

LICENSING EXECUTIVES SOCIETY (U.S.A. and CANADA), INC

BYLAWS

ARTICLE 1

NAME, PURPOSE, AND AFFILIATION

1.1 Name

The name of this corporation is “Licensing Executives Society (U.S.A. and Canada), Inc.” and may be referred to herein as the “Society.” The Society also may be referred to as “LES USA and Canada” or “LES USA & Canada.”

1.2 Legal Character of the Society

The Society is a not-for-profit corporation organized and existing under the laws of the State of New York, USA.

1.3 Purpose

The purposes of the Society are:

- (a) To function as a nonprofit professional and educational organization to encourage and to maintain high professional standards and ethics:
 - (i) in licensing, valuation, management, and consulting relating to intellectual property rights, and
 - (ii) in developing or implementing strategies for monetization, use, and transfer of technology and other intellectual assets.
- (b) To assist members in improving knowledge of and skills in licensing, valuation, and management of intellectual property rights and in monetization, use, and transfer of technology and other intellectual assets through:
 - (i) educational meetings, courses, seminars, and webinars;
 - (ii) publication of articles and other materials; and
 - (iii) exchange of experience, best practices, and techniques.
- (c) To communicate to the public:
 - (i) the economic significance and importance of intellectual property and of licensing and other transfer of technology or intellectual property rights, and
 - (ii) the high professional standards of those engaged in the profession.
- (d) To promote education and research to further use of technology and licensing and other transfer of technology or intellectual property rights.

1.4 LESI Affiliation

“Licensing Executives Society (U.S.A. and Canada), Inc. is a Member Society within the Licensing Executives Society International (“LESI”), a not-for-profit corporation of the State of Delaware, and is affiliated with other Member Societies located in other countries. The Society is bound by the bylaws of LESI to the extent permitted by applicable law.

ARTICLE 2

MEMBERSHIP

2.1 Classes

(a) Members of the Society (“Members”) consist of (i) Active Members, (ii) Life Members, (iii) and Honorary Members.

(b) Associates of the Society (“Associates”) consist of (i) Retired Associates and (ii) Student Associates.

2.2 Eligible Persons

(a) Subject to Section 2.3, membership in the Society as an Active Member or a Life Member is limited to natural persons who, in their profession or occupation, actively engage, or have engaged, in

- (i) licensing, valuation, or management of intellectual property rights;
- (ii) aspects of monetization, use, or transfer of technology or other intellectual assets; or
- (iii) matters related thereto.

Natural persons may become a Retired Associate or a Student Associate in accordance with Sections 2.4(d) and 2.4(e), respectively.

(b) Subject to Section 2.3, membership in the Society as an Honorary Member is limited to natural persons whose contribution to the licensing profession or to the Society is considered sufficient by the Board for election as an Honorary Member.

2.3 Geographical Limitation of Membership

A person who resides outside the United States of America or Canada or their respective territories or possessions and who resides in a country that has a local LES Member Society is not eligible for membership in LES USA and Canada, unless such person also is a member of such local Member Society.

2.4 Qualifications of Members and Associates

(a) *Active Members*: A person of good ethical reputation who undertakes to abide by the Rules of Conduct and who is eligible under Section 2.2(a) may be elected as an Active Member in accordance with Section 2.5.

(b) *Life Members*: A person who has retired from his or her active business career and who has been an Active Member of the Society for at least ten (10) consecutive years and has contributed significantly to the affairs of the Society may be elected by the Board as a Life Member. Life Members are entitled to all privileges of Active Members, but are exempt from payment of dues.

(c) *Honorary Members*: A person eligible under Section 2.2(b) may be elected by the Board as an Honorary Member for outstanding contributions to the licensing profession or to the Society for a term of one or more years as designated by the Board. Honorary Members are entitled to all privileges of Active Members, but are exempt from payment of dues.

(d) *Retired Associates*: A person who has been an Active Member of the Society for at least five (5) consecutive years, but no longer is engaged in licensing, valuation, or management of intellectual property rights or activity in technology transfer may become a Retired Associate of the Society in accordance with Section 2.5. The Board may establish privileges for Retired Associates, which differ from those of Active Members.

(e) *Student Associates*: A person not qualified under any class of membership who is regularly enrolled as a graduate or undergraduate student of an accredited college, university, or post-graduate school and who has a bona fide interest in the profession of licensing may become a Student Associate of the Society in accordance with Section 2.5. The Board may establish privileges for Student Associates, which differ from those of Active Members.

2.5 Election of Active Members and Associates

Eligible persons may become an Active Member, a Retired Associate, or a Student Associate by:

- (a) submitting an application in a form approved in accordance with policies adopted by the Board;
- (b) being approved in accordance with policies adopted by the Board; and
- (c) making payment of initial dues in accordance with Section 3.3.

2.6 Expulsion and Discipline

A Member or an Associate may be expelled or disciplined for material misrepresentation in the membership application submitted by the Member or Associate, for violation of the bylaws or

Rules of Conduct, or for other cause not in the best interests of the Society. A Member or an Associate may be expelled from the Society by a two-thirds vote, or may be disciplined by a majority vote, of the whole Board (including vacancies).

ARTICLE 3

DUES AND TERM OF MEMBERSHIP

3.1 Amount of Dues

Dues for Active Members and Associates of the Society are established by the Board from time to time.

3.2 Term of Membership or Associate Status

Membership for Active Members and Associate status for Retired Associates begins upon election in accordance with Article 2.5 and continues annually upon payment of dues. Associate status for a Student Associate begins upon election in accordance with Article 2.5 and continues until the end of the membership year in which such person ceases to meet the qualifications for a Student Associate under Section 2.4(e).

3.3 Payment of Dues

Except for initial dues paid upon election to the Society, dues for a Member or an Associate are payable in each calendar year following election to the Society at a date established in accordance with policies adopted by the Board. Dues are to be billed and paid to the Society in accordance with procedures established by the Executive Director. The membership of a Member or the Associate status of an Associate whose dues remain unpaid in each calendar year may be terminated in accordance with policies adopted by the Board. A terminated membership or Associate status due to non-payment of dues may be reinstated in accordance with policies adopted by the Board.

ARTICLE 4

MEETINGS OF MEMBERS

4.1 Annual Meeting of Members

An Annual Meeting of the Members of the Society will be held on a date and at a place to be selected by the Board. The Annual Meeting will include a business meeting for the election of Officers and Trustees and for such other business as may be properly brought before the Members. Written notice of the date and place of the Annual Meeting and of the business

meeting will be given to the Members at least thirty (30) days prior to the commencement of such Annual Meeting.

4.2 Special Meetings

The Board in its discretion may call special meetings of Members from time to time on due written notice to the Members to be held at a time and location designated by the Board.

4.3 Quorum

Two hundred (200) Active Members of the Society present in person or represented by written proxy, including at least a third of the whole Board (including vacancies) present in person, constitutes a quorum for the purpose of conducting business at any meeting of the Members of the Society. In the absence of a quorum, those present and voting in person at the time and place set for a meeting may adjourn until a quorum is present at which time the meeting may continue without further notice. A Member may be present at a meeting in person through electronic means in accordance with policies established by the Board.

4.4 Voting

Each Active Member is entitled to one vote in person or by written proxy at meetings of Members; and, except as otherwise provided in these bylaws, action may be taken upon the vote of a majority of the Members voting in person or by proxy. Voting in person may be made by electronic means in accordance with policies adopted by the Board.

4.5 Reports

At each Annual Meeting, the Treasurer will present a report stating the assets and liabilities of the Society as of the end of the last fiscal year and a statement of receipts and expenditures during such year; and the Secretary will present a report stating the number of Active Members of the Society as of the end of the last fiscal year, the number of terminated memberships during such year, and the number of new Members admitted during such year. These reports will be filed with the minutes of the Annual Meeting.

4.6 Election of Officers and Trustees

The Board will take all reasonable actions necessary to ensure that elections of Officers and Trustees are carried out in a fair and responsible manner, and that the affairs of the Society are governed through an orderly transition of Officers and Trustees.

(a) *Nominations Selected by the Nominating Committee.* The Nominating Committee will set forth one slate of candidates for offices to be filled during any election. Written notice of the

candidates nominated by the Nominating Committee for each such office must be provided to Members at least thirty (30) days before the commencement of the Annual Meeting.

(b) Other Nominations. Other candidates for office may be nominated before or after the notice of candidates nominated by the Nominating Committee by any Active Member, subject to the following conditions:

(i) at least ten (10) days prior to the commencement of the Annual Meeting, a petition stating the name, address, and affiliation of the nominee(s) must be received by the Secretary;

(ii) such petition must include the original signatures of at least fifty (50) Active Members and clearly state the office for which the nomination is made; and

(iii) except as provided in Section 4.6(c), no candidate may be nominated in any way other than as provided in Sections 4.6(a) and 4.6(b).

(c) Failure to Timely Publish Nominations. If the Nominating Committee does not timely provide notice of nomination for one or more offices as required by Section 4.6(a), nominations of qualified candidates for such office may be made by any Active Member at the scheduled business meeting during the Annual Meeting subject only to a second. Once nominations are closed, the Active Members will vote in accordance with Section 4.4 for each office in an order in which the Secretary deems appropriate.

(d) Contested Elections. If more than one person has been properly nominated for the same office (or, in the case of Trustees or Vice Presidents, more persons are nominated than the existing vacancies), the Secretary will conduct an election during the scheduled business meeting at the Annual Meeting. If an election is contested with regard to one or more offices, the time or place of the scheduled business meeting provided to the Members in accordance with Section 4.1 must not be moved. If a quorum is not present, the business meeting will be adjourned until a quorum is present in order for the election to proceed. The candidate for each office receiving the highest number of votes in accordance with Section 4.4 for each contested office is elected.

(d) Uncontested Elections. If nominations are closed without more than one person nominated for the same office (or, in the case of Trustees or Vice Presidents, more persons are nominated than the existing vacancies), candidates for uncontested offices are elected by acclamation at a business meeting during the Annual Meeting.

ARTICLE 5
BOARD OF TRUSTEES

5.1 Composition, Duties, Requirements, and Powers of Board of Trustees

(a) The governing body of the Society is a Board of Trustees (the "Board") composed of thirteen Officers and twelve Trustees. Officers are members of the Board only while occupying their offices. Only Active Members may be Officers or Trustees.

(b) The Board manages and controls the affairs and property of the Society. All corporate powers (except as are otherwise provided in the Certificate of Incorporation, these Bylaws, or the laws of New York) are vested in, and may be exercised by, the Board.

(c) To the extent permitted by law, the Board has full power to adopt policies governing actions of the Board and the Society and has full authority with respect to the distribution of monies received by the Society from time to time; provided, however, that the fundamental and basic purposes and powers of the Society and the limitations thereon, as expressed in the Certificate of Incorporation and in these Bylaws, must not be amended or changed through such adopted policies. Except as otherwise required by these Bylaws or the laws of New York, the Board may delegate to Officers, Trustees, Members, or committees thereof such powers as the Board deems necessary.

(d) The Board may employ administrative services (including an Executive Director and Staff) as is deemed necessary to conduct the affairs of the Society.

(e) The Board may make awards of honor to individuals who have substantially contributed to the improvement of the licensing profession irrespective of whether such individuals are Members of the Society; provided such awards may be made by the Board with no more than one dissenting vote of those voting.

(f) The Board may authorize establishment of local chapters within the United States and Canada to promote the purposes of the Society, in accordance with policies established by the Board.

(g) The Society may establish one or more subsidiary entities that are consistent with the purposes of the Society. The Society may establish a subsidiary as a not-for-profit entity qualified under the U.S. Internal Revenue Code as a charitable foundation to promote and conduct education activities consistent with the purposes of the Society identified as the "LES

Foundation." The LES Foundation will be governed in accordance with bylaws established for the LES Foundation.

(h) Members of the Board serve without compensation, except for reimbursement of reasonable expenses incurred on behalf of the Society in accordance with policies adopted by the Board. Members of the Board must avoid all circumstances and activities which conflict or appear to conflict with the interests of the Society. Even the appearance of a conflict of interest must be avoided or, if unavoidable, must be disclosed to the Board. When in doubt as to whether a conflict exists, advice from the Counsel to the Board must be obtained. If a conflict occurs, the Board may waive such conflict with conditions to minimize the conflict by vote of at least two-thirds of the Board (including vacancies) or the affected Board member must either terminate the conflict or resign his or her office. A Board member who does not receive such a waiver or either does not terminate a conflict or resign the member's office may be removed from the Board by vote of at least two-thirds of the Board (including vacancies), and the office of such removed Board member will be deemed vacant.

(i) To the extent practicable, Officers and Trustees are expected to attend meetings of the Board and of the Members and to undertake duties and responsibilities as requested by the President and the Board.

5.2 Trustees

Trustees are elected by the Members for terms of two years beginning at the commencement of the first Board meeting following the Annual Meeting at which such Trustees are elected and continuing until the election and qualification of their successors. Six Trustees will be elected in one year for a two-year term and six Trustees will be elected in the next succeeding year for a two-year term. A Trustee may be elected only for three (3) successive terms.

5.3(A) Officers

The Officers of the Society are: President, President-elect, Immediate Past President, Regional Vice President for Canada, Regional Vice President for the United States, six Vice Presidents, Treasurer, and Secretary. The President-elect, Regional Vice Presidents, Vice Presidents, Secretary and Treasurer are elected by the Members for a term of one year commencing at the first Board meeting following the Annual Meeting at which they are elected and continuing until the election and qualification of their successors. An Officer (other than President-elect) may be elected only for three (3) successive terms for a particular Officer position. The current

President-elect becomes the President and the current President becomes the Immediate Past President at such first Board meeting following the Annual Meeting.

5.3(B) President

The President acts as the chief executive of the Society and has the following powers, duties, and responsibilities:

- (a) represents the Society to the Members and the public;
- (b) presides at meetings of the Society and of the Board;
- (c) executes contracts for, and in the name of, the Society, subject to a delegation of authority from the Board;
- (d) is an ex-officio member of all committees within the Society and the Board;
- (e) has the power to appoint a Counsel to the Board, subject to the consent of the Board;
- (f) chairs the Executive Committee;
- (g) chairs the LES USA and Canada delegation at meetings of LESI International Delegates, except for an International Delegate meeting following immediately after the Annual Meeting; and
- (h) has power to perform such other duties as are usually performed by a chief executive as delegated by the Board.

5.3(C) President-Elect

During the absence, or in the event of the death, resignation, or incapacity, of the President, the President-elect exercises the authorities, powers, and duties of the President.

5.3(D) Immediate Past President

During the absence, or in the event of the death, resignation, or incapacity, of the President and the President-elect, the Immediate Past President exercises the authorities, powers, and duties of the President until such time that the Board appoints a successor in accordance with Section 5.4. The Immediate Past President chairs the LES USA and Canada delegation for an International Delegate meeting following immediately after the Annual Meeting.

5.3(E) Regional Vice Presidents

The Regional Vice Presidents for the USA and for Canada are responsible for monitoring and overseeing legal, regulatory, and business developments in each region to evaluate their potential impact on licensing and the LES membership. The Regional Vice Presidents perform such other duties and exercise such other powers as may be delegated to them by the Board.

Each Regional Vice President has authority to designate, with the advice and consent of the President, such assistants as may be advisable for proper conduct of the business of the Society. No such designated person has authority to bind or obligate the Society in any matter, without express written authority from the President or the Board.

5.3(F) Vice Presidents

The President will assign, with the consent of the Board, specific duties and responsibilities within the Society for each Vice President. The Vice Presidents perform such other duties and exercise such other powers as may be delegated to them by the Board. Each Vice President has authority to designate, with the advice and consent of the President, such assistants as may be advisable for proper conduct of the business of the Society. No such designated person has any authority to bind or obligate the Society in any matter, without express written authority from the President or the Board.

5.3(G) Secretary

The Secretary keeps a record of the proceedings of the Society and of the meetings of the Board. These records are open at all reasonable times to inspection by any Member. The Secretary will issue notices of all meetings of the Society and of the Board, conduct correspondence, make an annual report in writing at the Annual Meeting, and perform such other duties as usually pertain to this office or that may be assigned by the Board. The Secretary will provide each member of the Board with a written copy of the minutes of each meeting of the Board and of the Society as soon as is practicable after the meeting. The Secretary will provide to each Board member a written copy of the financial statement presented at a meeting as soon as is practicable after each meeting, if the Treasurer has not provided such statement.

5.3(H) Treasurer

The Treasurer is responsible for maintenance of monetary accounts of the Society, collection of funds due to the Society, and payment of bills and invoices as authorized under established delegations of authority by the Board. The Treasurer will provide a written financial statement report of the assets, liabilities, receipts, and disbursements of the Society at each meeting of the Board and at the Annual Meeting.

5.4 Trustees and Officers Vacancies and Successors

If a position of an Officer or Trustee (other than the President or Immediate Past President) becomes vacant through death, resignation, or incapacity, the Board may appoint a successor to

serve out the term of such Trustee or Officer. In the event of death, resignation, or incapacity of the Immediate Past President, the Board may appoint a successor selected from past presidents to serve out the term of the Immediate Past President. Any Officer or Trustee may resign by written notice in writing to the President or the Secretary. If an Officer or Trustee is not present (in person or through electronic means) at a Board meeting without excused absence for two successive meetings, the Board by vote of at least two-thirds of the Board (including vacancies) may declare the position of such Officer or Trustee vacant.

5.5 Meetings of the Board

The Board will hold a meeting immediately prior to the Annual Meeting of the Society. Immediately after such Annual Meeting, the newly constituted Board will hold a first meeting. The Board also will hold at least one additional meeting in conjunction with a seasonal meeting of the Society on a date set by the President. Other meetings of the Board will be held at such times and places as the Board may decide, or at the call of the President, or upon the written request of three or more members of the Board, addressed to the President or the Secretary. Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all of the members of the Board or committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto must be filed with the minutes of the proceedings of the Board or committee.

5.6 Attendance by Past Presidents

Past presidents other than the Immediate Past President are encouraged to attend and participate in Board meetings; however, such past presidents are not members of the Board and do not have a vote.

5.7 Quorum

A majority of the members of the whole Board (including vacancies), present in person, constitutes a quorum for the purpose of transacting business at a meeting of the Board; but in the absence of a quorum, those present at the time and place set for a meeting may adjourn until a quorum is present at which time the meeting may continue without further notice.

5.8 International Delegates

(a) The President-elect appoints delegates to the Board of Delegates of LESI (“International Delegates”), subject to the consent of the Board. Appointment as an International Delegate for the Society is for a one-year term concurrent with the calendar or fiscal years of LESI. Unless

specifically declined, the President, President-elect, Immediate Past President, and Treasurer are International Delegates for the Society.

(b) The number of International Delegates for the Society is determined in accordance with the bylaws of LESI.

(c) The President may appoint one or more alternates for International Delegates for the Society, subject to the consent of the Board. If a temporary or permanent vacancy or absence occurs for an International Delegate, the President may designate an alternate to function as an International Delegate for the Society at meetings of LESI. Unless specifically declined, past presidents of the Society are alternates for International Delegates.

(d) International Delegates for the Society are expected to attend at least one LESI International Delegate meeting annually.

(e) International Delegates for the Society will provide a voting proxy to the President (or the President's nominee) at the President's (or the President's nominee's) request prior to each LESI International Delegate meeting, except that the voting proxy will be provided to the Immediate Past President (or the Immediate Past President's nominee) at the Immediate Past President's (or the Immediate Past President's nominee's) request prior to an LESI International Delegate meeting following immediately after the Annual Meeting.

ARTICLE 6

COMMITTEES OF THE BOARD

6.1 Executive Committee

The Executive Committee of the Board is composed of the President, the President-elect, the Immediate Past President, the Secretary, the Treasurer, two Vice Presidents (which may include the Regional Vice Presidents) designated by the President, and up to two other Officers or Trustees designated by the President. The Executive Committee may exercise the powers of the Board in the intervals between meetings of the Board; provided, however, that actions of the Executive Committee must be reported to the Board with reasonable promptness following such Executive Committee actions by written summaries thereof or copies of minutes. The members of the Executive Committee will meet at the call of the president or the President-elect acting on the President's behalf. A record must be kept of all actions of the Executive Committee whether taken in formal meeting or otherwise.

6.2 Meeting Committees

Meeting Committees may be established to plan and conduct the Annual Meeting and other regional or seasonal meetings of the Society as provided by the Board. The Meeting Chair of a Meeting Committee is appointed by the President with consent of the Board and is responsible to the Board for planning and conducting of a meeting. The Meeting Chair may appoint one or more subsidiary chairs to be responsible for aspects of the meeting and other members of the Meeting Committee, with consent of the Finance and Audit Committee.

6.3 Membership Committee

The Membership Committee is composed of at least two Board members selected by the President and is chaired by a Vice President designated by the President. The Membership Committee:

- (a) actively promotes membership in the Society through efforts to obtain new members and to retain existing Members,
- (b) assists Staff members assigned to membership activities, and
- (c) consistent with these bylaws and policies adopted by the Board, reviews election and reinstatement matters arising with respect to Active Members, Retired Associates, and Student Associates, as required.

6.4 Nominating Committee

The Nominating Committee is composed of the Immediate Past President (who acts as chair), President, President-elect, and two other Members who are not a current Officer or Trustee and who are selected by the first three named members of the Nominating Committee by majority vote. The Nominating Committee nominates candidates for Officers and Trustees to be elected at the Annual Meeting. The Nominating Committee nominates board members of the LES Foundation. The Nominating Committee also may assist the President-elect in designating chairs of committees. To the extent practicable, the Nominating Committee will nominate a slate of candidates for the Board, which reflects the composition of the Members in terms of region, professional affiliation (i.e., corporate, academic, service providers), gender, and ethnicity. A person nominated to be President-elect must be, or have been, a member of the Board and have demonstrated active commitment and leadership in furthering the goals and activities of the Society.

6.5 Finance and Audit Committee

The Finance and Audit Committee is composed of the President, President-elect, Immediate Past President, Treasurer, and Executive Director and is chaired by the President-elect. The Finance and Audit Committee is responsible for:

- (a) reviewing and approving detailed items within a Society budget prior to submission to the Board or the Executive Committee for approval;
- (b) reviewing major financial transactions and cash flow needs of the Society;
- (c) reviewing and approving banking and investment policies for the Society;
- (d) maintaining good financial credit for the Society;
- (e) establishing suitable financial controls for the Society;
- (f) approving financial plans for the Annual Meeting and seasonal meetings; and
- (g) approving appointments as directed under the bylaws.

The Finance and Audit Committee also is responsible for obtaining and reviewing an audit in accordance with Article 8.3; provided, that, the Immediate Past President cannot approve an audit for a year in which such Immediate Past President was President.

6.6 Ethics Committee

An Ethics Committee composed of at least two (2) members of the Board and at least (2) other Members may be appointed by the President, as required, to review the Rules of Conduct from time to time and, as authorized by the Executive Committee, to investigate allegations of Rules of Conduct violations in accordance with such Rules.

6.7 Additional Standing and Special Committees

The Board has power to establish, abolish, and designate the duties of additional standing and special committees.

6.8 Appointment of Committees

Unless otherwise provided by these bylaws, the President appoints chairs of committees established by the Board. At least sixty (60) days prior to the Annual Meeting of the Society, the President-elect will designate chairs of such committees who are to serve for the following year. In making such appointments and designations, the President and President-elect may consult with and accept the suggestions of other Officers, Trustees, and Members of the Society.

ARTICLE 7

EXECUTIVE DIRECTOR AND STAFF OF THE SOCIETY

7.1 Executive Director

- (a) The President, with the consent of the Board, selects an Executive Director who becomes an employee of the Society. The Executive Director may be employed by the Society under an employment contract approved by the Board. The Executive Director serves at the direction of the President or the President's delegatee according to policies adopted by the Board.
- (b) The Executive Director may hire persons to serve as Staff of the Society as employees or contractors of the Society.
- (c) The Executive Director supervises members of the Staff, including hiring and terminating employment of members of the Staff.
- (d) The Executive Director is responsible to administer activities of the Society within policies adopted by the Board.
- (e) The Executive Director will maintain a current listing of policies adopted by the Board. The Executive Director will establish and administer procedures, which are consistent with policies and directives adopted by the Board.
- (f) Except as directed by the Board, the Executive Director may delegate duties assigned to the Executive Director to members of the Staff.

7.2 Staff of the Society

- (a) Staff includes all persons employed by, or under paid contract to, the Society including local chapters authorized by the Board. The number and functions of the Staff are determined solely by the Board.
- (b) Members of the Staff may be full-time or temporary employees of the Society or may be persons with whom the Society has contracted for specific functions or duties.
- (c) Members of the Staff may be assigned duties and responsibilities with respect to affiliated entities in accordance with policies adopted by the Board.

ARTICLE 8
FINANCIAL

8.1 Fiscal Year

The fiscal year of the Society is the twelve-month period ending December 31 of each calendar year, unless otherwise designated by the Board.

8.2 Bank Accounts

The Society may have such bank accounts as the Board authorizes from time to time. The President has authority, subject to revocation by the Board, to establish additional bank accounts for the Society. All such accounts are subject to withdrawal on the signature of any one of the President, the President-elect, or the Treasurer. The Treasurer with the written approval of the President in each case has authority to establish a bank account for receipts and disbursements in connection with regional or seasonal meetings but not for deposit of general funds of the Society, such account to be subject to withdrawal on the signature of the Treasurer or such other person or persons as the President designates. The Board may establish additional delegations to authorize payment of bills and invoices of the Society and to require more than one authorized signature for a bank account withdrawal above a designated amount. All persons authorized to withdraw from an account must be bonded for amounts determined by the Board, and the cost thereof will be borne by the Society.

8.3 Audit

An annual audit of the Society's financial books and accounts must be performed by an independent auditor who will report the results of such audit to the Board after review of such audit by the Finance and Audit Committee.

ARTICLE 9
STATEMENTS OF PUBLIC POSITIONS

9.1 Any proposal for expressing or advocating a position of the Society on a legislative, administrative, or legal matter may be adopted by the Board at a meeting at which at least two-thirds of the Board (including vacancies) are present and vote in favor of the proposal, or by unanimous written consent of the Board if adopted without a meeting; except that if the Executive Committee determines that interests of the Society would be served by promptly expressing a position in a legislative, administrative, or legal matter, and prompt action cannot be taken by the Board due to existing time restraints, the Executive Committee has full power to act

in the place of the Board to approve such position by unanimous vote of the Executive Committee (which vote may be taken through individual electronic communications without a meeting of the Executive Committee).

9.2 In the discretion of the Board if circumstances permit, in advance of a Board vote on a proposal considered in Section 9.1, the Board will inform, and solicit comments from, the Members concerning the proposal.

9.3 No position on a legislative or legal matter may be expressed as the position of the Society after the expiration of three years following adoption of a position in accordance with Article 9.1 unless a proposal thereof is again adopted in accordance with Article 9.1 or 9.2.

9.4 Upon a majority vote of the Executive Committee (which vote may be taken through individual electronic communications without a meeting of the Executive Committee), the Society may express an opinion in response to a current legal decision or event, which is consistent with prior positions adopted by the Board and which does not advocate a position regarding a future legislative or legal matter.

ARTICLE 10

MEETINGS OF THE SOCIETY

10.1 The Society will hold the Annual Meeting during September or October in each fiscal year, unless otherwise designated by the Board.

10.2 To further the purposes of the Society, additional regional, seasonal, or chapter meetings may be held for the benefit of the Members in accordance with policies established by the Board.

10.3 For each Annual Meeting and each regional or seasonal meeting, each designated Meeting Committee will establish a financial plan, which must be reviewed and approved by the Finance and Audit Committee.

ARTICLE 11

COMMUNICATIONS AND WAIVER OF NOTICE

11.1 Written communications or notices required or authorized by these bylaws may be provided through electronic means, unless otherwise required by the Board.

11.2 Whenever notice of any meeting or action is required to be given under the provisions of the laws of the State of New York or under the provisions of the certificate of incorporation or bylaws of the Society, waiver thereof in writing, signed by the person or persons entitled to

receive such notice, whether before or after the time fixed for such meeting or action, is deemed equivalent to the required notice.

ARTICLE 12

RULES OF CONDUCT FOR MEMBERS

12.1 The Rules of Conduct for Members (“Rules of Conduct”) adopted by the Society, as amended from time to time, are binding on all Members and Associates.

12.2 Membership applications for Members or Associates must contain an agreement by the applicant to abide by such Rules of Conduct and an acknowledgement that violation thereof constitutes cause for expulsion from membership or other disciplinary action.

12.3 Revisions to the Rules of Conduct are made in the same manner as amendment of these bylaws.

ARTICLE 13

DISSOLUTION

13.1 If the Society dissolves, the Board must distribute the remaining assets of the Society to a charitable or educational institution selected by the Board in its discretion.

ARTICLE 14

AMENDMENTS

14.1 Amendments to these bylaws are made by a two-thirds vote of the Members voting, in person or by written proxy, at an Annual Meeting of the Society in accordance with Article 4.4; provided, that, such proposed amendment or the substance thereof must have been presented to the Board at least sixty (60) days prior to such Annual Meeting, and that written notice of such proposed amendment must have been given to the entire membership at least thirty (30) days prior to such Annual Meeting.

ARTICLE 15

INDEMNIFICATION

15.1 The Society must indemnify all Officers and Trustees of the Society as identified under Article 5 and further must indemnify the Counsel, all chairs of committees including special committees appointed in accordance with the bylaws and any employee required to act for the Society, for acts within their respective authorities, to the full extent permitted by the not-for-profit corporation law of the State of New York. Any question as to whether a person is eligible for indemnification in a specific matter, as having met in the circumstances the applicable

standard of conduct set forth in the law, will be determined either by a special committee of at least three (3) Officers or Trustees who are not parties to the matter and who are appointed by the Board, or in a written opinion by an independent legal counsel who is designated by the Board. The Society must carry sufficient insurance to cover reasonable risks undertaken as a result of such indemnities.