

Texas Automotive Recyclers Association

Amended and Restated Bylaws

ARTICLE I NAME, LOCATION, PURPOSE

SECTION 1 – NAME: The name of the organization shall be Texas Automotive Recyclers Association. A non-profit organization, incorporated in the State of Texas.

SECTION 2 – LOCATION: The Offices of the Association shall be located in the State of Texas or in such other location as may be determined by the Board of Directors.

SECTION 3 – PURPOSE:

(a) The purpose of the Association shall be to promote the automotive dismantling and recycling industry and educate the Members of the Association and the public to the benefits of the dismantling and recycling industry.

(b) To promote and encourage the practice of high standards of professional conduct among members of the Association.

SECTION 4 – DEFINITIONS:

- (a) Affiliated Chapter – Any recycling association affiliated with Automobile Recyclers Association, Inc., the national recycling association;
- (b) Executive Board Members - current President, Vice President, Secretary-Treasurer, and Immediate Past President;
- (c) Designated Representative – an individual appointed by a Firm to represent such Firm in the affairs of the Association, provided that the individual has ownership interest in or is employed by the Firm.
- (d) Firm – Any business, such as sole proprietorship, partnership, company, or corporation;
- (e) Immediate Past President – the Past President in office during the term most immediately preceding the current President;
- (f) Proxy – An individual who is appointed through a written document by a voting member of the Association to exercise such member's voting rights at a specific meeting, and
- (g) TDLR – Texas Department of Licensing and Regulation.

ARTICLE II MEMBERSHIP

Membership in the Association is limited to firms (irrespective of whether doing business as a sole proprietorship, a partnership or a corporation) agreeing to comply with and be bound by all the provisions of the Article of Incorporation and Bylaws of the Association. Members must meet the following qualifications for membership: Applying for membership in the Association by meeting such qualifications, completing such forms, and paying such membership fee or fees as shall from time to time be designated by the Board of Directors.

SECTION 1 - CLASSES AND QUALIFICATIONS: Membership in the Association shall consist of four (4) classes, to-wit:

(a) DIRECT MEMBERS: Any Firm (irrespective of whether doing business as a sole proprietorship, a partnership or a corporation), may be a Direct Member of the Association during such period of time only as the business of such firm is the dismantling of automobiles and/or trucks and the sale of parts obtained therefrom, or the wrecking or salvaging of wrecked or used automobiles and/or trucks, provided that the firm is licensed as a Used Automotive Parts Recycler and is in good standing with Texas Department of Licensing and Regulation ("TDLR"), and the principal place of business of such firm is located within the state of Texas or within ten (10) miles of the city limits of any city located partially in the state of Texas and partially in either of the states of the United States which adjoin the state of Texas. Regardless of the number of recycling facilities owned or operated by a Firm (whether as a sole proprietor, partnership or corporation), the Firm is allowed to hold one Direct Membership of the Association. If a recycling facility is owned or operated by a corporation, and the corporation is owned or operated by a parent corporation, only the parent corporation is allowed to hold a Direct Membership of the Association. The parent corporation is required to appoint a Designated Representative, who has an ownership interest in or who is employed by either corporation.

(b) ASSOCIATE MEMBERS: Any firm (irrespective of whether doing business as a sole proprietorship, a partnership or a corporation) may be an Associate Member of the Association during such period of time only as such firm is engaged in any of the following businesses, to-wit, providing services related to automobile and/or truck; manufacturing any parts, equipment, supplies or appliances for use on or in automobiles and/or trucks; or rendering any service concerning or pertaining to the manufacturing, restoring, dismantling, salvaging or moving of automobile and/or truck parts, and related equipment, supplies or appliances.

(c) AFFILIATED MEMBERS: Any firm (irrespective of whether doing business as a sole proprietorship, a partnership or a corporation) may be an Affiliate Member of the Association during such period of time only as such firm is a member in good standing of an Affiliate Chapter of the Association in good standing and not less than twenty-five percent (25%) of the members in good standing of such Affiliate Chapter are and have been Direct Members of such affiliated chapter in good standing at all times during such period of time.

(d) HONORARY MEMBERS: Any individual who, in the opinion of the Board of Directors of the Association, has rendered outstanding and meritorious service to the public or to the industries enumerated in subsections (a) and (b) of Section 1 of this ARTICLE II, or to any of such industries, may be an Honorary Member of the Association.

SECTION 2 - HOLDING MEMBERSHIP OF MORE THAN ONE CLASS: No firm or individual may hold memberships of more than one class in the Association at any time.

SECTION 3 - TRANSFER OR ASSIGNMENT OF MEMBERSHIPS: Memberships in the Association shall be nontransferable and non-assignable.

SECTION 4 - APPLICATION FOR MEMBERSHIP: Any firm eligible for Direct, Associate or Affiliate membership in the Association, under subsections (a), (b) or (c) of Section 1 of this ARTICLE II, who desires to become a member of the Association of the class for which such firm is eligible shall make written application to the Association for such membership, upon an application form which has been approved by the Board of Directors of the Association and which application shall be executed by the owner of such firm if such firm is owned by a sole proprietor, by at least one of the partners if such firm is owned by a partnership (provided that if such partnership is a limited partnership such application shall be executed by the general partner) or by the president of the corporation, acting in such capacity, if such firm is owned by a corporation, and shall furnish such written application to the Executive Director of the Association

or to the Secretary of the Association (as the case may be), together with the amount of the full monthly dues for the class of membership for which such firm is applying.

Upon receipt of such application and such amount, the Executive Director or the Secretary of the Association (as the case may be) promptly shall enter the name of such applicant upon the membership list of the Association as a member of the Association in good standing, indicating on said list the class of such membership and that the annual dues of such applicant for the current month have been paid, promptly shall transmit said amount, together with a memorandum indicating the nature of such payment and the identity of the applicant from whom such payment was received, to the Treasurer of the Association.

Membership dues and other fees and the time at which they shall be paid shall be established by resolution of the Board of Directors or committee of the Association, subject to the provision of Section 4 of Article II of these Bylaws and in accordance with the procedures set by a resolution that may be amended from time to time by the Board of Directors or Executive Committee.

Any individual eligible for Honorary membership in the Association under subsection (d) of Section 1 of this ARTICLE II who desires to become an Honorary Member of the Association shall make written application to the Association for such membership, upon an application form which has been approved by the Board of Directors of the Association, and shall furnish such written application to the Executive Director of the Association or the Secretary of the Association (as the case may be), and such application shall be handled, as provided by the applicable provisions of the preceding paragraph, except that such application shall not be accompanied by any amount to cover dues (no dues being payable by Honorary Members) and any of the provisions of the preceding paragraph concerning or pertaining to dues, or the handling thereof, shall not be applicable as regards Honorary Memberships.

Provided, however, that any firm or individual otherwise eligible for membership in the Association may not become a member thereof in good standing at any time after the date upon which such firm or individual has been expelled from the Association and prior to the date upon which such expulsion has been rescinded, at any time after the date upon which such firm or individual has been suspended as a member of the Association and prior to the date of expiration of such suspension or the date upon which such suspension has been rescinded (whichever is the earlier date), or at any time at which such firm is not a member of the Association, or is member of the Association not in good standing, by reason of delinquency in the payment of dues, violation of Texas Department of Licensing and Regulation, or offense of the Occupation Code of Used Automotive Parts Recyclers.

SECTION 5 - GOOD STANDING IN THE ASSOCIATION: Each firm which becomes a Direct, Associate, or Affiliate Member of the Association in good standing shall remain a member of the Association in good standing until such time as such firm has been expelled or suspended from the Association.

Each firm which becomes a Direct, Associate, or Affiliate Member of the Association, who is delinquent in dues for a period of sixty (60) days from the time dues become due or if a direct member's license is revoked by TDLR, shall be designated as "not in good standing," notified in writing of such designation and delinquency and suspended from further services. If the Member does not cure the defect within the next succeeding thirty (30) days, the member shall be expelled automatically from the Association and thereupon forfeit all rights and privileges of Membership, unless upon written request by the Member, expulsion is waived by affirmative action of the Board of Directors.

Each individual who becomes an Honorary Member of the Association in good standing shall remain a member of the Association in good standing until such time as such individual has been expelled or suspended from the Association by the Board of Directors of the Association and the Executive Director of the Association or the Secretary of the Association (as the case may be)

has mailed to such individual, by registered mail addressed to such individual at the address of such individual as reflected by any of the records of the Association, a notice advising such individual of his expulsion or suspension (which notice, in the event of suspension, shall state the period of such suspension) or until such time as such individual has resigned the manner hereinafter provided whichever is the earlier of dates or occurrences.

SECTION 6 - RIGHT OF MEMBER TO RESIGN: A member of the Association of any class which or who is a member of the Association in good standing may resign from the Association at any time by giving written notice of such resignation to the Executive Director of the Association or to the Secretary of the Association (as the case may be), which written notice shall be executed on behalf of such member by a party who would be entitled to execute an application for membership in the Association on behalf of such member, as above provided, and such resignation shall be effective as of the first day of the calendar month next succeeding the expiration of thirty (30) days from and after the receipt of such written notice of resignation by the Executive Director of the Association or by the Secretary of the Association (as the case may be). The Membership fee shall not be refunded for any reason or any case whether the membership is terminated voluntarily or involuntarily.

SECTION 7 - RIGHT TO APPEAL EXPULSION OR SUSPENSION:

Members of any class may be expelled or suspended for cause from membership by majority affirmative vote of the Board of Directors for any cause, including but not limited to, conviction of an individual member, or if a partnership, any general partner, or if a corporation or company, any director, officer or major shareholder, for commission of an auto theft crime, or any other failure to continue to abide by the Association's Bylaws, failure to abide by Occupation Code of Texas Department of Licensing and Regulations, failure to meet the eligibility requirements as set forth in these Bylaws, or such other conduct as the Board may determine to be detrimental to the best interests of the Association, including unethical business practices or behavior. A vote for expulsion or suspension shall occur only after the member complained against has received at least ten (10) days written notice prior to such vote and has been given reasonable opportunity for defense.

An expelled or suspended member may appeal the decision of the Board of Directors for action at its next annual, regular or special meeting, providing that notice of intent to appeal is provided to the President or Executive Director within thirty (30) days after a vote to expel or suspend such member has occurred. Only those charges brought by a voting Association member will be considered by the Board of Directors. In accordance with the provision of Section 6 and Article V of these Bylaws, at least ten (10) days prior to the meeting at which such appeal is scheduled to be heard, written notice shall be provided to the member appealing such action. While such appeal is pending, the subject member shall not be entitled to vote or otherwise participate in Association affairs.

**ARTICLE III
MEMBERS - VOTING**

SECTION 1 - CLASS OF MEMBERS ENTITLED TO VOTE: Only Direct Members of the Association in good standing as of the date any question is placed before the members of the Association to be voted upon at any meeting of the members of the Association shall be entitled to vote upon such question, and each such Direct member entitled to vote upon such question shall be entitled to only one (1) vote upon such question. The President of the Association may vote only if there is a tie vote by the Board of Directors of the Association or by the members of the Association. Associate Members, Affiliated Members, and Honorary Members may give their views in discussion at meetings of the members of the Association but may not vote.

SECTION 2 - REGISTRATION OF MEMBERS ENTITLED TO VOTE AT MEETINGS OF THE MEMBERS OF THE ASSOCIATION: Any member of the Association otherwise entitled to vote shall not be permitted to vote upon any question placed before the members of the Association to be voted upon at any meeting of the members of the Association unless and until such member has duly registered as present at such meeting in compliance with such registration procedure as the Board of Directors of the Association may have adopted pertaining thereto. Proxy voting is not allowed.

SECTION 3 - WHO MAY VOTE ON BEHALF OF MEMBERS OF THE ASSOCIATION ENTITLED TO VOTE AT MEETINGS OF MEMBERS OF THE ASSOCIATION: The vote of any member of the Association entitled to vote at any meeting of the members of the Association may be cast at such meeting on behalf of such member by any party who would be entitled to execute an application for membership in the Association on behalf of such member or the Designated Representative of such member by the Firm's resolution. No vote by any party shall be tendered by designation of proxy.

SECTION 4 - MANNER OF VOTING

(a) All ballots with respect to the election of any officer of the Association or any member of the Board of Directors of the Association, with respect to the expulsion or suspension of any member of the Association, any officer of the Association or any member of the Board of Directors of the Association, or the rescission of any such expulsion or suspension, or with respect to any proposed amendment of the Article of Incorporation or the Bylaws of the Association shall be by written ballot, unless a majority of the members of the Association present at any meeting at which a quorum is present shall vote to suspend the provisions of the Bylaws which otherwise would require a written ballot as to any particular question, in which event the ballot upon such particular question shall be by voice vote.

(b) All ballots other than such ballots as are required by (a), immediately above, to be written ballot shall be by voice vote unless a majority of the members of the Association present at any meeting at which a quorum is present shall vote to suspend the provisions of the Bylaws which otherwise would require a voice vote as to any particular question, in which event the ballot upon such particular question shall be by written ballot.

(c) All written ballots cast at any meeting of the members of the Association shall be and remain secret ballots, and shall be counted, recorded and preserved in compliance with such procedure as the Board of Directors of the Association may have adopted pertaining thereto; no member of the Association shall divulge the content of any written ballot cast by any other member of the Association unless ordered or directed so to do by a court of competent jurisdiction.

SECTION 5 - NUMBER OF VOTES REQUIRED: Except insofar as otherwise may be provided by the applicable law of the State of Texas in force at the applicable time, any question presented to the members of the Association to be voted upon at any meeting of the members of the Association at which a quorum is present, and which question is subject to decision by the members of the Association under the Article of Incorporation of the Association, the Bylaws of the Association or the applicable law of the State of Texas in force at the applicable time, shall be decided by the majority vote of the members of the Association present at such meeting.

ARTICLE IV RIGHTS, POWERS, PRIVILEGES AND BENEFITS OF THE MEMBERS OF THE ASSOCIATION: LIMITATIONS THEREON

Except insofar as otherwise may be provided by the Article of Incorporation of the Association, the Bylaws of the Association, or by the applicable laws of the State of Texas in force at the

applicable time, the members of the Association shall have the following rights, privileges and benefits, to-wit:

(a) Insofar only as concerns the members of the Association authorized and eligible to vote, the power and authority to elect as an officer of the Association or as a member of the Board of Directors of the Association any individual eligible, as of the date of the election of such individual, to hold the office to which such individual is elected, and which office is provided by the Bylaws of the Association to be filled by such eligible individual as may be selected by the members of the Association.

(b) Insofar only as concerns the members of the Association authorized and eligible to vote, the power and authority to remove from office, for any reason which said voting members, in their sole discretion, deem sufficient, any officer of the Association or any member of the Board of Directors of the Association.

Provided, however, that no officer of the Association and no member of the Board of Directors of the Association shall be removed from office at any meeting of the members of the Association unless the notice of such meeting shall provide specifically that the question of whether such officer of the Association and/or such member of the Board of Directors of the Association, specifically naming such officer and/or such member of the Board of Directors, should be removed from office is to be presented at such meeting, such provision in such notice being a condition precedent to the removal from office of any officer of the Association or any member of the Board of Directors of the Association; in the event any officer of the Association or any member of the Board of Directors of the Association is so removed from office at such meeting, the individual so removed from office shall cease to hold such office, and the office involved shall be vacant, as of the date of adjournment of the meeting at which such individual was so removed from office. Provided further that, in the event any officer of the Association or any member of the Board of Directors of the Association is removed from office at any meeting of the members of the Association, the members of the Association may not thereafter rescind such action at any time prior to the date of expiration of the term of office for which such officer of the Association or such member of the Board of Directors of the Association originally was elected.

(c) Insofar as concerns members of the Association of every class, the right, power, privilege and benefit to attend any and all annual or special meetings of the members of the Association and to be heard upon any question which comes before any such meeting.

(d) Insofar as concerns members of the Association of every class, the right, power, privilege and benefit of participating in any and all affairs of the Association insofar as permitted on the part of any member of the Association by the Article of Incorporation of the Association, the Bylaws of the Association and the applicable laws of the State of Texas in force at the applicable time (except, insofar as concerns members of the Association other than Direct Members, the right to vote).

ARTICLE V BOARD OF DIRECTORS OF THE ASSOCIATION

SECTION 1 - QUALIFICATIONS OF MEMBERS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION: Except insofar as hereinafter provided, the Designated Representative of Direct Member shall be eligible to hold office as member of the Board of Directors of the Association during such time only as the primary livelihood of such individual is derived from an interest owned by such individual in, or from employment of such individual. . Provided, however, that no individual shall be eligible to hold office as a member of the Board of Directors of the Association at any time:

(a) During which such individual is not a bona fide resident of the district for which such individual was elected as a member of the Board of Directors of the Association, as such district is hereinbelow specified.

(b) During which the principal place of business of the member of the Association in which such individual owns an interest, or by which such individual is employed, is not located within the district for which such individual was elected as a member of the Board of Directors of the Association, as such district is hereinbelow specified, notwithstanding any of the above, if there are no members in a district who will serve as a director, a qualified member may be elected from an adjacent other district to fill the vacancy.

(c) During which the member of the Association in which such individual owns an interest, or by which such individual is employed, is not a member of the Association in good standing.

(d) At which such individual would have been entitled to be serving as an officer of the Association or as a member of the Board of Directors of the Association had not such individual been removed from such office by the members of the Association; that is, as regards any individual who has been removed from office as an officer of the Association or as a member of the Board of Directors of the Association by the members of the Association, such individual shall not serve as a member of the Board of Directors of the Association at any time prior to the expiration of the term of office for which such individual originally was elected.

SECTION 2 - RIGHTS, POWERS, PRIVILEGES AND BENEFITS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION, LIMITATIONS THEREON: Except insofar as otherwise may be provided by the Article of Incorporation of the Association, the Bylaws of the Association, or the applicable laws of the State of Texas in force at the applicable time, the Board of Directors of the Association shall be the governing body of the Association with the right and authority to manage and control the business and affairs of the Association, and to adopt and enforce all rules and regulations deemed necessary or desirable by the Board of Directors of the Association for such purposes. Without limiting the foregoing in any manner, such rights, powers, privileges and benefits of the Board of Directors of the Association shall include:

(a) Subject to the provisions of Section 5 of ARTICLE II of the Bylaws of the Association, the right and power to expel from the Association, or to suspend as a member of the Association in good standing for any period of time, any member of the Association for any reason whatsoever as the Board of Directors of the Association, with a vote of seven (7) board members at any regular meeting or specially called meeting of the board.

(b) Subject to Section 7 of ARTICLE II of the Bylaws of the Association, the right and power to rescind at any time the expulsion of any member of the Association which or who has been expelled from the Association by the Board of Directors of the Association, and the right and power to rescind at any time the suspension as a member of the Association in good standing any member which or who has been suspended as a member of the Association in good standing by the Board of Directors of the Association, for any reason whatsoever as the Board of Directors of the Association, with a vote of seven (7) board members at any regular meeting or specially called meeting of the board.

(c) The right and power to fix the rate of the compensation to be paid to any officer of the Association (including the Executive Director of the Association) or to any member of the Board of Directors of the Association by the Association, in attendance at meetings of the Board of Directors of the Association, incurred in traveling to and from any meeting of the Board of Directors of the Association, such amount not to exceed the amount equal to the deduction determined annually by the Internal Revenue Service per mile actually traveled to and from the place at which such meeting of the Board of Directors of the Association was held and the respective places of residence of the members of the Board of Directors.

(d) The right and power to fix, from time to time, the amount of the dues to be paid to the Association by the members of each class of the Association.

(e) Subject to the limitations hereinafter set forth, the right and power to fix the date upon which and the place at which the annual meeting of the members of the Association is to be held.

(f) The right and power to fill a vacancy on the Board of Directors of the Association created in any manner during the term for which the member of the Board of Directors formerly holding such office was elected.

(g) The right to determine, from time to time, whether or not the office of Executive Director of the Association should be filled or should be vacant at any particular time and to elect the individual to fill such office at any particular time and from time to time.

(h) To designate and select, from time to time, the location of the principal office of the Association.

SECTION 3 - ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION: Except insofar as concerns vacancies on the Board of Directors of the Association, members of the Board of Directors of the Association shall be elected by the voting members of the Association, at the annual meetings of the members of the Association on the second year of their term; at each such annual meeting of the members of the Association a Director shall be elected to serve from each of the districts referred to hereinbelow as to which the terms of office of the Directors then serving from such districts will expire when their successor has been elected at the annual meeting of the members of the Association.

SECTION 4 - NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION: The Board of Directors of the Association shall consist of ten (10) members; the President, the Vice President, the Secretary-Treasurer, the Immediate Past President, a Director at Large and five (5) District Directors, one District Director from each of the five following districts:

- (a) District 1 shall be composed of the following counties of the State of Texas: Dallam, Hartley, Oldham, Deaf Smith, Parmer, Castro, Randall, Potter, Moore, Sherman, Hansford, Hutchison, Carson, Armstrong, Swisher, Briscoe, Ochiltree, Roberts, Gray, Donley, Hall, Lipscomb, Hemphill, Wheeler Collingsworth, Childress, Andrews, Bailey, Borden, Brewster, Cochran, Coke, Cottle, Crane, Crosby, Culberson, Dawson, Dickens, Ector, El Paso, Fisher, Floyd, Gaines, Garza, Glasscock, Hale, Hockley, Howard, Hudspeth, Irion, Jeff Davis Kent, King, Lamb, Loving, Lubbock, Lynn, Martin, Midland, Mitchell, Motley, Nolan, Parmer, Pecos, Presidio, Reagan, Reeves, Scurry, Sterling, Stonewall, Terrell, Terry, Tom Green, Upton, Ward, Winkler, and Yoakum
- (b) District 2 shall be composed of the following counties of the State of Texas: Anderson, Angelina, Archer, Baylor, Bowie, Camp, Cass, Cherokee Clay, Collin, Cooke, Dallas, Delta, Denton, Ellis, Fannin, Ford, Franklin, Grayson, Gregg, Hardeman, Hardin, Harrison, Haskell, Henderson, Hopkins, Houston, Hunt, Jack, Jasper, Johnson, Kaufman, Knox, Lamar, Marion, Momtague, Morris, Nacogdoches, Newton, Orange, Panola, Polk, Rains, Red River, Rockwall, Rusk, Sabine, San Augustine, San Jacinto, Shelby, Smith, Tarrant, Throckmorton, Titus, Trinity, Tyler, Upsher, Van Zandt, Walker, Wichita, Wilbarger, Wise, Wood, and Young.
- (c) District 3 shall be composed of the following counties of the State of Texas: Bastrop, Bell, Bosque, Brazos, Brown, Burlison, Burnet, Callahan, Coleman, Colorado, Comanche, Coryell, Eastland, Erath, Falls, Fayette, Freestone, Grimes, Hamilton, Hill, Hood, Jones, Lampasas, Lee, Leon, Limestone, McLennan, Madison, Milam, Mills, Navarro, Palo

Pinto, Robertson, Runnels, Shackeford, Somervell, Stephens, Taylor, Travis, Washington, and Williamson.

- (d) District 4 shall be composed of the following counties of the State of Texas: Atascosa, Bandera, Bexar, Blanco, Caldwell, Comal, Concho, Crockett, Dewitt, Dimmit, Edwards, Frio, Gillespie, Gonzales, Guadalupe, Hays, Karnes, Kendall, Kerr, Kimble, Kinney, LaSalle, Lavaca, Live Oak, Llano, McCulloch, McMullen, Mason, Maverick, Menard, Real, San Saba Schleicher, Sutton, Uvalde, Val Verde, Wilson, Zavala and Medina.
- (e) District 5 shall be composed of the following counties of the State of Texas Aransas, Austin, Bee, Brazoria, Brooks, Calhoun, Cameron, Chambers, Duval, Fort Bend Galveston, Goliad, Harris, Hidalgo, Jackson, Jefferson, Jim Hogg, Jim Wells, Kenedy, Kieberg, Liberty, Matagorda, Montgomery Nueces, Refugio, San Patricio, Starr, Victoria, Waller, Webb, Wharton and Zapata.

In the event a district in the Bylaws does not have a qualified active member that is willing to serve on the Board of Directors, the Board of Directors is authorized to fill that Directorship by appointment from the membership at large.

SECTION 5 - TERM OF OFFICE OF THE MEMBERS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION: Unless any member of the Board of Directors shall resign such office, be removed from such office, or become ineligible to hold such office, the term of office of each member of the Board of Directors of the Association shall be in accordance with the following:

(a) The Executive Board Members:

- (1) The Executive Board Members who are the current President, Vice President, the Secretary-Treasurer, and Immediate Past President shall serve until the 2011 annual meeting. Then, any term commencing at any time after the 2011 annual meeting, shall be a term of two (2) years, each such term to commence after their election at the annual meeting of the members of the Association and continue for a period of two (2) years, and expiring when their successor has been elected at the annual meeting of the members of the Association on the second year of such term
- (2) The term of Executive Officers (President, the Vice President, the Secretary-Treasurer, and the Immediate Past President), as a member of the Board of Directors of the Association, shall be concurrent with the term of the officers of the Association.

(b) The terms of the remaining District Board Members: The terms of the District Board Members elected at a prior annual meeting of the members shall serve until the 2011 annual meeting. Then any term commencing at any time after the 2011 annual meeting, shall be a term of two (2) years, each such term to commence after their election at the annual meeting of the members of the Association and continue for a period of two (2) years, and expiring when their successor has been elected at the annual meeting of the members of the Association on the second year of such term.

(c) The terms of the Director at Large shall be two (2) years, each such term to commence after his election at the annual meeting of the members of the Association and continue for a period of two (2) years, and expiring when a successor has been elected at the annual meeting of the members of the Association on the second year of such term.

Notwithstanding anything whatsoever to the contrary in the foregoing, any member of the Board of Directors of the Association elected for any term shall continue to serve in such capacity until

the expiration of the term for which such member of the Board of Directors of the Association was elected or until the successor in office of such member of the Board of Directors of the Association has been elected, whichever is the later date, unless such member of the Board of Directors of the Association shall have resigned such office, shall have been removed from such office, or shall have become ineligible to hold such office at any earlier date.

SECTION 6 - TIMES AND PLACES AT WHICH MEETINGS OF THE MEMBERS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION ARE TO BE HELD: The members of the Board of Directors of the Association shall hold at least one (1) meeting between January 1st and December 31st of each year, the date upon which and the place at which such meeting is held to be designated by the President of the Association. The members of the Board of Directors of the Association shall hold as many additional meetings as may be called by either the President of the Association or by not less than five (5) members of the Board of Directors of the Association, the date upon which and the place at which any such called meeting is held to be as designated by the President of the Association or by the members of the Board of Directors of the Association, not less than five (5) in number, whichever has called such meeting. A written notice stating the date upon which and the place at which any meeting (annual or called) of the members of the Board of Directors of the Association is to be held shall be mailed to each of the members of the Board of Directors of the Association not less than ten (10) days and not more than sixty (60) days prior to the date upon which such meeting is to be held, such written notice to be executed by the President of the Association if such written notice pertains to the annual meeting of the members of the Board of Directors of the Association or by the President of the Association or by not less than five (5) members of the Board of Directors of the Association, whichever has called such meeting, if such written notice pertains to a called meeting of the members of the Board of Directors of the Association, and such written notice to be addressed to the members of the Board of Directors of the Association at the respective addresses of such members of said Board of Directors as reflected by any of the records of the Association.

SECTION 7 - COMMITTEES OF THE ASSOCIATION: Committees of the Association shall consist of Nominating, Legislative and Government Affairs, Budget and Finance, Membership, Convention and Education, Spouse Advisory, Environmental, and any other committees needed shall be appointed by the association president. The Board of Directors shall be the Nominating Committee. All other Committees of the Association shall have a member of the Board of Directors of the Association serve as chairman of their respective committees.

SECTION 8 – PROCEDURES FOR NOMINATION AND ELECTION OF DIRECTORS: The Nominating Committee shall nominate one candidate from each District and a Director at Large at a meeting of the Board of Directors and shall deliver the slate of upcoming nominees to the voting members no later than sixty (60) days prior to the next annual meeting of the Association.

In addition to the nominees for District and a Director at Large by the Nominating Committee, a direct member may also be nominated for office by a written petition, signed by not less than twenty (20) direct members in good standing and filed with the Nominating Committee either to the Secretary-Treasurer or the Executive Director not less than forty-five (45) days prior to the Annual meeting of the members.

The Board of Directs may alter this nominating process by with a vote of seven (7) board members at any regular meeting or specially called meeting of the board.

ARTICLE VI OFFICERS OF THE ASSOCIATION

SECTION 1 - NUMBER AND TITLES OF OFFICERS OF THE ASSOCIATION: Officers of the Association shall consist of a President, a Vice-President and a Secretary-Treasurer of the Association; during such periods of time as the Board of Directors of the Association determine

that such office should be filled, and elect an individual to fill such office. There also shall be an Executive Director of the Association.

SECTION 2 - QUALIFICATIONS OF OFFICERS OF THE ASSOCIATION: The Designated Representative of Direct Members shall be eligible to hold the office of President, Vice-President or Secretary-Treasurer of the Association during such period of time (and only during such period of time) as such individual would be eligible to serve as a member of the Board of Directors of the Association; any individual elected by the Board of Directors of the Association to the office of Executive Director of the Association shall be deemed eligible to hold such office until such time as such individual is removed for such office by the Board of Directors of the Association.

SECTION 3 - RIGHTS, POWERS, PRIVILEGES AND BENEFITS OF THE OFFICERS OF THE ASSOCIATION: LIMITATIONS THEREON: Except insofar as otherwise may be provided by the Article of Incorporation of the Association, the Bylaws of the Association, or the applicable laws of the State of Texas in force at the applicable time, the officers of the Association shall have the rights, powers, privileges and benefits hereinbelow indicated:

(a) **President** - The President of the Association shall be the Chairman of the Board of Directors of the Association and shall preside at all meetings of the Board of Directors of the Association; the President of the Association shall preside at all meetings of the members of the Association; the President of the Association shall create such standing or special committees as the President of the Association may deem necessary or desirable in connection with the furtherance of the affairs of the Association and shall appoint the members of all such committees; the President of the Association shall be an ex officio member of all committees of the Association; the President of the Association shall perform, or shall delegate to others, but shall supervise the performance of any other administrative functions which the Board of Directors of the Association may deem to be within the scope of the duties of the office of President of the Association. The President may vote only if there is a tie vote by the Board of Directors of the Association or of the members of the Association.

(b) **Vice President** - The Vice-President of the Association shall assist the President of the Association, to the extent requested by the President of the Association, in the performance of the duties and functions of the office of President of the Association; in the event the office of President of the Association shall be vacant during any period of time, in the event the absence or disability of the President of the Association prevents the President of the Association from performing the duties and functions of the office of President of the Association during any period of time, or in the event the President of the Association so requests during any period of time, the Vice-President of the Association shall perform the duties and functions of the President of the Association during such period of time.

(c) **Secretary-Treasurer** - The Secretary-Treasurer of the Association shall collect and receive all income of the Association, and deposit same in such bank or banks as may be designated by the Board of Directors of the Association, and prepare and execute all checks in payment of all indebtedness of the Association (which checks also shall be countersigned by such officer of the Association or such member of the Board of Directors of the Association, as the Board of Directors of the Association may designate); the Secretary-Treasurer of the Association shall be the custodian of all books, records and other written documents which are the property of the Association; the Secretary-Treasurer of the Association shall record the minutes at all meetings of the members of the Association and at all meetings of the Board of Directors of the Association; the Secretary-Treasurer of the Association shall prepare and mail to the members of the Association, not less than twenty (20) days prior to the date upon which each annual meeting of the members of the Association is to be held, a written report reflecting the financial condition of the Association as of the last day of the calendar month which ended within thirty-one (31) days prior to the date upon which such annual meeting of the members of the Association is to be held, which written report shall be executed by the Secretary-Treasurer of the Association; the Secretary-Treasurer of the Association shall make such additional reports to

the members of the Association and/or to the Board of Directors of the Association as the Board of Directors of the Association may designate; the Secretary-Treasurer of the Association shall submit all books and records pertaining to the financial affairs of the Association to such auditors, for audit, at such times as the Board of Directors of the Association may designate; the Secretary-Treasurer of the Association shall perform such other duties and functions as the Board of Directors of the Association may deem to be within the scope of the duties of the office of Secretary-Treasurer of the Association. Provided however that, notwithstanding anything whatsoever to the contrary in the foregoing, the Board of Directors of the Association may delegate to the Executive Director of the Association primary responsibility for the performance of any of the duties and functions above provided to be performed by the Secretary-Treasurer of the Association.

(d) Executive Director - The Executive Director shall perform such duties and functions as the Board of Directors of the Association may designate from time to time.

SECTION 4 - TERM OF OFFICE OF THE OFFICERS OF THE ASSOCIATION:

(b) President, Vice-President and Secretary-Treasurer:

- (1) The President, Vice-President, and the Secretary-Treasurer elected at a prior annual meeting of the members shall serve until the 2011 annual meeting. Then any term commencing at any time after the 2011 annual meeting, shall be a term of two (2) years, each such term to commence after their election at the annual meeting of the members of the Association and continue for a period of two (2) years, and expiring when their successor has been elected at the annual meeting of the members of the Association on the second year of such term.
- (2) Officers shall not serve more than two (2) consecutive terms of two (2) years.
- (3) The term of office of the Executive Director shall be from month to month, on a calendar month basis; the Board of Directors of the Association shall have the right to terminate the term of office of the Executive Director of the Association upon ninety (90) days written notice to the Executive Director of such action.
- (4) Notwithstanding anything whatsoever to the contrary in the foregoing, any officer of the Association, other than the Executive Director of the Association, shall continue to serve in such capacity until the expiration of the term for which such officer was elected or until the successor in office of such officer has been elected, whichever is the later date, unless such officer shall have resigned such office, shall have been removed from office, or shall have become ineligible to hold such office at any earlier date.

SECTION 5 – VACANCIES: In the event the office of the President, the Vice President, or the Secretary-Treasurer of the Association becomes vacant at any time for any reason, the Board of Directors may designate an individual to serve in such capacity during the remainder of the current term of such office; provided, however, that the Board of Directors of the Association shall not appoint any individual to fill any such vacancy who would not have been ineligible to hold such office had such individual been elected to such office by the members of the Association at an annual meeting of the members of the Association held as of the date of such appointment by the Board of Directors of the Association.

SECTION 6 – PROCEDURES FOR NOMINATION AND ELECTION OF OFFICERS: The Nominating Committee shall nominate a candidate for each office position at a meeting of the Board of Directors and shall deliver the slate of upcoming nominees to the members entitled to

vote therefore at the Annual Meeting of membership no less than sixty (60) day prior to the annual meeting.

In addition to the nominees for Officers by the Nominating Committee, a direct member may also be nominated for office by a written petition, signed by not less than twenty (20) direct members in good standing and filed with the Nominating Committee either to the Secretary-Treasurer or the Executive Director not less than forty-five (45) days prior to the Annual meeting of the members.

The Board of Directs may alter this nominating process by a resolution or delegate such to the Executive Committee or Nominating Committee.

Except insofar as concerns vacancies in the office of the President, the Vice-President or Secretary-Treasurer of the Association, the President, the Vice-President and the Secretary-Treasurer of the Association shall be elected by the voting members of the Association at the annual meetings of the members of the Association.

ARTICLE VII MEETINGS OF THE MEMBERS OF THE ASSOCIATION

SECTION 1 - ANNUAL MEETINGS: An annual meeting of the members of the Association shall be held on October 23, 2010; during all years subsequent to the year 2010, one (1) annual meeting of the members of the Association shall be held at such location and on such date as may be determined by the Board of Directors of the Association.

SECTION 2 - MEETINGS OF THE MEMBERS OF THE ASSOCIATION IN ADDITION TO THE ANNUAL MEETINGS OF THE MEMBERS OF THE ASSOCIATION: The members of the Association shall hold as many additional meetings (in addition to the annual meetings of the members of the Association provided for above) as may be called by either the President of the Association or by the Board of Directors of the Association, the date upon which and the place at which any such called meeting is to be held to be designated by the President of the Association or by the Board of Directors of the Association, whichever has called such meeting.

SECTION 3 - NOTICES OF MEETINGS: A written notice stating the date upon which and the place at which any meeting of the members of the Association (annual or called) is to be held shall be sent to each of the members of the Association not less than ten (10) days and not more than sixty (60) days prior to the date upon which such meeting is to be held; any such written notice shall be executed by the President of the Association, if such written notice pertains to an annual meeting of the members of the Association, or by the President of the Association or by the Board of Directors of the Association, whichever has called such meeting, if such written notice pertains to a called meeting of the members of the Association; any such written notice shall be addressed to the members of the Association at the respective addresses of such members as reflected by any of the records of the Association.

SECTION 4- ACTION BY MEMBERS WITHOUT MEETING: Any action required by the Texas Business Organizations Code to be taken at a meeting of the members, or any action which may be taken at a meeting of the members or any committee, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all the members entitled to vote with respect to the subject matter thereof, or all of the members of the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote.

Any action required by the Texas Business Organizations Code to be taken at a meeting of the members or any action that may be taken at a meeting of the members of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of members or committee members as would be necessary to take

that action at a meeting, which constitutes a quorum, at which all of the members or members of the committee were present and voted.

Each written consent shall bear the date of signature of each member or committee member who signs the consent. Prompt notice of the taking of any action by members or a committee without a meeting by less than unanimous written consent shall be given to all members or committee members who did not consent in writing to the action.

If any action by members or a committee is taken by written consent signed by less than all of the members or committee members, any articles or documents filed with the Secretary of State as a result of the taking of the action shall state, in lieu of any statement required by this Act concerning any vote of the members, that written consent has been given in accordance with the provisions of section 6.202 of the Texas Business Organizations Code and that any written notice required by such section has been given.

An email, facsimile or similar transmission by a member or member of a committee or a photographic or photostatic facsimile, or similar reproduction of a writing signed by a member or member of a committee shall be regarded as signed by the member or member of a committee for purposes of this section.

ARTICLE VIII MEETINGS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION

SECTION 1 - ANNUAL MEETING: An annual meeting of the Board of Directors shall be held on October 23, 2010; during all years subsequent to the year 2010 one (1) annual meeting of the members of the Association shall be held at such location and on such date as may be determined by the Board of Directors of the Association. At the meeting, the Board of Directors shall elect transact such business as shall come before the meeting.

Failure to hold the annual meeting at the designated time shall not work as dissolution of the Corporation. In the event the Board of Directors fails to call the annual meeting at the designated time, any Director may make demand that such meeting be held within a reasonable time, such demand to be made in writing by registered mail directed to any officer of the Corporation. If the annual meeting of the Board of Directors is not called within sixty (60) days following such demand, any Director may compel the holding of such annual meeting by legal action directed against the Board of Directors, and all of the extraordinary writs of common law and of courts of equity shall be available to such Director to compel the holding of such annual meeting.

SECTION 2 - REGULAR MEETING OF DIRECTORS: Regular meetings of the Board of Directors may be held with thirty (30) day notice at such time and place as may be from time to time determined by the Board of Directors.

SECTION 3 - SPECIAL MEETINGS OF DIRECTORS: The Secretary shall call a special meeting of the Board of Directors whenever requested to do so by the President or by three (3) or more directors. Such special meeting shall be held at the date and time specified in the notice of meeting

SECTION 4 - PLACE OF DIRECTORS' MEETINGS: All meetings of the Board of Directors shall be held either at the principal office of the Association or at such other place, either within or without the State of Texas, as shall be specified in the notice of meeting or executed waiver of notice.

SECTION 5 - NOTICE OF DIRECTORS' MEETINGS: Notice of any special meeting of the Board of Directors shall be given at least five (5) days prior to said meeting thereto by written notice delivered personally or sent by email or facsimile to the Board of Directors of the Association.

Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

SECTION 6 - ACTION BY DIRECTORS WITHOUT MEETING: Any action required by the Texas Business Organizations Code to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the Board of Directors or any committee, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all the Board of Directors entitled to vote with respect to the subject matter thereof, or all of the members of the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote.

Any action required by the Texas Business Organizations Code to be taken at a meeting of the Board of Directors or any action that may be taken at a meeting of the Board of Directors of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of Board of Directors or committee members as would be necessary to take that action at a meeting, which constitutes a quorum, at which all of the Board of Directors or members of the committee were present and voted.

Each written consent shall bear the date of signature of each Director or committee member who signs the consent. A written consent signed by less than all of the Board of Directors or committee members is not effective to take the action that is the subject of the consent unless, within sixty (60) days after the date of the earliest dated consent delivered to the Corporation in the manner required by this section, a consent or consents signed by the required number of Board of Directors or committee members is delivered to the Corporation at its registered office, registered agent, principal place of business, transfer agent, registrar, exchange agent, or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of Board of Directors or committees are recorded. Delivery shall be by hand or certified or registered mail, return receipt requested. Delivery to the Corporation's principal place of business shall be addressed to the President or principal executive officer of the Corporation.

Prompt notice of the taking of any action by Board of Directors or a committee without a meeting by less than unanimous written consent shall be given to all Board of Directors or committee members who did not consent in writing to the action.

If any action by Board of Directors or a committee is taken by written consent signed by less than all of the Board of Directors or committee members, any articles or documents filed with the Secretary of State as a result of the taking of the action shall state, in lieu of any statement required by this Act concerning any vote of the Board of Directors or committee members, that written consent has been given in accordance with the provisions of section 6.202 of the Texas Business Organizations Code and that any written notice required by such section has been given.

An email, facsimile, or similar transmission by a Director or member of a committee or a photographic, photostatic, facsimile, or similar reproduction of a writing signed by a Director or member of a committee shall be regarded as signed by the Director or member of a committee for purposes of this section.

SECTION 7 – REMOVAL OF DIRECTORS

Each member of the Board of Directors is requested to attend at least 50% of the meeting of the Board for each twelve (12) month period. If a Director does not attend the required number of meetings either by phone or attendance, the Director may be removed from his/her seat by the Board of Directors.

**ARTICLE IX
NUMBER OF MEMBERS OF THE ASSOCIATION
NECESSARY TO CONSTITUTE A QUORUM AT ANY
MEETING OF THE MEMBERS OF THE ASSOCIATION**

Five percent (5%) of the Direct Members of the Association then in good standing present at any meeting of the members of the Association and voting upon any question which shall come before such meeting shall constitute a quorum at the time such vote is taken upon such question.

**ARTICLE X
NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION
NECESSARY TO CONSTITUTE A QUORUM AT ANY MEETING OF THE BOARD OF
DIRECTORS OF THE ASSOCIATION**

Seven (7) of the members of the Board of Directors of the Association present at any meeting of the Board of Directors of the Association and voting upon any question which shall come before such meeting shall constitute a quorum at the time such vote is taken upon such question.

**ARTICLE XI
DECISION BY MAJORITY**

SECTION 1 - AT ANY MEETING OF THE MEMBERS OF THE ASSOCIATION: Except insofar as otherwise may be provided by the Article of Incorporation of the Association, the Bylaws of the Association or the applicable laws of the State of Texas in force at the applicable time, any question which may come before any meeting of the members of the Association at which a quorum is present at the time a vote is taken upon such question shall be decided by the majority vote of the Direct Members of the Association present at such meeting and voting upon such question.

SECTION 2 - AT ANY MEETING OF THE BOARD OF DIRECTORS OF THE ASSOCIATION - Except insofar as otherwise may be provided by the Article of Incorporation of the Association, the Bylaws of the Association or the applicable laws of the State of Texas in force at the applicable time, any question which may come before any meeting of the Board of Directors of the Association at which a quorum is present at the time a vote is take upon such question shall be decided by the majority vote of the members of the Board of Directors of the Association present at such meeting and voting upon such question.

**ARTICLE XII
PROHIBITION AGAINST HOLDING MULTIPLE OFFICES**

Any individual serving either as President, Vice-President, Secretary-Treasurer or Executive Director of the Association shall be disqualified, for so long as such individual serves in such capacity, to serve in any other of such offices, except that, as above provided, the President of the Association shall be a member of, and the Chairman of, the Board of Directors of the Association.

**ARTICLE XIII
AMENDMENTS TO BYLAWS**

SECTION 1 – PROPOSALS: Proposing amendment to or repeal of these Bylaws may be proposed by the Board of Directors of the Association on its own initiative or upon petition of twenty five percent (25%) of the voting members at any time.

SECTION 2 - NOTICE OF PROPOSALS: The Board of Directors of the Association shall present all such proposals to the regular members with or without endorsement by written notice twenty (20) days before the date designated for voting.

SECTION 3 – APPROVAL: Approval of amendments to or a repeal of the Bylaws shall be approved by two thirds (2/3) affirmative vote of regular members present and voting at any annual business meeting or duly called special meeting of the Association or by written ballot at any time.

**ARTICLE XIV
RULES OF ORDER**

SECTION 1 - RULES OF ORDER: The rules contained in the current edition of Roberts Rules of Order shall govern the conduct of meetings of the Association in all cases to which they are applicable and in which they are not inconsistent with the Bylaws and any special rules the Association may adopt.

**ARTICLE XV
MISCELLANEOUS**

SECTION 1 - WAIVER OF NOTICE: Whenever any notice is required to be given to any member or director of the Corporation under the provisions of the Texas Business Organizations Code, the Certificate of Formation, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

SECTION 2 - MEETINGS BY TELEPHONE CONFERENCE, ELECTRONIC OR OTHER REMOTE COMMUNICATIONS TECHNOLOGY: Subject to the provisions required or permitted by the Texas Business Organizations Code and these Bylaws for notice of meetings, any one or more members of the Board of Directors, or members of any committee may participate in and hold a meeting of such board, or committee by means of: (1) conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other; or (2) another suitable electronic communications system, including videoconferencing technology or the Internet, only if: (a) each member entitled to participate in the meeting consents to the meeting being held by means of that system; and (b) the system provides access to the meeting in a manner or using a method by which each member participating in the meeting can communicate concurrently with each other participant. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Participation in a meeting by such means shall constitute presence in person at the meeting.

SECTION 3 – Each Board Member must serve on at least one standing committee of the Association.

**ARTICLE XVI
CONSTRUCTION**

SECTION 1 - PRONOUNS AND HEADINGS: All personal pronouns used in these Bylaws shall include the other gender whether used in masculine or feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate. All headings herein are for convenience only and neither limit nor amplify the provisions of these Bylaws.

SECTION 2 - INVALID PROVISIONS: If any one or more of the provisions of these Bylaws, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of these Bylaws and all other applications of any such provision shall not be affected thereby.

Adopted by the Board of Directors on _____, 2011.

Secretary