the Accused shall be notified to appear before the Board of Directors, and the Board of Directors shall have power and authority to attempt to resolve such dispute, and to impose sanctions, as set forth below, if no resolution between the parties can be reached, or, alternatively, if no resolution is reached, the Board can determine to let the Association resolve such dispute, and in such event the Board may either make a recommendation on appropriate sanctions to the membership or leave the resolution of the dispute to the membership without any recommendation from the Board. The involved parties shall be notified within two (2) weeks from the hearing of the Board's decision.

Section F. Matters not resolved by the Board shall be presented at the next regular meeting of the Association, but in any event, within six (6) months of the first filing of the grievance. A minimum of thirty (30) days notice shall be given to all parties concerned that the matter will be submitted to the Association for its determination.

Section G. If a grievance is submitted to the membership along with a recommendation of the Board, the recommendations of the Board of Directors shall be passed upon by the affirmative vote of two-thirds (2/3rds) of the voting membership present at the regular meeting.

Section H. If a grievance is presented to the general membership without recommendation from the Board of

Directors, there must be an affirmative vote of two-thirds (2/3rds) of the voting members attending the meeting before any action is taken.

Section I. In the event the Board shall find a member responsible or guilty of the accusation, the Board may, upon majority vote, impose one of the following sanctions:

1. Warning
2. Remanded to Suspended Member Status

ARTICLE 19. ASSESSMENTS

Section A. In the event it shall become necessary to raise or to expend any additional funds for the benefit and welfare of the Association, the Board of Directors shall propose an assessment for each Regular Member of the Association. The assessment shall become effective upon the affirmative vote of a majority of the voting members at the next meeting of the Association.

ARTICLE 20. INDEMNIFICATION

Section A. The Association shall indemnify any and all of its Directors, Officers and employees and agents or former Directors, Officers, employees and agents, or any person who may have served at its request as a Director or Officer of another entity, from any suit or proceeding, by reason of the fact that he or she was or is a Director, Officer, employee or agent of the Association or is or was serving at the request of the Association as a Director or Officer of another entity against expenses (including attorney's fees), judgments, fines and amount paid in settlement actually and reasonably incurred in connection with such action, if said person acted in good faith, in a manner he or she believed to be in the best interest of the Association and had no reason to believe his or her conduct was unlawful. Provided, however, no indemnification shall be made in respect to any suit or proceedings as to which such Director, Officer, employee or agent shall be judged to have committed an act including wanton or willful misconduct in the performance of his or her duty. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled, under any agreement, vote of members of the Association, or otherwise.

ARTICLE 21. AMENDMENTS

Section A. These By-Laws may be amended in the following manner: Any Regular Member in good standing may propose changes to the By-Laws if accompanied by a petition with the support of ten (10) Regular Members in good standing. The proposed By-Law amendment shall set forth the proposed amendment verbatim. The proposal shall be presented to the Board of Directors during the next regular scheduled Board meeting. The Board shall submit the proposal to the By-Law Committee who shall make a recommendation to the Board of Directors at the next regularly scheduled Board of Directors meeting. The Board shall then by a majority vote determine whether to endorse the recommendation of the By-Law Committee. If the recommendation receives a majority vote, the matter will be presented to the Regular Membership at the next General Meeting. A written notice setting forth the proposed amendment verbatim shall be sent to each voting member at least two (2) weeks before the next meeting of the Association at which time the amendment will be voted upon. Before the amendment is adopted, it shall receive at least two-third (2/3rds) of the votes cast at the meeting.

ARTICLE 22. DISSOLUTION

Section A. In the event three-fourths (3/4ths) of the voting members in good standing of this Association shall vote to dissolve this Association, then and in that event the Association shall be forthwith dissolved.

Section B. In the event of dissolution, the assets of this Association shall be liquidated by the Treasurer or such other person as may be appointed by the President, and funds from such liquidation shall be disbursed, after payment of all liabilities of the Association, to the then existing members who are in good standing; each member shall receive that portion of the funds as the amount of money paid in by that member's dues or fees as his membership bears to the total paid in by all members during their membership.

ARTICLE 23. EFFECTIVE DATE

Section A. These By-Laws shall become effective as of the 10th day of December, 1976.

Amended March 3, 1978
Amended March 20, 1979
Amended December 5, 1980
Amended December 2, 1983
Amended March 9, 1984
Amended December 14, 1984
Amended June 3, 1991
Amended April 16, 1993
Amended December 10, 1993
Amended December 9, 1994
Amended June 28, 1996
Amended June 5, 1998
Amended December 10, 1999
Amended May 14, 2004
Amended December 8, 2006

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