

BYLAWS

NATIONAL ASSOCIATION OF CONSUMER ADVOCATES, INC.,

Article 1. NAME AND LOCATION

Section 1.01 - Name

The name of this organization is National Association of Consumer Advocates, Inc. ("NACA").

Section 1.02 - Office Address

NACA's principal office is located in Washington, D.C. The Board of Directors may change the location of NACA'S principal office and may designate additional office locations

Section 1.03 - Registered Agent

NACA shall have and maintain a registered agent, as required by the laws of the Commonwealth of Massachusetts, for purposes of receiving legal process and other lawful notices on NACA's behalf. The Board of Directors shall designate and may change NACA's registered agent and/or such agent's address.

Article 2. PURPOSES

Section 2.01 - Mission Statement

NACA's mission is to promote justice for all consumers by maintaining a forum for communication, networking, and information-sharing among consumer advocates across the country, particularly regarding legal issues, and by serving as a voice for consumers in the ongoing struggle to curb unfair or abusive business practices that harm consumers.

Section 2.02 Description

NACA is a not-for-profit association of attorneys and other advocates committed to the representation of consumers. NACA is funded by membership dues, remedies in consumer cases, and other sources of funding whose interests are consistent with NACA's mission.

Article 3. MEMBERSHIP AND VOTING REQUIREMENTS

Section 3.01 - Membership Classifications

A. Regular Members. Any individual who advocates the rights of consumers, who supports NACA's mission, and who meets other requirements set by the Board may become a member of NACA by paying annual dues. Regular members enjoy all the benefits, rights and privileges of membership, including the right to vote and hold office, except as limited by Section 3.03(D).

B. Sustaining Members. Any individual who, by reason of dedication to NACA's ideals and/or by financial support of NACA, is so honored and designated by the Board of Directors shall be a Sustaining Member. The Board of Directors may designate a person as a Sustaining Member for any period of time, including the designation of Lifetime Sustaining Member. Sustaining Members receive all the benefits, rights, and privileges of membership, except as limited by Section 3.03(D).

C. Organizational Member. Any organization, the primary purposes and objectives of which are compatible with NACA's mission, may become a member of NACA by paying annual dues. Organizational members receive only those benefits, rights, and privileges of membership as may be granted by the Board of Directors from time to time, which may not include the right to vote or hold any office.

D. Denial of Initial Membership

1. The Executive Director may deny membership to an applicant whose conduct is inconsistent with NACA's mission or may refer that applicant to the Ethics Committee for a recommendation.
2. The applicant may appeal a denial decision to the Board of Directors in writing within 30 days of the date the decision is provided.

E. Removal of Members

1. The Executive Director may remove a member from NACA whose conduct is inconsistent with NACA's mission or may refer that member to the Ethics Committee for a recommendation.
2. The member may appeal a removal decision to the Board of Directors in writing within 30 days of the date the decision is provided.

Section 3.02 - Annual Dues

Member dues are due annually at the commencement of NACA's fiscal year or at such other time as the Board may determine, according to a dues structure established by the Board. If a member's dues remain unpaid for 60 days, the Executive Director shall have a notice of delinquency mailed to that member. If the member's dues are not paid within 30 days of mailing of the notice of delinquency, then membership shall terminate. A person or organization whose membership has terminated solely for non-payment of

dues shall be reinstated at any time upon payment of annual dues for the current fiscal year. A person or organization may apply to the Executive Director for a reduction or waiver of dues for good cause shown.

Section 3.03 - Membership Meetings

A. Annual Meeting. The annual meeting of the NACA membership shall occur at a time and date set by the Board of Directors.

B. Special Meetings. Special meetings of the membership may be called by a vote of the Board of Directors. Notice of any special meeting must state the purpose of the meeting. The business of the special meeting will be limited to that purpose set forth in the notice.

C. Notice. Written notice of the date, time and location of any membership meeting shall be mailed to each member at least 30 days before the scheduled beginning of the meeting. Attendance at a membership meeting constitutes waiver of notice, except where a member states that he or she is attending for the purpose of objecting to the conduct of business on the ground that the meeting was not properly called or convened.

D. Participation. Any member who represents business organizations may not attend or participate in any NACA membership, Board, or committee meeting or in any NACA conference session where information relevant to the business or trade might be communicated.

Section 3.04 - Quorum for Membership Meetings

Except as otherwise provided by law or by these Bylaws, all matters before the members shall be decided by a majority vote of the voting members in good standing present at a meeting at which a quorum exists. A quorum shall consist of at least 50 voting members.

Article 4. BOARD OF DIRECTORS

Section 4.01 - Directors' Powers and Duties

NACA's business, affairs, and property shall be managed and all corporate powers as set forth in the Articles of Incorporation or the laws of the Commonwealth of Massachusetts shall be exercised by or under the control of the Board of Directors. Without limiting the scope of the Board's powers and duties, the Board has supervision, control and direction of all the affairs of NACA. The Board shall supervise and support the Executive Director's implementation of NACA's mission and shall set a budget annually. The Board of Directors may adopt rules for the conduct of its business.

Section 4.02 - Number and Term of Office

A. Number. The Board of Directors shall consist of no less than nine nor more than 18 voting members of NACA, as may be determined from time to time by recommendation of the Nominating Committee and approved by the members at the annual meeting.

B. Term of Office. Directors shall be elected to serve for a term of three years. No director may serve more than two consecutive full terms.

Section 4.03 - Vacancies

Any vacancy in the Board of Directors shall be filled by vote of a majority of the remaining Directors for the balance of that Director's term.

Section 4.04 - Removal

A. A Director may be removed for conduct inconsistent with the mission of NACA by a three-quarters vote of the other Directors in office, or for any reason by a two-thirds vote of the members at the annual meeting.

B. At least 15 days' written notice of the proposed removal by the Board shall be provided to the Director subject to a vote for removal, and the Director shall have a right to be heard prior to the Board vote.

Section 4.05 - Meetings

Regular meetings of the Board of Directors shall be held at least quarterly on a schedule to be determined by the Board. Special meetings may be called by a Chair or at the request of one-third of the Directors in office. Except as otherwise restricted in these Bylaws, the Chair shall designate the time and place of all meetings of the Board. Unless the Board votes to meet in executive session, all in-person meetings of the Board are open to the members of NACA.

Section 4.06 - Quorum for Meetings of Board of Directors

Except as otherwise provided by law or in these Bylaws, all matters before the Board shall be decided by a majority vote of the Directors present at a meeting at which a quorum exists. A quorum consists of one-half of the Directors in office.

Section 4.07 - Use of conference telephone and similar equipment

Any meeting of the Board of Directors may be conducted by conference call or any other means that enables all persons participating in the meeting to hear each other.

Section 4.08 - Action by written consent

Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the text of a resolution authorizing the action is sent to all Directors in office and a majority of the Directors in office consents to such action in writing filed with the Secretary. Any such action must be recorded in the Board minutes by the Secretary.

Section 4.09 – Notice of Meetings of the Board

At least 10 days notice shall be given to Directors of any regular meeting of the Board of Directors. A special meeting may be held upon notice of three days. Notice of a meeting of the Board shall specify the date, time, and place of the meeting and whether the meeting is to be held by telephone or otherwise, but need not specify the purpose of the meeting or the business to be conducted except as otherwise provided in these Bylaws. Notice of the meeting may be provided by any reasonable means of communication. Attendance at a meeting constitutes waiver of notice, except where a Director states that he/she is attending for the purpose of objecting to the conduct of business on the ground that the meeting was not lawfully called or convened.

Section 4.10 – No liability of Directors and Officers

No director or officer shall be personally liable for the debts, liabilities, or other obligations of NACA, except as otherwise limited or qualified by applicable law.

Section 4.11 - Indemnification by NACA

Every person who is or has been a Director, Executive Director, or employee of NACA shall be indemnified by NACA for all costs and expenses reasonably incurred by or imposed upon him or her in connection with or resulting from any action, suit or proceeding to which he or she may be made a party by reason of being or having been a Director or employee of NACA, except in relation to such matters as to which he or she shall finally be adjudicated in such action, suit, or proceeding to have acted not in good faith and in the reasonable belief that his or her action was in the best interest of NACA or in the event of an employee plan in the interest of the participants or beneficiaries of the plan. "Costs and expenses" shall include, but are not limited to, attorney's fees, damages, and reasonable amounts paid in settlement.

Section 4.12 – Insurance

The Board may, by majority vote of the Directors present at any meeting where such matter is considered, authorize the purchase and maintenance of insurance on behalf of the Board of Directors or any individual officer, Director, or other agent of NACA against any liability asserted against or incurred by such person in such person's capacity as or arising out of such person's status as a director, officer, or agent of NACA, whether or not NACA would have the power to indemnify such person against such liability, except as otherwise limited or qualified by applicable law.

Article 5. OFFICERS

Section 5.01 - Officers Generally

A. Number, Qualifications, and Designation. The officers of NACA shall be one Chair or two Co-chairs (herein "Chair"), a Secretary, and a Treasurer. Any member of the Board of Directors may be an officer.

B. Authority. The officers of NACA have such authority and perform such duties as provided in these Bylaws or, unless inconsistent with these Bylaws or any resolution made pursuant thereto, their authority shall be that customarily exercised by corporate officers holding such offices.

Section 5.02 - Term of Office

The officers of NACA shall serve a term of one year beginning at the Annual Meeting at which the officers are elected and ending at the time their successors are elected at the next annual meeting. No person shall serve in the same office more than three consecutive full year terms.

Section 5.03 - Resignation of Officers

Any officer may resign at any time by giving written notice to the Board of Directors. The resignation shall take effect as of the date the notice is received, or at any later time specified in the resignation.

Section 5.04 - Removal of Officers

A. Any officer may be removed for conduct inconsistent with the mission of NACA by the Board of Directors at any regular meeting or at a special meeting of the Board called for this purpose.

B. At least 15 days' written notice of the proposed removal by the Board shall be provided to the officer subject to a vote for removal, and the officer shall have a right to be heard prior to the Board vote.

Section 5.05 - Vacancies in Offices

A vacancy in any office that arises because of death, resignation, removal, disqualification, or any other cause shall be filled by a majority vote of the directors. The officer elected to fill the vacancy shall serve until the election and qualification of that office's successor at the next annual meeting.

Section 5.06 - Duties of the Chair

The Chair shall preside at all meetings of the Board of Directors, the Executive Committee, and the NACA membership. The Chair shall perform such duties as usually pertain to such office, shall exercise general supervision of the affairs of NACA and shall see that NACA's affairs are conducted in accordance with the Articles of Incorporation and these Bylaws, and pursuant to the directions of the Board. The Chair shall be an *ex-officio* member of all committees.

Section 5.07 - Duties of the Secretary

The Secretary shall keep or cause to be kept the minutes of all meetings of the Board of Directors, the Executive Committee, and the membership of NACA. The Secretary shall keep or cause to be kept the originals of these Bylaws and the Articles of Incorporation, the NACA seal, and all records or reports as required by law. The Secretary shall procure and cause to be maintained copies of the minutes of committee meetings, correspondence and such other documentation as will provide a chronological record of NACA's activities. The Secretary shall cause to be provided all notices in accordance with these Bylaws or as required by law. In general, the Secretary shall perform all duties incident to the office of Secretary and such other duties as may be required by law, the Articles of Incorporation, or these Bylaws or as assigned by the Chair or prescribed by the Board of Directors. The Secretary shall cause NACA's books and records to be available for inspection by any member or any member's agent or attorney, at such person's request, during the normal business hours of NACA's registered agent.

Section 5.08 - Duties of the Treasurer

The Treasurer shall keep and maintain, or cause to be kept and maintained, accurate books of account of NACA's assets, liabilities, and transactions. The Treasurer shall provide to the Directors such financial statements and reports as are required to be given by these Bylaws or by the Board from time to time. NACA's books of account shall be open to inspection by any member at all reasonable times, in the same manner specified in these Bylaws for inspection of NACA's records. The Treasurer shall deposit or cause to be deposited all money and other valuables in the name and to the credit of NACA with such depositories as the Board may designate; disburse NACA's funds as the Board may order; and perform such other duties as may be required by law, the Articles of Incorporation, these Bylaws, or the Board of Directors from time to time. The Treasurer shall be a signatory on all accounts maintained by NACA.

Article 6. NOMINATIONS AND ELECTIONS

Section 6.01 - Nominating Committee

There shall be a Nominating Committee consisting of seven members; three board members selected every two years by the Board at its first meeting after the Annual Meeting, and four members elected every two years from the membership at large. Any NACA member may be nomi-

nated for one of the at-large slots by a written nomination signed by at least 20 NACA members and submitted to the NACA office no less than 120 days before the annual meeting. The name of any person duly nominated for an at-large slot shall be included in the notice of the annual membership meeting, and placed on a ballot in the manner provided in Section 6.03. The four nominees receiving the most votes shall be deemed elected to the at-large slots for two-year terms.

Section 6.02 - Duties of the Nominating Committee

The Nominating Committee shall meet (1) within 30 days after the annual meeting to appoint at-large members every two years to the Ethics and Issues Committees and (2) on at least one other occasion at least 90 days prior to every annual meeting to formulate recommendations as to:

- A. The number of Board of Directors positions to be filled by election at the annual meeting, taking into account the number of Board vacancies that will exist due to expiration of terms, resignations, removal, or other cause, as well as any increase or decrease in the number of Board positions as provided in Section 4.02(A) of these Bylaws.
- B. A slate of candidates for the recommended number of Board vacancies to be filled, designating slots for each candidate (identifying which candidates would fill added or subtracted slots on the Board if such were approved).
- C. A slate of candidates for Board officers, and designation of which current or recommended Directors are recommended to fill which officer positions for the coming term.
- D. A slate of candidates for the four member positions on the Nominating Committee to be filled by election at the annual meeting.
- E. The recommendations of the Nominating Committee shall be provided to the membership in the notice of the annual meeting and placed on the ballot for election as provided in Section 6.03.

6.03 – Election

- A. Where the membership is called upon to elect any person to any position, each member shall be provided one uniquely numbered ballot. Replacement ballots may be issued on showing of good cause. The Executive Director is responsible for monitoring the issuance of each ballot or replacement ballot. The Membership Committee is responsible for any verification of counts necessitated by a challenge to any election result. Each ballot may be delivered to NACA at least seven days prior to the election or be hand-delivered to the Secretary prior to the start of the meeting where the election is to be held.
- B. Where ballots have been delivered in accordance with this Section, they will be counted and the results announced prior to the end of the meeting.

C. When a challenge is made regarding the accuracy count in any election, each ballot shall be verified against the numbers assigned to each member in good standing. All valid ballots will be recounted to determine a final result.

D. If an accurate final result cannot be determined, the election will be repeated under terms and conditions recommended by the Membership Committee with the approval of the Board.

Article 7. COMMITTEES

Section 7.01 - Executive Committee

There shall be an Executive Committee composed of the two Co-Chairs and one other Director (or, if only one Chair, the Chair and two other Directors) elected by the members of the Board. The Executive Director shall be an *ex officio*, non-voting member. When the Board of Directors is not in session, the Executive Committee has all the powers and duties of the Board unless otherwise limited by the Board and subject to the right of the Board at any subsequent meeting to alter or nullify any action taken by the Executive Committee. Minutes of all meetings shall be provided to the full Board as soon as possible and no later than the next Board meeting. These minutes are available to any NACA member upon request.

Section 7.02 - Issues Committee

A. There shall be a standing Issues Committee consisting of at least five members: two Directors selected every two years by the Board at its first meeting after the Annual Meeting and three members at large selected every two years by the Nominating Committee within 30 days of the Annual Meeting. The Executive Director shall appoint a chair of the Issues Committee prior to its first meeting and may appoint additional members to the Issues Committee as necessary.

B. The Issues Committee must meet at least quarterly to review current issues affecting consumers. The Committee shall determine whether NACA should take a public position on such issues, and, if so, the Committee shall formulate a recommendation as to the NACA position. In addition, the Issues Committee shall review amicus brief requests, recommend whether NACA should file a brief, and select lawyers to draft the brief. Before the brief is filed, the Executive Director or his designate must give final approval to it.

C. Any public position recommended by the Issues Committee shall be communicated to the full Board promptly for consideration. If the Board adopts the recommendation, it shall be released as the public position of NACA. If the Board rejects the recommendation, the Board may adopt an alternative formulation of the position, which shall be communicated to the Issues Committee.

D. In accord with Section 4.01 *et seq.* of these Bylaws, the Board has independent authority to decide to take a public position on any issue, regardless whether the Issues Committee has considered that position.

Section 7.03 - Membership Committee

A. There shall be a standing Membership Committee consisting of at least five members selected every two years by the Board at its first meeting after the Annual Meeting. The Executive Director shall appoint a chair of the Membership Committee prior to its first meeting and may appoint additional members to the Membership Committee as necessary.

B. The Membership Committee shall develop and implement a strategy to recruit and retain members.

C. The Membership Committee must meet at least quarterly.

Section 7.04 – Ethics Committee

A. There shall be a standing Ethics Committee consisting of at least five members: two Directors selected every two years by the Board at its first meeting after the Annual Meeting and three members at large selected every two years by the Nominating Committee within 30 days of the Annual Meeting. The Executive Director shall appoint a chair of the Ethics Committee prior to its first meeting and may appoint additional members to the Ethics Committee as necessary.

B. The Ethics Committee must meet at least quarterly.

C. The Ethics Committee shall make recommendations regarding denial of a Membership application and removal of members, upon request of the Executive Director under Section 3.01(D) and 3.01(E) of these Bylaws.

Section 7.05 – Vacancies and Continuity

A. **Vacancies.** Any vacancy in the Nominating Committee, the Issues Committee, the Membership Committee, or the Ethics Committee shall be filled by vote of the Directors in office, to serve until the next annual meeting.

B. **Continuity.** At the end of the two-year term of the Issues, Membership, and Ethics Committees, the members of each committee then in office shall remain on the committee until the first meeting of the newly selected committee members following the Annual Meeting.

Section 7.06 - Removal

A. A member of any Committee may be removed for conduct inconsistent with the mission of NACA by a two-thirds vote of the Directors in office.

B. At least 15 days' written notice of the proposed removal by the Board shall be provided to the committee member subject to a vote for removal, and the committee member shall have a right to be heard prior to the Board vote.

Section 7.07 - Committees of the Board: Establishment and Powers

The Board of Directors may establish one or more committees in addition to those required by these Bylaws, each such committee to consist of at least three Directors. Except as otherwise provided in these Bylaws, the Chair shall appoint the Directors to each committee and shall appoint a committee chair from the Directors serving on the committee. The committee chair shall report to the Board regarding the committee's activities. Each committee has the powers and duties designated by the Board of Directors, provided that no committee may take any other action reserved to the full Board or to the members by these Bylaws or applicable law.

Article 8. BYLAWS

Section 8.01 - Effective Date

These Bylaws are effective as of the date of their adoption.

Section 8.02 - Amendments

These Bylaws may be changed at any membership meeting by two-thirds of the members present and voting. A proposed change to the Bylaws may be placed on the agenda for a vote by either:

- A. The written request of any 50 members of NACA in good standing, or
- B. A majority vote of the Directors in office.

Any such proposal to amend the Bylaws must be in writing at least 90 days before the annual meeting; must include the actual text of any proposed amendment to the Bylaws; and must be submitted to the NACA office. The proposed amendment shall then be placed on the ballot in the manner provided in Section 6.03.

Section 8.03 - Construction

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the laws of the Commonwealth of Massachusetts shall govern the construction of these Bylaws.

Article 9. MISCELLANEOUS

Section 9.01 - Fiscal Year

NACA's fiscal year is January 1 – December 31, or such other period as the Board may determine.

Section 9.02 Annual Report

The Executive Director shall cause to be prepared an annual report by September 1 of each year. The annual report shall contain a statement of income and expenses for the fiscal year, a summary of significant events and actions taken by NACA in the previous year, and such other information as the Board may require. The annual report will be posted on NACA's website

Section 9.03 Robert's Rules of Order

Robert's Rules of Order shall be the official guide for any procedure not covered by these Bylaws.

Section 9.04 Dissolution

On dissolution of NACA, any funds remaining after satisfaction of all outstanding financial obligations shall be distributed to one or more regularly organized and qualified charitable, educational, or philanthropic organizations whose object or purposes are consistent with the mission of NACA as determined by the Board of Directors.