

**AMENDED AND RESTATED BYLAWS OF THE
ASSOCIATION OF PROFESSIONAL DOG TRAINERS, INC.**

THESE AMENDED AND RESTATED BYLAWS of The Association of Professional Dog Trainers, Inc. are an amendment and restatement of The Association of Professional Dog Trainers, Inc.'s original bylaws, as amended from time to time, and are made effective this 27th day of September 2016.

**ARTICLE I
ORGANIZATION**

1.1 Definitions.

1.1.1 **“Act”** means the Kentucky Nonprofit Corporation Act.

1.1.2 **“Association”** means The Association of Professional Dog Trainers, Inc.

1.1.3 **“Board”** means the Association's Board of Directors.

1.1.4 **“Bylaws”** means these Amended and Restated Bylaws.

1.2 **Formation and Term.** The Association was formed as a nonprofit corporation in the State of New Jersey in May 2002 and domesticated in the Commonwealth of Kentucky in 2016. The term of the Association commenced on filing articles of incorporation in May 2002, and shall be perpetual unless and until dissolved or terminated in accordance with these Bylaws, or other applicable law.

1.3 **Name.** The name of the Association is The Association of Professional Dog Trainers, Inc.

1.4 **Governing Law.** These Bylaws shall be governed by and construed and interpreted according to the laws of the Commonwealth of Kentucky. To the extent that any provisions of these Bylaws are inconsistent with any provisions in the Act or other applicable law, these Bylaws shall govern to the fullest extent permitted by law.

1.5 **Principal Office.** The Board shall establish the Association's principal office(s) and place(s) of business, as are required to conduct the Association's affairs.

1.6 **Registered Agent.** The Association shall maintain a registered agent in the Commonwealth of Kentucky and in such other states as may be required by law. The Board shall determine who will serve as the Association's registered agent.

1.7 **Purpose.** The Association's purpose is charitable and educational. The Association's core purpose is to advance excellence in the profession of dog training and behavior consulting. The Association's vision is to be the leader in building and

promoting dog training and behavior consulting as a profession. In addition to this core purpose and vision, the Board shall establish and publish the Association's core beliefs and core values. The Board shall review the Association's mission, vision, core beliefs, and core values every three to five years.

1.8 **Code of Ethics.** The Board shall establish and publish a Code of Ethics ("Code of Ethics"), which all Association members, directors and officers shall adhere to. The Board shall review the Association's Code of Ethics every three to five years.

1.9 **Intellectual Property.**

1.9.1 **Seal.** The Board may adopt a corporate seal ("Seal") that shall be in the form of a circle and that shall bear the name of the Association. The Seal shall be the sole intellectual property of the Association.

1.9.2 **Name and Trademark.** The Association's name, trademarks, service marks, copyrights, and other intellectual property ("Intellectual Property") are valuable property and are solely the property of the Association. No third party, including subsidiary or non-subsidiary organizations and individuals, may use the Association's Intellectual Property without the Association's prior written consent.

ARTICLE II MEMBERSHIP

2.1 **Eligibility.** Individuals who agree to abide by the Code of Ethics and meet the criteria established by the Board are eligible for membership.

2.2 **Membership Classifications.** There shall be four categories of membership.

2.2.1 **Premium Professional.** Any individual actively engaged full-time or part-time in the dog training and/or behavior profession. Members in this category are eligible to vote and to serve on the Board, Committees and Task Forces. Additional benefits are available to members in this category that are not provided to other membership classes.

2.2.2 **Professional.** Any individual actively engaged full-time or part-time in the dog training and/or behavior profession. Members in this category are eligible to vote and to serve on the Board, Committees and Task Forces.

2.2.3 **Supporting.** Any individual that is a supplier of products or services to Premium Professional and Professional members, in addition to any individual that is a veterinarian, student, retired trainer, groomer, shelter employee or individuals that have an interest in dog training. Members in this category are not eligible to vote or serve on the Board, but are eligible to serve on Committees and Task Forces.

2.2.4 **Lifetime.** The Board, in its discretion, may grant lifetime membership to Premium Professional or Professional members who, in the opinion of the Board, deserve such status. Lifetime members shall have all rights of Professional membership, may vote, may serve on the Board and hold office, but shall be exempt from payment of membership dues.

2.3 **Membership Dues.** Dues for Premium Professional, Professional and Supporting memberships shall be established by the Board at its discretion.

2.4 **Termination of Membership.** Members may voluntarily terminate their membership by providing notice of cancellation or by not providing payment of dues in the time prescribed by the Association. Pursuant to the Code of Ethics and subject to the requirements of applicable law, any member may be suspended, removed or expelled from membership for cause by a two thirds (2/3) vote of the Board at a duly convened meeting. During any suspension period, a member shall not be entitled to exercise any of the rights and privileges of membership, including without limitation the right to vote and representation of membership. All rights and privileges of membership shall cease upon the expulsion or termination of a member. After a period of 2 years, a member who has been suspended, removed, or expelled for membership by cause may petition to the Board for the right to re-apply for membership, which request the Board may grant, in its sole discretion.

2.5 **No Transfer of Membership.** Association membership rights and privileges are not transferrable.

ARTICLE III MEMBER MEETINGS

3.1 **Member Meetings.** The annual membership meeting of the Association (Member Meeting) shall take place at the annual conference. In the absence of an annual conference, the specific date, time and location of the Member Meeting shall be designated by the Board. Publication of the annual Member Meeting notice will be communicated to the active membership via postal service, electronic mail or posting to the Association website no less than ten (10) nor more than sixty (60) days prior to the start of the Member Meeting.

3.2 **Special Meetings.** Special meetings of voting members shall be called by the Board at any time. Additionally, the Chair may call a special meeting upon receipt of a written request signed by at least 5% of the voting members, in which the meeting will be held within thirty (30) days of filing such a request. The business to be transacted at any special meeting shall be stated in the meeting notice, and no other business may be conducted at that time.

3.3 **Notice of Special Member Meetings.** Written or electronic notice by postal service, or by electronic mail of any special Member Meeting of the Association

at which official business is to be transacted shall be transmitted to each member not less than ten (10) nor more than forty (40) days prior to the date of the meeting. The transmission of a notice in such manner shall be considered notice served.

3.4 **Quorum for Member Meetings.** The eligible voting members present at any properly announced Member Meeting shall constitute a quorum.

3.5 **Voting at Member Meetings.** All issues to be voted on by the eligible voting members shall be decided by a simple majority of those present at the Member Meeting.

3.6 **Rules of Order.** At a membership meeting, special meeting or meeting of the Board, the most current edition of Roberts' Rules of Order shall govern.

3.7 **Voting for Election of Directors.** All eligible voting members may vote on the election of Directors. This vote may occur electronically through a members-only online program.

ARTICLE IV BOARD OF DIRECTORS

4.1 **Corporate Powers.** The management of the affairs of the Association shall be vested in its Board. The Board shall have full power and authority to put into effect the resolutions and decisions of the Association and to act as necessary or advisable in connection therewith and shall exercise general supervision of the activities of the Association.

4.2 **Qualifications.** Each Director must be a Premium Professional, Professional, or Lifetime member in good standing at all times while serving on the Board.

4.3 **Number, Role, and Compensation of Directors.** The Board shall consist of the Chair, Vice Chair, Secretary/Treasurer and Immediate Past Chair; plus three (3) to nine (9) other At-Large Directors; and the Executive Director in an ex officio, non-voting capacity. Thus, a total of at least seven (7) and not more than thirteen (13) Directors in a voting capacity will comprise the Board. Directors shall not receive direct compensation from the Association for services provided within the scope of their volunteer roles on the Board.

4.4 **Nomination and Election of Directors.** The Board will appoint a Nominating Committee annually that will be comprised of: one (1) past Director no longer serving on the Board; a minimum of two (2) and up to four (4) Premium Professional, Professional or Lifetime members; and a current member of the Board not up for election to serve as the Chair.

Any Premium Professional, Professional or Lifetime member of the Association may nominate another Premium Professional, Professional or Lifetime member as a candidate for election as a Director. Each candidate must have been a Premium Professional, Professional or Lifetime member in good standing for at least two years prior to March 1st of that year. A member may not nominate himself or herself. All nominations shall be announced at least ten (10) days prior to the voting period. Voting will be conducted via electronic ballot over a one (1) week period.

Candidates for the election shall not concurrently serve on the Board of Trustees/Directors of another national or international dog training or behavior organization, with the exception of serving on the APDT Foundation Board of Directors.

4.5 Director Term of Office. Each Director will serve a term of three years and will hold office until a successor is installed (or until that Director's earlier death, resignation, removal, or election to an officer position in which latter event he or she will no longer be an At-Large Director. Any Director, unless removed, resigned or deceased, shall be eligible for re-election for one (1) additional 3-year term. No Director shall serve more than two (2) consecutive terms. A Director who has served two (2) consecutive 3-year terms may not seek re-election to the Board until at least one (1) year has passed.

4.6 Resignation of Directors. Any Director may resign at any time by giving written notice to the Chair or the Secretary/Treasurer. Such resignation shall take effect at the time specified therein or, if no time is specified, at the time of acceptance by the Chair or Secretary/Treasurer.

4.7 Removal of Directors. A Director may be removed from office for cause, which shall include, but is not limited to, failure to sign and adhere to the Association's Conflict of Interest Policy; a violation of these bylaws or any policies established by the Association; the dissemination of information deemed confidential by the Board; failure to remain in good standing in the membership; or conviction of a felony or the conviction of charges for the abuse and/or cruelty to animals. A Director may be removed by a three quarters (3/4) vote of the Board present at a regular meeting or at a special meeting called for the purpose, provided that notice thereof shall be given in writing to the Director at least twenty (20) working days prior to said meeting.

4.8 Vacancy of Director. Any vacancy that may occur on the Board for any reason may be filled by a majority vote of the remaining members of the Board at any regular or special meeting of the Board. The Nominating Committee Chair shall recommend prospective candidates for the Board to consider. Prospective candidates may include individuals who have served two consecutive three-year terms as a Director. Directors appointed by the Board to fill an unexpired term shall serve the remainder of the unexpired term and are eligible for re-election for two consecutive three-year terms.

ARTICLE V

OFFICERS

5.1 **Qualifications.** Officers may be any Premium Professional, Professional, or Lifetime member in good standing that is completing at least one year as a Director.

5.2 **Officers.** The officers for the Association shall be the Chair, Vice Chair, Secretary/Treasurer and Immediate Past Chair. These Officers shall be members of the Board of Directors.

5.2.1 **Chair.** The Chair shall preside at all Board meetings and any meetings of the Association's membership and shall be the Board's primary spokesperson. Subject to the direction and supervision of the Board, the Chair shall be responsible for assuring that the Board fulfills its governance obligations as outlined in these Bylaws and in the Board's governing policies, and shall perform all other duties as from time to time may be assigned to the Chair by the Board. The Chair shall only have a vote in the case of a tie or unless otherwise specified in these Bylaws.

5.2.2 **Vice Chair.** In the absence of the Chair, or in the event of his/her inability or refusal to act, the Vice Chair shall perform the duties of the Chair. When so acting, the Vice Chair shall have all of the authority of and be subject to the restrictions upon the Chair. The Vice Chair shall perform such other duties as from time to time may be assigned to him/her by the Board. The Vice Chair shall succeed automatically (and without re-election) to the office of Chair upon the expiration of the then-current Chair's term.

5.2.3 **Secretary/Treasurer.** The Secretary/Treasurer shall keep records of the Board actions and prepare minutes of all Board meetings, send meeting announcements, distribute copies of minutes and agendas of meetings to each Director, assure that the Association maintains proper corporate records, provide a report on the financial condition of the Association to the membership, assist in the preparation of the annual budget, and make information available to the Directors. The Secretary/Treasurer shall serve as the Chair of the Finance Committee. The Secretary/Treasurer shall perform such other duties as from time to time may be assigned to him/her by the Board. The Secretary/Treasurer shall succeed automatically (and without re-election) to the office of Vice Chair upon the expiration of the then-current Vice Chair's term.

5.2.4 **Immediate Past Chair.** The Immediate Past Chair shall serve on the Board of Directors as a voting member, and shall advise the Chair, Officers and Directors on matters as may, in the Immediate Past Chair's opinion, tend to promote the welfare and increase the usefulness of Association's mission. The Immediate Past Chair shall perform such other duties as from time to time may be assigned to him/her by the Board. Should this position be vacated, the position will remain vacant until such time as the sitting Chair completes his/her term, and the duties of the Immediate Past Chair may be assigned at the discretion of the Chair.

5.3 Nomination and Election of Officers. The Nominating Committee shall present a final slate of proposed Officers to the Board of Directors; provided, however, the Chair will automatically succeed the Immediate Past Chair, the Vice Chair will automatically succeed the Chair and the Secretary/Treasurer will automatically succeed the Vice Chair without presentation to the voting members. The Secretary/Treasurer must have served on the Board for at least one (1) year in order to be appointed by the current members of the Board. The Board of Directors shall vote on the final slate of proposed Officers at duly convened Board Meeting.

All officers must be Directors throughout their term of office. No Director may be elected to more than one office. The elected officers shall serve a term of one year commencing on January 1st of the calendar year.

5.4 Officer Term of Office. Each Officer shall take office on the first date of the calendar year and shall serve for a term of one (1) year or until a successor is duly elected and qualified. Each Officer shall serve concurrently as a Director of the Board.

5.5 Resignation of Officer. Any Officer may resign at any time by giving written notice to the Chair or the Secretary/Treasurer. Such resignation shall take effect at the time specified therein or, if no time is specified, at the time of acceptance by the Chair or Secretary/Treasurer.

5.6 Removal of Officer. An Officer may be removed from office for cause, which shall include, but is not limited to, failure to sign and adhere to the Association's Conflict of Interest Policy; a violation of these Bylaws or any policies established by the Association; the dissemination of information deemed confidential by the Board; failure to remain in good standing in the membership; conviction of a felony or the conviction of charges for the abuse and/or cruelty to animals. An Officer may be removed by a three quarters (3/4) vote of the Board present at a regular meeting or at a special meeting called for the purpose, provided that notice thereof shall be given in writing to the Officer at least twenty business days prior to said meeting.

5.7 Vacancy of Officer. Vacancies in any office may be filled for the balance of the term thereof by the Board at any regular or special meeting of the Board.

5.8 Compensation of Officers. Officers shall not receive direct compensation from the Association for services provided within the scope of their volunteer roles on the Board.

ARTICLE VI BOARD OF DIRECTOR MEETINGS

6.1 Quorum. A majority of the currently serving Directors shall constitute a quorum for the transaction of Board business.

6.2 **Meetings.** The Board shall meet monthly or at a minimum of quarterly, at an agreed upon time and place. The Secretary/Treasurer shall send notice of each regular and special meeting to each Director via mail or electronic mail at least one week in advance of the meeting. Board meetings may be held in-person, by teleconference or by means of other communications equipment by which all people participating in the meeting can hear and communicate with each other.

6.3 **Presiding Officer.** The Chair shall preside over all meetings of the Board. In the absence of the Chair, the Vice Chair shall preside.

6.4 **Voting.** All Directors receive one (1) vote on items presented for a vote. The Chair only votes when there is a tie in the number of votes. Unless otherwise specified in these Bylaws, all voting will be by a majority vote.

6.5 **Action by Directors Without a Meeting.** Any action required by applicable law to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors. Such consent shall have the same force and effect as a unanimous vote at a meeting.

6.6 **Meetings by Telephone or via Electronic Means.** Unless the Articles of Incorporation provide otherwise, the Board of Directors may permit any or all Directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means shall be deemed to be present at the meeting.

6.7 **Rules of Order.** At all Board meetings, the most current edition of Roberts' Rules of Order shall govern.

ARTICLE VII COMMITTEES AND TASK FORCES

7.1 **Establishment of Committees.** The Board may establish such committees as the Board may determine are necessary. The Chair shall be empowered to appoint the chairpersons of all standing committees, and the chairpersons of task forces, subject to the approval of the Board. No such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the bylaws; electing, appointing or removing any member of any such committee or any director or officer of the corporation; amending the articles of incorporation, restating articles of incorporation adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary

dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation; submitting to the members any action that requires members' approval; or amending, altering or repealing any resolution of the board of directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the board of directors, or any individual director of any responsibility imposed upon it or him by law.

7.2 Standing Committees. There shall be the following standing committees of the Association, the members of which, except as otherwise stated, may include any member of the Association in good standing. Committees shall meet at such times and places as requested by the Committee Chair to discuss matters related to the work of the Committee. The Committee Chair shall govern all such meetings. Meetings may be held in-person, by teleconference or by means of other communications equipment by which all people participating in the meeting can hear and communicate with each other. A majority of committee members in attendance constitutes a quorum for the transaction of business. The Board shall annually approve the charge for each Standing Committee for the calendar year.

7.2.1 Executive Committee. The Executive Committee shall consist of the Chair, Vice Chair, Secretary/Treasurer, Immediate Past Chair and the Executive Director (ex officio). The Executive Committee may exercise the powers of the Board when the Board is not in session, except as otherwise stated herein.

All decisions or actions of the Executive Committee will be reported to the full Board at its next meeting. A minimum of two thirds (2/3) of the Executive Committee shall constitute a quorum for the transaction of business. A majority vote of those in attendance, where a quorum is present, is necessary to take action.

7.2.2 Nominating Committee. The Nominating Committee will consist of one (1) past Association Director that is no longer serving on the Board; a minimum of two (2) and up to four (4) Premium Professional, Professional, or Lifetime members of the Association; and a current member of the Board that will not be up for election or nomination, who will serve as liaison to the committee. The Chair shall appoint the chair for the Nominating Committee among the members of the committee approved by the Board. The Board may also appoint a non-member to the committee in an advisory role who has a specific background in association management and/or board governance. The term of the committee will be for one year. At the close of the twelve (12) month period, members may be reappointed for a second year at the board's discretion.

7.2.3 Finance Committee.

7.2.4 Education Committee.

7.2.5 Conference Committee.

7.2.6 **Marketing & Communications Committee.**

7.3 **Establishment of Task Forces.** The Chair shall have the authority to appoint Task Forces and shall recommend to the Board on a regular basis the creation, dissolution, and consolidation of these groups. The Board shall approve the charge and the term for each Task Force.

7.4 **Participation on Committees and Task Forces.** Membership on all Association standing committees will be open to all Association members in good standing that meet the stated qualifications for the committee position. Members of Task Forces will be appointed by the Board.

ARTICLE VIII EXECUTIVE DIRECTOR AND STAFF

8.1 **Executive Director.** The Board, in its sole discretion, may hire an Executive Director as an employee or as an independent contractor. The Executive Director shall have day-to-day responsibilities for the Association, including carrying out the Association's goals and policies. The Executive Director shall attend all Board Meetings and Member Meetings, report on the Association's progress, assist the Board and Officers, and carry out other duties incident to the role of Executive Director and as may be assigned by the Board. The Board shall review and approve the Executive Director's compensation annually.

8.2 **Staff.** The Board, in its sole discretion, may hire or approve other staff as necessary to carry out the responsibilities of the Association. The Board shall review and approve of the staff's compensation annually.

ARTICLE IX CONFLICTS OF INTEREST

9.1 **Scope.** This conflict of interest policy applies to each Director, Officer, Committee Member, Task Force Member, Executive Director and Staff ("Key Individuals").

9.2 **Responsibility.** Key Individuals serve the public interest and the Association and must have a clear understanding of and obligation to adhere to this conflict of interest policy. Key Individuals shall make decisions for the Association solely on the basis of a desire to promote the best interests of the Association and the public good. Individuals, including Key Individuals, are inevitably involved in the affairs of other institutions and organizations, and effective boards and organizations will include individuals with relationships and affiliations that raise questions about perceived conflicts of interest. Although many of those potential conflicts are and will be deemed inconsequential, each Key Individual has the responsibility to disclose such conflicts

and act in accordance with this policy. More specifically, each Key Individual is required to: (a) familiarize himself or herself with the terms and obligations of this policy; (b) execute and submit a conflict of interest disclosure statement annually; and (c) abide by the terms of this policy in all dealings with the Association.

9.2 Disclosure Required. Each Key Individual is required to disclose all conflicts of interest to the Board as soon as the Key Individual is aware of the conflict. A conflict of interest exists when the Key Individual derives a financial or other material gain from the Association, or when the Key Individual's interests or activities actually compete or may be seen as competing with the Association's interests.

9.3 Doubt as to Existence of a Conflict. When there is doubt as to whether a conflict of interest exists, the Board, Committee or Task Force shall vote as to whether a conflict exists, and the matter shall be resolved by a majority vote. The Key Individual(s) who may have the conflict of interest shall not participate in this vote.

9.4 Abstaining from Discussion. Unless the Board, Committee or Task Force requests the Key Individual with a conflict of interest to remain present during the meeting, a Key Individual who has a conflict of interest shall retire from the room in which the meeting is taking place, and shall not participate in the deliberation or decision regarding the matter under consideration. Prior to retiring from the room, the Key Individual shall provide the Board, Committee or Task Force with any and all relevant information about the matter.

9.5 Abstaining from Vote. When a Key Individual has a conflict of interest relating to a matter requiring action by the Board or a Committee or Task Force, the Key Individual shall call it to the attention of the Board, Committee or Task Force and shall not vote on the matter. However any Key Individual disclosing a conflict of interest may be counted to determine the presence of a quorum at a meeting of the Board, Committee or Task Force.

9.6 Minutes. If a conflict of interest was disclosed by a Key Individual during a meeting of the Board or a Committee or Task Force, the minutes of that meeting shall reflect: (a) that the conflict was disclosed; (b) if there was doubt as to whether the conflict existed, the outcome of the vote as to whether a conflict existed; (c) whether the Key Individual was present during the deliberation and decision regarding the matter, and if so, that the Key Individual was requested to remain present; and (d) that the Key Individual did not vote on the matter.

9.7 Annual Review. The Executive Director shall furnish each Key Individual with a copy of this conflict of interest policy and a conflict of interest disclosure statement upon undertaking the Key Individual's duties, and then annually thereafter. Each Key Individual shall review the conflict of interest policy and execute and submit the conflict of interest disclosure statement upon undertaking the Key Individual's duties, and then annually thereafter.

9.8 **Loans to Members, Directors, Officers, and Staff Prohibited.** The Association shall not make any loans or advances, other than customary travel advances and reimbursements, to any Key Individuals.

ARTICLE X LIABILITY AND INDEMNIFICATION

10.1 **Liability.** To the fullest extent permitted by law, unless the Officer or Director has engaged in willful misconduct or a knowing criminal violation, Officers and Directors shall not be personally liable for damages in any proceeding (collectively “Applicable Proceedings”): (i) brought by or on behalf of the Association, or (ii) by or on behalf of Officers or Directors; or (iii) in connection with any claim, action, suit, or proceeding to which the Officer or Director is made a party by reason of being or having served as an Officer or Director. Such relief from liability shall not apply in any instance inconsistent with any provision of Section 501 of the Internal Revenue Code of 1986, as now in effect or as may be amended (“Internal Revenue Code”).

10.2 **Indemnification.** To the fullest extent permitted by law, the Association agrees to and shall indemnify, defend and hold harmless each individual who serves or has served as an Officer or Director and who is a party or is threatened to be made a party in any Applicable Proceedings (“Covered Individuals”), including indemnification for judgments, fines, taxes, penalties, settlement payments approved by the Directors then serving on the Board and who are not a party to the Applicable Proceeding (“Disinterested Directors”), expert witness fees, attorney’s fees, and costs, provided that the individual acted in good faith with the reasonable belief that the individual was acting in the best interests of the Association. This indemnification shall inure to the benefit of the Covered Individuals’ heirs, executors and administrators, and shall be in addition to and not exclusive of all other rights to which the Covered Individuals may be entitled.

10.3 **Determination of Indemnification.** Unless ordered by a court of competent jurisdiction, the Disinterested Directors shall determine whether indemnification is proper, or if this is not possible, by special legal counsel selected by the Directors.

10.4 **Insurance.** The Association shall purchase and maintain insurance to cover the expenses, in full or in part, of the liability and indemnification obligations in this Article.

10.5 **General Standards.** All Officers and Directors shall discharge their duties in good faith; on an informed basis; and in a manner he or she honestly believes to be in the best interests of the Association. Such Officer or Director shall be considered to discharge his or her duties on an informed basis if he or she makes, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, inquiry into the business and affairs of the Association, or into a particular action to be taken or decision to be made. In discharging his or her duties such Officer or Director

shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by one (1) or more officers or employees of the Association whom the Officer or Director honestly believes to be reliable and competent in the matters presented; legal counsel, public accountants, or other persons as to matters the Officer or Director honestly believes are within the person's professional or expert competence; or a committee of the Board of Directors of which he or she is not a member if the Officer or Director honestly believes the committee merits confidence. No Officer or Director shall be considered to act in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by the foregoing unwarranted.

ARTICLE XI ANNUAL REPORT

11.1 Annual Report. At the Annual Meeting, the Chair or the Chair's representative shall present an annual report that shall at a minimum contain an overview of the Association's main accomplishments for the year and a brief description of the Association's revenues and expenditures for the year.

11.2 Filing and Publishing Annual Report. The Board's annual reports shall be filed with the minutes of each annual Member Meeting and shall be made available to the Members.

ARTICLE XII TRANSACTION OF BUSINESS

12.1 Transaction of Business. Consistent with these Bylaws, the Association and the Board of Directors may transact any lawful business that is consistent with the Association's purpose and mission. The Association shall have and maintain policies and procedures, and shall conduct business in accordance with those policies and procedures.

12.2 Prohibited Activities. No part of the Association's net earnings shall inure to the benefit of, or be distributable to, any member, Director or Officer, except that the Association is authorized and empowered to pay reasonable compensation for services rendered to or for the Association and to make payments and conduct business in furtherance of the Association's purposes.

ARTICLE XIII CORPORATE DISSOLUTION

13.1 Dissolution. The Association shall be dissolved according to the procedures of the Commonwealth of Kentucky Nonprofit Corporation Act.

13.2 Distribution of Assets upon Dissolution. After the Association's liabilities have been discharged, the Association's remaining assets shall not inure to

the benefit of any Member, Director, Officer, or Staff of the Association, but shall be distributed to a nonprofit corporation organized for one or more exempt purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code and whose purposes are consistent with the Association's mission, to be determined in the Board's sole discretion. Any Association assets not distributed in this manner shall be disposed of by a court of competent jurisdiction in a manner consistent with Section 501(c)(6) of the Internal Revenue Code.

ARTICLE XIV BOOKS, ACCOUNTS, AND RECORDS

14.1 **Fiscal Year.** The Association's fiscal year shall coincide with the fiscal year beginning on July 1 and ending on June 30.

14.2 **Keeping Corporate Records and Access by Members.** The Association shall keep correct and complete books and records of accounts, and shall keep minutes of the Board Meetings, Member Meetings, and Committee and Task Force meetings. The Association shall keep these records at the Association's principal office, or such other location as the Board determines.

14.3 **Independent Examination of Books and Accounts.** Annually, after the close of the fiscal year, the Association shall engage an independent accounting firm to perform an independent examination of the Association's books and the findings and opinions of the firm shall be distributed to the Directors including a balance sheet and statement of income and expenses for that fixed year.

14.4 **Access to Corporate Books, Accounts, and Records.** The Association shall make available to the public all of the documents and schedules required to be disclosed by law.

- All books and records of the Association may be inspected and copied by any Member, Director, Officer, or the Member's agent or attorney, for any proper purpose at any reasonable time.

ARTICLE XV AMENDMENTS

15.1 **Amendments to the Articles of Incorporation or Bylaws.** The Board may amend the Association's Articles of Incorporation or Bylaws by a two-thirds (2/3) vote of the Board at any meeting of the Board at which a quorum is present.

15.2 **Notice.** Prior to voting on an amendment to the Articles of Incorporation or Bylaws, the Board shall provide notice to the Members of the proposed amendment by way of publishing the following information conspicuously on the Association's

website at least thirty (30) days prior to voting on the amendment: (a) the current Article or Bylaw provision; (b) the proposed amendment to the Articles or Bylaws; and (c) the date, time, and place of the meeting at which the Board or the Members will vote on the amendment to the Articles or Bylaws.

ARTICLE XVI MISCELLANEOUS

16.1 **Severability.** The invalidity of any of the provisions of these Bylaws shall not affect the other provisions, and in such event, the Bylaws shall be construed as if the invalid provisions were omitted.

16.2 **Number.** The singular in these Bylaws shall also refer to the plural, and vice versa.

16.3 **Headings.** In interpreting these Bylaws, the headings of the articles shall not be controlling.