

BYLAWS OF THE AMERICAN EMU ASSOCIATION

ARTICLE 1

The Association

Section 1.1 Name: The name of the incorporated business as stated in the Articles of Incorporation is American Emu Association (the "Association").

Section 1.2 Liability: The liability for debts of the Association shall be limited to property of the Association.

Section 1.3 Powers: Without limiting the generality of any other provisions of these Bylaws (herein so called), the Association, acting by and through its Board of Directors (the "Board") is authorized to do all acts permitted by the Texas Non-Profit Corporation Act as the same shall be amended from time to time

- A. The Association, except to an insubstantial degree, shall not engage in any activities or exercise any powers that are not in furtherance of the purposes of the Association.
- B. Members, Officers, and the Board shall be bound by the laws of the United States, The State of Incorporation, Articles of Incorporation, and By-laws.
- C. The Association is recognized by the Internal Revenue Service as a not for profit trade Association classified as 501 (c) (5) tax exempt organization.

Section 1.4 Scope: The Association will collect, organize, disseminate, initiate and advance the information and research available concerning emu. The Association shall accept applications for affiliations from states and regions inside the United States provided they meet established criteria. The Association may consider application for affiliation from countries outside the United States provided they meet established criteria.

ARTICLE II

Objectives and Purposes

Section 2.1 Objectives and Purposes: The objectives and purposes of the Association are:

- A. To promote and encourage high standards, conduct and ethics by means of study, discussion, and education regarding the emu industry.
- B. To initiate and foster research and distribution of knowledge of the emu industry among the Membership, the general public, and to broaden public understanding of the emu industry.
- C. To initiate and foster, promote, maintain, and encourage the civic, social, and economic welfare of the emu industry and to support a system of free, competitive enterprise and individual acceptance of responsibility.
- D. To cooperate with federal, state, local, and international government authorities for the good of the community and the emu industry.
- E. To encourage laws, regulations and programs agreeable to developing a viable emu industry, both domestically and internationally, within the lawful regulation of state and federal statutes or guidelines.
- F. To acquire, preserve and disseminate data and available information relative to the functions and accomplishments of this Association and its Members.
- G. To cooperate with state, regional, and international associations with common interests in the welfare of emu, ratites, and the industry in general.
- H. To undertake such other functions consistent with the Bylaws that will advance the interest of the Association's Members.
- I. To cooperate with educational institutions and non-profit organizations concerned with related ratite matters of interest to the emu industry.
- J. To promote the common business interests of the Members of the Association and the industry.

ARTICLE III

Membership

Section 3.1 Classes of Membership:

- A. Voting member: The following classes of Memberships shall be entitled to one (1) vote per Membership provided dues are current and the Member meets established criteria and qualifications required by the Board and these Bylaws. Benefits of Membership, qualifications, and dues rates shall be determined by the Board of Directors and evaluated at least annually.
 - 1. General U.S. Member: A person who is actively raising, producing and/or selling the emu or emu products. A General U.S. Membership represented as a family, partnership, corporation or other legal entity, actively raising, producing, and/or selling emu or emu products shall designate its choice of 1 (one) voting representative on its membership application and shall give written notification to the Association of any change of the designated voting representative.
 - 2. Lifetime Member: This class of membership is no longer available; however, any member who has satisfied the requirement for designation as a Lifetime Member as of December 31, 1995, shall be entitled to all the privileges of voting Membership. Lifetime Membership does not include Membership to the State Affiliate. Membership services (excluding registration fees for conferences and conventions) shall continue for the individual's lifetime, until his resignation, revocation of membership, or until the demise of the Association, whichever occurs first.
 - 3. Certified Business Member: Business Member as defined from time to time by the Board of Directors shall be entitled to one vote per Certified Business. This vote will be in addition to the individual Membership as defined in Paragraphs 1 and 2, and does not include Membership to the State Affiliate. Each Certified Business shall designate an AEA member contact on its original membership application and shall give written notification to the Association of any change.
- B. Non-Voting Membership: The following classes of Membership are not entitled to vote or to hold an office of the Association, but are eligible for membership benefits and services after such Member meets established criteria and qualifications required by the Board and these Bylaws. Benefits of Membership, qualifications and dues rates shall be determined by the Board and evaluated at least annually.
 - 1. Affiliated Member: State or regional organizations sharing the objectives and purposes of the Association and meeting Membership affiliation criteria by completing an application, executing an affiliation agreement, and being approved by the Board. (See Article VII herein for governing criteria.)

2. **Contributing Member:** Persons, businesses, corporations, partnerships, or other entities who are interested can contribute to the Association after meeting the qualifications and paying dues determined by the Board. The Board may grant to such Members such benefits as is deemed appropriate. A Contributing Member may also be a General Member if it meets the additional requirements for General Member.
3. **Governmental Member:** Any individual associated with any governmental or regulatory agency may join the Association after meeting the qualifications and paying dues determined by the Board.
4. **Educator Member:** Any individual directly associated with an educational institution and interested in the study of ratites may join the Association by meeting the qualifications and paying dues determined by the Board.
5. **Youth and Student Member:** An individual under the age of 18 years or a full-time student may join by completing the appropriate application form, obtaining the countersignature of a Voting Member, and by meeting the qualifications and paying dues determined by the board.
6. **Honorary Member:** A person who is not actively engaged in the emu industry, but who has made significant contribution to the industry or Association, may be eligible for Honorary Membership, as determined by the board.
7. **General International Member:** A person or family who is active or planning to be active in raising, producing and/or selling the emu or emu products.

Section 3.2 Membership Procedure: Election to Membership in the Association shall be as follows:

- A. A completed Membership application indicating the correct Membership category shall be submitted to the Association. The application shall be accompanied by full dues payment fitting the appropriate category. Dues for Membership in the American Emu Association are included in Business Member fees, as designated from time to time by the Board of Directors and do not include fees for State Affiliate membership.
- B. The application will be processed in the manner and following such procedures as established and revised annually by the Board of Directors. Any questions as to the qualifications of an applicant in the category applied for will be addressed at the next meeting of the Board of Directors.

- C. Any member of the Association can submit in writing nominations of individuals, businesses, corporations, partnerships or other entities for Honorary Membership to the Association. The nomination will be submitted to the Board of Directors for final approval via their respective regional director. The Board will establish term of membership limits on an individual basis.

Section 3.3 Dues:

- A. The amount of dues for each category of Membership shall be established annually by the Board.
- B. Dues are payable with membership applications and annually thereafter.
- C. Membership is for one year, and begins on the first day of the month following receipt and approval of, the initial application.
- D. Renewals fall on the same month thereafter, and may be a one (1) year or a three (3) year renewal choice.
- E. Membership shall be revoked for non-payment of dues.

Section 3.4 Meetings:

- A. The Annual Meeting of the Members shall be held in conjunction with the Association's annual convention (or symposium), which shall be held at such place in the United States and at such time as may be specified by resolution of the Board and designated in the notice of the meeting.
- B. Special meetings of the Members may be called at any time by the Board or by written request to the Association from ten percent (10%) of the voting Membership.
 - 1. The meeting shall be called by the President and
 - 2. Notice shall be sent within fifteen (15) days after the request is made.
 - 3. Each special meeting shall be held at such time and place as may be specified by resolution of the Board and designated in the notice of the meeting.
 - 4. Notice of each special meeting shall describe the purpose of the meeting. No other business may be considered at such meeting.

Section 3.5 Notice of Meetings of Members: Except as otherwise provided by statute, written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting, stating the purpose for purposes of which the meeting is called, shall be delivered not less than twenty-one (21) nor more than sixty (60) days before the

date of the meeting, either personally or by mail, by or at the direction of the Secretary, to each Member of record entitled to vote at such meeting. Notices of any meeting may be waived by a writing filed by the Member entitled to such notice, and the presence of a Member in person or by proxy at any meeting of the Membership shall be deemed to be the equivalent of such waiver. Any item shall be considered at the Annual meeting of members if approved by the Board of Directors, or if submitted to the President in writing not less than ninety (90) days prior to such meeting, or by ten percent (10%) of the voting members.

Section 3.6 Quorum:

- A. At all meetings of the Members, the presence of members holding one tenth (1/10) of the votes entitled to be cast, represented either in person or by proxy, shall be a quorum for the transaction of business.
- B. The act of a majority of the Members present at any meeting at which there is a quorum shall be the act of the membership, except as may be otherwise specifically provided by statute, by the Articles of Incorporation or by these Bylaws.
- C. If a quorum shall not be present at any meeting of the Members, the chairman of the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 3.7 Voting:

- A. Each voting Member shall be entitled to one (1) vote upon each matter submitted to the vote at a meeting of members.
- B. A voting Member may designate, by written notice to the secretary, one person to act as its representative, or by proxy executed in writing by its representative, or its duly authorized attorney-in-fact. Proxy forms are available to the membership from AEA.

Section 3.8 Voting by Mail: The election of directors shall be conducted by mail vote. In such a mail vote, members holding one-tenth (1/10) of the votes entitled to be cast must cast a ballot to constitute a quorum.

Section 3.9 Disputes Between Members: The association shall not intervene, mediate, or otherwise attempt to resolve disputes between Members.

Section 3.10 Member Removal:

- A. A member failing to conform to the provisions of these bylaws or to commonly accepted ethical standards of conduct, where conduct is injurious to any member, the association and its purposes, or who creates negative or adverse

situations shall be dismissed as a member of AEA by the Board of Directors of the Association.

- B. A member terminated from the Association must wait a minimum of 12 months before consideration for affiliation or membership.

Section 3.11 Statutory Compliance: The American Emu Association shall comply with all Federal and State regulatory requirements.

Section 3.12 Member Privacy:

- A. Scope: The Association collects and maintains information from affiliates and members for communication, statistical and reporting purposes.
- B. Rules: Information collected, to include personal information, may not be used contrary to the Bylaws.
- C. Statutory Compliance: The Association will comply with Federal and State regulatory requirements concerning membership information and membership lists.

ARTICLE IV

Board of Directors

Section 4.1 Board of Directors:

- A. The board of Directors shall conduct the business and affairs of the Association.
- B. The Board of Directors may exercise all such power of the Association and do all such lawful acts as are not prohibited by Federal or State law, by the Articles of Incorporation, or Bylaws.

Section 4.2 Board Regions:

- A. The Board of Directors shall establish geographical regions within the Association for the election of Directors from those regions.
- B. The Board may change the regional boundaries no more than annually.

- C. The decision of the Board of Directors on such boundaries shall be conclusive on the matter.

Section 4.3 Number of Directors and Term of Office: The board of Directors shall consist of a Director (herein-called Directors) elected to represent each geographical region.

- A. A minimum of one (1) Director (s) shall be elected "at large" by popular vote of the entire voting membership of the Association for a term of two years.
- B. One Director shall be elected by popular vote of voting membership in each region for a term of two years.
- C. In the event that a Regional Director's position becomes vacant, the Board of Directors may appoint a member from that Region to fill the position.
- D. The term of said Regional Directors from odd numbered regions shall begin in odd numbered years. The term of Regional Directors from even numbered regions shall begin in even numbered years.
- E. Each Director shall serve until his or her term expires; his or her successor has been elected, or his or her death, resignation or removal.
- F. No Director shall serve more than three elected terms without a minimum one-year lapse of service as Director.
- G. Only voting class Members of the Association actively involved in the development of the Emu industry may be nominated or elected as a Member of the Board of Directors. A member may not be nominated for the AEA Board of Directors unless they have been a member of AEA for a minimum of one year.
- H. The Board of Directors shall have the discretion to determine criteria for a Member to be actively involved in the development of the Emu industry, for the purpose of the nominations and elections of Directors, and the decision of the Board of Directors on this issue shall be conclusive on the matter.
- I. No more than one person may serve as a member of the Board of Directors from any one immediate family (i.e., spouse, children, parents, and siblings), partnership, corporation, or other legal entity.
- J. The number of directors may be increased or decreased by the Board of Directors, but in no case shall the number of Directors be fewer than seven.
- K. No decrease in the number of Directors shall shorten the term of any incumbent Director.

Section 4.4 Nomination and Election of Directors: Nominations for Regional and At-Large Board positions may be made by the Nominating Committee, by the Board, or by petition signed by at least ten (10) voting class Members.

- A. Nominations for Regional Board positions may be made by (A) a Regional Nominating Committee if such a committee is established within a region or (B) by the Board of Directors of any Affiliate within the Region or by petition signed by at least ten (10) voting class Members within the applicable Region. The Regional Nominating Committee shall be made up of Members from Affiliates in that Region who shall be appointed by the Board of Directors.
- B. All Directors shall be elected by secret mail ballot, with members voting their preference from one or more candidates. Those candidates receiving a plurality of votes cast will be elected to office. The voting results shall be tabulated and verified by an independent committee or accounting firm approved by the Board.
- C. The call for nomination shall commence not later than 156 days prior to the Annual Meeting of Members, or such other date as determined by the Board, and nominations must be received in the offices of the Association, 60 days later.
- D. The Association shall cause a ballot for At Large and Regional Directors to be mailed to all Members entitled to vote. The deadline for mailing the ballots to Members shall be 75 days prior to the Annual Meeting of Members or such other date as determined by the Board.
- E. Unless otherwise provided by the Board of Directors, the ballot mailing date shall be the record date for determination of the voting Membership entitled to notice of and to vote in the mail ballot election. Such ballots shall be deemed to be mailed when deposited in the United States mail addressed to the Member at the Member's address as it appears on the records of the Association, with postage thereon paid.
- F. Only those ballots which are received from Membership in the offices of the Association on or before 30 days prior to the Annual Meeting of Members or such other date as determined by the board, will be counted and included in the final tally. The ballots shall be counted and results reported to the Chairman of the Nominating Committee not later than 25 days prior to the Annual Meeting of Members, or such other date as determined by the Board.
- G. The term of each director whose term is ending, shall officially conclude at the end of "old business" during the annual meeting of the board of directors prior to the annual meeting of the association,
- H. The term of a new director shall commence at the start of "new business" of the annual meeting of the board of directors prior to the annual meeting of the

association. (Old and New Business as reflected within the official agenda of the annual meeting of the board of directors.)

Section 4.5 Quorum of the Board of Directors:

- A. At all meetings of the Board, the presence of a majority of the Directors then in office shall be a quorum for the transaction of business and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by statute, by the Articles of Incorporation or by these Bylaws.
- B. If a quorum shall not be present at any meeting of the Board, the Directors present may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present.

Section 4.6 Meetings of the Board:

- A. A regular meeting of the Board of Directors shall be held at such time and place as the Board of Directors may prescribe.
- B. Special meetings may be called by the President, or at the request of five (5) Directors to the President, by notice mailed, faxed, delivered, telephoned or telegraphed to each member of the Board of Directors not less than seventy-two (72) hours before the meeting is held.

Section 4.7 Voting: Voting rights of a Director shall not be delegated to another, nor exercised by proxy.

Section 4.8 Meetings by Conference Telephone: Directors or members of any committee designated by the Board may participate in and hold a meeting by means of conference telephone, or similar communications equipment by which all persons participating in the meeting can communicate with each other.

Section 4.9 Unanimous Consent in Lieu of Meeting: Any action required or permitted to be taken at a meeting of the Board or any committee of the Board may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors of the Board or committee, as the case may be, and such unanimous consent shall have the same force and effect as a unanimous vote at a meeting.

Section 4.10 Removal of Directors:

- A. At Large Directors may be removed as a Director with or without cause by a vote of the Members of the Association, or the Board of Directors.

- B. Regional Directors may be removed as a Director with or without cause by a vote of the Members of the Association within the Region, which elected the Regional Director, or by the Board of Directors.
- C. Prior to any meeting at which the removal of a Director shall be considered, the Director in question shall be given notice of the meeting, and the reasons for such Director's proposed removal no less than twenty-one (21) nor more than sixty (60) days prior to such meeting.
- D. The meeting should otherwise be called or held in accordance with the provisions of these Bylaws. At any such Member meeting there must be a quorum and there must be a majority vote of those present in person or by proxy at such meeting necessary for the removal.
- E. At any Directors' meeting a two-thirds (2/3) vote of all persons then serving on the Board is necessary for removal.

Section 4.11 Absence: Any Director who shall have been unavailable via standard communication methods for a period of fourteen (14) consecutive days and/or absent without excuse from two (2) meetings of the Board of Directors during a single fiscal year shall automatically vacate the seat held on the Board of Directors and the vacancy shall be filled as provided in these Bylaws. However, the Board of Directors shall consider each absence of a Director as a separate circumstance and may expressly waive or excuse the absence if significant mitigating circumstances exist. Excuse of the absence shall require a majority vote of the Directors present at the next meeting of the Board of Directors at which a quorum is present.

Section 4.12 Vacancies: Other than as provided in the last sentence of the Section 4.12, any vacancy of the Board of Directors may be filled by a vote of the remaining Directors. A Director elected to fill a vacancy under this section 4.12 shall remain in office until the next annual Directors election, and such election shall be for the unexpired term, if any. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by the members.

Section 4.13 Compensation: No compensation shall be paid to any Director or Committee Member for performance of his or her duties as a Director or committee member, but a Director or Committee Member may, with prior approval of the Board of Directors, be reimbursed for out of pocket expenses incurred on behalf of the Association if supported by invoice.

Section 4.14 Executive Committee:

- A. The Board may designate an Executive Committee, which shall consist of the Officers of the Association, plus one other Director appointed by a majority of the Board.

- B. The Executive Committee may act in place and stead of the Board between Board meetings on urgent matters, except those specifically reserved to the Board by the Bylaws.
- C. The Executive Committee shall oversee the financial affairs of the Association with the recommendation of the Budget Committee.
- D. Actions of the Executive Committee shall constitute a quorum at any duly called meeting of the Executive Committee.
- E. The President shall call such meetings of the Executive Committee as the business of the Association may require, or a meeting shall be called by the President on request of at least three Members of the Executive Committee.
- F. Any vacancy occurring on the Executive Committee shall be filled by a majority vote of the Board.
- G. The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board.

Section 4.15 Other Committees:

- A. The President of the Association, with the concurrence of the Board of Directors, shall designate the following standing committees and may designate any other committee that the Board of Directors approves for the Association.
- B. The Board of Directors shall strive to make all committees representative of all Regions.
- C. Such committees may include persons who are not Directors.
- D. Such committees shall have such power and authority and shall perform such functions as may be provided in these Bylaws or by resolution of the Board.
- E. The President or designated officer shall appoint a chairperson from the members of the committee.
- F. Each committee may fix its own rules of procedure which shall not be inconsistent with the Bylaws.
- G. Each committee shall keep regular minutes of its proceedings and report the same to the Board when requested by the Board.
- H. The President shall monitor the standing committees, or other committees, if any, and shall, when necessary, recommend the Board the dissolution or consolidation of such committees.

- I. Each member of a committee may be removed, for or without cause, by the affirmative vote of the majority of the entire Board of Directors.
- J. The standing committees are as follows;
 - 1. Nominating Committee: The Nominating Committee shall consist of at least three (3) members. No Member of the Nominating Committee is eligible to be nominated for any position.
 - 2. Budget Committee: The Budget Committee shall consist of the Treasurer, who shall serve as chairman, and a minimum of two (2) voting class Members. The Budget Committee shall prepare recommendations for an annual budget of the Association for approval of the Board. The Budget Committee may perform such other duties in connection with finances, such as investment policies, as the Board may determine from time to time
 - 3. Bylaws Committee: The Bylaws Committee shall consist of at least three (3) voting members; and, shall make recommendations to the Board as to bylaw amendments and other concerns about the bylaws or any other matter the Board delegates to such Bylaws Committee.

ARTICLE V

Affiliate Council

INTENTIONALLY LEFT BLANK.

ARTICLE VI

Officers

Section 6.1 In General: The Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer. The Board may also elect additional Vice Presidents and such other Officers and agents as it shall deem necessary, who shall be appointed for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. No two offices may be held by the same person concurrently.

Section 6.2 Election:

- A. The Board shall elect the Officers of the Association at the Board Meeting immediately prior to the Annual Meeting of the Members.

- B. The election may be conducted by secret ballot if so requested by any member of the board.
- C. To be eligible to become an Officer, a person must be a Member of the Board.

Section 6.3 Term of Office and Removal:

- A. Each Officer of the Association shall hold office for a term of one (1) year or until his or her successor is duly elected and qualified.
- B. Any Officer or agent elected or appointed by the Board may be removed at any time with or without cause by the affirmative vote of a majority of the whole Board.
- C. If any office becomes vacant for any reason, the vacancy may be filled by the Board.

Section 6.4 Compensation

- A. No Compensation shall be paid to any Officer for the performance of his or her duties as an Officer, but an Officer may, with prior approval of the Board of Directors, be reimbursed for out of pocket expenses incurred on behalf of the Association if supported by invoice.
- B. Nothing herein shall prohibit the person who is also serving as an Officer to serve in some other paid position with the Association.
- C. The compensation of all Officers for some other paid positions, if any, shall be fixed by the Board; provided, however, that no salary shall be paid when to do so would jeopardize the status of the Association as a tax-exempt organization under federal or state law.

Section 6.5 President:

- A. The President shall be the chief executive officer of the Association.
- B. The President shall have the general powers and duties of supervision and management usually vested in the office of the president of a corporation, and, subject to the powers of the Board, he or she shall have general supervision, direction and control of the business of the Association.
- C. The President shall serve as Chairman of the Board of Directors and serve as chairman of the Executive Committee.
- D. The President shall preside at all meetings of the Members and Directors if present thereat.

- E. Except as the Board shall authorize the execution thereof in some other manner, the President shall execute bonds, mortgages, and other contracts on behalf of the Association, and shall cause the seal, if any, to be affixed to any instrument requiring it and when so affixed, the seal shall be attested by the signature of the Secretary.

Section 6.6 Vice President: The Vice President or Vice Presidents, if more than one, in the order of their seniority, unless otherwise determined by the Board, shall in the absence or disability of the President perform the duties and exercise the powers of the President. Each Vice President shall have such powers and perform such duties as the Board may from time to time prescribe, or as the President may from time to time delegate to him or her.

Section 6.7 Secretary:

- A. The Secretary shall see to the proper recording of meetings of the Board, its committees and the Members, and shall record all votes and the minutes of such proceedings in a book to be kept for that purpose.
- B. The Secretary shall give, or cause to be given, notice of all meetings of the Board and the Members and shall perform such other duties as may be prescribed by the Board or the President, under whose supervision he or she shall be.
- C. The Secretary shall keep in safe custody the seal of the Association, if any, and, when authorized by the Board, affix the same to any instrument requiring it.
- D. The Secretary shall furnish such bonds, at the expense of the Association, as the Board may determine.

Section 6.8 Treasurer

- A. The Treasurer shall have custody of the Associations funds and securities and shall keep full and accurate accounts of receipts and disbursements of the Association and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board.
- B. The Treasurer shall disburse the funds of the Association as may be ordered by the Board, he/she shall take proper vouchers for such disbursements, and shall render to the President and the Board, at the regular meetings of the Board or whenever they may require it, an account of all his or her transactions as Treasurer and of the financial condition of the Association, and shall perform such other duties as the Board may prescribe.

- C. At the end of the fiscal year, the Treasurer shall prepare an annual report, which shall reflect an audit, if any.
- D. Unless otherwise instructed by the board of directors at the expiration of his or her term of office, the Treasurer shall deliver to his or her successor all books, money and other Association property in his or her charge, or in the absence of a successor, he or she shall deliver such properties to the President. A reasonable time frame to complete the transition shall be determined by the board of directors. The outgoing treasurer, or a board appointee, will act as interim treasurer and oversee the smooth transfer to the new treasurer.
- E. Duties of the Treasurer, including the maintaining of corporate sponsorship records, may be specified by the Board, and may be delegated or assigned to an employed staff.

Section 6.9 Bonding: Each Officer, required by the Board to do so, shall be bonded in such form, in such sum, and with such surety or sureties, as shall be satisfactory to the Board, for the faithful performance of the duties of his or her office and for the restoration to the Association in case of his or her death, resignation, retirement, or removal from office, all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Association.

ARTICLE VII

Affiliation Agreements

Section 7.1 Affiliation Applications: The Board shall have the power to approve applications for affiliation with the Association. Applications for affiliation with the Association shall be completed and filed with the Association offices and presented at the next Board meeting.

Section 7.2 Scope of Affiliation: Organizations that are eligible for affiliation with the Association are statewide Associations and regional Associations which agree to subscribe, support and cooperate with the purposes and objectives outlined in these Bylaws and agree to subscribe, support and cooperate with any other requirement of the Board of Directors.

Section 7.3 Minimum Requirements: As a condition of continuing affiliation with the Association, statewide Associations and regional Associations applying and receiving recognition as affiliated Associations ("Affiliates") agree to maintain 100% of their voting Members as dues paying Members of the Association. Each Affiliate also agrees to supply the Association with a complete Membership list of its organization by Sept. 1, of each year. Affiliates agree to adhere to these Bylaws, and the policies and procedures of

the Association as contained in the policies and procedures manual published by the Association. Any action taken by the Board to revoke, suspend or otherwise sanction an Affiliate shall be governed by the written Affiliation Agreement with that Affiliate. An Affiliate may withdraw its affiliation with the Association by given written notice to the Board. Annual renewal of affiliation agreements is automatic.

Section 7.4 Tax Procedures:

- A. Affiliates must either be incorporated and apply for IRS non-profit exemption status, or provide such documents to the Association as necessary to show its non-profit eligibility. Each Affiliate will be responsible for its own state and national tax returns. The Association shall not assume any responsibility for late filing or tax delinquencies of Affiliates.
- B. Affiliates may request to be included under AEA's general non-profit exemption.

Section 7.5 Service to Affiliates/Status: The Association will agree to provide Membership services to its Affiliates as determined and defined by the Board in the Affiliation Agreement by and between the Association and each Affiliate ("Affiliation Agreement"). Other than the specific areas of cooperation outlined in the Affiliation Agreement, it is understood that each Affiliate is free standing, independent association and is responsible for its own actions.

ARTICLE VIII

General Provisions

Section 8.1 Fiscal Year: The fiscal year of the Association shall be June 1 through May 31.

Section 8.2 Review and Audit: The accounts of the Association shall be carefully reviewed annually by the Budget Committee. The Board may authorize and cause to be completed an annual audit of Association accounts. Such Audit shall be paid out of Association funds and copies shall be provided to the Board and available to the Membership within sixty (60) days following completion of such audit.

Section 8.3 Indemnification: To the extent permitted by law, the Association shall indemnify any one or more of its Directors, Representatives, Officers, Committee members, or former Directors, former Officers, former Representatives, or former Committee members, against the liabilities and expenses actually and necessarily incurred in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative or investigative, any

appeal in such an action, suit or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding, in which one or more of the was, is, or is threatened to be made a defendant or respondent by reason of his or her hold office as a Director, Officer, or Representative, upon a majority vote of the Directors not involved in the proceedings or upon any other determination permitted by Article 1396-2.22A of the Texas Non Profit Corporation Act, it is determined that the Director, Officer or Representative, or former Director, Officer or Representative (i) conducted himself or herself in good faith, (ii) reasonably believed, in the case of conduct in his or her official capacity, that his or her conduct was in the Association's best interest, (iii) reasonably believed, in all other cases, that his or her conduct was at least not opposed to the Association's best interest, and (iv) in the case of any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful; provided, however that indemnification may not be given with respect to matters in which any such individual shall be adjudged liable to the Association, or on the basis that personal benefit was improperly received by him or her, whether or not the benefit resulted from action taken in his or her official capacity. The Association may indemnify any one or more of its employees against the liabilities and expenses actually and necessarily incurred in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal administrative, arbitative or investigative, any appeal in such an action, suit or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding, in which he or she was, is, or is threatened to be made a defendant or respondent by reason of his or her being an employee of the Association if upon a majority vote of the Directors not involved in the proceedings or upon any other determination permitted by Article 1396-2.22A of the Texas Non-Profit Corporation Act, it is determined that the employee (i) conducted himself or herself in good faith, (ii) reasonably believed, in the case of conduct in his or her official capacity, that his or her conduct was in the Association's best interest, (iii) reasonably believed, in all other cases, that his or her conduct was at least not opposed to the Association's best interest, and (iv) in the case of any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful; provided, however that indemnification may not be given with respect to matters in which any such individual shall be adjudged liable to the Association, or on the basis that personal benefit was improperly received by him or her, whether or not the benefit resulted from action taken in his or her official capacity.

Section 8.4 Dissolution: The Association will use its funds only to accomplish the objectives and purposes specified in these Bylaws and the Articles of Incorporation and no part of said funds shall inure, or be distributed, to the Members of the Association. Upon dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific, or philanthropic organizations to be selected by the Board, and in compliance with the applicable laws of the State of Texas in effect at the time of dissolution regarding such dissolution.

Section 8.5 Form of Notice: Whenever under the provisions of the statutes, of the Articles of Incorporation or of these Bylaws, notice is required to be given to any member, director, member of a Board committee, or Representative and no provision is made as to how such notice shall be given, it shall not be construed to mean personal notice, but as such notice may be given in writing, by mail, postage prepaid, addressed to such member, director, member of a Board committee, or Representative at such address to such member as it appears on the books of the Association. Any notice required or permitted to be given by mail shall be deemed to be given when it is deposited in the United States mail, postage prepaid.

Section 8.6 Waiver: Whenever any notice is required to be given to any member, director, member of a Board committee, or Representative under the provisions of the statutes, of the Articles of Incorporation or of these Bylaws, a waiver thereof in writing signed by the person or persons entitle to such notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice.

Section 8.7 Liability Insurance: An amount equal to the deductible of the Association's General Liability Insurance will remain in an escrow account.

ARTICLE IX

Amendments

Section 9.1 Proposal: Amendments to or repeal of these Bylaws may be proposed by the Board on its own initiative or upon petition by at least ten percent (10%) of voting Members. The Board shall present all such proposals to voting Members with or without endorsement. Proposed amendments to these Bylaws shall be published at least sixty (60) days prior to voting in a publication of the Association, including but not limited to the Association's newsletter.

Section 9.2 Approval: Amendments to or a repeal of these Bylaws must be approved by a majority affirmative vote of the Members attending a meeting at which a quorum is present.

Changes to Bylaws were approved at the general membership meeting of the American Emu Association in St. Joseph, MO, on July 21, 2001.

Changes to Bylaws were approved at the general membership meeting of the American Emu Association in Nashville, TN on July 18, 2003.

Changes to Bylaws were approved at the general membership meeting of the American Emu Association in 2004.

Changes to Bylaws were approved at the general membership meeting of the American Emu Association on July 14, 2017.