

**Restated Bylaws for
National Association of Insurance and Financial Advisors – Texas, Inc.**
(Effective February 19, 2019)

These Bylaws govern the National Association of Insurance and Financial Advisors – Texas, Inc., a Texas nonprofit corporation.

Article I – Name, Territory, and Offices

Section 1: The name of this corporation is National Association of Insurance and Financial Advisors-Texas, Inc. and uses the assumed name NAIFA-Texas (referred to herein as the “Association”).

Section 2: The territory of the Association shall correspond to geographical boundaries of the State of Texas.

Section 3: The principal office(s) of the Association shall be located as determined by its Board of Directors.

Section 4: The Association shall comply with the requirements of the Texas Business Organizations Code (“TBOC”) and maintain a registered office and registered agent in Texas. The registered office may, but need not, be identical with the Association’s principal office in Texas. The Board of Directors may change the registered office and the registered agent as provided in the TBOC.

Article II – Mission and Restrictions

Section 1: The mission of the Association is to advocate for a positive legislative and regulatory environment, enhance business and professional skills, and promote the ethical conduct of our members.

Section 2: The Association is organized for any and all lawful purposes, within the meaning of the TBOC. It is further organized and operated exclusively as an exempt association within the meaning of Section 501(c)(6) of the Internal Revenue Code (as amended) or the corresponding provision of any future United States internal revenue law. All policies and activities of the Association shall be consistent with applicable federal, state, and local antitrust, trade regulation, or other legal requirements; and applicable tax exemption requirements, including the requirements that the Association not be organized for profit and that no part of its net earnings inure to the benefit of any private individual.

Article III – Powers of the Association

Section 1:

The powers of the Association shall be those provided in these Bylaws.

Section 2: The powers of the Association shall be:

(a) To elect individuals to membership, and to suspend or revoke such memberships, and to appoint NAIFA local chapters, and to suspend or revoke such appointments.

(b) To create and have affiliated units. Such units, having a mission or objectives consistent with those of this Association, shall fulfill the needs of certain specialized groups in the membership.

(c) To manage, supervise, direct, and control the business, property, and funds of the Association.

(d) To take all actions necessary to carry out the mission of the Association; provided that the Association shall neither have nor exercise any power, nor engage directly or indirectly in any activity, that would invalidate its status as corporation that is exempt from federal income tax as an organization described in Section 501(c)(6) of the Internal Revenue Code.

Article IV – Role as a NAIFA State Chapter

Section 1: This Association shall serve as an appointed state chapter of the National Association of Insurance and Financial Advisors ("NAIFA") and shall be an association of elected individual members and appointed local chapters.

Section 2: All members of this Association must be members of NAIFA and all members of local chapters in this state shall be members of this Association.

Section 3: As an appointed NAIFA state chapter, this Association agrees to adhere to a NAIFA chapter agreement, as prescribed by the NAIFA Board of Trustees, and shall have such responsibilities and privileges as provided in such chapter agreement. If the Association fails to conform to provisions of its chapter agreement it may have its appointment as a chapter suspended or revoked by the NAIFA Board of Trustees as provided in the chapter agreement. The Association may resign as a NAIFA chapter, provided that all financial and other obligations of the Association to NAIFA have been fulfilled, and such resignation shall become effective when accepted by the NAIFA Board of Trustees, and by such resignation the Association shall surrender all right to use the NAIFA name and all other NAIFA property.

Section 4: As an appointed NAIFA state chapter, this Association may organize, direct, and coordinate statewide and local-area programs, activities, and groups, in a manner consistent with its mission and with the terms and conditions of the NAIFA state chapter agreement.

Section 5: The Association, together with NAIFA, may appoint one or more local chapters of NAIFA within the state, which agree to adhere to a NAIFA chapter agreement, as prescribed by the NAIFA Board of Trustees, and which shall have such responsibilities and privileges as provided in such chapter agreement. NAIFA local chapters shall organize, direct, and coordinate local-area programs, activities, and groups, in a manner consistent with the NAIFA mission and with the terms and conditions of the NAIFA local chapter agreement. If a local chapter fails to conform to provisions of its chapter agreement it may have its appointment as a chapter suspended or revoked by the NAIFA Board of Trustees as provided in the chapter agreement. A local chapter may resign as a NAIFA chapter, provided that all financial and other obligations of the chapter to the Association and to NAIFA have been fulfilled, and such resignation shall become effective

when accepted by the NAIFA Board of Trustees, and by such resignation the local chapter shall surrender all right to use the NAIFA name and all other NAIFA property.

Article V – Membership in NAIFA State Chapters

Section 1: Membership in this Association is available to qualified individuals in the active, associate, or honorary class, who agree to adhere to these bylaws, to the NAIFA Code of Ethics, and to other applicable membership rules and policies of NAIFA.

Section 2: Active Membership.

(a) Active members of the Association shall be insurance and financial advisors licensed to sell life, health, or property-casualty insurance, or securities, such as agents, brokers, supervisors, general agents, managers, and others engaged in local management and distribution. Individuals shall not be eligible for active membership unless they are clearly identified with the agency field as distinguished from the home office.

(b) The NAIFA Board of Trustees may designate a category of membership for individuals (Emeritus Members) who otherwise qualify for active membership and have reached a specified age.

(c) Active members must be members of NAIFA and live, work, or be licensed in or near the state of the Association. Active members who join the Association as a second (or additional) state chapter may be required to pay a second-chapter fee.

(d) Active members shall pay membership dues as determined by the NAIFA Board of Trustees and shall be entitled to all of the privileges of the Association, including voting and holding office.

(e) The NAIFA Board of Trustees may define other subcategories of the Active category of membership, including their qualifications, privileges, and obligations.

Section 3: Associate Membership.

(a) Associate members of the Association shall be individuals affiliated in any capacity with the home office or agency office of an insurance company or those affiliated in any capacity with a profession or a publishing house, trust company or any other business organization related in any manner to the insurance and financial services industry. These may include, but are not limited to, accountants, attorneys, authors, editors, educators, publishers, trust officers and others in related fields of endeavor. The NAIFA Board of Trustees may define other subcategories of the Associate category of membership, including their qualifications, privileges, and obligations.

(b) Associate members shall pay membership dues as determined by the NAIFA Board of Trustees and shall be entitled to all of the privileges of the Association, except those of voting and holding office, provided that an associate member shall be entitled to vote for candidates for election to office in the Association and shall be entitled to be elected as an at-large voting member of the board of directors (but not as an officer) of the Association. The number of associate members

serving as directors on the Association's board of directors shall not constitute a majority of the board.

(c) There shall be a category of associate member known as "student associate member" for individuals enrolled in an accredited university, or such other academic institution which may be approved by the NAIFA Board of Trustees, and who have an interest in insurance or financial services. Persons who are eligible for active membership shall not be eligible for student associate membership. Student associate members shall pay membership dues as determined by the NAIFA Board of Trustees and shall be entitled to all the privileges of the Association except those of voting or holding office.

Section 4. Honorary Membership. Any person who has performed distinguished public service in the field of insurance and financial services, or in the community, and who is not an active or associate member of NAIFA may be elected as an honorary member of the Association for the period of one or more years. An honorary member shall pay no membership dues and shall be entitled to all privileges of the Association except those of voting and holding office.

Section 5. Membership Admission, Resignation, and Discipline. Admission to membership in the Association shall be according to rules prescribed by the NAIFA Board of Trustees. Any member may resign by submitting written notice of resignation to NAIFA; however, resignation does not relieve a member from liability for dues accrued and unpaid as of the date of resignation. Dues already paid are non-refundable. Failure to pay dues or to meet the criteria for membership is presumed to be adequate reason for expulsion from membership and does not require advance notice to the member. Any member proposed for expulsion from membership or for other discipline for any reason other than failure to pay dues will be given notice of the proposed discipline, an opportunity to respond to the proposed discipline, and final notice of the decision, pursuant to the membership disciplinary process prescribed by the NAIFA Board of Trustees.

Article VI – Officers

Section 1: The officers of the Association shall be: a President, an Immediate Past President, a President-Elect, a Secretary-Treasurer, a National Committeeperson, and an Association Executive (ex officio, without a vote). Officers shall be selected with due consideration to geographical distribution to ensure representation of members from throughout the state. The authority and duty of each officer shall be such as is defined in these bylaws and detailed in the NAIFA-Texas board policies.

Section 2: Each officer, except the Association Executive, shall be an active member in good standing of NAIFA. No person may hold more than one officer position in the Association at the same time except for the positions of Secretary and Treasurer, which may be combined.

Section 3: All officers except the Association Executive shall serve without compensation, except that the officers may be reimbursed for expenses in the performance of their duties.

Section 4: The Board of Directors shall appoint the Association Executive and fix the Association Executive's salary.

Section 5. The President-Elect and the Secretary-Treasurer shall be elected by the Delegate Council for terms of one year or until their successors are elected, in the manner prescribed in these bylaws. The National Committeeperson shall be elected by the Delegate Council for a two-year term (maximum of three consecutive terms) or until a successor is elected. At such time the then current President-Elect and President shall automatically succeed to the offices of President and Immediate Past President, respectively, for a term of one year.

Section 6. The President shall preside at all Association Delegate Council and annual meetings and at all meetings of the Association Board of Directors and shall perform such other duties as usually pertain to the office of President. The President shall appoint and be an ex officio member of all standing and special committees of the Association. The President's responsibilities are detailed in the NAIFA-Texas board policies.

Section 7. The Association Executive shall be the active managing officer of the Association under the direction of the Board of Directors and shall perform such duties as are specified or implied in these bylaws or as may be assigned by the Board of Directors. The Association Executive shall be in executive charge of the Association offices and shall be responsible for the selection and supervision of the staff personnel subject to the direction and control of the Board of Directors. The Association Executive's responsibilities are detailed in the NAIFA-Texas board policies.

Section 8. In the event of the inability of the President to perform the President's duties, the President-Elect shall perform the duties of, and have the same authority as, the President. The President-Elect shall also perform such other duties as detailed in the NAIFA-Texas board policies. The President-Elect, with the advice of the Board of Directors, shall anticipate the duties of the President during the next association year and prepare committee appointments no later than fifteen (15) days after advancement to the office of President.

Section 9. The Secretary shall sign official documents issued by the Association when appropriate; shall affix the corporate seal of the organization when required; and shall perform such other duties as detailed in the NAIFA-Texas board policies.

Section 10. The Treasurer shall submit all financial statements, audits, and reports to the Board of Directors, and shall perform such other duties as detailed in the NAIFA-Texas board policies.

Section 11. The Immediate Past President, shall perform such duties as detailed in the NAIFA-Texas board policies.

Section 12. The National Committeeperson shall serve as the liaison between the Association and NAIFA, and between the Association and any local chapter in the state, and shall report back to and take counsel with the Association with reference to matters arising in and referred to the NAIFA National Council, the NAIFA Board of Trustees, and the various standing and special committees of NAIFA. The National Committeeperson's responsibilities are detailed in the NAIFA-Texas board policies.

Article VII – Board of Directors

Section 1. The activities, property, and affairs of the Association shall be managed by its Board of Directors. The Board of Directors shall define the policies and have full oversight authority in all matters of the Association.

Section 2: The Association Board of Directors shall consist of the President, the Immediate Past President, the President-Elect, the Secretary-Treasurer, the National Committeeperson, and up to seven (7) additional at-large directors.

Section 3: It shall be the goal that three (3) Directors shall be elected in even-numbered years and four (4) Directors shall be elected in odd-numbered years. The term of office of all elected Directors shall be two (2) years. No Directors shall serve more than two (2) consecutive terms. Those Directors who are to be elected shall be elected by the Delegate Council at an election meeting at such time during the annual convention as may be fixed by the Board of Directors. Any vacancy existing in an elected Directors position on the Board of Directors at the time of the annual convention shall be filled by the Delegate Council. In the event of a vacancy in the office of a Directors, the Board of Directors shall select a member from the membership at large to serve until the next annual meeting. In the event the term of the Directors so filled by the Board of Directors extends beyond the next annual meeting, only the remainder of such unexpired term shall be filled by election at the annual meeting following the vacancy.

Section 4: Directors will perform their duties in good faith, with ordinary care, and in a manner they reasonably believe to be in the best interest of the Association. Ordinary care is care that prudent persons in similar positions would exercise under similar circumstances. In the performance of any duty imposed or power conferred on directors, they may in good faith rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Association or another person that were prepared or presented by a variety of persons, including officers and employees of the Association, professional advisors, or experts such as accountants or attorneys. A director is not relying in good faith if the director has knowledge concerning a matter in question that renders reliance unwarranted.

Section 5: The construction and interpretation of these Bylaws by the Board of Directors shall, in the absence of contrary interpretation by the NAIFA Board of Trustees, be final and binding except as set forth in Section 5 of this Article.

Section 6: There shall be an Executive Committee composed of the President, the Immediate Past President, the President-Elect, the Secretary-Treasurer, the National Committeeperson, and one Director-at-Large chosen by the Executive Committee, and delegated to it are the duties and powers of the Board of Directors, with such duties to be performed and powers to be exercised only when the Board of Directors is not in session. The President or, in the President's absence or inability to perform, the President- Elect, shall have the power to call a meeting of the Executive Committee. The Executive Committee shall maintain minutes of all action taken by it, which shall be reported to the Board of Directors at its next meeting following any such action. Unless disapproved by vote of the majority of the Board present at such next meeting, the action of the Executive Committee shall be final to the same extent as though taken by the Board of Directors

under these Bylaws. A quorum of the Executive Committee shall consist of not less than four (4) members.

Section 7: All decisions of the Board of Directors shall be final and binding upon the Association, except that upon notice of a minority of one less than 50% of the Board, filed with the Secretary-Treasurer within twenty-four (24) hours of any decision (except decisions concerning administrative matters), the action may be stopped and the matter referred for final determination by the Delegate Council, at the next regular or special meeting. In such case, affected third parties shall be immediately advised of such action.

Section 8: The Board of Directors shall meet in person, by telephone conference or by other lawful means at such times and places as may be determined by action of the Board, by call of the President, or by the written request of four members of the Board; provided that there shall be a minimum of four meetings each year. Advance written notice of the time and place of every meeting of the Board of Directors shall be sent to each member of the Board by the Association Executive.

Section 9: At least five days' written notice must be given to all Directors of any meeting of the Board of Directors. Notice of meetings may be given by electronic transmission (i.e., e-mail) if all directors individually and collectively consent in writing. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except when a Director attends a meeting for the express purpose of objecting to a meeting not properly called.

Section 10: The Board of Directors may, without meeting together, transact business by mail by voting upon proposals mailed to them by the Association Executive with the approval of the President, provided that every Board member responds in writing and that approval of any proposal is unanimous. Additionally, the Board of Directors or members of any committee designated by such the Board may, unless otherwise restricted by statute, by the Certificate of Formation or by these Bylaws, participate in and hold any meeting of such the Board of Directors or committee by using conference telephone or similar communications equipment, or another suitable electronic communications system, including videoconferencing technology or the Internet, or any combination, if the telephone or other equipment system permits each person participating in the meeting to communicate with all other persons participating in the meeting. If voting is to take place at the meeting, reasonable measures must be implemented to verify that every person voting at the meeting by means of remote communications is sufficiently identified and a record must be kept of any vote or other action taken. Participation in a meeting shall constitute presence in person at such meeting.

Section 11: Written Consent of Directors: Any action required or permitted to be taken at any meeting of the Board of Directors or any committee may be taken without a meeting if a consent in writing setting forth the action to be taken is signed by the number of directors or officers whose vote would be necessary to take action at a meeting at which all such persons entitled to vote were present and voted, as the case may be. Such consent must be filed with the minutes of proceedings of the Board of Directors or of the committee. Such consent shall have the same force and effect as a vote at a meeting where such directors or officers were present and voted, and may be stated as such in any document.

Section 12: A majority of the Board of Directors shall constitute a quorum for the transaction of all business, except in cases where a larger vote is required under these Bylaws

Section 13: Proxy voting is not permitted.

Section 14: Any vacancy occurring in any officer position shall be filled by the affirmative vote of a majority of the directors present at any meeting of the directors at which a quorum is present within sixty (60) days of such vacancy. Any director elected or appointed to fill a vacancy shall hold office for the remainder of the vacated term and until such director's successor is elected and qualified at the next annual meeting. An officer may be removed from the Board for cause by a two-thirds vote of the Board of Directors, provided such officer is granted an opportunity to be heard as determined by Board policy.

Article VIII – Delegate Council

Section 1. The Delegate Council shall consist of all active and associate members who register for and attend the Annual Meeting. If the Board of Directors provides for Delegate Council voting without attendance at an Annual Meeting, or without a meeting, then the Delegate Council shall consist of all active and associate members.

Section 2. The Delegate Council shall hold one meeting each year, to be known as the Annual Meeting. For this meeting, a quorum of the Delegate Council shall consist of ten percent 10% of the active members registered and attending an Annual Meeting. Unless otherwise provided by the Bylaws, a majority vote of those eligible members of the Delegate Council voting shall govern. Cumulative and proxy voting shall not be permitted. The Delegate Council may take action without a meeting when determined by the Board of Directors and at such times a quorum of the Delegate Council shall consist of one-twentieth (1/20) of the active members of this Association.

Section 3. The Delegate Council shall confer and advise with the Board of Directors on matters relating to this Association.

Section 4: The powers of the Delegate Council are:

- (a) To elect Officers and Directors of this Association.
- (b) To suggest and recommend policy for consideration by the Board of Directors.
- (c) To amend the bylaws of this Association (except associate members).
- (d) To review actions of the Board of Directors (other than administrative actions) taken subsequent to the last preceding meeting of the Delegate Council.
- (e) To overrule actions (other than administrative actions) of the Board of Directors submitted to it by referendum as set forth in Article VII, Section 5. For the purpose of overruling the Board of Directors a successful vote shall consist of at least two-thirds (2/3) of the total votes cast.

Article IX – Annual Meetings

Section 1. An annual meeting of this Association shall be held at such time and place as shall be determined by the Board of Directors.

Section 2. Special meetings of this Association shall be called by the President upon the request of 25% of the active members of this Association or upon the request of three-fourths (3/4) of the members of the Board of Directors. Special meetings may be held by means of the Internet or other permissible electronic communications, as the Board of Directors may direct. No business shall be transacted at a special meeting other than that specified in the notice of the meeting.

Section 3. The Association Executive shall give notice of the Annual Meeting to each member at least sixty (60) days prior to the date of the meeting, and an official call for any special meeting at least thirty (30) days prior to the date of the same.

Article X – Committees

Section 1. The President, in consultation with the Board of Directors, shall appoint the standing committees (Finance, Government Relations, Membership, and Professional Development and Education) and such other committees as the Board may determine, with such duties and such terms of appointment as the Board may prescribe. Any member of any committee may be removed at the discretion of the Board.

Section 2. The Finance Committee shall prepare an annual budget for approval by the Board of Directors and make such recommendations as may be deemed advisable on appropriations, allocations, and income. The full responsibilities of the committee are detailed in the board policies.

Section 3. The Government Relations Committee shall examine proposed legislation and regulations affecting life and health insurance and related financial services introduced in this state and by the federal government. The Committee shall submit any recommendations concerning approval, disapproval or revision of such legislation or regulations to the Board of Directors, and, where appropriate, shall present the view of this Association to proper committees of the Legislature and others and communicate recommendations to NAIFA. The Committee shall develop programs and activities to promote contributions to this Association's PAC and NAIFAPAC and to aid individuals in becoming more knowledgeable and involved in politics and government. The Committee shall seek to enhance awareness of the purposes and opportunities of NAIFAPAC and this Association's PAC by making contributions to selected candidates for state elective office. The Committee shall promote the involvement of this Association in the election of candidates for local, state, and national office, consistent with the legislative views of this Association. The Committee shall also identify and foster the creation of member relationships with elected officials. The Committee may carry out its duties through subcommittees or task forces on legislation, political action, and political involvement. One member of the Committee shall be appointed to the position of State IFAPAC Chair, to execute the political action functions of the Committee, and a different member of the Committee shall be appointed to the position of State APIC Chair, to execute the political involvement functions of the Committee, and the

appointees shall be reported to NAIFA within 30 days of appointment. The full responsibilities of the committee are detailed in the board policies.

Section 4. The Membership Committee shall assist with the development, coordination, and implementation of membership recruitment and retention campaigns of NAIFA and the Association. The full responsibilities of the committee are detailed in the board policies.

Section 5. The Professional Development and Education Committee shall provide support for professional career development, educational, and other benefit programs for Association members. The full responsibilities of the committee are detailed in the board policies.

Article XI – Revenue

Section 1. The NAIFA Board of Trustees shall establish rates for dues to be paid by each class, category, and group of members of NAIFA, including this Association, and shall allocate forty percent (40%) of such membership dues to this Association for the members of this Association. Notwithstanding the foregoing, for members who belong to NAIFA local chapters, NAIFA shall allocate twenty percent (20%) of such members' membership dues to this Association and twenty percent (20%) of such members' membership dues to the local chapter(s) to which such members belong.

Section 2. The NAIFA Board of Trustees shall determine any procedure for the suspension and revocation of membership in NAIFA and in this Association for a member's failure to pay dues. Dues are not refundable, except as may be prescribed by the NAIFA Board of Trustees.

Article XII – Nominations and Elections

Section 1. At least three (3) months prior to the date of the annual meeting (or any meeting of the Delegate Council), the President shall appoint a Governance Committee to consist of at least three (3) members of this Association, and with one (1) member, if possible, being a Past President of this Association who will serve as Chair and one (1) member of this Association who is the National Committee Chairperson. The duties of the Governance Committee are to seek, receive, and prepare nominations for officer and director positions and to have general charge of the election of officers and directors and other matters brought to a vote of the Delegate Council.

Section 2. Governance Committee shall solicit recommendations of nominees for offices to be filled at the annual election and shall investigate the qualifications of all persons under consideration. No person shall be recommended for any office without the consent of such person being first obtained. The Governance Committee shall also prepare all resolutions to be brought before the Delegate Council during the annual meeting of this Association.

Section 3. No later than 60 (sixty) days before each annual meeting, the Governance Committee shall select and announce for submission for the offices of President-Elect, Secretary-Treasurer, and Directors, at least one (1) candidate for each of these offices, and shall also select and announce at least one (1) candidate for submission for each vacancy for any other board position.

Section 4. The Governance Committee shall make its report to the Delegate Council at the annual meeting. Further nominations may be presented from the floor, provided that the name of any candidate for officer or director to be nominated from the floor must have been disclosed to the Secretary in writing no later than 30 days before each annual meeting.

Section 5. At such time during the annual meeting as may be fixed by the Board of Directors, and according to the procedures prescribed by the Board of Directors, the Delegate Council shall vote upon and elect the President-Elect, the Secretary-Treasurer and Directors, and the number of other officers or directors necessary to fill vacancies by reason of expiration of the terms of office of the incumbents in accordance with these Bylaws.

Article XIII – Finance

Section 1. The fiscal year shall be January 1 – December 31.

Section 2. The Board of Directors shall provide for the full audit of the books of account of this Association by a certified public accounting firm every three (3) years or at more frequent periods at its discretion.

Article XIV – Parliamentary Authority

Section 1. Robert’s Rules of Order (Revised) shall be the parliamentary authority for all matters of procedure not specifically covered by these Bylaws.

Section 2. The rules of procedure may be suspended by two-thirds vote of those present and voting at any meeting.

Article XV – Amendment of Bylaws

Section 1: Amendments to these bylaws, if in conformity with the policies of NAIFA, may be made at any meeting of the Delegate Council by a majority vote of the members present and voting, provided that there shall be a quorum present. A quorum for these purposes shall be as provided in Article VIII, Section 2 of these bylaws. The Delegate Council may amend these bylaws without a meeting, by regular mail, electronic mail, online voting, or other permissible methods, as directed by the Board of Directors, where at least one-twentieth (1/20) of active members participate in the vote and where the amendment is approved by a majority of votes cast.

Section 2: Proposed amendments which are to be considered by the Delegate Council pursuant to Article XV, Section 1 of these Bylaws shall be received by the Secretary-Treasurer at least sixty (60) days prior to the date of the meeting (or the date a voting period begins in the absence of the meeting). The Secretary-Treasurer shall send a copy of all proposed amendments to each member of this Association not less than thirty (30) days prior to the date of the meeting (or the date a voting period begins in the absence of the meeting).

Section 3: Amendments to these Bylaws may be made by a majority vote of the full Board of Directors at any meeting of the Board of Directors, provided however, that the Board may not

adopt any amendment which would limit the powers of the Delegate Council under these Bylaws. A copy of any amendment to these Bylaws adopted pursuant to this Section 3 shall be sent by the Secretary each member of this Association within twenty (20) days of the date of adoption of the amendment by the Board of Directors.

Section 4: Proposed amendments to these Bylaws shall be effective only when approved by the NAIFA Board of Trustees.

Article XVI – National Affiliation

Section 1. In recognition of the values of national fellowship and cooperation available to this Association through its privileges and rights of participation in the governance and activities of NAIFA, it is hereby declared a major policy of this Association to comply with its NAIFA State Chapter Agreement and to exercise fully those privileges and rights granted to it, and to discharge promptly all lawful obligations imposed upon it, by NAIFA. This Association shall conform to the accepted standards for NAIFA state chapters as set forth from time-to-time by the NAIFA Board of Trustees.

Section 2. The Board of Directors shall provide for the prompt review, approval and forwarding of all reports required or requested by NAIFA.

Section 3. The Board of Directors shall provide for the prompt payment of any indebtedness to NAIFA.

Section 4. Insofar as possible, this Association shall be represented by its President and National Committeeperson, or their duly appointed alternates, at all appropriate meetings of the NAIFA. Provision for the expense of representation at such conventions and meetings may be made by the Board of Directors in preparing the budget of this Association.

Article XVII – Other

Section 1: The Association shall use its funds only to accomplish the objectives and purposes specified in these Bylaws, 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 in the general operating funds, special accounts or investments shall be distributed to NAIFA or one or more tax-exempt organizations to be selected by the Board of Directors.

Section 2: If any part of these Bylaws shall be held invalid or inoperative for any reason, the remaining parts, so far as is possible and reasonable, shall remain valid and operative.

Section 3: To the extent permitted by law, any person (and the heirs, executors, and administrators of such person) made or threatened to be made a party to any action, suit, or proceeding by reason of the fact that he is or was a Director or Officer of the Association shall be indemnified by the Association against any and all liability and the reasonable expenses, including attorney's fees and disbursements, incurred by him (or by his heirs, executors or administrators) in connection with

the defense or settlement of such action, suit, or proceeding, or in connection with any appearance therein.

Notwithstanding the above, the Association will indemnify a person only if he or she acted in good faith and reasonably believed that his conduct was in the Corporation's best interests. In the case of a criminal proceeding, the person may be indemnified only if he had no reasonable cause to believe his conduct was unlawful.