

BYLAWS
OF
INDEPENDENT ASSOCIATION OF ACCREDITED REGISTRARS, INC.
Issue 12

Date of Issue

May 2021

INDEPENDENT ASSOCIATION OF ACCREDITED REGISTRARS

**1600 North Oak Street – Arlington – VA 22209
Tel: (703) 568-6847**

TABLE OF CONTENTS

ARTICLE I	Offices
ARTICLE II	Scope, Purpose and Objective Section 2.01. - Scope Section 2.02. - Purpose Section 2.03. - Objectives Section 2.04. - Non-profit status
ARTICLE III	Membership Section 3.01. - Members Section 3.02. - Eligibility Section 3.03. - Membership fee
ARTICLE IV	Meetings of the Members Section 4.01. - Place of meetings Section 4.02. - Frequency and Notice of meetings Section 4.03. – Quorum and Voting Section 4.04. - Meetings format
ARTICLE V	Officers Section 5.01. - Number, Elections, Terms of Office Section 5.02. - Resignation Section 5.03. – Removal of Officers Section 5.04. - Duties of President Section 5.05. - Duties of Vice President Section 5.06 - Duties of Treasurer
ARTICLE VI	Management Section 6.01. - Board of Directors Section 6.02. – Election Of Board of Directors Section 6.03– Bonding SECTION 6.04. <u>EXECUTIVE DIRECTOR</u>
ARTICLE VII	Antitrust Section 7.01. - Antitrust Section 7.02. - Guidelines
ARTICLE VIII	Conflict of Interest
ARTICLE IX	Indemnification

TABLE OF CONTENTS
(Cont'd)

ARTICLE X	Equal Opportunity
ARTICLE XI	Seal
ARTICLE XII	Fiscal Management Section 12.01. - Fiscal year Section 12.02. - Preparation and Approval of Budget Section 12.03. - Assessment and payment of general expenses Section 12.04. - Rejection of budget, limitations on expenditures and borrowing Section 12.05. - Initial budget
ARTICLE XIII	Amendments

ARTICLE I

NAME AND OFFICES

SECTION 1.01 - NAME

The name of the organization is Independent Association of Accredited Registrars, Inc. (hereinafter referred to "IAAR" or the "Association", as applicable).

SECTION 1.02 - ADDRESS

The principal office of the Association in the State of Virginia is located at 1600 North Oak Street, Arlington, VA 22209.

ARTICLE II

SCOPE, PURPOSE AND OBJECTIVE

SECTION 2.01. Scope.

Subject to limitations provided by law or the Articles of Incorporation, these Bylaws, as amended from time to time, shall contain the provisions for regulation and management of the affairs of the Association.

SECTION 2.02. Purpose.

The purpose of the Association is to facilitate the third-party assessment and, as applicable, management systems certification of companies in a consistent manner; to promote the integrity and credibility of the assessment and certification processes through intercommunication, education, and promotion of the use of accredited management system certification bodies with regard to conformity with recognized Management Systems, including maintenance and improvement of same, through the consistent application of relevant standards, management system requirements, other organization-specific management system requirements, and other legal endeavors allowed by corporations pursuant to the Code of the State of Virginia of 1950, as amended.

SECTION 2.03. Objectives.

The objectives are to encourage and promote the establishment of effective Management Systems, including improvement of same, through the consistent application of relevant standards and requirements. Also support the premise that the Third Party Assessments performed by its members, are accomplished in accordance with the relevant requirements ,as applicable, in a manner that maintains the credibility of member organizations, and the integrity of the management systems certification process. These objectives will be achieved by:

- A. Establishment of a forum for discussion and the formulation of consensus on matters of common interest;
- B. Representing the consensus interests of all Member Management System Certification Bodies;

- C. Following appropriate codes of professional practices in Management Systems Certification matters; and,
- D. Providing information about the management systems certification process to a wider forum.

SECTION 2.04. Non-Profit Status.

The Association is a tax-exempt non-profit organization. No part of the net earnings of the Association shall inure to the benefit of, or be distributable to its Members, Directors, Officers, or other private person, except for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

In the event of any liquidation or dissolution of the Association, no Director or Officer shall be entitled to any distribution or division of the Association's property or the proceeds thereof. Upon such liquidation, the Board of Directors of the Association, after the payment of all its debts and obligations, and reimbursement to members of unused fees, shall distribute all of the income and assets of the Association in such manner, and to such organization(s) that operate for charitable, scientific and educational purposes and shall at the time qualify as an exempt organization(s) under Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder as they now exist or may hereafter be amended (the "Code"), or to such cities, towns, and subdivisions thereof, as the Board of Directors of the Association shall determine.

ARTICLE III

MEMBERSHIP

SECTION 3.01. Members.

The Members of the Association shall be any Management Systems Certification Body admitted to membership in the Association that is accredited by an independent accrediting body, whose mark the Management Systems Certification Body is authorized to display, and who is authorized, as defined by its scope of accreditation, to certify companies in North America with regard to management systems standards and requirements documents. Membership is not available to organizations that are both Management Systems Certification Bodies and Accreditation Bodies. The Chairman of the Membership and Bylaws Committee shall ensure that a list of eligible applicants to be offered membership is maintained.

Definitions:

Member: The management system certification body, , a defined legal entity.

Associate Member: An organization which is not a management systems certification body but supports the Purpose and Objectives of the Association. Associate Members cannot vote or attend Member-only sessions.

Representative: One employee of the Member or Associate Member who is authorized to speak on behalf of the Member or Associate Member. Representatives of Members must be authorized to execute votes as required at scheduled meetings or via letter ballot.

Employee: A person that is either a) a person that is an "employee" of a Member or Associate Member in the traditional sense, or b) a person that has a contractual agreement with a Member or Associate Member that authorizes the "contract employee" to act as a Representative as defined above.

SECTION 3.02. Eligibility.

A-1 **Membership is open to any Accredited Management Systems Certification Body**

that:

1. Provides third party management systems certification services from a location in the Americas in compliance with the relevant standards as applicable;

2. performs third party certifications of Management Systems, and is
3. willing to observe and abide by the provisions of the Bylaws.

A-2 **Associate Membership is open to any organization that:**

1. is a defined legal entity;
2. provides conformity assessment services that supports the Purpose and Objectives of the Association; and
3. is not itself an accredited management systems certification body .

B. **Application:**

1. Applications for Membership in the Association shall be submitted to the Membership and Bylaws Chair, and include the following:
 - a) **Member:** Proof that the applicant is an accredited management systems certification body. This can be a letter from the applicant, accompanied by a copy of the applicant's certificate from the Accrediting Organization.
Associate Member: Proof that the applicant is engaged in a business that supports the Purpose and Objectives of the Association..
 - b) Payment of first year's dues (see Section 3.03).
2. Applications for membership shall be reviewed by the Membership and Bylaws Committee prior to or at the next scheduled meeting. The purpose of this review is to verify the information submitted by the applicant to determine if there are any known applicant-related issues that could preclude acceptance of the applicant by the membership of the Association.
3. Acceptance of the application shall be done via either a vote by the Members at their next scheduled meeting or via electronic means. If the vote is conducted at a scheduled meeting, acceptance of the applicant requires a favorable vote by two-thirds of the Members present where a quorum exists (see 4.03). If the vote is conducted via letter ballot, acceptance of the applicant requires a favorable vote by two-thirds of the total membership.

Commented [MB1]: Counsel is reviewing this to see if comports with VA laws.

C. **Suspension or Termination of Membership:**

1. The Executive Director is authorized to suspend any Member or Associate Member for failure to pay membership invoices when due. Suspension shall be accomplished by written notification by the Executive Director to the Member or Associate Member Designated Representative informing him/her of the reason for suspension, its effective date, and the terms for reinstatement. Suspended Members or Associate Member shall not enjoy the benefits of IAAR membership.
2. Membership can only be terminated by a two-thirds vote of the membership where, having been given one month notice, a member has not rectified a failure to:
 - a) Observe the provisions of the Association's Bylaws;
 - b) Support the activities of the Association or;
 - c) Pay annual dues.
3. Resignations of Membership - A Member or Associate Member of the Association may resign at any time in writing to any Board member or the Executive Director.

D. Reinstatement of Membership:

Whenever membership is terminated under Clause 3.02-C, 1 or 2, reinstatement requires the following criteria to be met:

- provide a complete new set of application materials;
- payment of one year back dues in full in addition to the current initial membership fee at the discretion of the Membership and Bylaws Committee;
- a vote of the membership must occur within 180 days from receipt of a complete set of documentation;
- the vote by the membership shall be conducted in accordance with section 3.02-B 3
- A 'No' vote will require a new application to be submitted.

Whenever a membership is terminated under Clause 3.02-C 3, reinstatement requires

that the applicant meet the requirements of 3.02-A&B (apply for new membership).

SECTION 3.03 Membership Fee.

Each Member shall pay an initial membership fee as determined by the Board of Directors, which will be used towards its payment of expenses incurred by the Association for meetings, answering inquires, and other endeavors determined by the Association's Board of Directors. The fee for Associate Members shall be 80% of the Member Fee. Each year thereafter, each Member or Associate Member shall within thirty (30) days of invoice date pay the Annual dues or Special Assessment as determined in Article XII hereof. Upon resignation by a Member or Associate Member, Members or Associate Members shall not be entitled to reimbursement of moneys paid.

ARTICLE IV

MEETINGS OF THE MEMBERS

SECTION 4.01. Place of Meetings.

All IAAR meetings of the Board of Directors, Members and Associate Members shall be held at a location decided by the Board of Directors in consultation with the membership.

SECTION 4.02. Frequency and Notice of Meetings.

A General Meeting of the Members and Associate Members of the Association shall be convened at least once a year. The President will serve as the Chair of this meeting, with the authority to call additional meetings during the year when it is deemed necessary.

Except as otherwise expressly required by statute or by these Bylaws, notice of each meeting of the Board of Directors or Members and Associate Members, shall be delivered by the Executive Director to each Director, Member or Associate Members at least ten (10) days before the date of the meeting to which the notice relates. Such notice, if mailed, shall be deemed to be delivered when deposited in the mail addressed to the Director's, Member's or Associate Member's most recent known residence or usual place of business, with postage prepaid. Unless otherwise agreed between the Association and the recipient, such notice, if sent by electronic transmission, shall be deemed delivered when (i) it enters an information processing system that the recipient has designed for uses for the purpose of receiving electronic transmissions or information of the type sent, and from which the recipient is able to receive the electronic transmission; and (ii) it is in a form capable of being processed by the system. Except where expressly required by law, no publication of any notice of a meeting shall be required.

SECTION 4.03. Quorum and Voting.

One-half of the total number of Director's or Members shall constitute a quorum for the transaction of business at any Board of Directors or Member meeting. Except as otherwise provided by law or by these Bylaws, a majority vote of all Directors or Members present at any meeting at which a quorum is present shall be the act of the Directors or Members. If a quorum is not present, then all actions requiring a

decision shall be submitted by electronic means.

SECTION 4.04. Meetings Format.

General member meetings are held periodically throughout the year. Board meetings are at the call of the President.

General member meetings contain both closed (members-only meetings) as well as open sessions. The President, in consultation with the Board and Executive Director when necessary, determines what sessions are closed and/or open.

Any member is allowed to participate in committee, task force or working group meetings.

ARTICLE V

OFFICERS

SECTION 5.01. Number, Elections, Terms of Office.

The Executive Officers of the Association shall be a President and Immediate Past President, Vice President, and a Treasurer.

NOTE: Section V, Officers, does not apply to Associate Members.

A. Elections:

1. Officers (and Committee Chairs – see Section 6.0) shall be elected by Representatives by ballot at the first Member meeting of the year in which the term(s) of the affected position(s) become eligible for voting.
Individuals desiring to serve, or serving as Executive Officers (Committee Chairs) shall be an employee of a Member organization, and must be assured that their respective organization endorses and will provide financial support of said individual to actively participate in IAAR-related activities. Said individual must be able to speak with authority for the Member organization.

2. 75 to 45 days prior to the first Member meeting of the year the Executive Director will request nominations from each Member (one nomination per position per Member). Nominations shall be returned within 15 days to the Executive Director who will produce a ballot sheet based on the three individuals whom obtain the highest number of nominations for each Executive Officer's (Committee Chair's) position. At the first Member meeting of the year the Executive Director will request a seconder for each nomination and will produce a ballot sheet of those nominees receiving a seconder's endorsement. The Executive Director will then issue one ballot sheet to each Member's Designated Representative. As stated in Section 4, a quorum shall be present for an election to be considered valid. Each Designated Member Representative will vote in reference to the names listed and those obtaining a majority of the votes, for each position, will be duly elected. In the event of a non-majority vote an immediate re-ballot will be executed.
3. No self-nominations will be permitted.
4. In cases of resignation then Election of Officers (Committee Chairs) shall be by a majority vote of the Membership at scheduled meetings, where a quorum is present, or by electronic means

B. Terms of Office:

1. Terms of Office shall be for three years. However in order to establish staggered three year terms, beginning in 2018: the President and Director of the Communications Committee will serve a one year term; the Vice President and Director of Membership and Bylaws Committee will serve a two year term, and the Treasurer and Director of Programs Committee will serve a three year term. The Immediate Past President will serve a three-year term.
2. Vacancies shall be filled by appointment by the Board of Directors and confirmed at the next regular scheduled meeting or by letter ballot.

SECTION 5.02. Resignation.

Any Officer may resign at any time by giving written notice to the Board of Directors or to the Executive Director. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein; and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5.03. Removal of Officers.

Any Officer may be removed, either with or without cause, at any time, by two-thirds vote of the Members, at any properly called meeting. The meeting shall be called for the purpose of removing the Officer, and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the Officer.

SECTION 5.04. Duties of President.

The President shall be the chief executive officer of the Association. He or she shall preside at all membership meetings of the Board of Directors and Members. He or she shall have all the powers and responsibilities ordinarily incident to the office and shall perform such other duties as may be assigned from time to time by the Board of Directors. The President shall be an ex-officio member of all standing committees. He or she shall have the power to remove at any time with or without cause, with the approval of not less than two-thirds (2/3) of the whole Board, any committee chairperson or committee member.

SECTION 5.05. Duties of Vice President.

The Vice President shall serve as President Elect, shall preside at Board meetings in the absence of the President, and shall assist the President in the execution of the duties of the office of President, including attendance at meetings representing the President when requested and possible.

SECTION 5.06 Duties of Treasurer

The Treasurer shall have overall responsibility for all of the funds of the Association and shall provide reports as required by the Board of Directors. The Treasurer shall have such powers and shall perform

such other duties as may be assigned from time to time by the Board of Directors.

Section 5.07 Duties of the Immediate Past President

The Immediate Past President shall have no assigned duties but will provide institutional knowledge and guidance to the Board of Directors.

ARTICLE VI

MANAGEMENT

SECTION 6.01. Board of Directors.

The management of the Association shall be the responsibility of the Officers and the Board of Directors. The business of the Association shall be managed under the direction of the Board of Directors. The Board of Directors shall be comprised of the Officers identified in Article V (The Executive Committee), and the Chair of the following standing committees:

NOTE: Section VI, Management, does not apply to Associate Members.

1. Membership and Bylaws Committee;
2. Communications Committee;
3. Program Committee

In addition, the President has the authority to request participation from any Standing Committee Chair or Task Force Chair during an Executive Committee meeting.

In addition, the Board of Directors may appoint a Chair and Vice-Chair of each IAAR task force to serve as At-Large Chairs (Directors). The task force Chair will serve on the Board of Directors for the duration of the task force activity. The appointment must be by a majority vote of Officers and Standing Committee Chairs. These At-Large Chairs will be reaffirmed annually.

Duties of these positions:

- **Membership and Bylaws:** This Chair is responsible for assuring the validity and integrity of the Bylaws, proposing changes to the Bylaws; submitting Bylaw changes to the Members for their vote of acceptance or rejection. This Chair is also responsible for promoting membership to eligible organizations, reviewing applications for membership, and submitting applications for membership to the Members for their vote of acceptance or rejection.
- **Communications:** This Chair is responsible for developing and executing communications with the Members and other external parties on matters of interest to the Association as appropriate.
- **Program:** This Chair is responsible for securing speakers to address the Members on topics of interest.

- **At-Large:** These Chairs and Vice-Chairs are responsible for providing guidance and direction to the heads of non-management committees and task forces – as needed and as directed by the Board.

Task force chairs and co-chairs serve at the pleasure of the Board.

- A. Committee Chairs (does not apply to At-large Chairs – see above) shall be elected by the IAAR Members for a three-year term (see 6.02). Vacancies shall be filled by appointment by the Board of Directors and confirmed at the next regular scheduled meeting or by electronic means.

Individuals desiring to serve, or serving as a Committee Chair of the Board of Directors or as an At-large Chair shall be an employee of a member company, and must be assured that their respective member company endorses and will provide financial support of said individual to actively participate in IAAR-related activities. Said individual must be able to speak with authority for the member company.

- B. Other Committees, workgroups, or special task forces can be established for a particular purpose as deemed appropriate.

- C. Selection and appointment of IAAR representatives to outside organizations shall be accomplished as follows:

- a. IAAR Member communicates to the IAAR Board that a need exists for IAAR representation to an identified outside organization. (The preferred method of communication is by verbal presentation at a General Member Meeting. If this is not possible, communication of the need shall be sent to the Executive Director who shall convey the information to the Board in any manner that is warranted.)
- b. The IAAR member initiating the communication determines if the outside organization has special requirements and/or criteria for membership.
 - b.1 If there are criteria, they are conveyed to the Board.
 - b.2 If there are no criteria, proceed to step c.
- c. Where possible, the Board shall be given prior notice of the need to identify a representative (individual person, not his/her member company) and request nominations from the membership. Nominations are to be sent to the Executive Director for

presentation to the Board. Member representative may self-nominate.

c.1 In those cases where a need is identified, but, due to time constraints, it is not possible to provide advance notice, any member of the Board may present the need to the membership at the current/next general membership meeting or via letter notification.

c.2 In reaching its decision, the Board shall give consideration to the following issues in deciding upon representatives and "alternates:"

- have appropriate experience in the IAAR
- be an employee of an IAAR member company
- have technical experience in the applicable sector
- understand the goals and objectives of IAAR
- have the ability to actively participate
- be willing and able to update the IAAR calendar of events as it pertains to the specific outside organization
- be willing to act in the best interest of IAAR, including transmittal of information from IAAR to the outside organization
- adhere to IAAR Expense Guidelines
- not commit the IAAR to any course of action without first gaining authorization from the Board
- be willing to write/report to the membership in a professional and timely manner
- be part of a organization that has the resources to support the person's participation
- possess the ability to work well with others.

The Board may choose to open discussion to the general membership, however, it is not required to do so. The Board shall make its determination via their vote.

(See steps d & e)

d. Selection and appointment of representatives may take place at the next general

Board meeting, or, if the need is urgent, by electronic means – limited to Board members. The Board will notify the selected/appointed Member (including any alternate – see step e below) as soon as practicable and shall announce its decision at the next General Membership meeting.

e. Selection and appointment to a representative position shall require a majority vote of the Board. Selection and appointment is applicable only to the named person, not the named-member company.

f. Terms shall be at the discretion of the Board of Directors.

g. In the event a selected/appointed representative is displaced for any reason, the alternate may continue to represent IAAR. The Board shall make a determination if the alternate shall become the primary representative and whether or not a new primary or alternate is needed. If either a primary or alternate representative is needed, the process shall re-start at step c.

D. Notwithstanding the foregoing paragraph, the authority of the Board of Directors to exercise the following powers is conditional on the prior approval of the Members.

- a. Any voluntary dissolution, merger or consolidation of the Association or the sale or transfer of all or substantially all of the Association's assets, or the creation or acquisition of any subsidiary or affiliate Corporation of the Association;
- b. The borrowing of any sum which has a stated term greater than one (1) year or which is secured by a security interest in the Association's assets or revenues or by a mortgage of all or any portion of the Association's real property, if any.

E. Where not specifically covered in another Article of these Bylaws the Board of Directors has the authority, based on a majority vote of the Board of Directors, to act on behalf of the membership and make any decision(s) that is/are considered to be in the best interests of the association. See also Article IV.

SECTION 6.02 Election of Board of Directors.

See Section 5.01A (same election process as for Officers) and Section 5.01B (same terms of office, including replacement).

SECTION 6.03. Bonding.

Any officer, employee, agent or factor shall give such bond with such surety or sureties for the faithful performance of his or her duties as the Board of Directors may, from time to time, require.

SECTION 6.04. EXECUTIVE DIRECTOR

To better facilitate its ongoing, day-to-day activities, the Association shall secure the service of an Executive Director. This for-pay position shall be filled by a non-Association member. The person selected for this position shall be hired or discharged by the Board; such action requires a majority vote of the Board members. The person selected for this position shall serve, or be discharged, at the pleasure and will of the Board. Compensation shall be as determined by a majority vote of the Board.

The Executive Director has no voting rights regarding any Association business.

Duties of the Executive Director shall include, but may not be limited to:

- Advising the Board on matters pertaining to association business.
- Securing facilities, and making all arrangements, for Association meetings; shall include notifications to Members of such meetings.
- Conduct correspondence on behalf of the Association.
- Provide training materials as directed by the Board, Committees, and Task Forces.
- Attendance and, as required, participation in all Board and Member meetings, and, as required, committee meetings.
- Maintenance of the Association's web page. (This activity may be subcontracted to an organization that specializes in web page management. The approval of such an

organization requires a majority vote of the Board.)

- Recording the activities of Board, Member and Committee meetings; distributing such records to members, including all applicable attachments. (Such distribution may be executed via U.S. mail, e-mail, or other suitable means, including posting on the Association's web page, provided such posting is done in a secure manner that assures access is limited to Members.)
- Maintenance of the list of active Members.
- Collection of fees, annual dues and subscriptions
- Preparation of quarterly financial statements, annual budget, and reports of the transactions and condition of the Association, including preparation and filing of such returns, reports and forms as may be required by governmental or regulatory authorities.
- Executing all activities associated with election of Officers and Board Chairs.
- Paying debts incurred by the Association in conjunction with association events, and within budgeted amounts. Any and all amounts that exceed such budgeted amounts require approval by a majority of the Board.
- Execution of all orders, votes and resolutions not otherwise committed.
- Managing all Association contracts, agreements and transactions negotiated with members and/or external parties/bodies.

Should a vacancy occur in the position of Executive Director, his/her duties shall be assumed by the Officers and Directors. Specific duties shall be executed as decided and directed by the Board of Directors, until such time as the vacancy is filled.

ARTICLE VII

ANTITRUST

SECTION 7.01. Antitrust.

Any violation of the antitrust laws can be a felony, punishable by imprisonment and fines or serve as the basis for a civil lawsuit by the government or private plaintiffs. Association or corporation gathering(s) of competitors in the same business, by their nature involve interaction among competitors and frequently their suppliers and customers. Consequently Association or corporation gatherings are subject to close scrutiny for antitrust violations and must be conducted so as to keep their activities within proper bounds. The following guidelines have been prepared to assist in avoiding antitrust violations or the appearance thereof.

SECTION 7.02. Guidelines.

At any meeting or other type of gathering, whether in person or through other means incident to an IAAR meeting, whether seriously or in jest, discussions, comments, or other exchanges of information on the following will not be allowed and could result in removal of members found to be in violation of these guidelines:

1. Prices (past, present and future), pricing patterns or policies, price differentials, price changes, or other terms or conditions of sales.
2. Costs, markets, capacity, or sales or plans regarding the design, distribution or marketing of specific services.
3. Industry practices or plans with respect to prices, service capability, or client levels.
4. Specific bids or contracts or bidding procedures.
5. Territorial restrictions, allocations of customers, restriction on types of services, or any other kind of marketing.
6. Matters relating to any customer, supplier, or competitor that have the effect of excluding it from any market or of influencing the business conduct of any company toward it.

ARTICLE VIII

CONFLICT OF INTEREST

Any duality of interest or possible conflict of interest on the part of any Officer, Director, Member, or agent of the Association shall be disclosed to the Board of Directors and made a matter of record through an annual procedure. Also when the interest becomes a matter of Board action, such disclosure shall be reflected in the record of the proceedings of the Board of Directors. In all cases where a Officer, Director or employee of the Association may have a conflict of interest because he or she, or a member of his or her family, has an interest in any contract or transaction with the Association, either directly or indirectly through an interest in or employment by any legal entity which has an interest in such contract or transaction, or otherwise, that such Officer, Director or employee shall disclose such conflict of interest and refrain from taking any action to authorize, approve or ratify such transaction or contract; provided, however, that the ownership of a non-controlling minority interest in a publicly held legal entity shall not be deemed to be an interest requiring such disclosure. Any required disclosure shall be made, in the case of an employee, or the officer to whom such employee reports and in the case of an Officer or Director, to the Board of Directors or committee prior to its acting on such contract or transaction. Such disclosure shall include any relevant and material facts, known to such person, about the contract or the transaction, which might reasonably be construed to be adverse to the Association's interest.

Such person may be counted in determining the existence of a quorum at any meeting where the contract or transactions is under discussion or is being voted upon and may participate in the discussions with respect thereto, but shall not vote or use personal influence on the matter. The minutes of the meeting shall reflect the disclosure made, the vote thereon and the abstention from voting. Nothing contained here shall preclude the Association from entering into such transaction or contract provided such disclosure is made and the Officer, Director or employee of the Association involved abstains from voting on the action taken to authorize, approve or ratify such transactions or contract.

These conflict of interest provisions shall remain in full force and effect for a period of two (2) years following the cessation of any duties to the association as an Officer, Director, Member or agent.

ARTICLE IX
INDEMNIFICATION

The Association shall, pursuant to the indemnification provisions, and only to the extent that the status of the Association as a Corporation exempt under Section 501 (c) (6) of the Internal Revenue Code of 1986, as amended, is not affected thereby, and subject to any other requirements of law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a Officer, Director, Committee Member, employee or agent of the Association (or is or was serving at the request of the Association as a Officer, Director, Committee Member, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise), against expenses (including attorneys' fee), judgments, penalties, fines, settlements and reasonable expenses actually incurred by the person in connection with any proceeding except in the case of judgments rendered which determine the damages sustained were the result of gross negligence or willful misconduct. The Board of Directors of the Association may authorize the Association to purchase and maintain insurance on behalf of any person who is or was a Officer, Director, Committee Member, employee or agent of the Association, or is or was serving at the request of the Association as a Officer, Director, Committee Member, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person other than gross negligence or willful misconduct and incurred by such person in any such capacity or arising out of his or her status as such or arising out of any vote he or she may have made.

ARTICLE X

EQUAL OPPORTUNITY

The Association shall operate without restriction by reason of race, color, sex, age, national origin or religious and ethical beliefs with any person or persons seeking or having any affiliation with the Association.

ARTICLE XI

SEAL

The seal of the Association shall be in the form of a circle and shall bear the name of the Association and the state and year of incorporation.

ARTICLE XII
FISCAL MANAGEMENT

SECTION 12.01. Fiscal Year.

Except as from time to time otherwise provided by the Board of Directors, the fiscal year of the Association shall commence on the first day of January of each year and end on the thirty-first day of December.

SECTION 12.02. Preparation and Approval of Budget.

(A) **Adoption.** On or before the last day of December of each year, the Board of Directors shall adopt an annual budget for the Association containing an estimate of the total amount necessary to pay the cost of management, operation, insurance premiums, license fees, legal services, supplies and other expenses that may be declared as "expense" by the Bylaws or a resolution of the Board of Directors and which will be required during the ensuing fiscal year for the administration, and operation. Such budget shall also include reasonable amounts as the Directors considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. The budget shall segregate general "expenses" and expenses to be paid by special or direct assessments, if any are anticipated.

(B) **Available for Inspection.** In January of the fiscal year, the Board of Directors shall send each member a copy of the budget in a reasonably itemized form that sets forth the amount of the "expense". Such budget shall constitute the basis for determining each member's assessment for expenses of the Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 12.03 below.

(C) **Reasonable Efforts.** The Directors shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

SECTION 12.03. Assessment and Payment of General Expenses.

Expenses. The Board of Directors will determine the amount of annual dues. Members and other interested parties will be required to pay annual dues/fees. Any net amounts received in excess of expenses will be retained and used to offset the next year's budget requirements. At the first meeting of the fiscal year, the Board of Directors shall prepare and deliver to each member an itemized accounting of the expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. The manner, timing or other specifics of payment of such assessments will be set as the Board of Directors determines.

SECTION 12.04. Rejection of Budget, limitations on Expenditures and Borrowing. Anything herein to the contrary notwithstanding, the Association by a vote of more than seventy-five percent (75%) of the members excluding the Board of Directors may reject any budget or capital expenditure approved by the Directors within thirty (30) days after approval by the Directors.

SECTION 12.05. Initial Budget.

At or prior to the time assessment of expenses commences, the Directors shall adopt the budget, as described herein. The period shall commence on the date the Directors determine that assessments shall begin and end on the last day of the fiscal year during which such commencement date occurs.

ARTICLE XIII

AMENDMENTS

All Bylaws of the Association shall be subject to amendment. Changes to the Bylaws and Articles of Incorporation may be made by either vote at a scheduled meeting or by electronic means. If the vote is conducted at a scheduled meeting, acceptance of the change requires a favorable vote by two-thirds of the Members where a quorum exists (see 4.03). If the vote is conducted by electronic means, acceptance of the changes requires a favorable vote by two-thirds of the total membership.

INDEPENDENT ASSOCIATION OF ACCREDITED REGISTRARS

1600 NORTH Oak Street - ARLINGTON, VA 22209
PHONE: (703) 568-6847