



BYLAWS

OF THE

STUDENT & YOUTH TRAVEL ASSOCIATION

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ARTICLE I NAME

The name of this association shall be the Student & Youth Travel Association ("the Association"), a nonprofit corporation organized under the Michigan Nonprofit Corporation Act ("the Act").

ARTICLE II OFFICES

Section 1. Principal Office

The principal office of the Association shall be at such location as determined by the Board of Directors.

Section 2. Registered Office

The Association shall maintain a registered office and a registered agent within the State of Michigan as required by the Act.

ARTICLE III PURPOSE

The purpose of the Association shall be to promote the common business interests of those engaged in promoting and providing travel experiences for students and youth in order to enhance their social, cultural and educational growth.

ARTICLE IV MEMBERSHIP

Section 1. Membership Classifications

The Association shall have the following membership classifications:

(a) Active Member

Active members shall be business entities involved in student and youth travel. These business entities function as tour operators, travel agencies and/or their wholly-owned tour operator or travel agency subsidiaries. The definition of a student and youth travel business entity is any firm or corporation that conducts or arranges student or youth travel.

Active members must meet the membership criteria and requirements as established and amended from time to time by the Board of Directors in its policies and procedures manual. Related or affiliated organizations, not wholly-owned by the primary Active member, must apply for separate membership.

(b) Associate Member

Associate members shall be business entities involved in student and youth travel that do not qualify for the Active membership category. An Associate member is any business entity that provides a product or service that directly supports student and youth travel operations, such as airlines, charter bus companies, attractions, hotels, hostels, restaurants, theaters, ticket brokers, receptive tour operators, destination management companies, and convention and visitors' bureaus, as well as tour operators or travel agencies that do not meet the criteria for Active membership.

Associate members must meet the membership criteria and requirements as established and amended from time to time by the Board of Directors in its Policies and Procedures manual.

(c) Honorary Member

Honorary members shall be nonprofit organizations or individuals which or who are proposed for Honorary membership by a SYTA member. Membership and membership duration must be approved by a 2/3 vote of the Board of Directors.

Section 2. Membership Rights and Obligations

Each member of the Association shall and certify in writing to the Executive Director an individual who shall be its Designated Representative to the Association and who shall represent, vote and act for the member in all affairs of the Association; a member may change its Designated Representative by providing written notice of same to the Association. Only Active Members shall be entitled to vote on Association matters, and only Designated Representatives of Active Members shall be entitled to serve as officers or directors of the Association, except that Designated Representatives of Associate Members shall elect from among themselves the Association's Associate Member Directors. Membership in the Association shall not be transferable. In applying for membership, each applicant shall agree to abide by the Association's Articles of Incorporation, these Bylaws and any other policies or procedures adopted by the Board of Directors, and to pay when due all fees, dues, assessments and other financial obligations to the Association.

Section 3. Fees, Dues, and Assessments

Each member, except any Honorary Member, shall pay such fees, annual dues and assessments as may be established from time to time by the Board of Directors. Fees, dues and assessments are not refundable.

Section 4. Application for Membership

All applications for membership in the Association shall be submitted in writing to the principal office and accompanied by applicable dues. Once applications are deemed complete, eligibility for membership and membership classification of applicants shall be determined initially by the Association's Secretary. Only upon action of the Board of Directors shall an applicant be accepted into membership. In the event of a dispute regarding membership eligibility or proper membership classification, the determination of the Board of Directors shall be final.

Section 5. Good Standing

Those members which are current in their financial obligations to the Association and which have not been suspended from membership shall be considered members in good standing.

Section 6. Resignation

Any member may resign from membership in the Association by providing written notice of same to the President or the Executive Director. A member shall be deemed to have resigned in the event that its membership dues or fees remain unpaid for ninety (90) days beyond the payment due date. All rights and privileges of membership shall cease upon resignation from membership, but such resignation shall not relieve the member from its financial or other obligations to the Association as of the date of resignation. Any membership applicant that has previously resigned from membership in the Association shall, before being readmitted to membership in the Association, first pay to the Association any amounts remaining due and owing from such prior membership.

Section 7. Termination and Suspension of Membership

Any membership may be suspended or terminated by the Board of Directors for cause. Cause shall include any event that renders the member no longer eligible for membership in the Association, a violation of the Bylaws or any duly adopted policy or procedure of the Association, or any other conduct materially prejudicial to the interests of the Association.

Should it appear that grounds exist for suspension or termination of membership, the following procedure shall be employed:

- (i) The member shall be given 15 days prior written notice of the proposed suspension or termination, citing the basis for the proposed suspension or termination.
- (ii) The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed suspension or termination. The hearing shall be held, or the written statement considered, by the Board of Directors to determine whether the suspension or termination should take place.
- (iii) The Board of Directors shall decide whether the membership should be suspended or terminated. The decision of the Board of Directors, which shall be communicated to the member in writing, shall be final.

All rights and privileges of membership shall cease upon suspension or termination of membership, but such suspension or termination shall not relieve the member from its financial or other obligations to the Association as of the date thereof. Any membership applicant that has previously been suspended or expelled from membership in the Association shall, before being readmitted to membership in the Association, first pay to the Association any amounts remaining due and owing from such prior membership.

ARTICLE V MEETINGS OF MEMBERS

Section 1. Location and Time of Meeting

Meetings of the membership shall be held at any location within or outside of the State of Michigan as designated by the Board of Directors.

Section 2. Annual Meeting

The annual meeting of members shall be held on a date and at a time determined by the Board.

Section 3. Regular Meetings

Regular meetings of the members shall be held on dates and at times determined by the Board.

Section 4. Special Meetings

Special meetings of the members may be called by the President or by the Board of Directors, and shall be called by the President upon the written request of ten percent or more of the voting members. Only matters identified in the notice of a special meeting shall be considered at such meeting.

Section 5. Notice of Meetings

Notice of meetings of the members of the Association shall be given in the manner and at the time permitted by the Act and shall contain such information as is required by the Act. The notice of any meeting at which Directors are to be elected shall include the names of all nominees for election. No vote on any of the following matters, unless it shall be a unanimous vote of all the members entitled to vote, shall be valid unless the meeting notice identifies these matters as being on the agenda for the meeting:

- (a) Removing a Director without cause;
- (b) Filling vacancies on the Board of Directors by the members;
- (c) Amending the Articles of Incorporation;
- (d) Electing to wind up and dissolve the corporation; or
- (e) Approving a plan of distribution of assets when the Association is in the process of winding up.

Section 6. Quorum

The presence in person of at least 20% of the members entitled to cast a vote shall constitute a quorum for the transaction of business.

Section 7. Voting

- (a) Eligibility to vote. Except as otherwise provided in these Bylaws with respect to the election of Associate Member Directors, only Active members in good standing shall be entitled to vote.
- (b) Voting. The Designated Representative of each member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members. The affirmative vote of a majority of the voting members present at the meeting at which a quorum is present shall be the act of the members, unless the vote of a greater number is required by these Bylaws or the Act. Members shall not be permitted to vote by proxy.
- (c) Alternate voting means authorized. To the full extent permitted by the Act, any action required or permitted to be taken at a meeting of the members may also be taken by a properly noticed mail or electronic mail ballot, or by any other means authorized by law, if the Board of Directors determines such action to be necessary for the timely transaction of business.

ARTICLE VI

DIRECTORS

Section 1. Powers

The business and affairs of the Association shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors. The Board of Directors may adopt such policies and procedures for the conduct of its business and the affairs of the Association as it shall deem advisable.

Section 2. Number and Qualification of Directors

The Board of Directors shall be composed of the following: the President, Vice President, six (6) Active Member Directors (two of whom shall be appointed by the Board to the offices of Secretary and Treasurer), three (3) Associate Member Directors, one (1) At Large Director and the Immediate Past President. All Directors must be Designated Representatives of members in good standing. No more than one person from any business entity or group of business entities under common control shall serve on the Board of Directors at any one time. In the event of a merger, acquisition, employment change or other similar event after an election, which event results in Board membership in violation hereof, only one of such affected Directors, as determined by the affected Directors or, if necessary, by the Nominating Committee, shall be eligible to serve for the remainder of his or her term. Members shall be deemed to be under common control if they are (i) parent and subsidiary (i.e., if one entity owns 50 percent or more of the stock or assets of the other), or (ii) affiliates (i.e., if the stock or assets of each are at least 50 percent owned by the same persons or entities). The Board of Directors shall, in its sole discretion, determine whether members are under common control.

Section 3. Nominations

- (a) **Nominating Committee.** The Board of Directors shall appoint a Nominating Committee, to be chaired by the Immediate Past President, of five persons to nominate qualified candidates for the offices of Vice President, Active Member Directors and Associate Member Directors; at least one person shall be nominated for each vacancy. The Nominating Committee's report, including the names of all nominees, shall be submitted to each voting member at least forty-five (45) days in advance of the meeting at which the election is to take place or date ballots are to be mailed, if the election is to be conducted by mail or electronic mail ballot; the name of an additional qualified nominee may be added to the ballot if a petition requesting same is signed by at least twenty (20) Designated Representatives of Active members in good standing and is received by the Secretary at least fifteen (15) days in advance of the meeting or mailing date for ballots.
- (b) **Solicitation of Votes.** The Board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to members the nominee's qualifications and reason for the nominee's candidacy, a reasonable opportunity for all nominees to solicit votes, and a reasonable opportunity for all members to choose among nominees.
- (c) **Use of Association Funds to Support Nominee.** No Association funds may be expended to support a nominee after more than one person has been nominated for a vacancy.
- (d) **Nominations from the Floor.** Should the Board of Directors decide to conduct Officer and Director elections at the annual membership meeting, nominations from the floor shall be accepted, provided that any such nominee is a member in good standing, is eligible to serve in the position for which nominated, and has indicated his or her willingness to serve if elected.

Section 4. Election

Election of the Vice President, Active Member Directors and Associate Member Directors shall occur either at the annual membership meeting scheduled in conjunction with the Association's annual convention, or, if so determined by the Board of Directors, by mail or electronic mail ballot, in which case the election results shall be announced at the annual membership meeting. The At Large Director shall be elected by the Directors then in office at the Board meeting immediately following the annual meeting of the Association.

Section 5. Installation and Term of Office of Directors

Active Member Directors shall be elected to staggered two- year terms. Associate Member Directors shall be elected to two-year terms with one Associate Member Director elected in even-numbered years and two Associate Member Directors elected in odd-numbered years. The Vice President shall be elected for a one-year term. The President, the Immediate Past President and the At Large Director positions are one-year terms. The terms of the At Large Directors shall commence immediately upon the Board's election of such Directors; the terms of the remaining Directors and Officers shall commence at the conclusion of the annual membership meeting at which the election takes place or the election results are announced. A Director shall continue in office until his or her successor shall be duly elected and qualified, or unless he or she resigns, is removed from office or is otherwise unable to complete a term.

Section 6. Meetings

An annual meeting of the Board of Directors shall take place during the time set for the Annual Meeting of the Members. Other regular meetings of the Board of Directors shall be held at such times and locations as shall be determined in advance by the Board of Directors. Special meetings of the Board of Directors may be called at any time by the President or by one-third of the Directors.

Section 7. Notice

Notice of regular meetings of the Board of Directors, stating the time and place thereof, shall be given to all Directors at least five (5) days prior to the date of the meeting. Reasonable notice of special meetings of the Board of Directors, specifying the time, place and subject matter to be considered, shall be given to all Directors. Notice may be given in any manner reasonably calculated to provide actual notice to the Directors, including without limitation personally, by mail, by facsimile, by telephone, or by electronic mail.

Section 8. Quorum

A majority of the Directors of the Association shall constitute a quorum for the transaction of business, and except as otherwise provided by law or in these Bylaws, the act of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the act of the Board. Directors may not vote by proxy.

Section 9. Electronic Communication

Directors may participate in a meeting of the Board of Directors by conference telephone or similar communications equipment by means of which all persons participating in the meeting can simultaneously hear or receive the communications of each other; and such participation shall constitute presence in person at the meeting.

Section 10. Action Without A Meeting

Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if, prior or subsequent to the action, all Directors then in office consent thereto in writing and the written consents are filed with the minutes of the proceedings of the Board. Written consent may be given by electronic transmission.

Section 11. Resignation

A Director who fails to attend three (3) consecutive meetings of the Board of Directors shall be deemed to have resigned from the Board, unless such absences are excused by the affirmative act of the Board. A Director shall also be deemed to have resigned if declared of unsound mind by an order of court, convicted of a felony, or found by a final court order to have breached a duty to the Association. Any Director who becomes ineligible for service shall, unless eligibility is regained within ninety (90) days, be deemed to have resigned from the Board of Directors. A Director may resign at any time by giving written notice of same to the President, or, in the case of the President, to the Vice President. Such resignation shall become effective upon its receipt by such Officer; and the acceptance of such resignation shall not be necessary to make it effective. A Director's resignation shall not relieve such person from responsibility for actions taken while such person was a member of the Board of Directors.

Section 12. Removal

The members may remove a Director at any time, with or without cause, by a majority vote at a regular or special meeting.

Section 13. Vacancies

The resignation or removal of a Director who is an Officer of the Association shall also result in such person's resignation or removal from such Officer position. If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the allowed number of Directors, the Board of Directors, following receipt of a recommendation from the Nominating Committee, may fill the vacancy. A Director elected to fill a vacancy shall serve out the unexpired term of his or her predecessor.

Section 14. Compensation

Directors shall not receive any salary or compensation for their services as such, but they may, if so determined by the Board, be reimbursed for any expenditure made by them in the conduct of the business and affairs of the Association.

ARTICLE VII COMMITTEES

Section 1. Executive Committee

The Executive Committee shall be composed of the President, Vice President, Immediate Past President, Treasurer and Senior Associate Member Director. The Executive Committee may exercise the powers of the Board of Directors, except such powers as are specifically reserved by law to the Board, when the Board is not in session, reporting to the Board of Directors any action taken as soon as practicable, but in no event later than the Board's next succeeding meeting. The President shall serve as chair of the Executive Committee. Three (3) Committee members shall constitute a quorum for the transaction of business, and the vote of three (3) Committee members shall be required to take action. Meetings of the Executive Committee may be called by the President or by any three (3) members of the Committee. The notice requirements set forth in Article VI shall also apply to the Executive Committee.

Section 2. Standing Committees

The standing committees of the Association, the chairs and members of each of which shall be appointed annually by the President with the approval of the Board of Directors, shall be as follows:

- (a) Finance Committee (chaired by the Treasurer). The Finance Committee shall be responsible for (a) developing and presenting to the Board the proposed annual budget for the Association, (b) reporting to the Board regarding the Association's performance relative to the annual budget, and (c) overseeing the development and implementation of the Association's investment policy and the investment of the Association's assets.
- (b) Audit Committee (chaired by the Vice President). The Audit Committee shall be responsible for (a) overseeing the annual audit of the Association's finances and preparation of the Association's tax returns by an independent auditing firm, and (b) ensuring the Association's compliance with its governance and other legal requirements.
- (c) Nominating Committee (chaired by the Immediate Past President). The Nominating Committee shall be responsible for developing and presenting to the membership a slate of nominees for election to the Board of Directors, including at least one nominee for each position to be elected. The Nominating Committee shall also prepare recommendations to the Board of Directors in the event of a vacancy on the Board. Members of the Nominating Committee shall not be eligible to be nominated for election to the Board of Directors.

Unless specifically provided to the contrary herein, standing committee members need not be Directors of the Association.

Section 3. Advisory Committees

The President, with the approval of the Board of Directors, shall have the authority to appoint such advisory committees, subcommittees or task forces as shall be necessary to the operation and development of the Association.

Section 4. Operating Procedures

The Board of Directors shall establish operating procedures for the Association's committees, subcommittees and task forces.

ARTICLE VIII

OFFICERS

Section 1. Officers

The Officers of the Association shall be the President, Vice President, Secretary, Treasurer, and the Immediate Past President. All shall be voting members of the Board of Directors during their tenure of office. All Officers must be Designated Representatives of Active Members in good standing. No person may hold more than one office.

Section 2. Election and Term

The Vice President shall be elected by the voting members at the annual membership meeting or as otherwise determined by the Board of Directors. The Secretary and Treasurer shall be appointed by the Board from the seated Active Member Directors.

The Secretary, Treasurer and Immediate Past President shall serve one-year terms. The President shall serve a one-year term and, upon completion of that term, shall automatically succeed to the office of Immediate Past President. The Vice President shall serve a one-year term and, upon completion of that term, shall automatically succeed to the office of President.

Section 3. Removal of Officers

Subject to the rights, if any, of an Officer under any contract of employment, any Officer elected or appointed by the Board of Directors may be removed, with or without cause, by the Board. Any Officer elected by the members may be removed, with or without cause, by a vote of the members, provided, however, that such Officer's authority may be suspended by the Board of Directors for cause.

Section 4. Resignation of Officers

Any Officer who no longer qualifies for membership in the Association by reason of terminating or changing employment position shall be required to resign as an Officer of the Association. Any Officer who becomes ineligible for service shall, unless eligibility is regained within ninety (90) days, be deemed to have resigned from office. An Officer may resign at any time by giving written notice of same to the President, or, in the case of the President, to the Vice President. Such resignation shall become effective upon its receipt by such officer; and the acceptance of such resignation shall not be necessary to make it effective. An Officer's resignation shall not relieve such person from responsibility for actions taken while such person was an Officer of the Association.

Section 5. Vacancies

In the event of a vacancy in any office because of death, resignation, removal, or otherwise, the Board of Directors shall appoint a qualified successor from among the then sitting Directors.

Section 6. Responsibilities

- (a) **President.** The President shall be the Chief Elected Officer of the Association and shall preside at all meetings of the members, the Board of Directors and the Executive Committee. Subject to the supervision of the Board of Directors, the President shall perform all duties customary to that office and shall supervise and control all of the affairs of the Association in accordance with the policies and directives approved by the Board of Directors. With the approval of the Board of Directors, the President shall appoint and be an ex-officio member of all committees except the Nominating Committee. The President shall have such other powers and duties as may be prescribed by the Board of Directors.

(b) **Vice President.** The Vice President shall preside and act as President in the case of the absence or disability of the President and assist the President when requested. Upon completion of a term as Vice President, the Vice President shall become the President. In the event that the position of the President becomes vacant, the Vice President shall assume the office of President for the remainder of that current term and will continue as President the following term as he/she normally would have had the vacancy in the President position not have occurred. The Vice President shall serve as chair of the Audit Committee and shall have such other powers and duties as may be prescribed by the Board of Directors and these Bylaws.

(c) **Secretary.** The Secretary shall be responsible for the following:

- (i) Book of minutes. Keeping or causing to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of the Board of Directors, the Executive Committee and members.
- (ii) Membership records. Keeping or causing to be kept, at the principal executive office, as determined by resolution of the Board of Directors, a record of the corporation's members.
- (iii) Notices, seal, and other duties. Giving or causing to be given, notice of all meetings of the members, the Board of Directors and the Executive Committee, and keeping the seal of the Association in safe custody.

The Secretary shall perform such other duties as may be required by law or as may be prescribed or required from time to time by the Board of Directors or these Bylaws.

(d) **Treasurer.** The Treasurer shall be responsible for the following:

- (i) Books of account. Keeping and maintaining, or causing to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Association.
- (ii) Deposit and disbursement of money and valuables. Depositing or causing to be deposited, all money and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board of Directors; disbursing or causing to be disbursed, the funds of the Association as may be ordered by the Board of Directors; and rendering or causing to be rendered, to the President and Directors whenever they request it, an account of all of the Treasurer's transactions and of the financial condition of the Association.
- (iii) Bond. If required by the Board of Directors, the Treasurer shall give the Association a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of said office and for restoration to the Association of all its books, papers, vouchers, money, and other property of every kind in said Officer's possession or under said Officer's control on said Officer's possession or under said Officer's control on said Officer's death, resignation, retirement, or removal from office.

The Treasurer shall serve as chair of the Finance Committee and perform such other duties as may be assigned by the Board of Directors.

(e) **Immediate Past President.** The President shall assume the position of the Immediate Past President upon completion of the full original term of office of President. In the event that the President resigns or is removed from the office of President prior to the completion of the full term of that office, he/she is ineligible to assume the position of Immediate Past President. The Immediate Past President shall preside at meetings of the Board when the Vice President is absent if requested by the President. The Immediate Past President shall serve as chair of the Nominating Committee and perform such other duties as may be assigned by the Board of Directors.

Section 7. Compensation

With the exception of the Executive Director, Officers of the Association shall not receive any salary or compensation for their services as such, but they may, if so determined by the Board, be reimbursed for any expenditure made by them in the conduct of the business and affairs of the Association.

ARTICLE IX ADMINISTRATION

Section 1. Executive Director

The Executive Director shall be the Chief Administrative Officer of the Association and, subject to the control of the Board of Directors and the President, shall manage and supervise and exercise general executive powers concerning all the property, business and affairs of the Association. The Executive Director may either be employed or engaged as an independent contractor directly by the Association, or employed, subject to the approval of the Board of Directors, by a management services provider engaged by the Association; in either event, the Board shall enter into a written agreement with such individual, firm or corporation for the rendering of such services, upon such terms and provisions as the Board of Directors shall see fit. The Executive Director shall be charged with carrying out the policies, programs, orders and resolutions adopted or approved by the Board of Directors, and shall have all powers and perform all duties incident to the office of Executive Director; and any further powers and duties as from time to time may be prescribed by the Board. He or she shall have the power to execute deeds, bonds, mortgages, and other contracts, agreements and instruments of the Association approved by the Board. The duties of the Executive Director shall also include but not be limited to the following:

- a. To attend all meetings of the Members, the Board of Directors and the Executive Committee.
- b. To send out such notices of meetings as may be appropriate or required.
- c. To be responsible for recording and producing minutes of all meetings.
- d. To conduct all correspondence pertaining to the office of Executive Director.
- e. To execute all orders, votes and resolutions not otherwise committed to others.
- f. If required by the Board, to give a good and sufficient bond, at the expense of the Association, in such sum as may be required for the faithful discharge of his or her duties.
- g. In the absence of the Treasurer and Secretary, to serve and perform all duties of such offices.
- h. To perform or be responsible for the performance of all other services required in any employment or management services agreement.

Section 2. Legal Counsel

The Board of Directors shall have authority to select legal counsel for the Association. In selecting legal counsel, the Board shall have authority to engage a firm of lawyers. Legal counsel's duties shall be set forth either in a written employment agreement or in a written engagement agreement approved by the Board of Directors.

Section 3. Accounting Services

The Board of Directors shall have the authority to select and engage an independent auditor to prepare the Association's tax returns and to audit the Association's financial statements. The auditor's duties shall be set forth in a written engagement agreement approved by the Board of Directors.

Section 4. Investment Advisory Services

The Board of Directors shall have the authority to select and engage an investment advisory services professional to advise the Association regarding investment of Association assets pursuant to a written investment policy. The investment advisory service professional's duties shall be set forth in a written agreement approved by the Board of Directors.

ARTICLE X INDEMNIFICATION/INSURANCE

Section 1. Right of Indemnity

The Association shall, to the full extent permitted by the Act, indemnify any current or former Officer; Director; Member volunteer; employee and agent of the Association ("Indemnitee") against any and all expenses and liabilities actually and necessarily incurred by him or her or imposed upon him or her in connection with any claim, action, suit or proceeding to which he or she may be or is made a party ("Action") by reason of being or having been such Officer; Director; Member volunteer; employee or agent, except in the event of self-dealing, willful misconduct, recklessness or a knowing violation of criminal law. The indemnification provided herein shall not be deemed exclusive of any other rights to which such Officer; Director; Member volunteer; employee or agent may be entitled under any statute, agreement or otherwise and shall not restrict the power of the Association to make any indemnification permitted by law. Any Indemnitee hereunder shall be entitled as of right to have his or her expenses in defending any Action paid in advance by the Association prior to final disposition of such Action, provided that the Association receives a written undertaking by or on behalf of the Indemnitee to repay the amount advanced if it should ultimately be determined that the Indemnitee is not entitled to be indemnified for such expenses. In the event of the settlement of any Action, the indemnification provided for herein shall be effective only if the Board of Directors shall approve such settlement and reimbursement as being in the best interest of the Association.

Section 2. Insurance

The Association shall, assuming its availability, purchase and maintain insurance to the fullest extent permitted by law on behalf of its Officers, Directors, employees, and other agents, against any liability asserted against or incurred by an Officer; Director; employee, or agent in such capacity or arising out of the Officer's, Director's, employee's, or agent's status as such.

ARTICLE XI RECORDS AND REPORTS

The Association shall keep:

- (a) Adequate and correct books and records of account;
- (b) Minutes in written form of the proceedings of its members, Board of Directors and Executive Committee.
- (c) A record of its members, giving their names and addresses and the class of membership held by each.

All such records shall be kept at the Association's principal executive office.

The Association shall provide an annual report to members as required by the Act.

ARTICLE XII GENERAL PROVISIONS

Section 1. Parliamentary Procedure

To the extent not inconsistent with the Act, the Association's Articles of Incorporation, these Bylaws or policies and procedures adopted by the Board of Directors, the provisions of the most recent edition of Robert's Rules of Order; Newly Revised, shall apply to the operation of the Association.

Section 2. Fiscal Year

The fiscal year shall be as determined from time to time by the Board of Directors.

ARTICLE XIII AMENDMENTS

Except as may be otherwise required by the Act, these Bylaws may be amended by a two-thirds vote of the Board of Directors, provided that the nature of the proposed amendment has been set forth in the notice of the meeting at which the amendment is to be considered. Should the Act require membership approval of an amendment to these Bylaws, a majority vote of the voting Members shall be required, and the notice for the meeting at which the amendment is to be considered shall include the proposed amendment or a summary of the changes to be effected thereby.