



Bylaws of the National Agricultural Aviation Association

As approved December 9, 2014 and amended September 22, 2016

Implementation date: January 1, 2015

Article I – NAME AND PURPOSE

Section 1. The name of this organization shall be the NATIONAL AGRICULTURAL AVIATION ASSOCIATION, referred to hereafter as NAAA. The effective date of these Bylaws was upon adoption and acceptance by delegates meeting in Las Vegas, Nevada on November 28, 1966, and as subsequently amended.

Section 2. The purposes of NAAA shall be as set forth in the Articles of Incorporation.

Article II – MEMBERSHIP

Section 1. Classes of Active Membership. NAAA shall have the following classes of membership with such qualifications and rights as set forth below. The Board of Directors may establish additional classes of membership by amendment to these Bylaws for the purpose of ensuring that there shall be sufficient membership classifications to assure full and complete participation in NAAA by all branches of the agricultural aviation industry and related industries.

- a. **ORGANIZATION MEMBER.** State and regional associations composed primarily of agricultural aviators and agricultural aviation branches or divisions of state trade associations shall be known as Organization Members of NAAA with all the rights and privileges appertaining thereto in consideration of the satisfactory completion of the requirements for membership herein. The Organization Member as a legal entity has no voting privileges, but each Organization Member shall name an individual representing the Organization Member to serve on the Board of Directors, in the manner set forth in Article IV of these Bylaws.
- b. **OPERATOR COMPANY MEMBER.** Any company that is an operator member or equivalent in a state or regional association, operating an

agricultural aviation business and holding a valid Federal Aviation Administration Part 137 Operating Certificate, or any Federal Aviation Administration Part that may supersede Part 137, and meets the requirements that are, or may be set forth at any time by federal or state law, may qualify for membership as an Operator Company Member with all the rights and privileges appertaining thereto in consideration of the satisfactory completion of the requirements for membership herein. Each Operator Company Member shall have voting rights and shall exercise those rights through an individual designated by the Operator Company Member (the “Designated Voting Member”). Current Lifetime Operator Company Members will be the Designated Voting Member with respect to the Operator Company Member with which he or she is affiliated.

- c. **AFFILIATED OPERATOR COMPANY MEMBER.** Any individual, whether a business partner, stockholder, or employee, whose company is an Operator Company Member, as described above, may qualify for membership as an Affiliated Operator Company Member with all the rights and privileges appertaining thereto in consideration of the satisfactory completion of the requirements for membership herein. The Affiliated Operator Company Members shall have voting rights.
- d. **PILOT MEMBER.** Any agricultural aviation pilot, who is not an operator, and who is a member of a state or regional association, may qualify for membership as a Pilot Member with all the rights and privileges appertaining thereto in consideration of the satisfactory completion of the requirements for membership herein. The Pilot Members shall have voting rights.
- e. **ALLIED INDUSTRY MEMBER.** Any industrial organization or firm closely allied to the agricultural aviation industry, such as, but not necessarily limited to, aircraft manufacturers, aircraft engine manufacturers, systems suppliers, fuel companies, insurance industry, and other

industries which serve the agricultural aviation industry, may qualify for membership as an Allied Industry Member with all the rights and privileges appertaining thereto, in consideration of the satisfactory completion of the requirements for membership herein. Each Allied Industry Member shall have voting rights and shall exercise those rights through the Designated Voting Member named by the Allied Industry Member.

f. **AFFILIATED ALLIED INDUSTRY**

MEMBER. Any individual whose firm is an Allied Industry Member of NAAA, as described above, may qualify for membership as an Affiliated Allied Industry Member with all the rights and privileges appertaining thereto in consideration of the satisfactory completion of the requirements for membership herein. The Affiliated Allied Industry Members shall have voting rights.

g. **SUPPORT MEMBER.** Any member's spouse, significant other or any individual interested in the promotion of NAAA objectives may qualify for membership as a Support Member with all the rights and privileges appertaining thereto, in consideration of the satisfactory completion of the requirements for membership herein. The Support Members shall have voting rights.

h. **ASSOCIATE MEMBER.** Any person interested in the promotion or welfare of agricultural aviation who does not meet the qualifications set forth in the Bylaws for another category of membership may qualify as an Associate Member with all the rights and privileges appertaining thereto, with the exception of holding office or voting, in consideration of the satisfactory completion of the requirements for membership herein.

i. **INTERNATIONAL MEMBER.** Any aerial application firm or pilot based beyond the borders of the United States may qualify as an International Member with all the rights and privileges appertaining thereto, with the exception of holding office or voting, in consideration of the satisfactory completion of the requirements for membership herein.

Section 2. Honorary Member. Any person who, by unselfish devotion to furthering the interests and efforts of agricultural aviation nationally, has contributed to the welfare and growth of the industry to such an extent as to make that person's contribution outstanding and above the normal fulfillment of his or her professional or occupational duties and responsibilities, may be selected as an Honorary Member pursuant to the process described herein, with all

the rights and privileges appertaining thereto, with the exception of holding office or voting privileges. Honorary Members shall be admitted to membership in the following manner. The Membership Committee shall accept nominations for Honorary Members by any member of NAAA. After careful deliberation, if approved by the Membership Committee, the nominee named shall be placed before the Board of Directors and shall be accepted as an Honorary Member upon approval of the Board of Directors.

Section 3. Membership Application. Application for any class of membership, other than Honorary Membership, shall be made on a form provided by the headquarters' staff of NAAA. New applicants shall be enrolled as members, subject to confirmation by the Board, through the Membership Committee.

Section 4. Suspension. By a majority vote of the Board of Directors, the Board may, for cause, or failure to uphold and abide by the NAAA Bylaws, discipline or suspend a member for a period up to, but not exceeding, one year, provided however, that the member is first provided with notice of the proposed suspension or expulsion and the opportunity to be heard by the Board of Directors. The suspension of a member shall not relieve the member from any obligations incurred or commitments made prior to the suspension. At the end of such period, the Board may reinstate said member after review. Once membership is terminated for any reason, a former member shall not use the name, insignia, or affiliation of NAAA, nor be entitled to any rights or privileges of members.

Article III – MEMBER DUES AND ASSESSMENTS

Section 1. Dues. The Board of Directors shall have the power to change the members' dues by a 2/3 vote of the Board of Directors at a meeting at which a quorum is present. Members may be billed directly by NAAA and regional or state memberships will be verified. Records setting forth the dues structure of NAAA shall be maintained at the headquarters of NAAA.

Section 2. Membership Period. NAAA shall operate on a calendar year basis, January 1 to December 31, for the membership period. Any member, whose dues have not been paid on or before January 15th after having been billed at least twice for the current year, shall be considered delinquent. These members shall be billed again and given 30 days to pay annual dues, after which time the member's name shall be dropped from the membership rolls. A former member who has failed to pay dues accordingly shall not thereafter use the name, insignia, or affiliation of NAAA, nor be entitled to any rights or privileges of members. Any member who fails to pay his or her

membership dues for any one year must apply for membership as a new member.

Article IV – BOARD OF DIRECTORS

Section 1. Board of Directors. There shall be a Board of Directors, which shall constitute the governing body of NAAA, and whose duties and responsibilities shall be to **oversee** the activities and affairs of NAAA, and set the policy and managerial guidelines of NAAA in a manner consistent with the District of Columbia Nonprofit Corporation Act (the “Act”), federal tax law, and any other applicable laws and regulations. The membership of the Board shall be as set forth in this Article and each Director must be a member of the NAAA. Each Director must serve on at least one committee.

Section 2. State or Regional Directors, National Agricultural Aviation Research and Education Foundation (NAAREF) President, Past Presidents, Immediate Past Treasurer, President, Vice President, Secretary, and Treasurer. There shall be one Director appointed by each state or regional Organization Member as defined in Article II, Section 1.a. of these Bylaws. Each Director must be an NAAA member. The Director shall be appointed by the state or regional organization and shall serve on the NAAA Board for a two (2) year term. The state or regional organization shall appoint the director for no more than three (3) consecutive terms. He or she shall have one vote on the Board. In the event the duly appointed Director should become unable to serve in that capacity, the applicable state or regional Organization Member shall appoint a Director to fill the vacancy. The Director’s term commences January 1.

The NAAREF President shall serve as an ex-officio Director, acting as Chief Liaison officer between the NAAREF Board and the NAAA Board. The NAAREF President must also be an NAAA member, and he or she will have one vote on the Board.

Up to five (5) of the NAAA Past Presidents, as described in Article V, Section 3 of these Bylaws, and the current President, Vice President, Secretary, Treasurer and Immediate Past Treasurer, as defined in Article V, shall also serve as ex-officio Directors. These ex-officio Directors shall have voting rights as described in Article V.

Section 3. Allied Industry Directors. There shall be seven (7) Directors named to the NAAA Board from the Allied Industry membership class. These Directors may be the Designated Voting Member of either the Allied Industry Member or an Affiliated Allied Industry member. Allied Industry directors shall be elected for a two (2) year term at the annual NAAA Convention. The Director shall serve for no more than three (3) consecutive terms. The seven Allied

Industry Directors shall select a Chairman and a Vice Chairman from among the seven Allied Industry Directors. This Chairman will preside as Chairman of the Allied Industry Committee. The Chairman shall certify to the NAAA Board of Directors the names of those duly chosen to serve as the Allied Industry Directors on the Board for the ensuing year. Each Director so chosen shall have one vote on the Board.

In the event any of the seven (7) Allied Industry Director positions becomes vacant, the NAAA President may appoint, from the membership of the Allied Industry, a new director to fill that vacant position.

Section 4. Support Director. There shall be one Director from the Support membership class. The Support membership class shall elect the Director at the annual NAAA Convention. The Director shall serve for up to a two (2) year term, beginning January 1, and the Director may serve up to three (3) consecutive terms. The Director shall have one vote on the NAAA Board. In the event the duly appointed Director should become unable to serve in that capacity, the Support Committee shall appoint a Director to fill the vacancy. The Director’s term commences January 1.

Section 5. Exemption to Consecutive Terms. The consecutive term limits as specified under Article IV may be petitioned by the Directors’ sponsoring organization to the NAAA president for a one (1) year extension. This exemption may be requested more than once.

Article V – OFFICERS

Section 1. Officers. NAAA shall have a President, Vice-President, a Secretary, and a Treasurer, whose duties and responsibilities shall be to execute the policies and administrative functions of their offices, as set forth in this Article.

Section 2. Officers Terms and Elections. There shall be elected annually, by the Board of Directors, the following officers: President, Vice President, Secretary, and Treasurer. The officers shall be elected at the Board of Directors meeting held in conjunction with the annual NAAA Convention and Annual Meeting. The term of office will run for one (1) year, beginning January 1, and may serve up to three (3) consecutive terms.

Section 3. President. There shall be elected annually by the Board of Directors a President of NAAA. The Designated Voting Member of any Operator Company Member who has served as a member of the Board of Directors shall be eligible to hold the office of President. The President’s duties shall be to serve as the Chairman of the Board and preside over meetings of the Board, the

Executive Committee, the Annual Meeting, and any other called meetings of the Board or Membership. He or she shall by virtue of his or her office, serve as the chief liaison officer between NAAA and other affiliated associations; shall serve on all NAAA committees in an ex-officio capacity; and shall assume all other responsibilities normally accepted by the President and as delegated by the Board of Directors. The President shall have no vote on the Board except in the case of a tie vote. Should the President so elected also be a Director chosen pursuant to Article IV, Section 2 of these Bylaws, he or she shall be relieved of any further duties and responsibilities as a Director, and the applicable state or regional Organization Member shall appoint a Director to fill the vacancy, and such individual will be confirmed by the Board to assume the duties of Director and serve in that capacity for the remaining term. At the conclusion of the President' term(s) of office, he or she will retain voting rights on the Board for five (5) years. To maintain five (5) voting Past Presidents these voting rights will be extended in chronological order, if one or more Past Presidents is unwilling or unable to serve on the Board.

Section 4. Vice President. There shall be elected annually by the Board of Directors, a Vice President. The election shall be held immediately following the election for President. The Designated Voting Member of any Operator Company Member who has served as a member of the Board of Directors shall be eligible to hold the office of Vice President. The Vice President's duties shall be to assume the responsibilities of the President in his or her absence and to assist the President in any way possible in the normal course of official NAAA business. The Vice President shall have one vote on the Board of Directors. Should the Vice President so elected also be a Director chosen pursuant to Article IV, Section 2 of these Bylaws, he or she shall be relieved of any further duties and responsibilities as a Director, and the applicable state or regional Organization Member may appoint a Director to fill the vacancy, and such individual will be confirmed by the Board to assume the duties of Director and serve in that capacity for the remaining term. The Vice President's major area of business operation and residency shall not be in the same state as those of the President.

Section 5. Secretary. There shall be elected annually by the Board of Directors, a Secretary. The election shall be held immediately following the election of the Vice President. Any NAAA member who has served as a member of the Board of Directors shall be eligible to hold the office of Secretary. The Secretary's duties shall be to act as the secretarial assistant to the President and be responsible for seeing that proper minutes are kept and presented at all meetings during his or her term of office, and for maintaining and authenticating the records of NAAA as may be required by the Act. The Secretary shall

be responsible for coordination with the national headquarters staff and shall see that proper records of association membership and committee selections are kept for ready reference and publication. The Secretary shall have one vote on the Board of Directors. Should the Secretary so elected also be a Director pursuant to Article IV, Section 2 of these Bylaws, he or she shall be relieved of any further duties and responsibilities as a Director, and the applicable state or regional Organization Member may appoint a Director to fill the vacancy, and such individual will be confirmed by the Board to assume the duties of Director and serve in that capacity for the remaining term.

Section 6. Treasurer. There shall be elected annually by the Board of Directors a Treasurer. The election shall be held immediately following the election of the Secretary. Any NAAA member who has served as a member of the Board of Directors shall be eligible to hold the office of Treasurer. The Treasurer's duties shall be to act as Chairman of the Budget and Finance Committee and ensure that the financial reports are prepared and presented to the Board. The Treasurer shall be responsible to the President and the Board and shall assist in coordinating the work of officers in matters dealing with fiscal policy. The Treasurer shall have one vote on the Board of Directors. Should the Treasurer so elected also be a Director pursuant to Article IV, Section 2 of these Bylaws, he or she shall be relieved of any further duties and responsibilities as a Director, and the applicable state or regional Organization Member may appoint a Director to fill the vacancy, and such individual will be confirmed by the Board to assume the duties of Director and serve in that capacity for the remaining term. At the conclusion of the Treasurer's term he or she will continue to serve as a Director on the Board of Directors, as well as a member of the Budget and Finance committee, and the Executive Committee with full voting rights for the following year.

Section 7. Executive Director. The Board of Directors may select from among qualified candidates an Executive Director. The Executive Director shall have the authority to employ or terminate employment of the NAAA staff personnel. He or she shall be responsible for coordinating the affairs and activities of NAAA within the policies and guidelines mandated by the Board and according to directives and procedures prescribed by the Bylaws.

Section 8. Assistant Executive Director. The Executive Director, with the approval of the Executive Committee may select from among qualified candidates an Assistant Executive Director. He or she shall be under the direction of the Executive Director. In the absence of the Executive Director, he or she shall be responsible for coordinating affairs and activities of NAAA within the policies and guidelines mandated by the Board and according to the directives and procedures prescribed by the Bylaws.

Section 9. Officer Vacancy. If a vacancy should occur in the office of President, Vice President, Secretary or Treasurer, the position may be filled for the unexpired portion of the term by the Executive Committee with nominations coming from the Nominating Committee.

Section 10. Officer Removal. An officer may be removed from office for just cause by a two-thirds vote of the Board of Directors.

Section 11. Officer or Director Compensation. Officers or Directors are not compensated for their services; however, they may be reimbursed for expenses with prior approval.

Article VI – COMMITTEES

Section 1. Board Committees. Members of Board Committees shall consist solely of individuals serving on the Board of Directors, and shall be appointed by the President, subject to approval of a majority vote of all Directors then in office. Board committees shall be formed at the discretion of the President in the manner described below, and may include, but not necessarily be limited to:

- a. Executive Committee
- b. Budget & Finance Committee
- c. Nominating Committee

Section 2. Advisory Committees. Advisory committees shall be formed at the discretion of the President. Any member in good standing under any category of membership may serve on or serve as chairman of any Advisory Committee if appointed by the President. The Advisory Committees may include, but not necessarily be limited to:

- a. Awards Committee
- b. Allied Industry Committee
- c. Communications & Public Relations Committee
- d. Convention Committee
- e. Governing Documents Committee
- f. Government Relations Committee
- g. Insurance Committee
- h. Long Range Planning Committee
- i. Membership Committee
- j. Museum Committee
- k. Research & Technology Committee
- l. Support Committee
- m. Safety & Federal Aviation Regulations Committee

Section 3. Executive Committee. The Executive Committee shall be made up of the current NAAA officers,

the immediate past president, the immediate past treasurer and the NAAREF President. The Executive Committee may act in the place of the Board of Directors when authority is designated by the Board or in emergency matters where Executive Committee action is temporary and subject to subsequent approval by the Board at its next meeting. The Executive Committee shall have the power to reallocate funds within the budgetary limits established by the Board and the hiring or termination of the Executive Director. In all cases the Executive Committee must conform to motions approved by the Board and resolutions adopted by the Board or the membership at its Annual Meeting. The Executive Committee must meet as soon as possible after the newly elected officers take charge, with additional meetings as necessary when called by the President or a majority of the members of the Executive Committee. The members of the Executive Committee shall serve on the Budget and Finance Committee.

Section 4. Nominating Committee. The most recent, available past president shall chair the Nominating Committee. The Nominating Committee shall be composed of the five most recent Past Presidents available to serve on the Board of Directors. The President shall also appoint five Directors at large to the Nominating Committee. It shall be the responsibility of this committee to come forth with a slate of nominees for the offices of President, Vice President, Secretary, and Treasurer. The Chairman of the Nominating Committee shall present the names of those suitable candidates who should be considered for the offices so stated herein. After each candidate's name is duly placed, nominations from the Board members shall be in order. Voting for each office shall be separate, shall be in the order named above with the President first, and shall be subject to parliamentary procedure.

Section 5. Budget and Finance Committee. The President shall appoint a Budget and Finance Committee containing a minimum of five Past Presidents currently serving on the Board of Directors and the Executive Committee. The Support Director shall also serve on the Budget and Finance Committee.

Section 6. Allied Industry Committee. The Allied Industry Committee shall consist of the seven (7) Allied Directors and the NAAA President may, at his or her discretion, appoint up to three (3) additional members from the Allied Industry at large.

Section 7. Support Committee. The Support Director shall chair the Support Committee. The Support Committee will consist of members in the Support membership class. A State or Regional Association, as classified under Article II, Section 1a of these Bylaws, may send one individual in the Support membership class to

serve on the Committee. The President may appoint additional members to the Support Committee per Section 2 of this Article.

Section 8. Interim Committees. The President shall have authority to name interim committees, subject to the limitations set forth herein, and further subject to the approval of a majority of the Board of Directors then in office.

Article VII – MEETING AND VOTING RIGHTS

Section 1. Types of Meetings.

- a. **Annual Meeting.** There shall be at least one annual business meeting of the members to be held in conjunction with a NAAA annual convention. Notice, quorum, voting, and other meeting requirements are as set forth in this Article VII.
- b. **General Meetings.** There may be, at the discretion of the President, or the Executive Committee, any number of called General Meetings in addition to the Annual Business Meeting.
- c. **Board Meetings.** There shall be at least two meetings of the Board of Directors annually. Additional meetings may be called in the manner set forth in this Article VII.

Section 2. Right to Attend Meeting. Any NAAA member in good standing shall have the right to attend any General, Board, or Committee meeting of NAAA. All Chairpersons may exercise executive privilege and clear the meeting room of all guests at their discretion at any Committee and Board Meeting, respectively.

Section 3. Meetings of Members.

- a. **Voting Rights** Any member in good standing, under any category of membership except as otherwise set forth in Article II of these Bylaws, shall have the right to one vote on each issue submitted for a vote at any meeting of the members. Under no circumstances shall a member's dues be returned for withdrawal of membership, after that member has or has had the opportunity to vote. No vote by proxy shall be permitted at a meeting of the membership.
- b. **Special Meetings.** In addition to the annual and general meetings described in Article VII, Section 1 above, special meetings of the members may be held at the call of the Board of Directors, or by the petition of at least twenty-five percent (25%) of the voting members. Any meeting of the members need not be held at a geographic location if the meeting is instead held by means of the Internet or

other electronic communications technology in a fashion pursuant to which the members have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members, pose questions, and make comments.

- c. **Notice of Meetings.** Notice specifying the date, time and place, and in the case of a special meeting, the purposes of the meeting, shall be provided to all voting members no fewer than ten nor more than sixty days prior to the meeting.
- d. **Quorum and Voting.** Ten percent (10%) of the voting members must be present at a meeting to constitute a quorum. Unless otherwise required by the Articles of Incorporation, these Bylaws, or the Act, the affirmative vote of a majority of the voting members present and voting at a meeting at which a quorum is present shall be the action of the members.
- e. **Action by Ballot.** Except as otherwise set forth in the Articles of Incorporation, or these Bylaws, any action that may be taken at any annual or special meeting of members may be taken without a meeting if NAAA delivers a ballot to every member entitled to vote on the matter. The ballot must set forth each proposed action; and provide an opportunity to vote for, against, or withhold a vote for each proposed action. Ballots may be submitted electronically. Approval by ballot is valid when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Any solicitation for votes by ballot must: (i) indicate the number of responses needed to meet quorum requirements; (ii) the percentage of approvals necessary to approve each matter; and (iii) the date by which the ballot must be received in order to be counted.

Section 4. Board Meetings.

- a. **Business Discussed at Board Meeting.** Only a Director or an Officer shall have the right to bring before the Board of Directors a motion for voting consideration. Any member in good standing under any category of membership shall have the opportunity to address the Board on any issue brought before the Board, or under new business, may address the Board on any issue appropriate to NAAA.
- b. **Special Meetings.** The Board shall hold the regular Board meetings described in Article VII, Section 1.c above. In addition, special meetings of

the Board may be held at such times and such places as may be specified, upon the call of the President, or fifty (50) percent of the Board.

- c. **Notice.** Notice of special meetings shall be mailed or sent via electronic mail or provided via telephone to each Director at least two (2) days before the day on which the special meeting is to be held. No notice shall be required for regular meetings; provided, however, that notice of any change in the time or place of such meetings shall be sent promptly to each director.
- d. **Participation by Remote Communication.** Directors may participate in meetings, 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 considered to be present in person at the meeting.
- e. **Quorum and Manner of Acting.** Each Director shall have only one vote on each issue brought before the Board. No vote by proxy shall be permitted. Fifty percent (50%) of the members of the Board of Directors shall constitute a quorum for the transaction of business. Unless otherwise provided by the Articles of Incorporation, these Bylaws or the Act, the vote of the majority of the Directors at a meeting at which a quorum is present shall be the act of the Board.
- f. **Action without Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting, if a written consent to such action is signed by two-thirds of the Directors entitled to vote, and such written consent is filed with the minutes of the proceedings of the Board.

Section 5. Committee Meetings.

- a. **Business Discussed at Committee Meeting.** Only a Committee Member shall have the right to bring before the Committee a motion for voting consideration. Any member in good standing under any category of membership shall have the opportunity to address the Committee on any issue brought before the Committee, or under new business, may address the Committee on any issue appropriate to the Association.
- b. **Participation by Remote Communication.** Committee members may participate in meetings, or conduct the meeting through the use of any means of communication by which all Committee members participating may simultaneously hear each other during the meeting. A Committee member participating in a meeting by this means shall be considered to be present in person at the meeting.

- c. **Quorum and Manner of Acting.** Fifty percent (50%) of the members of the Committee shall constitute a quorum for the transaction of business. Each committee member shall have only one vote on each issue brought before the committee for a vote. No vote by proxy shall be permitted. Only a committee member shall have the right to bring before the committee a motion for consideration.

Article VIII – EMPLOYMENT AND FISCAL POLICY

Section 1. Executive Director. The Executive Director of NAAA shall be in the exclusive employ of NAAA, and the NAAA Board of Directors shall determine his or her salary and work schedule.

Section 2. Employment Policy. The Executive Director shall have the authority to select and employ such individuals or organizations on a full or part-time basis as necessary, and within the limits of NAAA budget.

Section 3. Income Management. A maximum of twenty-five percent of the funds collected and belonging to the NAAA in excess of annual operating needs may be invested in financial instruments approved by the Budget and Finance Committee. Any and all remaining funds collected and belonging to NAAA shall be deposited in an NAAA account in U.S. treasury bonds and/or other direct and indirect obligations of the U.S. government and/or any federally insured bank or savings institution's financial instruments approved by the Budget and Finance Committee, accounted for by the usual banking methods, and administered by the Executive Director under the Budget and Finance Committee.

“Funds in excess of annual operating needs” is defined as un-restricted funds that NAAA holds in excess of those funds projected to be raised and needed to meet NAAA's annual expenses.

It shall be the responsibility of the Executive Director to see that an annual audit is prepared by October 1 and presented to the Board at the Fall Board Meeting, and that an interim accounting is prepared for each Board Meeting. All checks written on the NAAA bank account shall carry the signature of the Executive Director, or President, or Treasurer of NAAA.

Section 4. Revenues & Expenses. The Executive Director shall prepare an annual budget with detailed projected revenue and expenses for approval by the Budget and Finance Committee and submit it to the Board of Directors at least ten days before the Spring Board Meeting. By the fifteenth day of each month the Executive Director will prepare for the Budget and Finance Committee a list of all

checks issued during the prior month, indicating the check number, the name of the payee, and the amount. The Executive Director shall also prepare a balance sheet and a profit and loss statement for the prior month including year to date balances and budget allocations for the members of the Budget & Finance Committee. In addition, within thirty days after the close of each quarter, the Executive Director shall send to all Board Members a balance sheet and a profit and loss statement for the ending quarter, including year to date balances and budget allocations.

Article IX – GENERAL AND ADMINISTRATIVE

Section 1. NAAA Headquarters. The NAAA shall maintain an office for its staff consistent with its needs.

Section 2. Fiscal Year. NAAA shall operate its fiscal year from July 1 to June 30.

Section 3. Type of Entity. NAAA shall be a not-for-profit industry association, and shall be incorporated under the laws of the District of Columbia. The Articles of Incorporation shall be kept on file at the headquarters of NAAA.

Section 4. Publication. The Executive Director shall be responsible for the publication, electronically or through other mediums, an NAAA newsletter, bulletin, or magazine, which shall be distributed to the industry.

Section 5. Parliamentary Authority. These Bylaws are the primary parliamentary authority of the NAAA, for items not addressed herein, Robert’s Rules of Order shall be followed.

Section 6. Majority Vote. The term “majority vote,” as used herein, shall refer to a simple majority, that is, more than 50 percent of those eligible to vote.

Section 7. Additional Membership. The NAAA Board of Directors shall have the authority to cause NAAA to become a member of any other organization, provided that such membership is consistent with NAAA’s nonprofit and exempt purposes, and does not violate any provision of the Articles of Incorporation, these Bylaws or the Act.

Section 8. Maintenance of the Bylaws. The Bylaws of NAAA shall be maintained at the headquarters of NAAA. All revisions of the Bylaws shall be entered into the original along with the records of the Board and/or membership, including records of required notification and the vote of the Directors or Membership. The Executive Director shall accomplish these entries within thirty (30) days of the adoption of such amendments. The Executive Director shall ensure that each new Director and Officer has a current copy of the Articles of Incorporation and Bylaws.

Article X – DISSOLUTION

A two-thirds vote of the voting membership present at a general membership meeting at which a quorum is present shall be required to sell or mortgage assets of NAAA not in the regular course of business or to dissolve NAAA, provided that notice of the meeting was provided to all NAAA members and such notice stated that the purpose of the meeting was to consider the sale or mortgage of assets or dissolution, and the manner in which the assets of NAAA would be distributed after all creditors have been paid. Upon dissolution of NAAA, any assets remaining after payment of, or provision for, its debts and liabilities shall be distributed in the manner set forth in the Articles of Incorporation. No part of the net assets or net earnings of NAAA shall inure to the benefit of or be paid or distributed to an officer, director, member, employee, or donor of NAAA.

Article XI – AMENDMENTS

Section 1. These Bylaws may be amended by a two-thirds majority of the NAAA Board of Directors, followed by a majority vote of the voting membership, present at an Annual or General Business Meeting at which a quorum is present, provided that the notice and a copy of any proposed amendment has been filed with the Secretary, or through the Executive Director acting on behalf of the Secretary, at least forty-five (45) days before any meeting to consider such action, and provided further that the Secretary has ensured the distribution of a copy of the proposal to each voting member at least thirty (30) days before said meeting. Following the Board vote referenced above, these Bylaws may also be amended by a vote conducted by mail or electronic mail, provided that the notice and a copy of any proposed amendment has been filed with the Secretary or through the Executive Director acting on behalf of the Secretary, at least forty-five (45) days before voting commences on such action, and provided further that the Secretary has ensured the distribution of a copy of the proposal to each voting member at least thirty (30) days before voting commences. The time period for voting members to cast their votes will be thirty (30) days. In order for an amendment to be considered approved, the number of ballots returned must equal or exceed the number of voting members that would be required to establish a quorum, and at least a majority of those voting members casting a ballot must vote in favor of the amendments.