

THE FLORIDA ASSOCIATION OF SCHOOL RESOURCE OFFICERS, INC. A Florida Nonprofit Corporation

ARTICLE I: NAME

SECTION 1.01 The name of this corporation is Florida Association of School Resource Officers, Inc. (hereinafter referred to as “FASRO”).

ARTICLE II: OFFICE

SECTION 2.01 The principal office of the corporation for transaction of its business is located at 2880 David Walker Drive #416, Eustis, Florida 32726. The Board shall designate and may change the principal office from one location to another within Florida. Any change of location of the principal office shall be noted by the Secretary on these By-Laws in the place provided in this section or this section may be amended to state the new location. The Board may, at any time, establish branch or subordinate offices at any place or places where the FASRO is qualified to conduct its activities.

ARTICLE III: PURPOSES

SECTION 3.01 General Purposes: FASRO is a nonprofit corporation and is not organized for the private gain of any person. FASRO is organized under the Nonprofit Corporation Laws of the State of Florida for public and educational purposes.

SECTION 3.02 Mission Statement: We, the members of the Florida Association of School Resource Officers, in a uniform effort, will provide support and training to those who work daily with our greatest asset: children. In addition, FASRO will ensure a safe educational environment through advanced training and networking of law enforcement officials.

SECTION 3.03 Specific Purposes: Within the context of its general purposes, FASRO is created: 2 (a) For the advancement of education, youth scholarships, and any other related or corresponding purposes by the use and distribution of its funds for such purposes. (b) To provide a means to disseminate, share, advise and coordinate information on the value of

qualified law enforcement officers to teach elementary, junior high-middle school, and high school students on the principles of good citizenship and community responsibility.

(c) To demonstrate, by example and by other means, the dangers associated with alcohol and drugs, criminal activities, and other anti-social behavior. (d) To serve as an educational association for law enforcement officers working with juveniles, parents, and the community to enhance their understanding of and appreciation for law enforcement. (e) To promote community involvement in all aspects of the juvenile justice system.

SECTION 3.04 Limitations:

To operate exclusively in any other manner for such educational and charitable purposes as will qualify FASRO as an exempt organization under Section 501(C) (3) of the Internal Revenue Code of 1954, as amended, or under any corresponding provisions of any subsequent federal tax laws covering the distribution to organizations qualified as tax exempt organizations under the Internal Revenue Code, as amended.

ARTICLE IV: DEFINITIONS

SECTION 4.01 Definitions: The following words and phrases, when used in these by-laws, shall have the meanings ascribed to them in this section, except where the context otherwise requires.

(a) Active members - A person shall be eligible for active membership if he or she is a certified law enforcement officer who is continually assigned to and working in a school environment, working in youth services, or supervising said certified officers within their respective agencies. Must be in good standing with his/her agency and current with FASRO membership dues.

1. An active member, who, by virtue of promotion, reassignment, retirement, physical disability or change of employment has ceased to meet the qualifications set forth for active membership, but desires to be maintained as an active member may make written application to the Board for continued active membership, with all rights

appertaining thereto. Each petition for continued active membership must contain a statement of the reason for the member's status change and the reason why the petitioner wishes to continue as an active member of FASRO. At the next available regular or special meetings of the Board, the petition will be considered and voted upon.

(b) Agent - One who is an independent contractor exercising his or her own judgment and subject to the direction of the Board. An agent shall not be interpreted to include an elected member of the Board.

(c) Associate members - An associate member is any person, corporation, organization, or entity that supports the philosophy and ideals of FASRO, and who is not covered under active member status. Associate memberships are subject to confirmation by the Board. Associate members include, but are not limited to, members of the school district, the community, or other members of the law enforcement community.

(d) Board - Means the Board of Directors of the Florida Association of School Resource Officers which is comprised of the Executive Committee and the Regional Directors. Excluding the Executive Director and Operations Director.

(e) Executive committee - Is the chief committee of the Board, and is comprised of the President, Vice President, Second Vice President, Executive Director, Operations Director, Secretary, Treasurer.

(f) Honorary members- The Board may invite selected persons to become honorary members when, in the opinion of the Board, those selected persons have rendered outstanding service to FASRO or to the youth of this state through their work in youth related programs.

(g) Life members - Life membership may be conferred by the President with the approval of the Board for exemplary service of an active member who has served at least five (5) years as an Officer or Regional Director. Life members enjoy all the rights of active members, except that life members may not vote and are not obligated to pay annual dues. (h)

Member - Shall include active members, associate members, honorary members and life members.

(i) Officer - President, Vice President, Second Vice President, Secretary, and Treasurer.

(j) Regional Director - Is an active member who is elected to represent 1 of the 9 designated regions. Refer to Section 10.02 for Regional Director expectations.

(k) Treasurer - Is an appointed member of the Board and serves as the Chief Financial Officer of the Association. Refer to Section 9.06 for full job description.

(l) Member Engagement Liaison - Is an appointed member of the Board who serves as the contact for the membership. Refer to Section 9.07 for full job description.

(m) Secretary - Is an appointed member of the Board. Refer to Section 9.05 for full job description.

(n) Advisory Board – Is an appointed member of the Board who is an expert or leader in school safety who will lend their skills, guidance, and knowledge to further the objectives and goals of FASRO. Advisory board members have no governance responsibilities. 4

(o) Executive Director- Is an independent contractor for FASRO. The Executive Director shall act on and carry out the mandates of the Board as communicated directly or through the President of FASRO. Refer to Attachment 1 of the Executive Director contract for full job description.

(p) Operations Director- Is an independent contractor for FASRO. The Operations Director shall work directly for the Executive Director but will carry out the mandates of the Board as communicated directly or through the President of FASRO. Refer to Attachment II of the Operations Director contract for the full job description.

(q) Media Director- Is an independent contractor for FASRO. The Media Director shall work directly for the Executive Director but will carry out the mandates of the Board as communicated directly or through the President of FASRO. Refer to Attachment III of the

Media Director contract for the full job description.

(r) Special Positions- The President has the authority to create special positions not defined above for the betterment of FASRO.

SECTION 4.02 Construction of these By-Laws: Unless the context requires otherwise, the general provisions, rules of construction and definitions in the Florida Nonprofit Corporation Law shall govern the construction of these by-laws, without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the terms "person" and "individual" includes both a legal entity and a natural person.

ARTICLE V: MEMBERSHIP

SECTION 5.01 Classifications of Membership: FASRO shall have the following classes of membership: Active members, Associate members, Honorary members, and Life members.

SECTION 5.02 Fees and Assessments: The Board may assess a membership fee as a condition of initial or continued membership.

SECTION 5.03 Membership Meetings: Meeting of the active members shall be held at least annually and at such place that the Board designates by resolution, or, if not so designated, at the principal office of FASRO upon giving notice by mail, facsimile, electronic mail or by publication. (a) The annual membership meeting will be held for the purpose of conducting the business of FASRO, to address pending issues and to approve matters pertaining to FASRO as directed by the Board. (b) Only active members may vote on FASRO matters presented to the membership.

SECTION 5.04 Membership Terminations: (a) Any person holding any classification of membership may be removed or terminated from membership by the Board, because of, but not limited to, the following: 1. Non-Payment of membership dues as required. 2. Resignation 3. Disqualification through reassignment; or 4. Having committed an act or

acts constituting grounds for sanctions or decertification by the Florida Criminal Justice Standards and Training Commission pursuant to Section 943.1395, Florida Statutes. (b) Hearing Procedures 1. The affected member shall be provided with notice of the Board's intent to act Pursuant to Sections 5.04 (a) (1), (3) and (4). Notice shall be provided as stated in Section 7.01 (a) of these By-Laws. The affected member shall have ten (10) business days from receipt of the notice to request a hearing. At the hearing, the affected member shall be provided an opportunity to present any documentation and evidence in his or her defense.

SECTION 5.05 Board Voting: (a) Any respective vote that takes place in an approved Board meeting shall only include the following members below: 1. Board- The FASRO Board shall be defined as the President, Vice President, Second Vice President and the nine Regional Directors. 2. Supermajority vote- Will require a 2/3 vote of the authorized voting Board members.

ARTICLE VI: BOARD

SECTION 6.01 General Corporate Powers: Subject to the provisions and limitations of the Florida Nonprofit Corporation Laws and any other applicable laws, and subject to any limitation of the articles of incorporation or by-laws regarding actions of the Board, FASRO's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

SECTION 6.02 Specific Powers: Without prejudice to the general powers set forth in Section 6.01 of these by-laws, but subject to the same limitations, the President shall have the power to: (a) Appoint and remove, at the pleasure of the Board, all FASRO's committees, agents, members, and employees. Prescribe powers and duties for them that are consistent with law, with the articles of incorporation, with these by-laws, and to set their compensation and when required. (b) Change and relocate the business offices of FASRO as required; conduct its activities within Florida; and designate any place within the state for holding any meeting. (c) Adopt and use a corporate seal.

SECTION 6.03 Designations of Regions and Regional Directors: (a) FASRO shall be comprised of the following regions:

REGION 1 Representing the counties of Escambia, Santa Rosa, Okaloosa, Walton, Holmes, Washington, Bay, Jackson, Calhoun, Gulf.

REGION 2 Representing the counties of Gadsden, Liberty, Leon, Franklin, Wakulla, Jefferson, Madison, Taylor, Hamilton, Suwannee, Lafayette, Columbia.

REGION 3 Representing the counties of Dixie, Baker, Nassau, Duval, St Johns, Flagler, Clay, Putnam, Union, Bradford, Alachua, Gilchrist, Levy.

REGION 4 Representing the counties of Marion, Volusia, Seminole, Orange, Osceola, Lake.

REGION 5 Representing the counties of Polk, Citrus, Sumpter, Hernando, Hillsborough, Pasco, Pinellas.

REGION 6 Representing the counties of Manatee, Hardee, Sarasota, Desoto, Charlotte, Lee.

REGION 7 Representing the counties of Brevard, Indian River, Okeechobee, St. Lucie, Martin, Palm Beach.

REGION 8 Representing the counties of Highlands, Glades, Hendry, Collier.

REGION 9 Representing the counties of Broward, Dade, Monroe. 7

(b) Each region shall be represented by a Regional Director elected by the members of the respective region.

(c) Regions may be contracted, expanded, or realigned by the supermajority vote of the Board.

SECTION 6.04 Board Removal/Vacancies:

(a) Removal from Office.

Any Officer or Regional Director may be removed from office by vote of the supermajority of the Board at any regular or special meeting, without prejudice to contract rights, if any. An Officer or Regional Director may be removed from office because of, but not limited to, the

following:

1. Two (2) unexcused meetings during his/her elected term.
2. Having committed an act or acts constituting malfeasance, misfeasance or nonfeasance of office.
3. Having committed an act or acts constituting grounds for sanctions or decertification by the Florida Criminal Justice Standards and Training Commission pursuant to Section 943.1395, Florida Statutes.

(b) Hearing Procedures. The affected Board member shall be provided with notice of the Board's intent to act pursuant to Section 6.04(a) above. Notice shall be provided as stated in Section 7.01 (a) of these By Laws. The affected Board member shall have ten (10) business days from receipt of the notice to request a hearing. At the hearing, the affected Board member shall be provided an opportunity to present any documentation and evidence in his or her defense.

(c) Events Causing Vacancies. A vacancy on the Board shall exist on the occurrence of the following

1. Death
2. Resignation
3. Disqualification through reassignment
4. Removal from Office
5. Change in position on the Board

(d) Resignation.

Except as provided below, any Officer or Regional Director may resign by giving written notice to the President or the Secretary. The resignations shall be effective when notice is given unless the resignation specifies a later time to become effective. The Board may appoint a successor to fill any vacancy on the Board by majority vote.

ARTICLE VII: MEETING PROCEDURES

SECTION 7.01 Board Meetings: All meetings of the Board will be governed by Roberts Rule. Board meetings will be attended by the Executive Committee and the Regional Directors. Any additional person(s) included at a meeting will be by invitation only through the President. The Board shall hold an annual meeting each year in September for purposes of organization, and transaction of other business. Other regular or special meetings of the Board may be held at such a time and place as the Board may schedule from time to time.

(a) Special meetings of the Board for any purpose may be called at any time by the President or Vice President. Notice of the time and place of a special meeting shall be given to each Board member by one of the following methods: (1) by personal delivery of written notice; (2) by first class mail, postage prepaid; (3) by telephone, either directly to the member or to a person at the Board member's office who would reasonably be expected to communicate that notice promptly to the member; (4) by facsimile; or (5) by electronic correspondence. All such notices shall be given or sent to the other Board member's address or telephone number as shown on the records of FASRO. (

b) Notices sent by first class mail shall be deposited in the United States mails at least seven days before the time set for a special meeting of the Board. Notice given by personal delivery, by telephone, by facsimile or by electronic correspondence shall be delivered at least 72 hours before the time set for the meeting. The notice shall state the time and place of the meeting. Notice of a special meeting being conducted via internet based by the Board or the Executive Committee shall be given at least 72 hours prior to the meeting by telephone or electronic communication.

(c) A Board member's right to contest the insufficiency of notice to the holding of a regular or special meeting shall be waived if:

1. The member signs a written consent or waiver to the holding of the meeting; or
2. The member attends the meeting and does not contest the holding of the meeting

at that time; or

3. The member votes to approve the minutes of any meeting that he or she received insufficient notice.

SECTION 7.02 Quorum: Majorities of the Board present at a regular or special meeting shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the Board members present at a duly held meeting at which a quorum is present shall be the act of the Board, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a member has direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships, (c) creation and appointment to committees of the Board, and (d) indemnification of Board members, a meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of Board members. A majority of the Board members present, whether a quorum is present, may adjourn any meeting to another time and place.

SECTION 7.03 Action Without a Meeting: Any action that the Board is required or permitted to take may be taken without a meeting if all Board members consent in writing to the action; provided, however, that the consent of any Board member who has a material, financial interest in a transaction to which FASRO is a party shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the Board, all such consents shall be filed with the minutes of the proceedings of the Board.

SECTION 7.04 Reimbursement: Officers and Regional Directors may receive reimbursement of expenses, as the Board may determine by resolution to be just and reasonable. A copy of this reimbursement resolution will be maintained by the Treasurer.

ARTICLE VIII: COMMITTEES

SECTION 8.01 Committees of the Board: The Board, by resolution adopted by a majority,

provided a quorum is present, may create one or more committees, each consisting of two or more Board members. Appointments to committees of the Board shall be made by the President and approved by majority vote of the Board. The Board may appoint one or more Board members as alternate members of any such committee, who may replace any absent member at any meeting. Notwithstanding any provision of these By-Laws to the contrary, the President, and with the concurrence of the Vice President, may appoint or designate a Board member to serve as an alternate or substitute member of a committee of the Board when and to the extent that such appointment is necessary to expedite an emergency project of FASRO, and no meeting of the Board is planned at such time as to allow delay of such appointment to a committee. Any such committee, to the extent provided in the Board resolution, shall have all the authority of the Board, except that no committee, regardless of the Board resolution may: (a) Fill vacancies on the Board or on any committee that has the authority of the Board. (b) Fix compensation of the Board members for serving on the Board or on any committee. (c) Amend or repeal by-laws or adopt new by-laws. (d) Amend or repeal any resolution of the Board that, by its express terms, is not so amendable or repeal able. (e) Create any other committee of the Board or appoint the members of committees of the Board; or (f) Approve any contract or transaction to which FASRO is a party.

SECTION 8.02 Meetings and Actions of Committees: Meetings and actions of committees shall be governed by, held, and taken in accordance with the provisions of these By-laws concerning meetings and other Board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined either by 10 Board resolution or, if there is none, by committee resolution. Minutes of each meeting of any committee shall be kept and shall be filed with FASRO's records, The Board may adopt rules for the government of any committee, provided they are consistent with these by-laws, or in the absence of rules adopted by the Board, the

committee may adopt such rules.

SECTION 8.03 Executive Committee: There is hereby created an Executive Committee of the Board which is comprised of those Officers as specified in Section 4.01 (f) of these By Laws. The President shall serve as the Chairperson of the Executive Committee. The Executive Committee shall act with and shall have all the authority of the Board to act on behalf of FASRO. Every action of the Executive Committee will be presented to the Board at the next scheduled meeting of the Board. The Board may amend or ratify any action taken by the Executive Committee.

ARTICLE IX: OFFICERS

SECTION 9.01 Officers of FASRO: The Officers of FASRO are as defined in Section 4.01(j) of these By-Laws. FASRO may also have at the Board's discretion, one or more assistant secretaries, one or more assistant financial officers, and such other officers as may be appointed in accordance with Section 9.03 of these By-Laws. Any number of offices may be held by the same person, except that neither the Secretary nor Treasurer serves concurrently as either the President or Vice President.

SECTION 9.02 Elections, Designation, and Term of Office: All officers, except those appointed, shall be elected by the Active Members of FASRO. Officers shall serve until the expiration of their term. The office of President shall be filled by automatic succession from the Vice President, provided the Vice President has completed their term in good standing. Each term of office, whether by election or succession, shall be for two (2) years for President, Vice President, and Second Vice President. To be eligible to run for Vice President, a candidate must have served in one of the following Board roles within the 18 calendar months prior to the start of the election: Officer, Regional Director, or Presidential appointee (excluding advisory board or subcommittee positions). The Vice President shall be elected by the active members.

SECTION 9.03 President: Subject to the control of the Board, the President shall be the

general manager of FASRO and shall supervise, direct, and control FASRO's activities, affairs, and Officers. The President will set the agenda and preside over all Board meetings. The President shall have such other powers and duties as the Board or by-laws may prescribe. The offices of Treasurer, Member Engagement Liaison, Secretary, Advisory Board members, and any special positions shall be appointed by the President, subject to the advice and consent of the Board.

SECTION 9.04 Vice President: If the President is absent or disabled, the Vice President shall perform all duties of the President. When so acting, the Vice President shall have all powers of and be subject to all restrictions of the President. The Vice President shall have such other powers and perform such other duties as the Board, or these by-laws may prescribe. 11

SECTION 9.05 Secretary: (a) Books of Minutes: The Secretary shall keep or cause to be kept at FASRO's principal office or such other place as the Board may direct, an accurate, complete and permanent book of all minutes of all meetings, proceedings and actions of the Board, and of committees of the Board. The minutes of the meeting shall include the following: 1. The location of the meeting. 2. Whether the meeting was annual, regular, special, and, if special, how it was authorized. 3. A copy of the notice of the meeting. 4. Notices, Seal and Other Duties: The Secretary shall give, or cause to be given, notice of all meetings of the Board and required by these by-laws to be given. The Secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board or the by-laws may prescribe.

SECTION 9.06 Treasurer: (a) Books of Accounts: The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of FASRO's properties and transactions, The Treasurer shall send or cause to be given to the members such financial statements and reports as are required to be given by law, by these by-laws, or by the Board. The books of account shall be open to inspection by any member, in good

standing, at all reasonable times. (b) Deposit and Disbursement of Money and Valuables: The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of FASRO with such depositories as the Board may designate. The Treasurer shall disperse FASRO's funds as the Board may order. However, all checks, drafts or other written orders drawn on any account of FASRO for the withdrawal, transfer, disbursement, payment, or expenditure of any funds more than \$5,000 shall first require the completion of a corporate check request form which has been approved by at least two of the following members Vice President, President, or the Treasurer. Independent contractors for FASRO, may be paid by corporate check, ACH, or other acceptable means that is approved by the Board. The completion and execution of the corporate check request form may be accomplished by personal delivery, by the postal service or by the transmission and printing through electronic means. The Treasurer shall render to the President, and the Board, when requested, an account of all transactions of the financial condition of FASRO and shall have such other powers and perform such other duties as the Board or the by-laws may prescribe. (c) Bond: If required by the Board, the Treasurer shall give FASRO a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to FASRO of all its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Treasurer on his or her death, resignation, retirement, or removal from office. 12 (d) Dissolution: Upon dissolution of FASRO, assets shall be distributed for one or more exempt purposes. This shall include educational scholarships and school resource officer training.

SECTION 9.07 Member Engagement Liaison: (a) The Member Engagement Liaison is responsible for developing and implementing strategies to engage and retain members. This role involves regular communication with members, organizing events and programs, and gathering feedback to improve member experiences. (b) The Liaison acts as the main

point of contact for members, ensuring their needs are met and that they remain active and satisfied participants with FASRO.

SECTION 9.08 Second Vice President

(a) The Second Vice President shall serve as a member of the Executive Committee and the Board of Directors and shall assist the President and First Vice President in carrying out the duties and objectives of FASRO.

(b) The Second Vice President shall serve as Chairperson of the Election Committee for both special and general elections. In the event the Second Vice President declares candidacy for an elected position of the Board, the President shall appoint another qualified Board member to serve as Chairperson of the Election Committee.

ARTICLE X: ELECTION OF REGIONAL DIRECTORS

SECTION 10.01 Election of Regional Directors: Each Regional Director shall be elected to a four (4) year term of office. All active members, in good standing within the designated region, shall elect their Regional Director by ballot, returnable to the Chairperson of the Election Committee within the time specified by the election process. To ensure continuity and board stability, Regional Director elections shall be staggered. Elections will be held every two years in odd-numbered years. Regional Directors representing odd-numbered regions (Regions 1, 3, 5, 7, and 9) shall be elected during one election cycle, and even numbered regions (Regions 2, 4, 6, and 8) during the alternating cycle. This staggered schedule ensures that no full board turnover occurs at one time.

SECTION 10.02 Expectations of Regional Director: Regional Directors will be the main point of contact for the membership in the counties assigned to their respective region. Regional Directors are expected to attend four quarterly board meetings during the year occurring in fall, winter, spring, and summer. For the annual FASRO conference the Regional Directors will arrive the Saturday before the start of the conference and stay through the Saturday after the conference concludes. During the conference Regional Directors will work the

daily and nightly events based on the schedule determined by the Board. All other Board meetings take place during a Saturday and Sunday. Regional Directors may be asked to attend other conferences or events as representatives of FASRO. 13

ARTICLE XI: ELECTION PROCESS

SECTION 11.01 Notice: Notice for whenever an elected position is up for election will be given on election years from February 1st through February 15th of that respective year through our website and our utilized social media, or any other electronic platforms.

SECTION 11.02 Nomination: Any active member who aspires to run as a Regional Director for his or her region, must submit his or her nomination in writing to the Chairperson of the Election Committee or to the Secretary within the time specified by the Election Committee. Vice President nominees must meet the criteria defined in Section 9.02. The Second Vice President can be any member in good standing. Nominees must have a letter of support from their Sheriff or Chief and provide a biography to the Election Committee. The candidate can provide their respective campaign platform, if any, which will be available with ballots to those active members entitled to vote.

SECTION 11.03 Election Process and Balloting: The Elections Committee shall be responsible for ensuring that notice was given for the available positions, provide a biography, and campaign platform, if any, for each candidate. This information will be available with ballots to those active members entitled to vote. The Elections Committee shall ensure that the Election starts on the first Monday in March at 0900 hours and ends on the following Friday at 1600 hours.

SECTION 11.04 Certification of Election: The Elections Committee shall be responsible to ensure the accurate count of all returned ballots and shall certify each election for office. The Elections Committee shall publish the results of the elections within 5 business days after the close of the election. The newly elected Vice President and Regional Directors shall assume their office upon the closure of FASRO's annual conference for the respective

year.

SECTION 11.05 Removal of Candidates from the Election Process: The Election Committee shall review and monitor campaign materials and practices. If any campaign or practice is deemed to be unfair or unprofessional, the Committee will recommend to the Board that such a candidate be removed from the election process.

ARTICLE XII: INDEMNIFICATION

SECTION 12.01 Right of Indemnity: To the fullest extent permitted by law, FASRO shall indemnify its members, Officers, Regional Directors employees, agents, and any other persons described in these by-laws including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements and any other amount actually and reasonably incurred by them in connection with any claim or legal proceeding as that term is generally used, and including an action by or in the right of FASRO, by reason of the fact that the person is or was a person described in any such cause of action, so long as the person did not act in a grossly negligent or willful manner or is convicted of a state or federal criminal offense.

SECTION 12.02 Approval of Indemnity: On the written request of the Board by any person seeking indemnification, the Board shall promptly determine whether an acceptable standard of conduct has been met and may thereafter authorize indemnification. If the Board cannot authorize indemnification because the number of members who are parties to the affected proceeding 14 prevents the formation of a quorum of members who are not parties to that proceeding, the Board shall appoint a committee of non-party members to examine the facts and evidence to determine whether the applicable standard of conduct has been met and if so, the committee shall authorize indemnification.

SECTION 12.03 Advancement of Expenses: To the fullest extent permitted by law and except as otherwise determined by the Board, expenses incurred by a person seeking indemnification under Sections 11.01 and 11.02 of these By-Laws in defending any

proceeding covered by those Sections shall be advanced funds which shall be repaid unless it is ultimately determined that the person is entitled to be indemnified by FASRO for those expenses.

SECTION 12.04 Insurance: FASRO shall have the right to purchase and to maintain insurance to the fullest extent permitted by law on behalf of its Officers, Regional Directors, members, employees, and other agents, against any liability asserted against or incurred by any Officer, Regional Directors, member, employee, or agent in such capacity or arising out of the Officer's, Regional Director's, member's, employee's or agent's status as such.

ARTICLE XIII: RECORDS AND REPORTS

SECTION 13.01 Maintenance of Corporate Records: FASRO shall keep: (a) Adequate and correct books and records of account. (b) Written minutes of the proceedings of the Board and committees of the Board and (c) A record of each person's name and address that is associated with FASRO as member, Officer, Regional Director, employee, or agent.

SECTION 13.02 Accounting Records and Minutes: On written demand of FASRO, any member may inspect, copy, and make extracts of the accounting books and records of the Board, at any reasonable time. Any such inspection and copying may be made in person or by the member's agent or attorney.

SECTION 13.03 Maintenance and Inspection of Articles and By-Laws: FASRO shall keep at its principal office, the original or copy of the articles of incorporation and by-laws, as amended to date, which shall be open to inspection by any member at all reasonable times during office hours. A member shall have a right to inspect FASRO's books, records, documents of every kind, or physical properties.

SECTION 13.04 Annual Treasurer's Reports: The Board shall receive the annual Treasurer's report 14 calendar days prior to the annual meeting. That report shall contain the following information, in appropriate detail, for the fiscal year:

(a) The assets and liabilities, including the trust funds of FASRO as of the end of the fiscal

year.

(b) The principal charges assets and liabilities, including trust funds. 15

(c) The revenue or receipts of FASRO both restricted and unrestricted to particular purposes.

(d) The expenses or disbursements of FASRO for both general and restricted purposes. The annual report shall be accompanied by an audit by an independent accountant or, if there is no such report, by the certificate of an authorized officer of FASRO that such statement(s) were prepared without audit from FASRO books and reports.

ARTICLE XIV: BY-LAW AMENDMENTS

SECTION 14.01 The Board may adopt, amend, or repeal, by-laws at any regular or special meeting, provided timely, written notice is given to each Board member, together with a statement of the subject area of the by-laws to be considered for adoption, amendment, or repeal.

SECTION 14.02 High Vote Requirement: If any provision of these By-Laws requires the vote of a larger proportion of the Board than is otherwise required by law, that provision may not be altered, amended, or repealed except by that greater vote.

SECTION 14.03 Administrative Procedures: The Board may enact administrative procedures to any policy. The procedure must be passed by the Board using the High Vote Requirement outline in Section 14.02

ARTICLE XV: FISCAL YEAR

SECTION 15.01 The fiscal year of FASRO shall be October 1 — September 30, both inclusive of each year.