

**ASSOCIATION  
FOR  
CORPORATE GROWTH, INC.  
SIXTH AMENDED AND RESTATED  
BYLAWS**

**Adopted September 25, 2008**

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## ARTICLE I

### NAME

This Association shall be known as the **ASSOCIATION FOR CORPORATE GROWTH, INC.**

## ARTICLE II

### PURPOSES

The purposes of this Association are:

1. To instruct the public and the business community by disseminating knowledge and factual material concerning the techniques and methods employed by business executives specializing in the promotion and accomplishment of the growth of corporate enterprises in a variety of ways, including the development and marketing of new products and the pursuit of corporate acquisitions, mergers and joint ventures, and to cooperate with and assist other educational organizations in furtherance of such instruction.

2. To promote the common business interest of the Members as business executives specializing in the promotion and accomplishment of the growth and diversification of corporate enterprises in a variety of ways, including the development and marketing of new products and the pursuit of corporate acquisitions, mergers and joint ventures to improve business conditions in the field of such corporate growth and diversification as distinguished from the performance of particular services for individual persons; to promote the exchange of ideas among business executives having a common interest in the techniques and method of promoting and accomplishing such corporate growth and diversification; and to foster and create a greater understanding and appreciation on the part of the public and the business community of the functions of such business executives.

3. In furtherance of such purposes, the Association may promote, establish, conduct and maintain activities on its own behalf or it may contribute to or otherwise assist other corporations, organizations and institutions carrying on such activities or any thereof; and for such purposes it may solicit and receive funds and other property, real, personal, and mixed and interests therein, by gift, transfer, devise, or bequest, and invest, reinvest, hold, manage, administer, expend, and apply such funds, and property, subject to such conditions and limitations, if any, as may be expressed in any instrument evidencing such gift, transfer, devise, or bequest.

4. **PROVIDED, HOWEVER,** that each of the foregoing purposes is expressly made subject to the following limitations:

(a) No part of the net earnings of the Association shall inure to the benefit of any private Member or individual.

(b) The Association shall not engage nor shall any of its funds, property or income be used in carrying on propaganda or otherwise attempting to influence legislation, nor shall it participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

(c) The Association is not organized for profit.

(d) The Association shall not engage in any business of a kind ordinarily carried on for profit.

### **ARTICLE III**

#### **MEMBERSHIP**

1. **Classes:** The membership of the Association shall consist of those persons who have signed the certificate of incorporation as incorporators, together with all persons who are hereafter received in or elected to membership as hereinafter provided. The membership shall be divided into the following classes:

- (a) Members
- (b) Members-At-Large
- (c) Honorary Members

2. **Qualifications:**

(a) **General:** All persons who shall be employees of, or partners (or principals) in, corporations or firms who are or have been charged with responsibility directly concerned with corporate growth, including new product development, product and company acquisitions or mergers, or diversification shall be eligible for membership in the Association.

(b) **Members:** Persons who have applied for membership in, and been accepted as Members of, any Chapter, shall automatically become Members of the Association. A prospective Member may apply for membership in the Chapter of his or her choosing.

(c) **Members-At-Large:** All persons who qualify as Members but do not reside or work within 50 miles of an existing Chapter may elect to become Members-At-Large.

(d) **Honorary Members:** Any person whom the Board of Directors shall determine to elect to such membership as desirable in the interest of furthering the purposes of the Association may be designated an Honorary Member. A Chapter speaker who is designated an honorary Member by the Chapter shall be an Honorary Member of the Association for a period of one year.

A person who desires to apply for membership in more than one Chapter may do so. However, acceptance for membership in one Chapter shall not automatically result in acceptance for membership in any other Chapter, and the payment of dues to one Chapter shall not result in any credit against dues payable to another Chapter.

#### ARTICLE IV

##### ELECTION, RESIGNATION, TRANSFER AND EXPULSION OF MEMBERS

1. **Members:** Eligible persons may be elected into membership in the Association:
  - (a) Upon making application to the Membership Committee of a Chapter of the Association;
  - (b) Upon being approved, or satisfying criteria for admission established, by the Chapter Membership Committee and/or the Chapter Board of Directors; and
  - (c) Upon payment of the dues for the current year.
  
2. **Members-At-Large:** Eligible persons may be elected into membership-at-large in the Association:
  - (a) Upon making application to the Association;
  - (b) Upon being approved by the President and Chief Executive Officer or his or her designee; and
  - (c) Upon payment of dues for the current year.
  
3. **Resignations and Transfers; Attendance Privileges:** A Member or Member-At-Large desiring to resign from the Association may specify his or her intention to do so in writing but shall be liable for the dues for the year during which his or her resignation is received by the Association.

A Member of a Chapter who, as a result of a change in his or her residence and/or principal place of business, is nearer another Chapter, shall be permitted to transfer his or her membership to such other Chapter, and approval by the Membership Committee of such other Chapter shall not be required.

A Member of any Chapter shall be entitled to attend the meetings of any other Chapter and shall be entitled to all of the benefits and privileges accorded to Members of that Chapter (other than the right to vote in Chapter elections).

4. **Member Responsibilities:** Each Member is responsible for:

(a) timely paying his or her dues and any other charges imposed by the Association or Chapter, if any, of which he or she is a Member;

(b) conducting his or her activities in a manner that reflects positively on the Association and the Chapter, if any, of which he or she is a Member;

(c) avoiding conduct that is not in the best interests of, or in opposition to the best interests of, the Association and the Chapter, if any, of which he or she is a Member; and

(d) in his or her dealings with his or her fellow Members and with the staff of the Association and of the Chapter, if any, of which he or she is a Member, observing appropriate standards of decorum, courtesy and respect.

5. **Expulsions:** A Member of any class shall automatically be expelled for failure to perform his or her obligations under Section 4(a) above and may be expelled for failure to perform his or her responsibilities under Sections 4(b), (c) or (d) above. Such expulsion may be effected by a two-thirds vote of the Board of Directors at a duly called meeting.

Before any Member can be expelled under Section 4(b), (c) or (d) above, that Member shall be notified in writing of the alleged violation(s) or cause(s) no less than four weeks before expulsion proceedings are to take place and shall have the right to be heard by the Board of Directors.

## **ARTICLE V**

### **DIRECTORS**

1. **Board of Directors:** The governing body of the Association shall be a Board of Directors, all members of which shall be Members of the Association. The Board of Directors shall be comprised of voting members and non-voting members, who shall be elected at the Annual Meeting of the Board of Directors, as provided in Section 7 below.

(a) **Voting Directors:** The voting members of the Board of Directors shall consist of Ex-Officio Voting Directors, Chapter Representative Directors and Directors-at-Large. Voting Directors shall be entitled to participate in all meetings of the Board of Directors, to vote in all matters before the Board of Directors and otherwise to exercise all power and authority granted to the directors herein.

(i) **Ex Officio Voting Directors:** The seven persons holding the following offices shall be voting members of the Board of Directors:

(A) The Chairman of the Board, the Chairman of Finance, the Chairman of InterGrowth--Current Fiscal Year, the Chairman of InterGrowth--Next Fiscal Year and the Secretary;

(B) The Vice Chairman of the Board for the year prior to the year in which he or she assumes the office of Chairman of the Board; and

(C) The Chairman of the Board of the Association for one year following the year in which he or she served as Chairman of the Board (the "Immediate Past Chairman").

(ii) **Chapter Representative Directors:** Eleven additional voting directorships shall be filled by Chapter Representative Directors, selected from the Chapter Regions designated pursuant to Article VIII, Section 2(a), in the following manner:

(A) Each of the five North American Regions shall be represented by two Chapter Representative Directors, one appointed by a Larger Chapter within such region and one appointed by a Smaller Chapter within such region (each as designated by the Executive Committee pursuant to Article VIII, Section 2(a)), and the International Region shall be represented by one Chapter Representative Director.

(B) Chapter Representative Directors shall be selected by Chapter Boards of Directors in accordance with the following procedures:

(1) For each of the North American Regions, the Executive Committee shall establish a rotation cycle for the Larger Chapters and the Smaller Chapters in that Region, and the Larger Chapters and the Smaller Chapters in that Region shall take turns selecting Chapter Representative Directors based on their respective positions in the rotation cycle.

(2) For the International Region, the Executive Committee shall establish a rotation cycle, and Chapters in the International Region shall take turns selecting Chapter Representative Directors based on their respective positions in the rotation cycle.

(3) If a Chapter elects to forego its turn to appoint a Chapter Representative Director, the turn of the next Chapter in the applicable rotation cycle to make such appointment shall be accelerated.

(4) If a new Chapter is added to a Region by the Board of Directors, its name shall be placed in at the end of the then

applicable rotation cycle. If a Chapter in a North American Region is reclassified from a Larger Chapter to a Smaller Chapter, or *vice versa*, the Chapter shall be placed by the Executive Committee in such position in the rotation cycle for its new classification as will result, as nearly as practicable, in its turn to designate a Chapter Representative Director not being affected by the reclassification.

(5) If a Chapter holding a directorship ceases for any reason to be a Chapter of the Association during the period in which it holds a directorship, the Chapter's directorship shall be vacated.

(C) Each Chapter Representative must be a Member of the Chapter that selects him or her, and if not otherwise a member of the Chapter's Board of Directors, shall *ex officio* be a member of the Chapter's Board of Directors until the expiration of his or her term as Chapter Representative.

(D) The selection of Chapter Representative Directors shall be coordinated by the Executive Committee, under the direction of the Chairman of the Board and with the assistance of the Nominating Committee.

(iii) **Directors-at-Large:** Nine additional voting directorships shall be filled by persons elected as Directors-at-Large.

(b) **Non-Voting Directors:** The non-voting members of the Board of Directors shall consist of:

(i) **President and Chief Executive Officer:** The person who serves as the Association's President and Chief Executive officer.

(ii) **Honorary Directors:** Any person who, prior to September 1, 2008 was appointed by the Board of Directors as an honorary director, based on his or her contributions to the advancement of the Association. After September 1, 2008, no further Honorary Directors shall be appointed.

The President and Chief Executive Officer shall be expected to attend and participate in meetings of the Board of Directors. Honorary Directors shall not be required to attend meetings of the Board of Directors but may attend at the invitation of the Chairman of the Board.

2. **Terms of Office:**

(a) **Ex Officio Voting Directors:**<sup>1</sup> Each Ex Officio Voting Director shall assume office on July 1 of each year following the Annual Meeting of the Association and, subject to the provisions of Section 3 below, shall serve:

(i) in the case of any Ex Officio Voting Director other than the Chairman of Finance, until June 30 of the year following the year in which he or she assumes office and until his or her successor has been elected; and

(ii) in the case of the Chairman of Finance, until June 30 of the second year following the year in which he or she assumes office and until his or her successor has been elected.

(b) **Non-Voting Directors:**

(i) **President and Chief Executive Officer:** The Chairman and Chief Executive Officer shall assume office upon his designation as such by the Board of Directors and shall continue to serve (without prejudice to any rights he may have under an employment agreement with the Association) until his voluntary or involuntary termination as such.

(ii) **Honorary Directors:** Honorary Directors shall serve as such until they die, resign or are removed.

(c) **Chapter Representative Directors:**

(i) **North American Region:**<sup>2</sup> Chapter Representative Directors for the North American Regions shall serve for staggered two-year terms, with one of the Chapter Representative Directors from each North American Region assuming office on each July 1 and continuing to serve until June 30 of the second year following his or her appointment and until his or her successor has been selected by the next Chapter in the rotation cycle.

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<sup>1</sup> This Section 2(a) is effective July 1, 2009. Under the Fifth Amended and Restated Bylaws in effect immediately prior to the adoption of these Sixth Amended and Restated Bylaws (the "Prior Bylaws"), the Ex Officio Voting Directors who assumed office on January 1, 2008, shall serve until June 30, 2009.

<sup>2</sup> This Section 2(c)(i) is effective July 1, 2009. Under the Prior Bylaws, (a) Chapter Representative Directors for the North American Regions whose terms originally were scheduled to expire December 31, 2008 shall serve instead until June 30, 2009; and (b) Chapter Representative Directors for the North American Regions whose terms originally were scheduled to expire December 31, 2009 shall serve instead until June 30, 2010.

(ii) **International Region<sup>3</sup>**: A Chapter Representative Director for the International Region shall serve for a two-year term expiring on June 30 of the second year following his or her appointment and until his or her successor has been selected by the next Chapter in the rotation cycle.

(d) **Directors-at-Large<sup>4</sup>**: The Directors-at-Large shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist of three Directors-at-Large. The initial Directors-at-Large of each Class shall serve for a term commencing on July 1, 2009 and ending on the date set forth below::

<u>Class</u>	<u>Term Expiration Date</u>
I	June 30, 2010
II	June 30, 2011
III	June 30, 2012

At the expiration of the terms of the initial Class I, Class II and Class III Directors-at-Large, their successors shall assume office on the following July 1 and serve for terms of three years.

If the authorized number of Directors-at-Large is increased or decreased, any increase or decrease shall be apportioned among the classes so as to maintain the number of Directors-at-Large in each class as nearly equal as possible.

3. **Removal:**

(a) **Ex-Officio Directors, Directors-at-Large and Honorary Directors:** Any voting or non-voting Ex-Officio Director, any Director-at-Large and any Honorary Director, may be removed, with or without cause, by a vote of the directors, provided that there is a quorum of not less than a majority of the full Board present at the meeting at which such action is taken.

(b) **Chapter Representative Directors:** A Chapter Representative Director shall automatically cease to be a director if he or she dies, resigns, ceases to be a Member of, or is removed as Chapter Representative by, the Chapter that appointed him or her or that Chapter ceases to be a Chapter of the Association.

4. **Newly Created Directorships and Vacancies:** Newly created directorships and vacancies on the Board of Directors shall be filled in accordance with the following procedures:

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<sup>3</sup> This Section 2(c)(i) is effective July 1, 2009. Under the Prior Bylaws, a Chapter Representative Director for the International Region whose term originally was scheduled to expire December 31, 2008 shall serve instead until June 30, 2009.

<sup>4</sup> Section 2(d) is effective July 1, 2009. Under the Prior Bylaws, Directors-at-Large were not classified, and all Directors-at-Large who assumed office on January 1, 2008, shall serve until June 30, 2009.

(a) **Newly Created Directorships:** Subject to the provisions of Section 5(c) below, newly created directorships resulting from an increase in the number of directors may be filled by vote of a majority of the directors then in office, regardless of their number.

(b) **Ex Officio Directors:** Any vacancy on the Board of Directors resulting from a vacancy in an office whose holder is a voting or non-voting Ex Officio Director, other than the Immediate Past Chairman, shall be filled by a majority of the directors then in office, regardless of their number. Any vacancy resulting from inability or unwillingness of the Immediate Past Chairman to serve as a director may be filled by appointment by the current Chairman of the Board of another Member of the Association not then serving as a director.

(c) **Chapter Representative Directors:** If a vacancy occurs in the position of Chapter Representative Director, the Board of Directors of the Chapter that selected such director shall appoint a successor to serve out the unexpired term of such person. In the event the Chapter that appointed a Chapter Representative Director shall cease to be a Chapter of the Association, the next Chapter in the applicable rotation cycle shall appoint a successor to serve out the unexpired term and, if the former Chapter Representative Director was in the second period of his or her term, for the succeeding term.

(d) **Directors-at-Large:** A vacancy in the position of Director-at-Large shall be filled by a majority of the directors then in office, regardless of their number. The successor Director-at-Large shall become a Director-at-Large of the same class as, and shall serve out the unexpired term of, his or her predecessor.

## 5. **Term Limitations:**

(a) **Ex Officio Directors:** Subject to Section 5(d) below, voting and non-voting Ex Officio Directors shall be subject to the following term limits:

(i) The President and Chief Executive Officer shall not be subject to any limitation on the number of terms he or she may serve as such.

(ii) The Chairman of the Board, the Vice Chairman of the Board, the Immediate Past Chairman, the Chairman of InterGrowth—Current Fiscal Year and the Chairman of InterGrowth—Next Fiscal Year may serve in those capacities for only one term.

(iii) the Chairman of Finance shall serve for only one two-year term; and

(iv) the Secretary shall serve for only one one-year term.

(b) **Chapter-Representative Directors:** Chapter Representative Directors may serve as such only for the two-year term specified in Article V, Section 2(b).

(c) **Directors-at-Large:** Subject to the provisions of Section 5(d) below, a Director-at-Large shall serve for only one three-year term.

(d) **Limited Waiver of Term Limitations.** Notwithstanding the provisions of Section 5(a) and (c) above, the Board of Directors may waive term limitations to permit the Chairman of Finance, the Secretary and a Director-at-Large to serve in the same capacity for one additional term of like duration to his or her original term. No waiver shall be permitted unless the Board of Directors determines, based on the recommendations of the Nominating Committee, that such person has made and is expected to continue to make, important and extraordinary contributions to the Board in that capacity.

6. **Eligibility for Future Positions:**

(a) **Ex Officio Directors:** Voting and non-voting Ex Officio Directors shall be subject to the following provisions relating to their eligibility for future positions on the Board:

(i) After a person completes his or her term of service as Immediate Past Chairman the Board, he or she shall retire from the Board and shall not be eligible for to serve on the Board until after expiration of the mandatory waiting period described in Article V, Section 6(d).

(ii) A person who completes his or her term of service in any other voting or non-voting Ex-Officio Director position shall be eligible to serve for another voting or non-voting Ex Officio Director position, or as a Director-at-Large.

(b) **Chapter-Representative Directors:** A person who completes his or her term of service as a Chapter Representative Director shall be eligible to serve in a voting or non-voting Ex Officio Director position or as a Director-at-Large.

(c) **Directors-at-Large.** After a person completes his or her service as a Director-at-Large, he or she shall be eligible to serve for one term (without extensions) in a voting or non-voting Ex Officio Director position.

(d) **Mandatory Waiting Period.** If, after completing his or her term of office as a voting or non-voting Ex Officio Director (including any extension permitted under these Bylaws), a Chapter Representative Director or a Director-at-Large, a person is not (or under these Bylaws is not permitted to be) elected to another position, he or she shall be subject to a mandatory two-year waiting period before he or she is permitted to rejoin the Board. However, nothing shall preclude him or her from serving on committees or otherwise assisting the Board in special projects upon request of the Chairman of the Board.

7. **Meetings:** The Board of Directors shall have two regular meetings each fiscal year and, in addition, may have one or more special meetings.

(a) **First Regular Meeting:** The first regular meeting of the Board of Directors shall be held in the first quarter of each fiscal year. At that meeting, the Board of Directors shall receive and approve reports from the Committees of the Board, approve and adopt the budget of the Association for the fiscal year and review the final results of the Association's annual InterGrowth conference concluded during the immediately preceding fiscal year and the status of planning of the Association's annual InterGrowth Conference for the current fiscal year.

(b) **Second Regular Meeting:** The second regular meeting of the Board of Directors, which shall be deemed the "Annual Meeting" of the Board of Directors, shall be held in the second or third quarter of each fiscal year prior to the Association's annual InterGrowth conference. At that meeting, the Board of Directors shall elect officers and directors for the ensuing fiscal year, receive reports from the Committees of the Board and conduct such other business as the Board deems appropriate.

(c) **Third Regular Meeting:** The third regular meeting of the Board of Directors shall be held at the Association's annual InterGrowth conference. At that meeting, to which all officers and directors elected at the Annual Meeting to serve during the following fiscal year shall be invited as guests, the Board shall receive a report regarding the InterGrowth conference and conduct such other business as the Board deems appropriate.

(d) **Special Meetings:** Special meetings of the Board of Directors shall be held at such times and places as the Board may decide, or on the call of the Chairman of the Board or on the written request of three or more voting Directors to the Chairman of the Board.

Any one or more members of the Board may participate in a meeting of the Board by means of a conference telephone or interactive technology, including but not limited to electronic transmission, internet usage or remote communication, by means of which all persons participating in the meeting can communicate with each other. Participation by such means shall constitute presence in person at a meeting.

8. **Voting Rights:** The Voting Directors shall have the following voting rights:

(a) **Ex Officio Voting Directors and Directors-at-Large:** Each Ex Officio Voting Director and each Director-at-Large shall be entitled to one vote upon each matter submitted to a vote at a meeting of the Board of Directors;

(b) **Chapter Representative Directors:** Each Chapter Representative Director representing a Larger Chapter within a North American Region shall be entitled to two votes upon each matter submitted to a vote at a meeting of the Board of Directors, and each Chapter Representative Director representing either a Chapter in the

International Region or a Smaller Chapter within a North American Region shall be entitled to one vote upon each matter submitted to a vote at a meeting of the Board of Directors. Additionally, in any matter submitted for a vote of the Directors, the Chapter Representative Directors shall be deemed automatically to have cast two additional votes in a manner which corresponds to the vote of a majority of the Chapter Representative Directors voting upon such matter.

(c) **Newly-Created Directorships:** No increase in the number of members of the Board of Directors shall be authorized unless appropriate provision is made to assure that Chapter Representative Directors, in the aggregate, are entitled to exercise a majority of the votes on the Board of Directors.

(d) **Representation Responsibilities:** Each Chapter Representative Director shall be required to represent the interests of all of the Chapters within his or her Region and shall be required to communicate with, and solicit the input of, Chapters within his or her Region as to issues that may be of particular concern to those Chapters.

9. **Quorum and Required Vote:**

(a) **Quorum:** The presence of the following votes, represented in person or by proxy, shall constitute a quorum at any meeting of the Board of Directors:

(i) a majority of the votes held by the Voting Directors; and

(ii) a majority of the votes held by the Chapter Representative Directors.

(b) **Required Vote:** If a quorum is present, the affirmative vote of a majority of the votes represented at the meeting shall be the act of the directors, unless the vote of a greater number of votes is required by law or the Articles of Incorporation.

10. **Notice of Meetings of the Board:** Regular and special meetings of the Board shall be held upon not less than three days' notice to the voting and non-voting directors entitled to attend the meeting, said notice to be given either personally, by mail or e-mail, or by facsimile. The notice need not specify the purposes of any regular or special meeting of the Board, unless required by these Bylaws.

11. **Action by the Board Without a Meeting:** The Board of Directors shall be authorized to take any action required or permitted to be taken by the Board without a meeting if all of the voting Members of the Board consent in writing to the adoption of the resolution authorizing the action.

12. **Attendance:** Each director other than an Honorary Director is expected to attend all Board meetings. If such a director does not attend in person at least one Board meeting during the calendar year, that director shall submit his or her resignation to the Board for its consideration.

13. **Compensation:** Upon request and receipt of supporting documentation, the Board of Directors may, as it determines appropriate, reimburse directors such amounts for reasonable and necessary costs and expenses actually incurred in their participation on the Board of Directors, to the extent such costs and expenses are not reimbursed by employers of the directors.

14. **Responsibilities:** The Board of Directors shall be responsible for establishing and monitoring the implementation of policies designed to achieve the purposes for which the Association has been formed, including, without limitation, policies that:

- (a) promote the recruitment and retention of qualified Members;
- (b) address the special needs of different categories of Members, including, among others, corporate Members (i.e. Members who work for companies, public or private, whose job description includes growing the companies organically, through acquisitions, divestitures, joint ventures, alliances, strategic planning, product development, licensing, franchising, etc.), equity group Members (i.e., Members who work for entities engaged in purchasing ownership interests in companies, public or private, for the purpose of growing the companies through internal growth, add-on acquisitions, consolidations, joint ventures, alliances, licensing, franchising, etc., with the ultimate goal of exiting from the investment through a partial or complete sale of the companies to a third party, a recapitalization or an initial public offering), and intermediary Members (i.e., Members primarily engaged in the business of matching buyers and sellers of businesses or persons who provide or are seeking business capital);
- (c) support the activities and programs of the Association's Chapters and promote the Chapters' awareness of support available from the Association;
- (d) encourage and facilitate the formation of new Chapters both within and outside the United States;
- (e) encourage and facilitate cooperation and joint activities among Chapters;
- (f) foster communication among the Association, Members and Chapters through maintenance and support of online information systems;
- (g) recognize achievements in the business community through the sponsorship of corporate growth awards programs;
- (h) recognize achievements by Members through the sponsorship of distinguished service award programs;
- (i) enhance the stature and "brand" recognition of the Association and its Chapters in the marketplace;

(j) increase the ability of the Association to fulfill its mission through enhanced revenue opportunities both at the Association and the Chapter level, including the offering of corporate sponsorships; and

(k) generally to increase the value of, and benefits afforded by, membership in the Association.

## ARTICLE VI

### OFFICERS

1. **Required Officers:** The following officers shall be elected by the Board of Directors at the Annual Meeting of Directors.

(a) **President and Chief Executive Officer:** The President and Chief Executive Officer shall be an employee and *ex officio* Member of the Association who is charged with overseeing the operations and management of the Association, including hiring and supervising employees of the Association and recommending the engagement, and supervising the performance, of independent contractors engaged by the Board of Directors to perform managerial and professional services for the Association, monitoring the Association's adherence to the annual budget approved by the Board of Directors, and implementing or coordinating the implementation of policies adopted by the Board of Directors. He or she shall have the power to make, subject to any limitations established by the Board of Directors, contracts for and in the name of the Association. He or she shall exercise supervision of the executive offices of the Association and shall make reports concerning the affairs of his or her office and the executive offices of the Association to the Board of Directors whenever called upon to do so. His or her records and files shall be open to the Board of Directors at all times, and he or she shall, on ceasing to hold office as President and Chief Executive Officer, surrender all records, files, books, monies, and other property of the Association under his or her control to his or her successor in office or to such other person as shall be designated by the Board of Directors.

(b) **Chairman of the Board:** The Chairman of the Board shall preside at meetings of the Association and shall be an *ex officio* member of all committees of the Association. He or she shall have the power to make, subject to any limitations established by the Board of Directors, contracts for and in the name of the Association and shall perform such other duties and exercise such other powers as are prescribed in these Bylaws and as may be delegated to him or her by the Board of Directors. The Chairman of the Board in any year shall be the Vice Chairman of the Board for the preceding year and, except as provided in Article V, Section 3, no separate election for the office of Chairman of the Board shall be held.

(c) **Vice Chairman of the Board:** The Vice Chairman of the Board shall consult with and perform such functions as he or she shall be assigned by the Chairman of the Board and the Board of Directors. In the absence or inability to act of the

Chairman of the Board, the Vice Chairman of the Board shall perform such duties and exercise the powers of the Chairman of the Board. The Vice Chairman in any year shall succeed to the office of Chairman of the Board the following year (unless he or she is then unwilling or unable to do so) and his or her duties shall be assigned in a manner intended to assure his or her readiness to assume the office of Chairman of the Board.

(d) **Chairman of Finance:** The Chairman of Finance shall be responsible, in conjunction with the Finance Committee, for consulting with and coordinating the activities of the senior staff of the Association charged with direct responsibility for financial and accounting matters; for recommending to the Board policies with respect to the management and investment of the Association's funds and other assets; for reviewing any recommendations of the Association's independent public accountants regarding financial management and financial controls and assessing whether such recommendations have been properly implemented; and in general, for monitoring the Association's financial management and financial performance.

(e) **Secretary:** The Secretary shall keep the records of the Association, including minutes of all meetings of Directors and Members, and shall be custodian of the corporate seal. He or she shall have charge of such additional books and papers and shall perform such other duties as the Board of Directors may direct. He or she shall in general perform all such duties as are usual to the office of Secretary of the Association, but may delegate all or any part of these duties to the President and Chief Executive Officer.

(f) **Chairman of InterGrowth--Current Fiscal Year:** The Chairman of InterGrowth--Current Fiscal Year shall be responsible for assisting the President and Chief Executive Officer, the staff and any conference service providers engaged by the Association in planning and organizing the Association's annual conference to be held in the current fiscal year, including selecting the theme of the conference, planning the program and arranging for speakers. The Vice Chairman of InterGrowth—Current Fiscal Year shall be the Vice Chairman of InterGrowth—Next Fiscal Year for the preceding year and, except as provided in Article V, Section 3, no separate election for the office of Chairman of InterGrowth—Current Fiscal Year shall be held.

(g) **Chairman of InterGrowth--Next Fiscal Year:** The Chairman of InterGrowth--Next Fiscal Year, shall be responsible, in conjunction with the InterGrowth Committee, for doing preliminary planning for the Association's annual conference to be held in the next fiscal year. The Chairman of InterGrowth—Next Fiscal Year shall succeed to the office of Chairman of InterGrowth—Current Fiscal Year for the following year (unless he or she is then unwilling or unable to do so).

2. **Additional Officers:** In addition to the officers elected pursuant to Article VI, Section 1, the Board of Directors may elect Vice Presidents and Assistant Vice Presidents, Assistant Vice Chairmen, Assistant Secretaries and such other officers as it may deem necessary (collectively, "Additional Officers"), who shall have such authority and perform such duties as may be prescribed from time to time by the Board. Unless sooner removed by the Board of

Directors, Additional Officers provisions of Article V, Section 3, Additional Officers shall serve until the end of the fiscal year in which they are elected and until their successors have been appointed at the next Annual Meeting of the Board of Directors. Unless otherwise determined by the Board of Directors, no term limits shall apply to Additional Officers. Additional Officers may be removed, with or without cause, by vote of the Directors, and vacancies may be filled for the unexpired term by the directors.

## ARTICLE VII

### COMMITTEES

1. **Permanent Committees:** The Board of Directors shall have the following permanent committees, which shall (a) perform the functions indicated below and such additional functions as may be assigned to them from time to time by the Chairman of the Board or the Board of Directors and (b) shall have the following members and such additional members as the Chairman of the Board and the chairman of any such committee jointly shall appoint; provided, however, each Chapter Representative Director shall be expected to serve on either the Executive Committee or the Nominating Committee. The Executive Committee alone shall have the authority to act on behalf of the Board of Directors. All other committees shall be deemed to be advisory bodies within the meaning of 805 ILCS 105/108.40(d).

(a) **Executive Committee:**

(i) **Purpose:** The Executive Committee shall act on behalf of the Association in any manner necessary to conduct the business of the Association when the Board of Directors is not in session. The Executive Committee shall have all the authority of the Board of Directors, except that the Executive Committee shall not:

(A) adopt a plan for the distribution of the assets of the Association;

(B) approve or recommend to Members any act that the applicable law requires to be approved by Members, except that committees appointed by the Board of Directors or otherwise authorized by these Bylaws relating to the election, nomination, qualification, or credentials of directors or other committees involved in the process of electing directors may make recommendations to the Members relating to electing directors;

(C) fill vacancies on the Board of Directors or on any of its committees;

(D) elect, appoint or remove any officer or director or member of any committee, or fix the compensation of any member of a committee;

(E) adopt, amend or repeal these Bylaws or the articles of incorporation of the Association;

(F) adopt a plan of merger or adopt a plan of consolidation with another corporation, or authorize the sale, lease, exchange or mortgage of all or substantially all of the property or assets of the Association; or

(G) amend, alter, repeal or take action inconsistent with any resolution or action of the Board of Directors when the resolution or action of the Board of Directors provides by its terms that it shall not be amended, altered or repealed by action of a committee.

(ii) **Members:** The members of the Executive Committee shall consist of the Chairman of the Board (who shall act as chairman), the Vice Chairman of the Board, the Chairman of Finance, three (3) Chapter Representative Directors selected by the majority vote of all of the Chapter Representative Directors, and the President and Chief Executive Officer (who shall be a non-voting *ex officio* member). Any matter on which there is a tie vote by the Executive Committee must be referred to the Board for decision.

(b) **Finance Committee:**

(i) **Purpose:** The Finance Committee shall control and direct a sound fiscal policy for the Association and shall also function as the Audit Committee of the Board of Directors and shall perform the functions described in an Audit Committee Charter approved by the Board of Directors.

(ii) **Members:** The members of the Finance Committee shall consist of the Chairman of Finance (who shall act as chairman) and such other persons as the Chairman of the Board and the Chairman of Finance jointly shall determine.

(c) **InterGrowth Committee:**

(i) **Purpose:** The InterGrowth Committee shall be responsible for assisting the Chairman of InterGrowth—Current Fiscal Year and the Chairman of InterGrowth—Next Fiscal Year in performing their responsibilities with respect to the Association’s annual conference, which shall be known as InterGrowth®, during the current fiscal year and the next fiscal year.

(ii) **Members:** The members of the InterGrowth Committee shall consist of the Chairman of InterGrowth--Current Fiscal Year (who shall act as chairman), the Chairman of InterGrowth--Next Fiscal Year, such additional members as the Chairman of the Board and the chairman of the InterGrowth Committee jointly shall appoint, and the President and Chief Executive Officer (who shall be a non-voting *ex officio* member).

(d) **Nominating Committee:**

(i) **Purpose:** The Nominating Committee shall review all available information regarding potential officers and directors of the Association and make recommendations for their election or appointment as provided in these Bylaws.

(ii) **Members:** The members of the Nominating Committee shall consist of the Chairman of the Board, the Vice Chairman of the Board (who shall act as chairman), the Immediate Past Chairman, two (2) Chapter Representative Directors or such greater number of Chapter Representative Directors as the Chairman of the Board shall determine, and the President and Chief Executive Officer (who shall be a non-voting *ex officio* member).

2. **Special Committees:** The Board of Directors, by resolution adopted by a majority of the directors present at a meeting at which a quorum is present, may designate any number of special committees having only those responsibilities specifically assigned to them by the Board, including, without limitation, responsibilities of the Board set forth in Article V, Section 14; provided that in no case shall any such special committee have any powers not permitted to be exercised by a committee under applicable law. Members of such special committees shall include the President and Chief Executive Officer (who shall be a non-voting *ex officio* member) and such additional persons as may be appointed by the Chairman of the Board of the Association with the consent of the Board, who shall serve at the pleasure of the Board.

3. **Term of Service:**

(a) **Annual Term:** Members of a committee shall begin service on the first day of each fiscal year or as soon thereafter as they are appointed and, subject to the provisions of paragraph (b) below, shall serve until the end of the fiscal year.

(b) **Removal:** Any Member of a committee who is designated as such by reason of his or her holding an office or other position with the Association shall automatically cease to be a member of such committee if he or she ceases to hold the office or position entitling him or her to membership on the committee. An appointed member of a committee may be removed by joint action of the Chairman of the Board and the chairman of the Committee.

4. **Vacancies:** Vacancies on a committee shall be filled in accordance with the following procedures:

(a) **Officers:** A vacancy in a committee resulting from a member's ceasing to hold an office or other position with the Association entitling him or her to membership on such committee shall be filled as and when another person is selected to fill such office or position.

(b) **Appointed Members:** A vacancy in a committee resulting from resignation or removal of an appointed Member shall be filled by joint action of the Chairman of the Board and the chairman of such committee.

5. **Meetings:** The Executive Committee shall meet not less frequently than bi-monthly (with appropriate exceptions for holiday periods), and each other committee shall meet at least once during each year, on regularly scheduled dates or upon call by the chairman of the Committee. Meetings shall be held upon three days' notice to all of the members of the Committee, said notice to be given either personally, by mail or e-mail, or by facsimile. The notice need not specify the purposes of the meeting. The chairman of the committee shall be responsible for insuring that a record of the proceedings of such committee is kept, and the committee shall submit a report of its activities to the Board of Directors at the regular meeting next following any meeting of the committee and such additional reports as the Chairman of the Board from time to time may request. Any one or more members of any committee may participate in a meeting of such committee by means of a conference telephone or interactive technology, including but not limited to electronic transmission, internet usage or remote communication, by means of which all persons participating in the meeting can communicate with each other. Participation by such means shall constitute presence in person at a meeting.

6. **Status of Committee Members:** No member of any permanent committee or special committee shall, by reason of service on such committee, be deemed an officer or director of the Association. None of the appointed members of a committee shall, while serving as such, also serve as an officer or director of the Association.

## ARTICLE VIII

### CHAPTERS

1. **Creation and Purposes:**

(a) **Chapters:** There shall be created such Chapters within and without the United States as the Board of Directors shall from time to time designate. The provisions of this Article VIII apply to all Chapters except as otherwise provided in Sections 4 and 5 below.

(b) **Purposes:** The Chapters shall be vehicles for stimulating local activities of Members in fulfillment of the Association's purposes and for coordinating such activities with those of other Chapters and the overall membership.

## 2. **Grouping of Chapters by Regions:**

(a) **Six Regions:** The Board of Directors shall group the Chapters into five North American Regions (which shall include Chapters located within the United States and Canada) and one International Region (which shall include all of the Chapters outside the United States and Canada). The groupings within the North American Regions shall generally be based on geographical proximity and chapter size, with an attempt made, as nearly as possible, to achieve a balance of larger and smaller Chapters within each Region. The Executive Committee shall also designate the Chapters within each North American Region as “Larger Chapters” and “Smaller Chapters,” based on such criteria as the Executive Committee determines appropriate.

(b) **Addition of New Chapters to the Regions:** As new North American Chapters are added, the Executive Committee shall place them into the existing North American Regions (based on the same factors as are set forth in paragraph (a) above) and classify them as Larger Chapters or Smaller Chapters.

(c) **Periodic Review of Regional Groupings:** Periodically as it deems necessary, but not less than once every three years, the Executive Committee shall reevaluate the composition of the North American Region and, if recommended by the Executive Committee, the Board shall vote whether to approve such reconfiguration as the Executive Committee believes necessary to improve the geographic representation and the balance of Larger and Smaller Chapters among the North American Regions.

## 3. **Status of United States and Non-United States Chapters:**

(a) United States Chapters shall be distinct entities incorporated in the State of Illinois as not-for-profit corporations, with articles of incorporation containing provisions prescribed by the Association. Each United States Chapter shall also have bylaws in form prescribed by the Association, containing provisions consistent with the requirements of Article VIII, Section 7, of these Bylaws. United States Chapters shall be included in the group exemption letter of the Association for purposes of United States income tax and shall be included in group tax returns filed by the Association. For tax purposes, the fiscal reporting period of United States Chapters shall be the same as that of the Association. Each United States Chapter shall be responsible for the payment of any taxes due with respect to its unrelated business taxable income.

(b) Non-United States Chapters shall be separately incorporated under the local law of the jurisdictions in which they operate. Non-United States Chapters shall have articles and bylaws (or the equivalent under local law) in form acceptable to the Association, containing provisions consistent with the requirements of Article VIII, Section 7, of these Bylaws, subject to such variations as may be required to conform with local law. Non-United States Chapters shall be responsible for their own tax-exempt status to the extent such status may be available under local law and shall be responsible for their own tax filings and remittance of any taxes due under laws of any jurisdiction in

which they are established or operate, and shall provide copies of such filings to the Association.

(c) The finances of each Chapter shall be separate from the finances of the Association or of any other Chapter.

4. **Chapter Charter and Affiliation Agreement:** Each Chapter shall be issued a “Charter” by the Association pursuant to a “Chapter Affiliation Agreement” with the Association, which shall be executed by the current Chapter President and be binding on the Chapter until terminated as provided below. The Chapter Affiliation Agreement shall:

(a) Designate the geographic area to be served by the Chapter, subject to modification as provided in the Chapter Affiliation Agreement;

(b) Require the Chapter to incorporate:

(i) in the case of a United States Chapter, as an Illinois not-for-profit corporation, qualified to conduct business as a foreign corporation in the State in which it operates; and

(ii) in the case of a non-United States Chapter, under applicable local law;

(c) Require the Chapter to adopt articles of incorporation and bylaws (or, in the case of non-United States Chapters, the equivalent under local law) in form prescribed or pre-approved by the Association;

(d) Require the Chapter to abide by the Bylaws of the Association, as amended from time to time;

(e) Require the Chapter to engage an administrator to conduct the day-to-day operations of the chapter;

(f) Unless otherwise permitted by ACG, require the Chapter to (i) establish and/or maintain its website using the template provided by ACG (such website to be linked to ACG’s main website) and (ii) engage, at the Chapter’s expense, the web hosting service provider designated by ACG;

(g) Require the Chapter to inform persons in Chapter leadership positions and the Chapter administrator that they are expected to actively participate in both national and regional Chapter leadership and training programs offered by the Association;

(h) License the Chapter to use service marks and logos of the Association, subject to the requirement that such marks and logos are used consistently with usage guidelines promulgated by the Association to protect the Associations’ rights in such marks and logos and to protect and preserve the Association’s “brand”;

(i) Prohibit the Chapter from using any non-Association marks (except marks licensed by the Chapter's sponsors) without pre-clearing them with the Association and from registering any such marks, it being understood that all such marks will be deemed the property of the Association, which will be deemed to have granted the Chapter and other Chapters the non-exclusive right to use such marks and will have the exclusive right, in its discretion and at its sole expense, to apply to register such marks.

(j) Require the Chapter to provide to the Association's administrative staff interim and annual financial reports and such additional information and reports as the Association's administrative staff may request;

(k) Require the Chapter to affirmatively promote participation by Chapter leadership and Members in InterGrowth and in the regional or international conferences in the area in which the Chapter is located;

(l) Require the Chapter to establish Chapter Dues to support the operations of the Chapter and authorize the Association to bill and collect both the Chapter Dues and Association Dues and remit the Chapter Dues to the Chapter;

(m) Grant each of the President and Chief Executive Officer and the Chairman of the Board of the Association an irrevocable proxy and power of attorney to vote for, and take all actions necessary to effect, the winding-up of the Chapter in the event the Chapter's Charter is withdrawn under Article VIII, Section 5(a), of these Bylaws; and

(n) Contain such other provisions as the Board of Directors determines appropriate.

## 5. **Withdrawal of Charter:**

(a) **Termination Proceedings:** If the Board of Directors determines that a Chapter has materially breached the terms of its Chapter Affiliation Agreement, the Board of Directors shall send written notice of such breach to the President and the Board of Directors of the Chapter. The notice afford the Chapter a reasonable period, not less than sixty days, to demonstrate to the Board of Directors that the breach has been cured or, if the nature of the breach is such that it cannot be fully cured within such period, that corrective steps have been instituted and are being diligently pursued. If the breach has not been cured or a cure instituted by the expiration of such period, the Board of Directors shall send the President and the Board of Directors of the Chapter a further notice that the Association intends to withdraw the Charter of the Chapter by terminating the Chapter Affiliation Agreement, effective as of a specified date, not less than thirty days, following the delivery of the notice. Prior to the Charter withdrawal date specified in the notice, the Chapter may request a hearing before the Board of Directors, during the pendency of which proceedings to withdraw the Charter be stayed. The decision of the Board of Directors in any such hearing shall be final and binding.

(b) **Effect of Charter Withdrawal on Chapter:** If the Charter of a Chapter is withdrawn, the Chapter Affiliation Agreement shall simultaneously be terminated. As a consequence of such termination, the Chapter shall be required to promptly remit all of its assets to the Association, the Chapter's license to use the marks and logos of the Association shall be withdrawn, and the Chapter may no longer hold itself out as a Chapter of the Association.

(c) **Effect of Charter Withdrawal on Existing Chapter Members:** Members of a Chapter whose Charter has been withdrawn shall then become Members-at-Large of the Association for such period as their dues have been paid up and shall be eligible to continue as Members-at-Large thereafter or to apply for membership in another Chapter.

(d) **Establishment of New Chapter:** Upon the withdrawal of a Charter's Chapter, nothing shall prevent the Association from approving the formation of, and granting a Charter to, another Chapter in the same geographic area.

6. **Chapters in Formation:** From time to time, the Executive Committee may authorize a group of prospective Members (the "Founders") to begin the process of forming a Chapter in a geographic region, or portion of a geographic region, where the Association currently does not have a Chapter. The new Chapter, which shall be referred to as a "Chapter in Formation," shall elect a President from among the Founders (and such other officers specified in Article VIII, Section 8, below as may be appropriate under the circumstances), and the President so elected shall enter into an Affiliation Agreement that grants the Chapter-in-Formation whereupon the Chapter in Formation shall be a "Provisional Charter." The Chapter-in-Formation Agreement shall:

(a) Contain provisions generally comparable to those described in the Chapter Affiliation Agreements, as described in Section 4 above;

(b) Permit the Chapter in Formation, during the term of its Provisional Charter to hold itself out as a Chapter of the Association (without publicly identifying itself as a Chapter in Formation);

(c) Require all Founders to become Members of the Association and require the Chapter in Formation to recruit additional Members who meet the Membership requirements established in the Bylaws and to develop programs designed to attract and retain Members;

(d) Establish membership recruitment and retention targets to be achieved by the Chapter in Formation within a specified time period;

(e) Provide that, so long as the Chapter-in-Formation retains such status, the Association in its discretion may subsidize the Chapter-in-Formation by remitting to the Chapter-in-Formation some or all of the Association Dues payable by the Chapter-in-Formation's Members; and

(f) Contain such other provisions as the Board of Directors determines appropriate.

The Provisional Charter shall be granted for an initial term of 12 months from the effective date of the Provisional Chapter. At the expiration of the initial term, the Board of Directors may elect to (i) terminate the Provisional Charter without proceeding to Chapter formation (in which event the Chapter in Formation will be required to promptly remit all of its assets to the Association, the Chapter in Formation's license to use the marks and logos of the Association will be withdrawn, and the Chapter in Formation may no longer hold itself out as a Chapter of the Association); (ii) renew the Provisional Charter for an additional period, during which the Chapter in Formation may continue to work to achieve full Chapter status; or (iii) grant the Chapter in Formation a "Regular Charter" under the terms of the Chapter-in-Formation's Affiliation Agreement. The procedural requirements of Section 5(a) above shall not apply to termination of a Provisional Charter. In the event of termination of a Chapter-in-Formation's Provisional Charter, the Members of the Chapter-in-Formation shall then become Members-at-Large of the Association for such period as their dues have been paid up and shall be eligible to continue as Members-at-Large thereafter or to apply for membership in another Chapter.

## 7. **Chapter Organization:**

(a) **Chapter Board of Directors:** Each Chapter shall have a Chapter Board of Directors, consisting of such number of members as may be determined from time to time by the Chapter. The Chapter Board of Directors shall be responsible for adopting Chapter Bylaws (or the equivalent under non-United States law) and establishing guidelines and policies, consistent with the provisions of these Bylaws, to govern the operation and administration of the Chapter and the conduct of its activities.

(b) **Chapter Officers:** The officers of each Chapter (who shall, except to the extent a Chapter determines otherwise, be *ex officio* members of the Chapter Board of Directors) shall include a President, Vice President--Awards, Vice President--Membership, Vice President--Programs, Secretary and Treasurer of Finance; provided, however, that one or more of the functions of such officers, as described below, may be combined in a single position. In addition, each Chapter may have a Chapter President Elect (who shall succeed to the office of the Chapter President upon the expiration of the Chapter President's term), Assistant Vice Presidents, Assistant Treasurers, and other such officers as may be deemed necessary. Chapter officers shall submit such reports of their activities and the activities of the Chapter as the Board of Directors of the Association from time to time may request.

(i) **Chapter President:** The Chapter President shall preside at meetings of his or her Chapter. He or she shall aid the Board of Directors and the officers of the Association to further the most effective operation of his or her Chapter and the Association as a whole.

(ii) **Chapter Vice President--Awards:** The Chapter Vice President--Awards shall be responsible for coordinating nominations by the Chapter for corporate growth awards given by the Association.

(iii) **Chapter Vice President--Membership:** The Chapter Vice President--Membership shall be responsible, in conjunction with the Chapter Membership Committee, for the recruitment and selection of Chapter Members in conformity with the membership policies of the Association.

(iv) **Chapter Vice President--Programs:** The Chapter Vice President--Programs shall be responsible, in conjunction with the Chapter Program Committee, for coordinating the planning of Chapter meetings.

(v) **Chapter Secretary:** The Chapter Secretary shall give reasonable notice of annual Chapter meetings and special Chapter meetings to all Members of the Chapter and shall maintain a record of proceedings of each such meeting.

(vi) **Chapter Treasurer:** The Chapter Treasurer shall be charged with making such financial arrangements as may be requisite or desirable for the activities of the Chapter. He or she shall also submit timely financial reports to the Association as required.

(c) **Election:** The Chapter Board of Directors and Chapter officers shall be elected by the Chapter Members and/or the sitting Chapter Board of Directors in such manner as is prescribed in the Chapter Bylaws, consistent with any provisions in the Chapter's articles of incorporation granting, limiting or denying Chapter Members the right to vote.

(d) **Term of Office:**

(i) **Term:** Each Chapter shall select a date each year on which members of the Chapter Board of Directors and Chapter officers shall assume office (the "Service Commencement Date"). The Service Commencement Date may, but shall not be required, to coincide with the date that officers of the Association assume office. Members of the Chapter Board of Directors and Chapter Officers shall assume office on the Service Commencement Date immediately following their election and shall hold office until the next Service Commencement Date (which shall occur the following year unless the Chapter adopts multi-year terms for members of the Chapter Board of Directors and Chapter Officers). Any reference in these Bylaws to a year of service as a Chapter officer shall be to the period between annual Service Commencement Dates.

(ii) **Removal:** Any member of the Chapter Board of Directors and any Chapter officer elected by the Chapter Members may be removed, with or without cause, by the Chapter Members by majority vote at a meeting at which a quorum

is present. Any Chapter officer elected by the Chapter Board of Directors may be removed, with or without cause, by majority vote at a meeting of the Chapter Board of Directors at which a quorum is present.

(iii) **Limitation on Term:** Unless a Chapter determines otherwise, there shall be no limitation on the number of terms that may be served by any member of the Chapter Board of Directors or any Chapter officer.

(e) **Vacancies on Chapter Board of Directors:** In the event of the death, resignation, removal or inability to serve of any member of the Chapter Board of Directors, a majority of the remaining members of the Chapter Board of Directors, regardless of their number, may elect a successor to serve out the unexpired term of such member.

(f) **Vacancies in Chapter Offices:** In the event of the death, resignation, removal from office, or the inability of any Chapter officer other than the Chapter President to perform the duties of the office to which he or she was elected, the Chapter President, based on the recommendations of the Chapter Nominating Committee, shall appoint a successor to serve out the unexpired term of such officer and until the successor to such officer shall have been elected and shall have assumed the duties of his or her office. In the event of the death, resignation, removal from office or the inability of the Chapter President to perform the duties of his or her office, a successor shall be elected by the Chapter Board of Directors or the Members of the Chapter, as provided in the Chapter Bylaws.

(g) **Association Committee Membership:** Chapter officers may serve as Members of Association Committees, from time to time, as may be designated by the Board of Directors.

## 8. **Chapter Committees:**

(a) **Permanent Committees:** Each Chapter shall have the following permanent committees, which shall perform the functions indicated below and such additional functions as may be assigned to them from time to time by the Chapter President; provided, however, that the committees may have other names and the functions of one or more of the committees may be combined in a single committee.

(i) **Chapter Membership Committee:** The Chapter Membership Committee shall actively seek desirable candidates for Association membership, supervise the preparation and submission of membership applications, collect data regarding candidates (including the factual determination that each candidate meets the conditions of eligibility for membership), and facilitate the introduction of newly elected Members to other Members.

(ii) **Chapter Nominating Committee:** The Chapter Nominating Committee shall nominate Chapter directors for election by Chapter Members,

shall nominate Chapter officers for election by either Chapter Members or the Chapter Board of Directors, and shall make recommendations for filling vacancies on the Chapter Board of Directors and in Chapter offices.

(iii) **Chapter Program Committee:** The Chapter Program Committee shall plan the business of Chapter meetings, including the assignment of discussion topics, at least three to four weeks prior to each meeting, and shall inform Chapter Members on a regular basis of meeting schedules.

(b) **Other Chapter Committees:** In addition to the permanent committees, the Chapter Board of Directors may establish such other committees as the needs of the Chapter, from time to time, make requisite or desirable.

(c) **Committee Membership:** Members of the Chapter committees shall annually be appointed by the Chapter President by and with the consent and advice of the other Chapter officers.

9. **Miscellaneous:**

(a) **Financial Reports:** All United States Chapters and, to the extent required by the board of directors, non-United States Chapters shall submit interim and annual financial reports to the Board of Directors on or before the dates set by the Board of Directors for the submission of such reports. They may also be required to submit special reports as requested by the Board of Directors.

(b) **Annual Chapter Meeting:** There shall be held an Annual Meeting of the Members of each Chapter and/or the Chapter Board of Directors, for the purpose of electing Members of the Chapter Board of Directors and Chapter officers whose terms or service expire in such year and for the transaction of such other business as may properly come before the meeting. In lieu of holding an annual meeting of Chapter Members, a Chapter may (unless, in the case of non-United States Chapter, it is prohibited by local law) conduct the election of directors and officers by mail ballot or other electronic means.

(c) **Association Charges:** The Board of Directors may from time to time assess Chapters an amount which the Board deems appropriate to cover expenses incurred by the Board on behalf of the Association as a whole, which expenses are not properly chargeable to an individual Chapter.

## **ARTICLE IX**

### **MEMBER VOTING RIGHTS; MEETINGS OF MEMBERS**

1. **Voting:** Members of the Association shall not be entitled to vote; provided, however, that the Board of Directors may submit any matter to the Members for an advisory vote at a meeting called in accordance with this Article IX.

2. **Calling of Meetings:** Meetings of the Association shall be held at such times and places as the Board of Directors shall determine. Meetings may also be called upon the request in writing of not less than ten percent of the Members of the Association, who shall specify in their request the business which they desire to be considered at the proposed meeting. The request for such meeting shall be submitted to the Association not less than two nor more than three months prior to the date on which the meeting shall be held.

3. **Notice of Membership Meeting:** Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than five nor more than sixty days before the date of the meeting.

4. **Participation in Meetings:** Members may participate in and act at any meeting through the use of a conference telephone or interactive technology, including but not limited to electronic transmission, Internet usage, or remote communication, by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

## ARTICLE X

### DUES

1. **Association Dues:** The annual Association Dues of all Members and Members-at-Large of the Association shall be established by the Board of Directors and reviewed in connection with the approval of each annual budget. Honorary Members shall be exempt from the payment of Association Dues. The Association Dues charged to U.S. Members shall be uniform. Association Dues charged to Members of non-U.S. Chapters need not be the same as the Association Dues charged to U.S. Members but shall, except as the Executive Committee otherwise deems necessary or desirable, be uniform within particular geographic regions.

2. **Chapter Dues:** To enable each Chapter to support its operations, each Chapter shall establish Chapter Dues in such amount as the Chapter determines appropriate. Chapter Dues payable by Members of such Chapter shall be in addition to Association Dues payable by such Members.

3. **Payment and Collection:** Association Dues and Chapter Dues shall be payable on such date or dates as the Board of Directors shall determine; provided, however, that any Member whose dues are not paid when due<sup>5</sup> shall cease to be a Member of both the Association and his or her Chapter and shall forfeit all privileges and rights of membership. To facilitate the collection of dues, the Association shall collect both Association and U.S. and Canadian Chapter dues, promptly remitting to each Chapter the Chapter's portion of any amounts collected.

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<sup>5</sup> This provision is effective January 1, 2009. Prior to that time, the 90-day grace period specified in the Prior Bylaws shall apply.

Except as otherwise determined by the Board of Directors, other non-United States Chapters shall be responsible for the collection of all dues, promptly remitting Association Dues to the Association. All Association Dues remitted by non-United States Chapters shall be paid in United States Dollars unless otherwise permitted by the Board of Directors.

## ARTICLE XI

### INDEMNIFICATION

1. **Applicability:** Each Chapter's bylaws also provide indemnification of directors, officers, employees and agents of the Chapter. The provisions of this Article XI are intended to provide primary indemnification coverage of such persons, and the provisions of the Chapter's bylaws are intended to apply to the extent that such indemnification by the Association is not available or is not sufficient to fully cover any claim described herein.

2. **Required Indemnification:**

(a) **Third Party Actions:** The Association shall indemnify any person who was or is a defendant or is threatened to be made a defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association or any Chapter) by reason of the fact that he or she is or was a director, officer, employee or agent of the Association or any Chapter, or who is or was serving at the request of the Association or such Chapter as a director, officer, employee or agent of another association, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association or such Chapter, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Association or such Chapter or, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his or her conduct was unlawful.

(b) **Derivative Actions:** The Association shall indemnify any person who was or is a defendant, or is threatened to be made a defendant to any threatened, pending or completed action or suit by or in the right of the Association or any Chapter to procure a judgment in its favor by reason of the fact that such person is or was a director, officer, employee or agent of the Association or such Chapter, or is or was serving at the request of the Association or such Chapter as a director, officer, employee or agent of another association, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith

and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association or such Chapter, provided that no indemnification shall be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Association or such Chapter, unless, and only to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

(c) **Success on the Merits:** To the extent that a present or former director, officer, or employee of the Association or any Chapter has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in subsections (a) and (b), or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith if that person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association and such Chapter.

(d) **Satisfaction of Standard of Conduct:** Any indemnification under subsections (a) and (b) (unless ordered by a court) shall be made by the Association only as authorized in the specific case, upon a determination that indemnification of the present or former director, officer, or employee is proper in the circumstances because he or she has met the applicable standard of conduct set forth in subsections (a) or (b). Such determination shall be made with respect to a person who is a director or officer at the time of the determination: (1) by the majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, (2) by a committee of the directors designated by a majority vote of the directors, even though less than a quorum, (3) if there are no such directors, or if the directors so direct, by independent legal counsel in a written opinion, or (4) by the Members entitled to vote, if any.

3. **Advance of Expenses:** Expenses (including attorneys' fees) incurred by an officer or director in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, as authorized by the board of directors in the specific case, upon receipt of an undertaking by or on behalf of the director or officer to repay such amount, unless it shall ultimately be determined that such person is entitled to be indemnified by the Association as authorized in this Article XI. Such expenses (including attorneys' fees) incurred by former directors and officers or other employees and agents may be so paid on such terms and conditions, if any, as the Association deems appropriate.

4. **Non-Exclusivity; Benefit:** The indemnification provided by this Article XI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of Members or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

5. **Insurance:** The Association shall purchase and maintain directors and officers insurance and general liability insurance on behalf of the Association, the Chapters and any person who is or was a director, officer, employee or agent of the Association or any Chapter, or who is or was serving at the request of the Association or any Chapter as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify such person against such liability under the provisions of this Article XI in such amounts as the Board of Directors deem advisable in light of the nature of the activities conducted by the Association and the Chapters and the insurance coverage maintained by similar organizations.

## **ARTICLE XII**

### **FISCAL YEAR**

1. **Association Fiscal Year:** The fiscal year of the Association shall be the twelve-month period beginning each September 1 and ending the following August 31.

2. **Chapter Fiscal Year:** Each Chapter may establish its own fiscal year. However, for tax purposes, the fiscal reporting period of United States Chapters shall be the same as that of the Association, and each United States Chapter shall be required to provide financial information to the Association for the period corresponding to the Association's fiscal reporting period, so as to permit inclusion of the Chapter in the Association's group federal income tax returns.

## **ARTICLE XIII**

### **AMENDMENTS**

These Bylaws may be altered, amended, revised, or repealed by a majority vote of the Members of the Board of Directors at a regular or special meeting of the Board of Directors provided notice of the proposed amendment has been stated in the call for the meeting.

## **ARTICLE XIV**

### **CONSTRUCTION**

1. **Headings:** The headings of Articles, Sections and subsections of these Bylaws are for convenience of reference only and shall not be construed to limit or define the meanings of such Articles, Sections or subsections.

2. **Pronouns:** The use of the masculine gender in these Bylaws shall also include the feminine gender, and *vice versa*.