

AMENDED AND RESTATED BY-LAWS

OF

**THE NEW JERSEY BURGLAR AND
FIRE ALARM ASSOCIATION, INC.**

PROPOSED TO BE AMENDED AS OF JANUARY 2008

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ARTICLE I - GENERAL

Section 1.1 Name. The name of this nonprofit corporation is The New Jersey Burglar and Fire Alarm Association, Inc.

Section 1.2 Office. The registered office of the Association shall be located in Trenton, New Jersey at such address as designated by the board from time to time. The Association may also have offices at such other places as the Board may from time to time determine.

Section 1.3 Purpose. The Association's objectives is incorporated for the purpose of engaging in any lawful act or activity for which nonprofit corporations may be organized in the State of New Jersey, including:

- (a) serving as a source of education and information regarding the Electronic Security Industry for the Members, emergency response personnel and the general public;
- (b) cooperating with others in matters affecting the Members' business and common interests;
- (c) promoting the interests of the Electronic Security Industry;
- (d) stimulating wider and more extensive use of Electronic Security Systems;
- (e) fostering cordial relationships among Members, the Electronic Security Industry and the general public;
- (f) to stimulate by all lawful means, more exclusive use of Electronic Security Systems among the public.

Neither the Association nor any Member shall agree to, support or attempt to use any form of action to limit production, fix prices, suppress competition, restrain trade or commerce or to monopolize the Electronic Security Industry.

ARTICLE II - DEFINITIONS

Section 2.1 Affiliate means any partner, joint venturer, trustee, executor, administrator or fiduciary of a Member and, if the Member is a corporation whose stock is not publicly traded and registered with the Securities and Exchange Commission or with a state securities commission, any stockholders of a Member who hold an equity interest of five percent or greater.

Section 2.2 Articles of Incorporation shall mean the Articles of Incorporation of the Association, as amended from time to time.

Section 2.3 Associate Member means any Eligible Member that (i) is an Associate Member in good standing as of the date of the adoption of the By-Laws; or (ii) meets each of the following requirements:

- (a) One of its business activities is the manufacture, distribution or supply of goods or services (including monitoring services) to Regular Members.

(b) The Membership Committee has recommended to the Board that such Eligible Member become an Associate Member.

(c) It is approved as an Associate Member by a majority vote of the Board.

Section 2.4 Association means The New Jersey Burglar and Fire Alarm Association, Inc.

Section 2.5 Board means the Board of Directors of the Association.

Section 2.6 By-Laws shall mean the Association's By-Laws as amended from time to time.

Section 2.7 Chartered States Association Representative means the Association's duly appointed representative to the NBFSA.

Section 2.8 Code of Ethics means the code or codes of ethics and any anti-trust statement(s) promulgated by the Association and/or the NBFSA.

Section 2.9 Director means any of the elected or appointed directors of the Association, and, where acting as members of the Board, each of the Officers and the Chartered State Association Representative.

Section 2.10 Electronic Security Industry means those industries relating to the electronic security industry including, without limitation, the design, sale, installation, servicing or monitoring of equipment or systems for electronic security, closed circuit television, video monitoring, access control, fire detection, fire suppression, voice communication and data transmission, home theater, central vacuum, home automation, home audio systems, fire test and inspection, and related services.

Section 2.11 Electronic Security Systems means equipment or systems to provide the services referred to in Section 2.10.

Section 2.12 Eligible Member means any entity that meets the membership requirements listed in Section 3.1.

Section 2.13 Executive Director means the Association's executive director as set forth more fully in Section 8.8.

Section 2.14 Grievance Committee means the Grievance Committee of the Association.

Section 2.15 Honorary Member means any person that meets all of the following requirements:

(a) A Voting Member has submitted a letter of recommendation and merit for such person to the Membership Committee.

(b) The Membership Committee has recommended to the Board that such person be named an Honorary Member.

(c) Such person is approved as an Honorary Member by a vote of no less than seventy-five (75%) percent of the Board.

Section 2.16 Immediate Past President means the Association's immediate past president.

Section 2.17 Member means any Regular Member, Associate Member, Honorary Member or Public Safety Member.

Section 2.18 Membership Committee shall mean the duly appointed committee of the Board charged with the review, analysis and approval of applications for membership in the Association.

Section 2.19 NBFAA means the National Burglar & Fire Alarm Association, Inc.

Section 2.20 Nominating Committee means the Nominating Committee of the Board, which shall consist of the Immediate Past President (who shall serve as its chairperson) and such other persons appointed by the President as provided by the By-Laws.

Section 2.21 Officers shall mean President, President Elect, the Regional Vice-Presidents, the Regional Secretaries, the Treasurer and the Immediate Past President.

Section 2.22 Public Safety Director is the individual who: (a) is a Public Safety Member; and (b) has been elected or appointed to represent all Public Safety Members.

Section 2.23 Public Safety Member means any person that meets each of the following requirements:

(a) Such person is a member of any police or fire department of any governmental organization, or any governmental agency concerned with law enforcement, fire safety or public safety.

(b) A Voting Member has submitted a letter of recommendation for such person to the Membership Committee.

(c) The Membership Committee has recommended to the Board that such person be named a Public Safety Member.

(d) Such person is approved as a Public Safety Member by a majority of the Board.

Section 2.24 Regional Chapter means each of the three regional chapters of the Association, which are designated as the Central, Northern and Southern Chapters.

Section 2.25 Regional Meeting means the scheduled meeting of the Members of each Regional Chapter.

Section 2.26 Regional Officer means any of the elected or appointed officers of the Chapter and Association including the Regional Vice Presidents and Regional Secretaries.

Section 2.27 Regional Vice President means one of the Association's vice-presidents and chief executive officer of the Regional Chapter for which the Regional Vice President is elected or appointed.

Section 2.28 Regional Secretary means one of the Association's secretaries and an officer of the Regional Chapter from which the Regional Secretary is elected or appointed.

Section 2.29 Regular Member means any Eligible Member that (i) is a Regular Member in good standing as of the date of the adoption of the By-Laws; or (ii) meets all of the following requirements:

(a) Its business activities includes the sale, lease, design, installation or service (excluding monitoring services) of Electronic Security Systems.

(b) It maintains a New Jersey license and submits evidence thereof to the Association upon the submission of its completed membership application and application fee.

(c) It agrees to abide by the By-Laws and Code(s) of Ethics.

(d) It is recommended by the Membership Committee and approved as a Regular Member by a majority vote of the Board following submission of its completed membership application and application fee.

Section 2.30 Voting Member means any Regular Member or Associate Member.

ARTICLE III - MEMBERSHIP

Section 3.1 Membership Requirements. Except for any Member existing as of the adoption of the By-Laws, any Member (except an Honorary Member or a Public Safety Member) must meet all of the following general requirements:

(a) It must apply for membership in writing, on forms provided by the Association, and must supply such other information as the Association reasonably deems necessary.

(b) It must conduct its business and affairs in accordance with the By-Laws and Codes of Ethics and with such rules and regulations promulgated by the Board from time to time.

(c) It must tender payment of all initial fees and dues for the first year of membership upon submitting its written application, and it must tender payment of all subsequent fees, dues and other monetary obligations to the Association within the time period designated by the Association.

(d) It must designate an individual who is a principal or an employee of the business to exercise the Member's rights. The Member may change or terminate such designation at any time by written notice to the Association.

(e) It must comply with the licensing laws in the state(s) and municipalities in which it operates.

(f) Neither it nor any of its Affiliates shall have been convicted of a felony or pleaded nolo contendere to a felony charge or indictment.

Section 3.2 Election to Membership. The Membership Committee shall review each application for membership and make recommendations to the Board respecting such application. Following such recommendations, the Board shall either accept, reject or table consideration of the application as soon as reasonably practicable by majority vote of the Board; provided, however, any such

actions shall be consistent with the By-Laws. The Association shall publish the names of every accepted member in its publications and announce such names at its meetings.

Section 3.3 Duration and Renewal of Membership. All Members (except Honorary Members) shall be Members for an initial term of the remainder of the calendar year in which they join, but such membership may be renewed annually by paying dues for the next calendar year and by meeting current membership requirements. Honorary Members shall be members for life (unless expelled under Section 12.2) and shall not be required to pay dues.

Section 3.4 Types of Members. The Association shall have the following types of members: Regular Members, Associate Members, Honorary Members and Public Safety Members. **Each Associate Member and Regular Member shall simultaneously be members of the NBF AA.**

Section 3.5 Regional Chapters. Each Regular Member shall become a Member of all of the Regional Chapter(s) representing the region(s) where such Member has office(s).

Section 3.6 Right to Vote. Regular Members and Associate Members shall have the right to vote by their duly designated representative and shall be given due notice, fair representation and the right to participate in all elections at annual and special meetings of the Members and any Regional Meetings. No other Members shall have the right to vote.

Section 3.7 Right to Hold Office. Any Honorary Member or employee of a Regular Member or Associate Member may serve as an Officer or Director. Public Safety Members shall have the right to hold the position of Public Safety Director, but shall not have the right to hold any other Director, Officer or Regional Officer positions.

Section 3.8 Transfer of Membership. If a Member sells all or substantially all of the assets related to its operations and the purchaser wishes to assume the seller's membership in the Association, the purchaser shall notify the Association of the sale no later than sixty days after the transaction and shall submit a certificate providing evidence of the purchaser's qualification. If the purchaser meets all of the requirements for membership contained in Section 3.1, it may assume the seller's membership rights in the Association.

Section 3.9 Regular Membership. Any Eligible Member that satisfies the requirements of Regular Membership shall join the Association as a Regular Member and may not be a Member in any other membership category.

ARTICLE IV - MEETINGS OF MEMBERS

Section 4.1 Annual Meeting. An annual meeting of Members shall be held in January (or such other month as shall be determined by the Board) of each calendar year, on such date and at such time as may be fixed by the Board, for the purposes of electing Directors and Officers, for receiving annual reports, approval of the Association's annual budget and transacting such other business as may properly come before the meeting.

Section 4.2 Regional Meetings. Meetings of each Regional Chapter shall be held at a date, time and place determined by the Regional Vice President and Regional Secretary of such region with the approval of the majority of the Board.

Section 4.3 Special Meetings. Special meetings of Members may be called at any time by (a) the President, (b) the Board or (c) Members entitled to cast at least twenty percent of the votes that all Voting Members would be entitled to cast at the particular meeting. Upon written request of any person who has duly called a special meeting, the Secretary shall fix the time of the meeting, which shall be held no more than ten and not less than sixty days after the receipt of the request. If the Secretary neglects or refuses to fix the time of the meeting, the person or persons calling the meeting may do so by written notice thereof to the Members.

Section 4.4 Place of Meeting. All meetings of Members shall be held at such places as may be approved by the Board from time to time.

Section 4.5 Notice. Written notice of every meeting of Members shall be given by, or at the direction of, the Regional Secretaries or other authorized person to each member of record entitled to vote at the meeting at least fifteen days prior to the day named for the meeting. The notice of the meeting shall specify the place, day and hour of the meeting and, in the case of a special meeting, the general nature of the business to be transacted. If applicable, the notice shall also state that the purpose, or one of the purposes, of the meeting is to consider the adoption, amendment or repeal of the By-Laws, in which case the notice shall include, or be accompanied by, a copy of the proposed amendment(s) or a summary of the changes to be effected thereby.

Section 4.6 Quorum. The presence in person of at least ten (10) Regular Members at any meeting of the Members shall constitute a quorum for purposes of consideration and action on such matter. The Members present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough Voting Members, so that less than a quorum remains.

Section 4.7 Action by Members. Whenever any action is to be taken by vote of its Voting Members, it must be authorized by a majority of the votes cast at a duly organized meeting by Members entitled to vote thereon, except where a different vote is required by the Articles of Incorporation or By-Laws. Voting by ballot may be requested at any time by any Voting Member and shall be implemented upon a vote by a majority of the Voting Members in attendance. In addition, upon an affirmative vote of the Board, the Members may, in a special election, authorize the Association to take such actions as the Board may recommend provided a majority of Voting Members who participate in such special election duly execute and return ballots authorizing such action. Any such special election shall be called by the Board at least 30 but not more than 60 days prior thereto and shall be conducted by the Treasurer.

Section 4.8 Presiding Officer. All meetings of Members shall be called to order and presided over by the President, or, in the absence of the President, by the President Elect, one of the Regional Vice Presidents, the Treasurer or the Immediate Past President in that order.

Section 4.9 Order of Business at Meetings. The order of business at all meetings of Members (excluding regional meetings) shall be as follows:

- Call to Order
- Pledge of Allegiance
- Roll Call
- Anti-Trust Statement
- Review and Approval of Minutes of Previous Meeting
- Executive Director's Report
- Regional Reports

Treasurer's Report
Committee and Other Reports
Old Business
New Business
Adjournment

The order of business may be altered or suspended at any meeting by a majority vote of the Members present. The usual parliamentary rules as set forth in "Roberts' Rules of Order Revised" shall, to the extent not in conflict with the By-Laws, govern all such deliberations.

ARTICLE V - ELECTIONS

Section 5.1 Elections of Officers and Directors. At the annual meeting, Voting Members shall elect a President-Elect, Regional Vice Presidents, Regional Secretaries and Treasurer and Directors. The Voting Members shall elect a President-Elect at those meetings where the President's then-current term is to expire or if the office of President-Elect is vacant. The Voting Members shall elect that number of Directors equal to that number of Directors whose terms have expired (or about to expire). The candidates receiving the highest number of votes cast for their respective positions shall be elected.

Section 5.2 Manner of Voting. Elections of Officers and Directors shall be by voice vote except upon the motion of a Voting Member to conduct such vote by written ballot, which motion is approved in accordance with the By-Laws.

Section 5.3 Nominating Committee. The Nominating Committee shall consist of five Members including at least one Member from each Regional Chapter and be appointed by the President on or before April 1 of each year. The Immediate Past President shall serve as the chair of the Nominating Committee. The Nominating Committee shall submit to the Treasurer a list of the names of nominees to serve as Officers and Directors prior to December 15 of each calendar year.

Section 5.4 Publication of Nominees. The names of the nominees recommended by the Nominating Committee will be published by some reasonable means (including by e-mail or on the Association's web-site) the Association no later than fifteen (15) days prior to the annual meeting.

Section 5.5 Nominees. Voting Members shall elect the Officers and Directors from a list of candidates submitted by the Nominating Committee or from nominations made from the floor at the annual meeting. Directors and Officers shall be elected based on his or her individual qualifications and, once elected, shall not act as representatives of any particular Member or class of members. Nomination procedures for Regional Officer positions shall be determined by the Members of each Regional Chapter.

Section 5.6 Elected Officers and Directors. Officers and Directors elected at the annual or special meeting shall take the oath of office and assume their respective positions immediately following the election. At those annual meetings at which the current President's two-year term is expiring, the President-Elect shall, immediately following the election, automatically succeed to the Presidency.

ARTICLE VI - BOARD OF DIRECTORS

Section 6.1 General. All powers vested by law in the Association shall be exercised by or under the authority of, and the business and affairs of the Association shall be managed under the direction of, the Board. The Board shall conduct business on behalf of the Members.

Section 6.2 Number, Qualifications and Term of Office. The Board shall consist of the President, the Regional Vice Presidents, Regional Secretaries, the Treasurer, the Immediate Past President, duly elected (or appointed) Directors and the Chartered States Association Representative, none of whom may hold more than one elected position.

Section 6.3 Directors. Each Director shall be at least twenty-one years of age and employed by a Voting Member. Any Director who is no longer employed by a Voting Member shall automatically cease to serve as a Director and shall be replaced as provided in Section 6.5 hereof. Each Director shall hold office for two (2) years or until such Director's earlier death, resignation or removal.

Section 6.4 Limitations. No Member shall have more than one Director. The President, Vice President, Secretary and Treasurer shall serve on the Board for the duration of their respective terms and until their respective successor has been selected and qualified or until such officer's earlier death, resignation or removal. The Immediate Past President shall serve as a member of the Board for the duration of the following President's term and until such Director's position has been filled upon the succession of the President-Elect to the Presidency or until the Immediate Past President's death, resignation or removal. A Director may be reelected for additional terms without limit.

Section 6.5 Vacancies. Vacancies on the Board shall be filled by the President with the approval of a majority vote of the remaining Directors, or by a sole remaining Director, and each person so selected shall be a Director to serve for the balance of the unexpired term and until his or her successor has been selected and qualified or until his or her earlier death, resignation or removal. If the vacancy is in the Immediate Past President category, then the most recent available past President shall automatically fill such vacancy. If no past President is available, then such vacancy may be filled by a majority vote of the Board.

Section 6.6 Removal and Resignation.

(a) Any Director may be removed for cause by a majority vote of the Directors. Directors may be removed without cause only by a two-thirds vote of the Directors.

(b) Any Director may resign at any time from his or her position as a Director upon written notice to the Association. The resignation shall be effective upon receipt thereof by the Association or at such subsequent time as may be specified in the notice of resignation.

Section 6.7 Regular Meetings. The Board shall hold meetings at such day, hour and place as it may from time to time determine.

Section 6.8 Special Meetings. Special meetings of the Board may be called by the President, one or more of the Regional Vice Presidents, the Treasurer or any four Directors. The person or persons calling the special meeting may fix the day, hour and place of the meeting.

Section 6.9 Notice of Meetings. Notice of the intended time and place for all meetings of the Board shall be mailed to Directors not less than five days prior to such meeting, unless unanimous consent to waive such notice is given by the Directors.

Section 6.10 Quorum of and Action by Directors. A majority of the Directors shall constitute a quorum for the transaction of business, and any act of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the act of the Board, except where a different vote is required by law or the Articles of Incorporation or the By-Laws. Every Director shall be entitled to one vote. Vacant Director positions will not be counted in the determination of a quorum.

Section 6.11 Interested Directors or Officers and Quorum

(a) A contract or transaction between the Association and one or more of the Members, Directors, Officers or Regional Officers or between the Association and any other entity in which one or more of the Directors, Officers or Regional Officers are directors or officers or have a financial or other interest, shall not be void or voidable solely because of such relationship, or solely because the interested Member, Director, Officer or Regional Officer is present at, votes at or participates in the meeting of the Board which authorizes the contract or transaction, if:

(i) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board, and the Board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Directors;

(ii) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Voting Members entitled to vote thereon, if any, and the contract or transaction is specifically approved in good faith by vote of such Voting Members; or

(iii) the contract or transaction is fair as to the Association as of the time it is authorized, approved or ratified by the Board or the Voting Members.

(b) Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board which authorizes a contract or transaction specified in this Section 6.11.

Section 6.12 Presumption of Assent. A Director who is present at a meeting of the Board, or of a committee of the Board, at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting, or unless such Director files his or her written dissent to the action with the secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the Secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of the action. Nothing in this section shall bar a Director from asserting that minutes of a meeting incorrectly omitted such Director's dissent if, promptly upon receipt of a copy of such minutes, such Director notifies the Secretary, in writing, of the asserted omission or inaccuracy.

Section 6.13 Presiding Officer. All meetings of the Board shall be called to order and presided over by the President, or if the President is not present, then by the President-Elect, then by one or more of the Regional Vice Presidents or, in the absence thereof, by a chairperson of the meeting elected at such meeting by the Board.

ARTICLE VII - COMMITTEES OF THE BOARD

Section 7.1 Committees of the Board. The Board may, by resolution, establish one or more committees. A committee, to the extent provided in the resolution creating it, shall have and may exercise all of the powers and authority of the Board except that a committee shall not have any power or authority as to: (a) the creation or filling of vacancies on the Board, (b) the adoption, amendment or repeal of the By-Laws, (c) the amendment, adoption or repeal of any resolution of the Board that, by its terms, is amendable or repealable only by the Board, or (d) action on matters committed by the By-Laws or resolution of the Board to another committee of the Board. Each committee of the Board shall serve at the pleasure of the Board.

Section 7.2 Committee Rules. Unless the Board provides otherwise by resolution, each committee shall conduct its business and take action in the same manner as the Board conducts its business pursuant to the Articles of Incorporation and the By-Laws.

ARTICLE VIII - OFFICERS AND EXECUTIVE DIRECTOR

Section 8.1 Officers and Qualifications. The Officers shall consist of a President, a President-Elect, a Regional Vice President for each Region, a Regional Secretary for each Region, a Treasurer and an Immediate Past President. Officers other than the President and President-Elect shall be elected for a one year period and may be elected for additional terms without limit. The President-elect shall be elected to a two-year term. Unless otherwise provided by these By-Laws, the President shall have a single two-year term following his succession from the office of President-Elect. All Officers shall be individuals and at least twenty-one years of age. Officers, as between themselves and the Association, shall have such authority and perform such duties in the management of the Association as is provided by, or pursuant to, the By-Laws or in the absence of controlling provisions in the By-Laws as is determined by, or pursuant to, resolutions or orders of the Board. No person who is not an Officer or Director at the time of any election of officers shall be eligible to be nominated for or elected as President.

Section 8.2 Vacancy, Removal, Resignation and Bond.

(a) If an Officer, other than President or President-Elect, resigns, dies or is removed pursuant to the By-Laws, a new Officer shall be appointed by a majority vote of the Board to hold the office for the unexpired term of his or her predecessor. The highest ranking Officer may call a special meeting of the Board for this purpose.

(b) If the President resigns, dies or is removed pursuant to these By-Laws, the President-Elect shall immediately become the President.

(c) If the President-Elect resigns, dies or is removed pursuant to these By-Laws, a new President-Elect shall be elected at the next annual meeting.

(d) If there is no President-Elect at the time of the annual meeting in a year when the current President's two-year term expires, the Voting Members shall elect a new President to a two-year term directly pursuant to the election procedures outlined in Article V of these By-Laws for election of officers and directors.

(e) If the office of President becomes vacant pursuant to resignation or removal prior to the expiration of the President's two-year term, and there is no President-Elect at the time of such vacancy, the Board shall appoint a new President to hold office for the remainder of the current, unexpired two-year term of his/her predecessor pursuant to the election procedures outlined in Article V of these By-Laws for election of officers and directors.

(f) Any Officer may be removed by the Board. Except as set forth in Article XIV concerning indemnification rights, the election or appointment of an Officer shall not of itself create contract rights.

(g) Any Officer may resign at any time upon written notice to the Association. The resignation shall be effective upon receipt thereof by the Association or at such subsequent time as may be specified in the notice of resignation.

(h) The Association may secure the fidelity of any or all of its Officers or Directors by bond or otherwise.

Section 8.3 President. The President shall preside at all meetings of the Members and of the Board at which he or she is present, and shall be the chief executive officer of the Association. Subject to the control of the Board and any committees thereof, the President shall:

(a) have general and active management of all the business, property and affairs of the Association;

(b) see that all orders and resolutions of the Board and the committees thereof are carried into effect;

(c) appoint and remove subordinate officers and agents, other than those appointed or elected by the Board, as the business of the Association may require, including the Chartered States Association Representative;

(d) act as the duly authorized representative of the Board in all matters, except where the Board has formally designated some other person or group to act;

(e) in general, perform all the usual duties incident to the office of President and such other duties as may be assigned to such person by the Board; and

(f) act as an ex-officio member (with the right to vote) of all of the Board's committees.

Section 8.4 President-Elect. The President-Elect shall exercise the powers and perform the duties of the President in the absence or disability of the President, and shall perform such other functions as may be delegated to the President-Elect by the President and as are otherwise provided by resolution of the Board or by these By-Laws.

(a) At the end of the President's two-year term, or if the President resigns, dies or is removed pursuant to the By-Laws, the President-Elect shall become the President.

(b) In the event the President-Elect becomes President prior to the expiration of the prior President's full two-year term due to the office of President being vacant, the President-Elect's two-year term shall begin at the annual meeting immediately following such vacancy.

Section 8.5 Regional Vice Presidents. There shall be a Regional Vice President from each Region and Chapter. The Regional Vice President shall perform those duties necessary to the administration of the business and affairs of the Regional Chapters for which the Regional Vice President has been elected. In addition, each Regional Vice President shall perform such duties as may be assigned to him or her by the Board or the President.

Section 8.6 Secretary. There shall be a Regional Secretary for each of the Association's Region and Chapters. The Regional Secretary shall perform those duties necessary to the administration of business and affairs of the Regional Chapter including, without limitation, each of the following tasks:

(a) keeping or causing to be kept the minutes of all meetings of the Regional Chapters in one or more books kept for that purpose;

(b) keep or cause to be kept an alphabetical register of Members of the Regional Chapter, the addresses of their principal offices and the date they became Members of the Regional Chapter;

(c) see that all notices are duly given in accordance with law, the Articles of Incorporation and the By-Laws; and

(d) in general perform all the usual duties incident to the office of Secretary and such other duties as may be assigned to him or her by the Board or the President.

Section 8.7 Treasurer. The Treasurer shall have general supervision of the fiscal affairs of the Association. The Treasurer shall, with the assistance of the President and managerial staff of the Association do each of the following:

(a) see that a full and accurate accounting of all financial transactions is made;

(b) invest and/or reinvest the capital funds of the Association in such manner as may be directed by the Board, unless such function shall have been delegated to a nominee or agent;

(c) deposit or cause to be deposited in the name and to the credit of the Association, in such depositories as the Board shall designate, all monies and other valuable effects of the Association not otherwise employed;

(d) prepare such financial reports as may be requested from time to time by the Board;

(e) cooperate in the conduct of any investigation of the Association's financial records by certified public accountants duly appointed by the Board; and

(f) have custody of the corporate seal which, upon due authorization by the Board, he or she shall affix to documents, and have custody of the corporate records of the Association;

(g) in general, perform all the usual duties incident to the office of Treasurer and such other duties as may be assigned to him or her by the Board or the President.

Section 8.8 Immediate Past President. The President whose term has expired shall serve as Immediate Past President unless such person shall otherwise become an Officer or Director of the Association or act in some other official capacity. If, for any reason, the Immediate Past President cannot serve or continue to serve as Immediate Past President, the person who acted as Immediate Past President prior thereto shall automatically become Immediate Past President.

Section 8.9 Executive Director. The Board may contract with or hire an individual or company to serve as Executive Director of the Association. Although not an Officer or Director, the

Executive Director shall carry out the policies set by the Board and manage the day to day affairs of the Association as directed by the Board. The Board shall determine the Executive Director's compensation. The Executive Director shall be required to: (i) give notice of and attend all Board Meetings and other meetings of Board Committees as requested by the Board of Directors or the Membership Committee; (ii) initiate all correspondence and carry out all orders, votes, and resolutions not otherwise delegated; (iii) keep a list of the Members; (iv) carry out such responsibilities as may be designated by the Board; and (v) generally devote his or her commercially reasonable best efforts to forwarding the business and advancing the interest of the Association as interpreted by the Board. The Executive Director is authorized to disburse Association funds in accordance with the currently approved budget, but only at the direction of the Board and consistent with the By-Laws. The Executive Director shall serve at the pleasure of the Board and may be removed by the Board with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Except as set forth in Article XIV concerning indemnification rights, the hiring of an Executive Director shall not create any contract rights on behalf of the Executive Director in relation to the Association.

ARTICLE IX - REGIONAL CHAPTERS

Section 9.1 Regions. The Association shall be divided into three Regional Chapters, designated as Central, South and North. The Board may divide, sub-divide or consolidate the Association into such other geographic regions as the Board may establish from time to time.

Section 9.2 Regional Officers. Each Regional Chapter shall have a Regional Vice President and Regional Secretary, each of whom must be an individual, at least twenty-one years of age and must be an employee of an Associate or Regular Member of that Regional Chapter. Regional Officers shall have such authority and shall perform such duties as is provided by, or pursuant to, the By-Laws or, in the absence of controlling provisions in the By-Laws, as is determined pursuant to resolutions or orders of the Board or, in the absence thereof, as is determined pursuant to resolutions of the Voting Members of the appropriate Regional Chapter. In the event a vacancy occurs in a Regional Officer's position due to resignation, death or removal, a new Regional Officer shall be elected by a majority vote of the Members of such Regional Chapter who are present at the next Regional Meeting, to hold the office for the unexpired term of his or her predecessor.

Section 9.3 Regular Meetings of the Regional Chapters. Each Regional Chapter will hold regular meetings scheduled in accordance with the By-Laws.

Section 9.4 Committees. Each Regional Chapter may have one or more committees with chairpersons appointed by the Regional Vice President.

Section 9.5 Expectations of Regional Chapters. Each Regional Chapter, acting as a constituent part of the Association, is expected to be active and engage in local activities that will attract and result in maximum participation of all those eligible for membership. Because the Regional Meetings are one of the major benefits of membership, the Regional Chapters are expected to have interesting, informative and educational meetings.

**ARTICLE X - MANNER OF GIVING NOTICE, WAIVER OF NOTICE,
ACTION WITHOUT MEETING, BY CONFERENCE TELEPHONE
AND MODIFICATION OF PROPOSALS**

Section 10.1 Manner of Giving Notice. Whenever written notice is required to be given to any person under the provisions of the New Jersey Nonprofit Corporation Law, as it may hereafter be amended, or by the Articles of Incorporation or the By-Laws, it may be given to the person either personally or by sending a copy thereof by first-class or express mail, postage prepaid, or courier service, charges prepaid, or by telecopier, or by e-mail to the Member's address (or to the Member's telecopier number or e-mail address) appearing on the books of the Association or, in the case of Directors, supplied by the Director to the Association, or through publication in the monthly newsletter. Notice sent by mail or by courier service shall be deemed to have been given when deposited in the United States mail or with a telegraph office or courier service for delivery. Notice by telecopier or e-mail shall be deemed to have been given when sent provided the sender shall have received written confirmation (through electronic receipt or other form of electronic confirmation) of delivery thereof. Notice through publication in the monthly newsletter shall be deemed to have been given five days after the first day on which such issue was sent to Members.

Section 10.2 Waiver of Notice. Whenever any written notice is required to be given by statute, the Articles of Incorporation or the By-Laws, a waiver thereof in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of the notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of such meeting, except that, in the case of a special meeting of Members, the general nature of the business to be transacted at the meeting shall be so specified in the waiver of notice. Attendance of a person at any meeting shall constitute a waiver of notice of the meeting, except where the person attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

Section 10.3 Action by Written Consent. Any action required or permitted to be taken at a meeting of the Members, the Board or of any committee of the Board may be taken without a meeting if, prior or subsequent to the action, a consent or consents thereto in writing setting forth the action so taken is signed by a majority of the Voting Members, Directors or committee members who would be entitled to vote at a meeting for such purpose, as the case may be, and is filed with the Treasurer.

Section 10.4 Meetings by Means of Conference Telephone. One or more persons may participate in a meeting of the Board or of any committee of the Board, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall constitute presence in person at the meeting.

Section 10.5 Modification of Proposals. Whenever the language of a proposed resolution is included in a written notice of a meeting required to be given by statute, the Articles of Incorporation or the By-Laws, the meeting considering the resolution may, without further notice, adopt it with such amendments as do not materially enlarge its original purpose.

ARTICLE XI - CERTAIN MEMBER RIGHTS AND LIMITATIONS

Section 11.1 Annual Report of Directors or Other Body.

(a) At each annual meeting of the Members, the Board shall present annually to the Members a report, verified by the President and Treasurer, showing in appropriate detail the following information for, or as of the end of, the fiscal year immediately preceding the date of the report:

(i) the assets and liabilities, including the trust funds, of the Association;

(ii) the principal changes in assets and liabilities, including trust funds;

(iii) the revenue of the Association, both unrestricted and restricted to particular purposes, including separate data with respect to each trust fund held by or for the Association;

(iv) the expenses or disbursements of the Association, for both general and restricted purposes, including separate data with respect to each trust fund held by or for the Association; and

(v) the number of Members of the Association as of the date of the report, together with a statement of increase or decrease in such number.

(b) The annual report of the Board shall be filed with the minutes of the annual meeting.

(c) If no meeting of Members is held in a particular year, the President and Treasurer must present at a meeting of the Board during such year a report in accordance with subsection (a) of this Section, but omitting the requirement of subsection (b) of this section. Such report shall be filed with the minutes of such meeting of the Board.

Section 11.2 Inspection of Corporate Records. Every Member shall, upon written verified demand stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the register, books and records of account, and records of the proceedings of the incorporators, Members and Directors and, at the Member's sole cost and expense, to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interest of the person as a Member. In every instance where an attorney or other agent is the person who seeks the right of inspection, the demand shall be accompanied by a verified power of attorney or other writing that authorizes the attorney or other agent to so act on behalf of the Member. The demand shall be directed to the Association at its registered office. Every Member receiving such information shall keep such information confidential and shall not use such information for his or her own personal benefit or to the detriment of the Association.

Section 11.3 Limitations.

(a) None of the Association, Members, Officers, Regional Officers or any committees shall take any action, incur any obligations or announce any policy in the name of the Association unless the action or obligation or policy shall have first been authorized by the Board.

(b) Neither the Association nor membership therein shall be used for the promotion of individual interests. No Director, Officer or Regional Officer shall use his or her office or title on his or her personal business stationery. Members in good standing may designate their membership by

using the name and logo of the Association on their letterhead, telephone book advertising, business cards or other similar materials. The use of the Association's name or logo by any person or entity that is not a Member is expressly prohibited, and Members must not permit, promote or foster the use of the Association's name or logo by any such person or entity.

ARTICLE XII - SUSPENSION AND EXPULSION OF MEMBERS

Section 12.1 Suspension.

(a) Any Member who fails to pay all fees, assessments, dues or other indebtedness to the Association within ninety (90) days after a statement of such obligations has been mailed to it by the Treasurer shall be automatically suspended until such obligations have been satisfied or until the next meeting of the Board. During the term of the suspension, the Member shall not be permitted to receive any Member benefits (including stating that it is a Member) and no employee of such Member shall be permitted to exercise any of the powers of any Officer, Regional Officer or Director position.

(b) Any Member who has been found guilty by the Board of an accusation contained in a grievance may be suspended pursuant to Section 16.2(f) and, during the term of such suspension, shall not be permitted to receive any Member benefits (including stating that it is a Member) and no employee of such Member shall be permitted to exercise any of the powers of any Officer, Regional Officer or Director position.

Section 12.2 Expulsion.

(a) At the first meeting of the Board following the suspension of a Member under Section 12.1(a), the Board shall expel the Member if the Member has not satisfied all fees, assessments, dues or other indebtedness by the date of such meeting. Any expelled Member who desires to rejoin the Association shall follow the procedures established for new applicants for membership to the Association.

(b) The Board may recommend for expulsion any Member:

- (i) who has submitted a false report to the Association;
- (ii) who has violated any agreement entered into with the Association;
- (iii) who has failed to continue to meet any of the conditions of

membership; or

(iv) who has been found guilty of an accusation contained in a grievance pursuant to Section 16.2(f).

The expulsion shall become effective immediately upon a vote to that effect by the Board, in which at least two-thirds (2/3) of the Directors present at such meeting approve the expulsion.

ARTICLE XIII - DUES

Section 13.1 Amount, Payment and Failure to Pay. The Board shall be vested with the power to set annual dues by a majority vote in any meeting of the Board. Dues are payable January 1 for the ensuing year. A Member may not vote at a meeting if any monies are past due at the date of the meeting.

Section 13.2 Allocation of Dues Attributable to NBF AA. The dues set by the Board shall include all dues, assessments, fees or subscriptions payable to the Member to the NBF AA. The dues shall include any dues, assessment fees and/or subscriptions payable by a member to the NBF AA.

The full annual dues amount shall accompany an application for membership and shall apply from the date of acceptance into membership as follows:

Date of Acceptance Into Membership	Dues Applies Through
Jan. 1 through Mar. 31	Dec. of that year
Apr. 1 through June 30	March of the following year
July 1 through Sept. 30.....	June of the following year
Oct. 1 through Dec. 31	Sept. of the following year

The next year’s dues billing will be prorated on a calendar year basis, with credit for advance payment for the first year. Subsequent years will be billed at the full rate on a calendar year basis.

Section 13.3 Additional Assessments. The Board may make such assessments of dues, fees, assessments or subscriptions, in addition to the annual dues contemplated in Section 13.1, in order to defray the costs of any contemplated or necessary program or expenditure. Any such assessment must be approved by a majority of the Board.

**ARTICLE XIV - PERSONAL LIABILITY, FIDUCIARY DUTY,
INDEMNIFICATION AND INSURANCE**

Section 14.1 Personal Liability of Directors. No Officer, Regional Officer, Executive Director or Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless such person has breached or failed to perform the duties of his or her office under the By-Laws or, if a Director, under the New Jersey Non Profit Corporation Law, and such breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the foregoing provision shall not eliminate or limit the responsibility or liability of such Officer, Regional Officer, Executive Director or Director pursuant to any statute. Any repeal, modification or adoption of any provision inconsistent with this Section 14.1 shall be prospective only, and neither the repeal or modification of this bylaw, nor the adoption of any provision inconsistent with this bylaw, shall adversely affect any limitation on the personal liability of an Officer, Regional Officer, Executive Director or Director existing at the time of such repeal or modification or the adoption of such inconsistent provision.

Section 14.2 Fiduciary Responsibility. A Director shall stand in a fiduciary relation to the Association and shall perform the duties of Director, including duties as a member of any committee of the Board upon which such Director may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Association, and with such care, including reasonable inquiry, skill and diligence as

a person of ordinary prudence would use under similar circumstances. In performing such duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(a) one or more Officers, Regional Officers or employees of the Association whom the Director reasonably believes to be reliable and competent in the matters presented;

(b) counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such person; or

(c) a committee of the Board upon which he or she does not serve, duly designated in accordance with the law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if such Director has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Absent breach of fiduciary duty, lack of good faith, or self-dealing, actions taken as a Director or any failure to take any action shall be presumed to be in the best interests of the Association.

Section 14.3 Mandatory Indemnification of Directors and Certain Other Persons.

(a) Subject to Section 14.3(b), the Association shall indemnify and hold harmless, to the full extent permitted by law, each person who is made a party or is threatened to be made a party to or is otherwise involved in (as a witness or otherwise) any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether or not by or in the right of the Association or otherwise (collectively, a "Proceeding"), by reason of the fact that he or she, or a person of whom he or she is the heir, executor or administrator, is or was a Director, Executive Director, Officer or Regional Officer or is or was serving at the request of the Association as a director, officer or trustee of another association or of a partnership, joint venture, trust or other enterprise (including service with respect to employee benefit plans), or where the basis of such Proceeding is any alleged action or failure to take any action by such person while acting in an official or other capacity as a Director, Executive Director, Officer or Regional Officer, against all expenses, liability and loss, including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement (whether with or without court approval), actually and reasonably incurred or paid by such person in connection therewith.

(b) Notwithstanding the foregoing, and except as provided in Section 14.4, the Association shall indemnify any such person seeking indemnification in connection with a Proceeding (or part thereof) initiated by such person only if such Proceeding (or part thereof) was authorized by the Board.

(c) Subject to the limitation set forth above concerning Proceedings initiated by the person seeking indemnification, the right to indemnification conferred in this Section 14.3 shall be a contract right and shall include the right to be paid by the Association for the expenses incurred in defending any such Proceeding (or part thereof) or in enforcing his or her rights under this Section 14.3 in advance of the final disposition thereof promptly after receipt by the Association of a request therefor stating in reasonable detail the expenses incurred; provided, however, that to the extent required by law, the payment of such expenses incurred by a Director, Executive Director, Officer or Regional Officer of

the Association in advance of the final disposition of a Proceeding shall be made only upon receipt of an undertaking, by or on behalf of such person, to repay all amounts so advanced if and to the extent it shall ultimately be determined by a court that he or she is not entitled to be indemnified by the Association under this Section 14.3 or otherwise.

(d) The right to indemnification and advancement of expenses provided herein shall continue as to a person who has ceased to be a Director, Executive Director, Officer or Regional Officer or to serve in any of the other capacities described herein, and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 14.4 Payment of Indemnification. If a claim for indemnification under Section 14.3 is not paid in full by the Association within sixty days after a written claim therefor has been received by the Association, the claimant may, at any time thereafter, bring suit against the Association to recover the unpaid amount of the claim and, if successful in whole or in part on the merits or otherwise in establishing his or her right to indemnification or to the advancement of expenses, the claimant shall be entitled to be paid also the reasonable expenses of prosecuting such claim.

Section 14.5 Non-Exclusivity of Rights. The rights under this Article XIV shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses hereunder may be entitled under any agreement, or resolution of the Members or the Board. The Board shall have the express authority to enter into such agreements as the Board deems appropriate for the indemnification of and advancement of expenses to present or future Directors, Officers, Regional Officers, employees, representatives or agents of the Association.

Section 14.6 Funding. The Association may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner its indemnification obligations, including its obligation to advance expenses, whether arising under or pursuant to this Article XIV or otherwise.

Section 14.7 Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a Director, Executive Director, Officer, Regional Officer or representative of the Association, or is or was serving at the request of the Association as a representative of another corporation, partnership or other enterprise, against any liability asserted against such person and/or incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify such person against such liability under the laws of this Commonwealth or any other state. For purposes of any insurance procured pursuant to this section, the Executive Director and all Regional Officers shall be deemed to be "officers" of the Association.

Section 14.8 Modification or Repeal. Neither the modification, amendment, alteration or repeal of this Article XIV or any of its provisions, nor the adoption of any provision inconsistent with this Article XIV or any of its provisions, shall adversely affect the rights of any person to indemnification and advancement of expenses existing at the time of such modification, amendment, alteration or repeal or the adoption of such inconsistent provision.

ARTICLE XV - NBF AA

Section 15.1 Relation to NBF AA. Unless otherwise determined by the Members in accordance with these By-laws, the Association is a Chartered State Association of the NBF AA.

Section 15.2 Compliance With NBFAA.

- Ethics of the NBFAA.
- (a) The Association shall conform to the Antitrust Statement and the Code of Ethics of the NBFAA.
 - (b) The Association shall have a fiscal year corresponding with the fiscal year of the NBFAA.
 - (c) If required by the NBFAA, the Association shall have a full-time or part-time Executive Director.

Section 15.3 Chartered State Association Representative's Term on Board of NBFAA. The term of office of the Chartered State Association Representative on the board of directors of the NBFAA shall commence immediately following the annual meeting of the Regular Membership of the NBFAA and shall end immediately following the succeeding annual meeting of the Regular Membership of the NBFAA.

ARTICLE XVI - GRIEVANCE PROCEDURES

Section 16.1 Grievance Committee. The Association shall have a Grievance Committee, which shall consist of the President, Immediate Past President and Treasurer. The President shall serve as the Chairman of the Grievance Committee.

Section 16.2 Grievance Procedure. Any member desiring to file a grievance (the "Complainant") against any other member (the "Defendant") shall adhere to the following procedures:

- (a) The Complainant shall submit the grievance in writing to the Grievance Committee, setting forth:
 - (i) the name and address of the Complainant;
 - (ii) the name and address of the Defendant; and
 - (iii) the nature of the grievance, along with supporting data, pictures, advertising clips and/or other applicable items.
- (b) A preliminary investigation of the grievance shall be made by the Immediate Past President.
- (c) If the Immediate Past President finds sufficient evidence to support the grievance, a hearing on the grievance shall be held by the Grievance Committee. The Immediate Past President shall provide notice of the hearing to the Complainant and the Defendant at least ten days prior to the hearing. The hearing shall be held at such time as is mutually agreeable to the Grievance Committee, the Complainant and the Defendant.
- (d) All Members involved in the grievance proceeding shall be notified of the Grievance Committee's findings within two weeks of the date of the hearing.
- (e) Following the hearing, the Immediate Past President shall make a written report of the Grievance Committee's findings to the Board.

(f) The Board shall consider the findings of the Grievance Committee at its next regularly called meeting. In the event the Board concludes that the Defendant is guilty of the accusation or accusations contained in the grievance, the Board shall either issue a warning to the Defendant, suspend the Defendant from the Association (pursuant to Section 12.1(b)), or expel the Defendant from the Association (pursuant to Section 12.2(b)).

Section 16.3 Membership Appeals; Expulsions. The Grievance Committee shall decide all appeals from the denial of any membership application or expulsion. Any person or entity whose membership application is rejected or expelled by the Board shall submit the appeal in writing to the Grievance Committee setting forth, with particularity, all of the grounds for the appeal. The Grievance Committee shall promptly hold a hearing to consider the appeal and shall by majority vote recommend the acceptance or rejection of the application as a Member. Any person aggrieved by the denial of a member's application or expulsion may appear at such hearing in person or by representative and present arguments or evidence or assert a defense to the denial of membership or expulsion before the Grievance Committee shall issue its recommendation to the Board. The Grievance Committee shall communicate its recommendation in writing to the Board which shall adopt or reject such recommendation.

ARTICLE XVII - GENERAL PROVISIONS

Section 17.1 Trade names and Trademarks. The Board may adopt such trade names and trademarks for the Association's use as the Board may determine to be necessary or appropriate from time to time.

Section 17.2 Corporate Seal. The Association may have a corporate seal which shall have inscribed thereon the name of the Association, the year of organization and the words "Corporate Seal – New Jersey" or such other inscription as the Board may determine. The seal may be used by causing it or a facsimile thereof to be impressed, affixed or in any other manner reproduced.

Section 17.3 Fiscal Year. The fiscal year of the Association shall begin on the first day of January in each year, unless otherwise provided by the NBFSA or modified by an affirmative vote of a majority of the Board. No later than thirty-one days after the end of each fiscal year, a budget shall be approved for the ensuing year and the Association's annual audit shall take place.

Section 17.4 Amendment of By-Laws. The By-Laws may be amended only by the vote of a majority of the Voting Members present at a meeting of Members.

Section 17.5 Construction. If there be any conflict between the provisions of the Articles of Incorporation and the By-Laws, the provisions of the Articles of Incorporation shall govern.

Section 17.6 Interpretation. As used herein, "including" means "including without limitation." As used herein, "employee" means a "current employee" of a Member. An individual will be deemed to be a "current employee" during the term of his or her employment and for a 30-day period thereafter and during any applicable severance period.

Section 17.7 Meetings. All meetings of the Association shall be conducted in accordance with Robert's Rules of Order.