

~~Proposed Revised Version: 7/9/10~~

NORTH AMERICAN FLYBALL ASSOCIATION, INC.®

BYLAWS

These Bylaws govern the affairs of the North American Flyball Association®, a nonprofit corporation organized under the Michigan Nonprofit Corporation Act (the "Act").

ARTICLE I

OFFICES

The principal office of the Corporation shall be located at 1333 W. Devon Avenue, Box 512, Chicago, Illinois 60660, or such other place as the Board of Directors may determine. The Corporation may have such other offices, either within the State of Illinois or elsewhere, as the Board of Directors may determine or the business of the Corporation may require. The Board of Directors may change the location of any office of the Corporation.

ARTICLE II

PURPOSE

The purpose for which NAFA® was formed is to promulgate rules for amateur Flyball competition, to train and approve judges, to sanction amateur Flyball tournaments, to promote interest in the sport of Flyball, to encourage national and international amateur Flyball competition and to recognize excellence. The Corporation is a nonprofit, qualified amateur sports organization.

ARTICLE III

MEMBERSHIP

The Corporation will have no members.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Powers. The business of the Corporation shall be managed by and under the direction of the Board of Directors, which may exercise all powers of the Corporation and do all such lawful acts and things not prohibited by statute or by the Articles of Incorporation or these Bylaws. In addition to the authority conferred by other provisions of the Bylaws, the Board of Directors may promulgate such rules, regulations and orders as they deem appropriate to carry out the provisions of the Bylaws or any other laws applicable to the activities of the Corporation.

Section 2. Number. The number of voting members of the Board of Directors shall consist of no fewer than nine (9) nor more than fifteen (15), unless pursuant to the Act and in accordance with these Bylaws such number is increased or decreased by amendment to these Bylaws. In no event, however, shall the number of Directors be

less than three (3) and no decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director.

Section 3. Eligibility. Directors shall meet the following eligibility requirements: (i) be an individual who subscribes to the purposes and goals of the Corporation, (ii) receive no compensation or honoraria from the Corporation for their Board duties except reimbursement for reasonable expenses as set forth in ~~corporate policies~~Corporate Policies and ~~procedures~~Procedures, (iii) not be related to nor living with another ~~director~~Director, (iv) be in compliance with the NAFA® Conflict of Interest Policy stated in Chapter 9 of the Corporate Policies and Procedures, (v) be an individual who has not immediately prior to his ~~or her~~ election served two full consecutive terms on the Board of Directors as provided in Sections 5 and 6 of this Article II; and (vi) shall be in good standing with the Corporation. Good standing shall be defined as current in all financial obligations to the Corporation and not currently under any disciplinary action (probation, suspension, etc.).

Section 4. Election of Directors. Except as expressly provided otherwise in these Bylaws, Directors and the Executive Director shall be elected for three-year terms by ~~delegates acting~~delegate vote under Article VII. Nominations for vacant or vacating positions must be received by the Nominating Committee no later than 11:59 PM Central Daylight Time on July 31. The Nominating Committee shall distribute a slate of qualified candidates for Directors and, when applicable, for the Executive Director at least sixty (60) days prior to the Annual General Meeting. The slate of nominated candidates shall appear on the NAFA® web page or shall be mailed to the ~~registered clubs' delegates~~delegate vote holders separately. ~~Delegates~~ Delegate vote holders shall be entitled, but not required, to cast as many votes for Directors as there are positions to be filled times the number of delegate votes held, but may cast no more than the number of delegate votes held for any single candidate. The candidate(s) for each office receiving the most eligible votes shall be deemed elected. Ballots will be counted at or before the Annual General Meeting by the Election Committee, or by an independent individual or organization retained by the Board of Directors to tabulate the ballots. If there is a tie in the vote for the position of Executive Director or in the vote for the last position on the Board of Directors to be filled, there shall be a runoff election between the tied candidates.

Section 5. Term of Office. Unless elected to fill a vacancy, each Director shall be elected to a three-~~(3)~~ year term. Terms of office shall be staggered so that approximately one third (1/3) of the board members' terms will expire each year. No member of the Board of Directors may serve for more than two (2) full consecutive terms of office. Newly elected Directors shall commence their term of office at the conclusion of the Board meeting in which they are elected or confirmed, and terms will expire at the end of the meeting of the Board of Directors in the third year of the term at which the election of their successors is confirmed.

Section 6. Vacancies. Vacancies occurring as a result of the resignation, death or removal of a Director, or the expansion of the size of the Board, may be filled by nomination by the Chairperson followed by election by the Board. Any Director chosen

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to fill a vacancy in mid-term shall serve the remaining term of office for the directorship so filled. Any Director who fills a vacated position and serves for two years or greater, shall be considered to have served a full term for purposes of election eligibility.

Section 7. Annual Meeting. The annual meeting of the Board of Directors shall be held within the period between December first and January thirty-first inclusive at such time and place as shall be determined by the Board of Directors. At the annual meeting, the Board of Directors shall elect officers (other than the Executive Director) and conduct such other business as shall come before the meeting.

Section 8. Regular Meetings. The Chairperson of the Board may designate a time and specific location for regular meetings of the Board of Directors. The Chairperson shall preside over all Regular Meetings of the Board of Directors.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the Chairperson of the Board, any two (2) officers, or any three (3) Directors. Such meeting shall be held on such date and at such time and place and for such purposes as shall be designated in the notice of the meeting by the person or persons calling the meeting. At a special meeting, the Board of Directors shall conduct only the business specified in the notice of the meeting.

Section 10. Open Meetings. Subject to Section 13 of this Article IV, meetings of the Board of Directors shall be open.

Section 11. Notice: Waiver of Notice. Written notice of the time and place of all regular, special, and annual meetings of the Board of Directors and of the purposes of special meetings shall be given to each ~~director~~Director at least five (5) days before the date of the meeting, either personally or by sending such notice by mail or electronic transmission to each ~~director~~Director at the address designated by the ~~director~~Director for such purposes, or if none is designated, at the ~~director's~~Director's last known address. Notice of any meeting of the Board of Directors may be waived in writing before or after the meeting. Attendance at a meeting constitutes waiver of notice of the meeting.

Section 12. Quorum and Vote at Meetings. At any meeting of the Board of Directors, a majority of the Directors in office shall be necessary to constitute a quorum for the transaction of business. A majority of the votes cast at a meeting of the Board of Directors, duly called and at which a quorum is present, shall be sufficient to take and authorize action upon any matter which may properly come before the meeting, unless the concurrence of a greater proportion is required for such action by statute, the Articles of Incorporation or these Bylaws. Notwithstanding the preceding, the Executive Director may, in his ~~or her~~ discretion, require the vote of at least three quarters (3/4) of the Directors in office to take or to authorize particular actions coming before the Board of Directors, except amendment of these Bylaws as provided in Article IX. The Executive Director shall exercise the authority to require such a vote on any particular action at any meeting at which he ~~or she~~ is present or by written notice given to the Chairperson by mail or electronic transmission at least three (3) days in advance of the

meeting. If, at any meeting of the Board of Directors, there shall be less than a quorum present, a majority of those present may adjourn the meeting without further notice, until a quorum shall be present. Subsequently, at any adjourned meeting at which a quorum shall become present, any business may then be transacted at the meeting as originally notified. [Directors may not vote by proxy.](#)

Section 13. Executive Session. The Board of Directors may adjourn to executive session at any time it deems in its discretion necessary or appropriate for the benefit of the organization. At the direction of the Chairperson of the Board, or upon the request of any two (2) Directors, a matter shall be discussed in executive session. Executive session shall be restricted to members of the Board of Directors, the Executive Director and any other such persons invited by the Chairperson. Failure to maintain the confidentiality of any executive session of the Board of Directors constitutes cause for removal of a ~~director~~[Director](#).

Section 14. Telephone Meetings. Members of the Board of Directors or any ~~committee~~[Committee](#) designated by the Board may participate in a meeting of such Board or ~~committee~~[Committee](#) by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, [with the advance approval of the Chairperson of the Board or Committee.](#) Participation in a meeting pursuant to this Section shall constitute presence in person at such meetings and a waiver of notice of the meeting.

Section 15. Action by Unanimous Consent. Any action required or permitted to be taken at any meeting of the Board of Directors or of any ~~committee~~[Committee](#) thereof may be taken without a meeting if a written consent, setting forth the action so taken, is approved in writing by all the members of the Board of Directors or the ~~committee~~[Committee](#), as the case may be, and such written consent shall have the same force and effect as a unanimous vote at a meeting of the Board of Directors or the ~~committee~~[Committee](#). A consent may be delivered by electronic transmission to the ~~corporation~~[Secretary of the Corporation](#) or to the Chairperson and shall be effective upon receipt.

Section 16. Resignation and Removal of Directors. Any ~~director~~[Director](#) may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein or, if no time is specified, at the time of its receipt by the Chairperson or Secretary. Directors may be removed with or without cause at any meeting of the Board of Directors duly called and at which a quorum is present, by the affirmative vote of two-thirds of the Directors then in office. Absence from more than one-third (1/3) of the meetings of the Board of Directors in any year constitutes cause for the removal of a ~~director~~[Director](#).

Section 17. Compensation and Reimbursement. No member of the Board of Directors shall receive compensation for their Board duties except reimbursement for reasonable expenses by the Board as set forth by ~~corporate policies~~[Corporate Policies](#) and ~~procedures~~[Procedures](#).

Section 18. Minutes. The Board of Directors shall keep minutes of all meetings of the Board of Directors and the proceedings thereof. The Board of Directors shall take appropriate action to cause the approved minutes of such meetings to be delivered upon receipt of written request for such minutes to the Secretary.

Section 19. Conduct of Meetings. Meetings of the Board of Directors and of ~~committees~~Committees will be run substantially in accordance with Robert's Rules of Order, but the failure to comply with Robert's Rules of Order shall not invalidate any action otherwise duly taken. If the meeting is being tape recorded, speakers shall state their names before addressing the Chairperson. There shall be a policy of no smoking during all meetings.

ARTICLE V

COMMITTEES OF DIRECTORS

Section 1. Committees. In addition to the standing committees designated in this Article V (the "Standing Committees"), the Board of Directors may, by resolution, designate one (1) or more ~~committees~~Committees of the Board which shall have such powers and duties as the Board of Directors may determine from time to time. Except as otherwise provided by statute, the Standing Committees shall have the powers and authority designated in this Article V and such additional powers and duties as the Board of Directors may determine from time to time. Each Standing Committee other than the Nominating Committee and each other ~~committee~~Committee shall include at least one (1) ~~director~~Director. No ~~committee~~Committee of the Board of Directors shall have the power to amend the Articles of Incorporation or the Bylaws of the Corporation. Non-directors may be appointed to the membership of ~~committees~~Committees other than the Executive Committee and the Disciplinary Committee. The Chairperson of the Board shall appoint the ~~committees~~Committees with approval of the Board of Directors and serve as a voting member of all ~~committees, Committees,~~ except the Nominating Committee and, in a year in which the Chairperson is a candidate, the Elections Committee. The Executive Director shall be privileged to attend and to participate without a vote in the meetings of all ~~committees~~Committees of which he ~~or she~~ is not otherwise a member.

Section 2. Standing Committees. Each member of the Board of Directors shall serve in some capacity on a Standing Committee. The Standing Committees of the Board of Directors shall be as follows:

(a) Executive Committee. The Executive Committee shall consist of the Chairperson of the Board, Vice Chairperson, Secretary, and Treasurer. The Executive Committee shall have and may exercise any and all power and authority of the Board of Directors in the management of the business affairs of the Corporation (within the limits provided by law) when the Board is not in session, except over matters specifically retained by the Board by resolution or in these Bylaws.

(b) Finance Committee. The Finance Committee shall consist of the Vice Chairperson, the Treasurer and other appointees. The Vice ~~President Chairperson~~ and Treasurer of the Corporation shall co-chair the Finance Committee. The Finance Committee shall have the power and authority to seek all possible funding sources for the Corporation; to review and recommend to the Board of Directors the engagement of the independent accounting firm; to review with independent accountants the fee, scope and timing of the services; to review with the independent accountants, upon completion of any annual review or audit, significant accounting adjustments, recommendations for improving internal controls and all other significant findings made during an audit or review; to meet periodically with the Corporation's management and accountants to discuss internal accounting and financial controls; to review and make recommendations on material contracts to which the Corporation is a party; to initiate and supervise any special investigation it deems necessary; to consult with the Corporation's management regarding, and to periodically review, the financial condition of the Corporation; and, if requested to do so by the Board of Directors, to work with the Executive Director and other Standing Committees to compile the annual budget of the Corporation for approval by the Board.

(c) Nominating Committee. The Nominating Committee shall not include members of the Board of Directors, candidates for office, or members of their - households. The Chairperson of the Board shall appoint the Nominating Committee and its chairperson ~~from those individuals who currently hold one or more delegate votes~~. The Nominating Committee shall have the power, authority and duty to notify the delegate vote holders of the ability to submit nominations, as appropriate, to fill Director positions; to provide a slate to fill vacating Director positions to the Board -at least sixty (60) days prior to the Annual General Meeting; and to provide to the Board of Directors recommendations of names of people qualified to fill untimely vacancies on the Board of Directors. The Nominating Committee shall include in the slates of nominees to be presented for election to the Board of Directors and as Executive Director all individuals recommended by delegates that meet the eligibility requirements in Section 3 of Article IV.

(d) Rules Committee. The Rules Committee is charged with the upkeep, improvement and interpretation of the Bylaws, the Rules of Racing, and the Corporate Policies and Procedures. At least one Supervising Head Judge shall serve on the Rules Committee. All changes ~~in the recommended by the Rules Committee to the Bylaws, the Rules of Racing, or the Corporate Policies and Procedures~~ must be approved by the Board of Directors ~~as provided in Article IX. Any changes to the rules and regulations must be approved by the Board of Directors, and which may also, in its discretion, submit matters that affect the Rules of Racing or other matters as appropriate to the extent delegate vote as~~ provided in Section 45 of Article VII, ~~by the delegates~~.

(e) Judges Committee. The Judges Committee shall develop and maintain a program for the training of judges and other individuals seeking information about the sport. This Committee shall oversee the planning of NAFA® sponsored educational seminars and workshops for the purpose of advancing the sport in areas where

information is needed. This ~~committee~~Committee shall also oversee the development of new NAFA® approved judges and recommend their approval.

(f) Marketing Committee. The Marketing Committee is charged with responsibility for publicity, promotion, advertising, opportunity development, public relations and developing all promotional materials.

(g) Election Committee. The Election Committee shall consist of at least three (3) persons of which at least two (2) shall be persons in good standing, holding no office within the Corporation and only one (1) shall be a current Board member not up for election. Individuals who are current candidates for election or re-election to the Board of Directors or Executive Director shall not serve on the Election Committee. The Election Committee shall receive completed ballots at or before the beginning of the Annual General Meeting and shall be responsible for verifying that all returned ballots are authentic and tallying the results (or for assisting the independent individual or organization retained by the Board of Directors in doing so) and reporting the results to the presiding officer of the Annual General Meeting. The Election Committee ~~shall see that all returned~~ may dispose of the ballots ~~are authentic and shall destroy the ballots,~~ after ~~reporting it has reported~~ the results, ~~at of the adjournment of election and~~ the Annual General Meeting has been adjourned.

(h) Disciplinary Committee. The Disciplinary Committee shall consist of at least three (3) members and shall consist solely of Board members. The ~~committee~~Committee will consider all charges brought forward to the Board, gather information and consult all parties in the dispute and investigate the charges. The Committee will make a formal recommendation to the Board on actions for this dispute as well as recommendations to the Executive Director regarding any immediate action required.

Section 3. Tenure. Subject to the provisions of Section 7 and 8 of this Article V, each member of any Standing Committee or any other ~~committee~~Committee shall hold office until his successor is designated by the Board of Directors. The Chairperson of the Board shall appoint the chairpersons of each ~~committee~~Committee, unless otherwise specified in these Bylaws.

Section 4. Meeting and Notices. Regular meetings of ~~committees~~Committees of the Board of Directors may be held without notice at such times and places as such ~~committees~~Committees may determine by resolution or by written notice from the Chairperson of the Board or the Chairperson of the ~~committee~~Committee at least seven (7) days in advance of the meeting. Special meetings of ~~committees~~Committees may be called by any member thereof upon not less than twenty-four (24) hours advance notice to each member of that ~~committee~~Committee stating the place, date and hour of the meeting, which notice shall be given in the manner provided in Section 11 of Article IV hereof. Any member of a ~~committee~~Committee may waive notice of any meeting thereof, either before or after the meeting, by signing a waiver of notice that shall be filed with the records of such meeting, or by attendance at such meetings.

Section 5. Quorum. A majority of the members of a ~~committee~~Committee shall constitute a quorum for the transaction of business at any meeting thereof. The vote of a majority of the members of a ~~committee~~Committee present at a meeting at which a quorum is present shall constitute action of the ~~committee~~Committee.

Section 6. Action By Unanimous Consent and Telephone Meetings. Sections 14 and 15 of Article IV are hereby incorporated by reference into this Article V, and their provisions shall apply to all ~~committees~~Committees and members of the ~~committees~~Committees to the same extent that they apply to the Board of Directors and all Directors.

Section 7. Removal and Resignations. Any member of any ~~committee~~Committee may be removed at any time with or without cause by resolution adopted by a majority of the Directors then in office. Any member of a ~~committee~~Committee may resign from the ~~committee~~Committee at any time by giving written notice to the Chairperson of the Board of Directors or the Secretary of the Corporation. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof.

Section 8. Vacancies. Any vacancy occurring on any of the ~~committees~~Committees of the Directors shall be filled by appointment of the Chairperson of the Board and ratified by the Board of Directors.

Section 9. Reports. The Chairperson of each Standing Committee or other ~~committee~~Committee established by the Board of Directors shall report any actions taken or recommendations by the ~~committee~~Committee to the Board of Directors at the next regular or annual meeting thereof held after the ~~committee~~Committee action or meeting. The ~~secretary~~Secretary of the Corporation shall record the reports by ~~committee~~Committee chairpersons in the ~~corporation's~~Corporation's minutes.

ARTICLE VI

OFFICERS

Section 1. Positions. The officers of the Corporation shall be the Chairperson of the Board, the Executive Director, the Vice-Chairperson, the Secretary and the Treasurer, who shall exercise such powers and perform such duties as shall be determined in accordance with these Bylaws or by the Board. No person shall hold more than one office of the Corporation. The Chairperson, Vice-Chairperson, Secretary and Treasurer shall be elected by the Board of Directors from among its members. Newly elected officers (other than the Executive Director) shall commence their term of office at the conclusion of the Board meeting in which they are elected. The Executive Director shall be elected by ~~the delegates~~delegate vote as provided in Section 4 of Article IV.

Section 2. Election, Term of Office and Vacancies. Each officer of the ~~corporation~~Corporation other than the Executive Director shall be elected annually by vote of a majority of the members of the Board of Directors then in office and shall serve for one (1) year or until his successor shall have been duly elected and qualified, or until

his death, resignation or removal from office in accordance with these Bylaws. The Executive Director shall serve for a three (3) year term. Vacancies in the positions of officers may be filled by vote of a majority of the members of the Board of Directors then in office. Officers elected to fill vacancies shall serve the remainder of the terms of their predecessor, except that the Board of Directors may provide for the election of an Executive Director by the delegates in conjunction with a Board election held prior to the expiration of term of the former Executive Director. An Executive Director selected in such an election shall serve for a three (3) year term (and not for remaining portion of the term that became vacant).

Section 3. Chairperson of the Board. The Chairperson of the Board shall preside at and set the agenda for meetings of the Board of Directors, shall act as the chief executive officer of the Corporation, shall appoint Committee Chairpersons and members and Special Project Leaders as needed, and shall exercise and perform such other powers and duties as may be assigned by the Board of Directors or by the Bylaws. The Chairperson shall carry into effect all orders and resolutions of the Board subject to the right of the Board by resolution to delegate any specific powers to any other officer, ~~director~~Director or agent of the Corporation and, to the extent required by applicable law, shall be considered to be the President of the Corporation. The Chairperson shall, on behalf of the Corporation, as authorized by the Board, execute all deeds, notes, bonds, mortgages, contracts and other instruments in writing.

Section 4. Executive Director. The Executive Director shall report to the Board of Directors. The Executive Director shall be the chief operating officer of the Corporation, and shall, subject to the direction of the Board of Directors, generally supervise, direct and control the business of the Corporation and shall have the responsibility for the day-to-day management of the business and affairs of the Corporation. The Executive Director shall attend meetings of the Board of Directors and shall make periodic reports to the Board of Directors and, as provided in Section 12 of Article IV, may require a vote of three-quarters (3/4) of the ~~directors~~Directors for actions of the Board of Directors. The Executive Director shall appoint Regional ~~Directors~~ and other staff as necessary for the day-to-day operation of the ~~corporation~~Corporation. The Executive Director shall preside over the Annual General Meeting.

The Executive Director shall implement decisions of the Board of Directors and shall act, subject to the Board's authority and guidance, to enforce NAFA® policy, ~~rules and regulations~~Rules of Racing and Corporate Policies and Procedures. The Executive Director may, subject to the Board's approval, delegate portions of these responsibilities to qualified individuals within NAFA® ~~for the purposes of enforcing NAFA® policies, rules and regulations.~~®. The Executive Director may, from time to time, require special projects to be led or staffed. At the Executive Director's request, the Chairperson will appoint Special Project Leaders, teams and/or ~~committee~~Committee members.

The Executive Director has the power to suspend or place on probation individuals or Clubs from all NAFA benefits and privileges for infraction of NAFA® ~~policies, rules or regulations~~Rules of Racing or Corporate Policies and Procedures

subject to ratification by the Board of Directors at its next regular or annual meeting. This power is non-delegable.

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Section 5. Vice-Chairperson. The Vice-Chairperson shall preside over meetings in the absence of the Chairperson and shall have such duties as may be given by the Board of Directors from time to time. The Vice Chairperson shall serve as the Co-chairperson of the Finance Committee.

Section 6. Secretary. The Secretary or, in the event of the Secretary's inability or refusal to act, a duly appointed Assistant Secretary shall attend all meetings of the Board of Directors, and shall record, or cause to be recorded, all the proceedings of the meetings of the Board of Directors in a book to be kept for that purpose, and shall archive reports or minutes provided by ~~committees~~Committees. The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the Executive Director. The Secretary shall maintain a current list of the Board of Directors detailing when each ~~director's~~Director's term expires. The Secretary shall have custody of the corporate seal of the Corporation, and the Secretary, or an Assistant Secretary, shall have authority to affix the same to any instrument requiring it, and when so affixed it may be attested by the signature of the Secretary or by the signature of the Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by such officer's signature. The Secretary or an Assistant Secretary may also attest all instruments signed by the officers of the Corporation.

Section 7. Treasurer. Subject to the direction of the Board of Directors, the Treasurer shall have general oversight responsibility for the financial affairs of the Corporation. The Treasurer shall serve on the Finance Committee as its Co-chairperson, have custody of the corporate funds and securities of the Corporation, and shall keep a full and accurate accounting of the receipts and disbursements and books belonging to the Corporation. The Treasurer shall deposit all monies and all other valuable assets delivered to him~~her~~ to the credit of the Corporation in such depositories as may be designated by the Board of Directors or the Finance Committee. The Treasurer shall see that appropriate signatory cards are executed and maintained as current and shall bring all papers needed to accomplish this to the ~~Annual Meeting~~annual meeting of the Board of Directors. The Treasurer shall render to the Board of Directors at the Board's regular meetings, or when the Board of Directors so requires, but not less than quarterly, an account of the financial condition of the Corporation, to include but not be limited to income statements, comparative income statements, balance sheets, accounts receivable, and accounts payable and shall call on and make available to the outside accounting firm retained by the Finance Committee as provided in Article V, ~~section~~Section 2(b) of these Bylaws such materials as may be requested by the Board, the Finance Committee or the outside accounting firm. The Treasurer shall perform such other duties and have such other powers as the Board of Directors may prescribe.

Section 8. Bond. The ~~corporation~~Corporation shall bond the Treasurer in such sum and with such surety as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the Treasurer. If required by the Board of Directors, any other officer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of that office and for the restoration to the Corporation, in case of their death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind, in their possession or under their control and belonging to the Corporation. Payment of the bond shall be by the Corporation.

Section 9. Authority for Expenditures. The Treasurer, the Executive Director, and the Chairpersons of the Board and the Finance Committee shall each have the authority, pursuant to his signature to approve and direct expenditures in accordance with the direction of the Board on behalf of and in the best interest of the Corporation. For expenditures in excess of \$5,000 the written approval of at least two of the above-named officers shall be required.

Section 10. Indemnification. The Corporation shall, to the greatest extent permitted from time to time by the laws of the State of Michigan, indemnify any person made, or threatened to be made, a party to an action, suit or proceeding (whether civil, criminal, administrative or investigative), whether such is an action by or in the right of the Corporation or otherwise, by reason of the fact that such person is or was a ~~director~~Director, officer, or member of a ~~committee~~Committee of the Corporation or, while serving as a ~~director~~Director, officer or member of a ~~committee~~Committee of the Corporation, serves or served any other enterprise at the request of the Corporation (all of such persons being sometimes referred to in this Article VI as a "Corporate Functionary"), against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding. The ~~corporation~~Corporation may also, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification to employees or agents of the ~~corporation~~Corporation and others to the fullest extent provided under the laws of the State of Michigan as they may be in effect from time to time.

Any indemnification under this Section shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Corporate Functionary or other person is proper in the circumstances because he ~~or she~~ has met the applicable standard of conduct. Such determination shall be made as provided by applicable law.

The rights of indemnification provided for in this Section shall be in addition to all rights to which any Corporate Functionary may be entitled under any agreement or as a matter of law or otherwise, and shall inure to the benefit of the Corporate Functionary's estate, heirs, executors and administrators. If this Section or any portion hereof shall be invalidated on any ground by a court of competent jurisdiction, the Corporation shall nevertheless indemnify each Corporate Functionary to the full extent permitted by any applicable portion of this Section that shall not have been invalidated.

The Corporation may purchase and maintain insurance on behalf of any Corporate Functionary against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Section.

ARTICLE VII

AFFILIATE CLUBS AND DELEGATES

Section 1. Local Organizations. There shall be local organizations which shall consist of Affiliate Clubs abiding by the policies and procedures of the Corporation approved by the Board of Directors. Affiliate Clubs must register with the ~~corporation~~Corporation and pay such fee as shall be established by the Board of Directors from time to time. An Affiliate Club may field any number of teams it desires. Such teams are not required to be individually registered with NAFA®. Each Affiliate Club must register with NAFA® a single individual or corporation (the "Club Owner") as the sole authority to correspond with NAFA® on their behalf. The Corporation shall recognize changes in the identity of the Club Owner representing a particular Affiliate Club only if it receives a written direction from the former Club Owner or a court order.

Section 2. Delegate Vote Calculations. Delegate votes are calculated based on the activities of the Affiliate Club or service by an individual during the preceding Racing Year. At the end of the Racing Year, NAFA® will notify the Club Owner of each Affiliate Club and each individual who provided service of the number of delegate votes earned that year. Delegate votes are determined as follows:-;

- (a) Affiliate Club ~~Delegates~~Delegate Votes. An Affiliate Club must compete in at least one (1) event during the preceding Racing Year to qualify for delegate votes. An Affiliate Club earns delegate votes by competing in or hosting tournaments according to the follow schedule: one (1) delegate vote for 4-5 team entries; two (2) delegate votes for 6-11 team entries; three (3) delegate votes for 12-17 team entries; four (4) delegate votes for 18-23 team entries; five (5) delegate votes for 24-29 team entries; and six (6) delegate votes for 30 team entries or more. One (1) delegate vote per Affiliate Club will be awarded for hosting each tournament. No Affiliate Club shall earn more than eight (8) delegate votes in total by team entries or tournament hosting.
- (b) Service Votes. An individual who serves as a NAFA® Board member, Regional Director, or an approved or supervising judge shall receive one (1) delegate vote for each form of service ~~he or she renders~~rendered, up to a total of three (3) delegate votes, over and above any delegate votes otherwise earned.
- (c) ~~The Club Owner of the Affiliate Club and individual providing service to NAFA of the number of delegate votes earned.~~Distribution of Delegate

Votes. The Board of Directors may, from time to time, adopt and modify rules or guidelines to provide for individual delegate votes awarded to Affiliate Clubs to be issued directly to the delegates named by the Club Owner but, absent such rule or provision, NAFA® shall distribute all delegate votes awarded to an Affiliate Club to the Club Owner. When multiple votes are awarded to a Club Owner or single individual, they may be voted separately or as a block.

Section 3. Rules Governing Delegate Voting. Delegate voting for ~~directors~~Directors and the Executive Director and on matters submitted to delegate vote by the Board of Directors shall be conducted by mail or by electronic transmission pursuant to policies and procedures approved from time to time by the Board of Directors. Such policies and procedures shall provide for notice to Club Owners of Affiliate Clubs and individuals of the number of delegate votes earned; and for validating and counting ballots either by the Election Committee or through such outside service as the Board may, in its discretion, retain for such purposes.

Section 4. Annual General Meeting. NAFA's Annual General Meeting- shall be held within the period between December 1st and January 31st inclusive at such time and place as determined by the Board of Directors. Written notice of the Annual General Meeting shall be given by mail or electronic transmission to ~~delegates~~delegate vote holders and ~~directors~~Directors of the Corporation at least thirty (30) days in advance of the meeting. The Executive Director shall preside at the ~~annual-general-meeting~~Annual General Meeting. In the absence of the Executive Director, the Chairperson shall preside. At the ~~annual~~Annual General Meeting, the results of the Board of Directors election and, when applicable, the results of the election for Executive Director, shall be announced.

Section 45. Delegate Action. The following shall be determined by delegate vote:

- a. The election of the members of the Board of Directors and Executive Director, as provided in Article IV, section 4 of these Bylaws;
- b. The election of dogs to the Hall of Fame or Regional MVP or such other recognition as may be provided for from time to time for dogs or individuals within NAFA®;
- ~~b-c.~~ Such proposed changes in the Rules of Racing, awards and other forms of recognition for performance in NAFA® racing events or service to the Corporation, and other matters affecting the conduct of events for approval as the Board may, in its discretion, choose to submit to either a binding or non-binding delegate ~~of the delegates~~. Binding approval by delegate ~~by the delegates~~ of changes in the Rules of Racing shall require the affirmative vote of two-thirds (2/3) of the valid votes cast. The Board of Directors may, however, in its discretion

approve changes in the Rules of Racing that have been approved by a majority, but less than two-thirds (2/3), of the valid delegate votes cast. A proposed change in the Rules of Racing that has been presented for a binding delegate vote and has not been approved by the delegates shall not be presented to the delegates again for at least three (3) years unless the Executive Director approves in writing.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Seal. The Board of Directors shall adopt a seal for the Corporation.

Section 2. Fiscal Year. The fiscal year of the Corporation shall commence on October 1 and end on September 30 of each year.

Section 3. Legal Construction. If any Bylaw provision is held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other provision and the Bylaws shall be construed as if the invalid, illegal or unenforceable provision had not been included in the Bylaws.

ARTICLE IX

AMENDMENTS TO BYLAWS

These Bylaws may be altered, changed, added to or amended at any regular or special meeting of the Board of Directors. Said alterations, changes, additions or amendments shall be passed upon by the vote of a majority of the members of the Board of Directors then in office.

The foregoing constitutes the Bylaws of the Corporation presented to and duly adopted by the Board of Directors on the ___ day of _____, 20__.

Secretary, North American
Flyball Association, Inc.

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