

**COAST GUARD AUXILIARY
ASSOCIATION, INCORPORATED**



**BY-LAWS
Amended November 6, 2010**

AMENDED BYLAWS

of the

COAST GUARD AUXILIARY ASSOCIATION, INC

PREAMBLE

The Coast Guard Auxiliary Association, Inc., (the "Association"), formerly known as the Coast Guard Auxiliary National Board, Inc. ("NBI") is the corporation approved by the Commandant of the United States Coast Guard to support the activities of the United States Coast Guard Auxiliary. The basic organization and structure of Association is prescribed in Articles of Incorporation filed pursuant to the laws of the District of Columbia. The Articles define the Members of the Association and provide for a Board of Directors who may adopt Bylaws that prescribe the details of the organization and operation of the Association.

ARTICLE ONE

Offices

Section 1 Principal Office. The principal office of the Association shall be in St. Louis, MO or in such other location as the Board of Directors may designate or the activities of the Association may designate.

Section 2 Other Offices. The Association may also have offices at such other places as the Board of Directors may designate or the activities of the Association may designate.

ARTICLE TWO

Membership

Section 1 Membership. The Association may have multiple classes of membership: one class based on membership in good standing in the U.S. Coast Guard Auxiliary and others based on levels of financial contribution to the Association, but not requiring membership in the U.S. Coast Guard Auxiliary.

Section 2 Classes of Membership. The classes of membership and corresponding financial contribution level required as well as benefits of each such class shall be determined by the Executive Board of the Association with the concurrence of the Board of Directors.

Section 2.1 Auxiliary Membership. All members of the U. S. Coast Guard Auxiliary, except honorary members and retired members are Auxiliary members of the Association.

Section 2.2 Associate Membership. Associate membership is available for individuals, acting individually or as a group or entity, who do not become Auxiliarists, for whatever reason, but desire to support the Auxiliary as an organization and its activities as well as support the Auxiliary members in voluntary lifesaving services and homeland security services in support of the civilian missions of the United States Coast Guard. Associate membership is also available for Auxiliarists who desire to become Associate members under the same terms and conditions and categories of Associate membership as non-Auxiliarists. The categories of Associate Memberships are determined based upon the amount of annual membership fees.

Section 3 Determination of Annual Membership fees and Benefits. The Executive Board with the concurrence of the Board of Directors shall, from time to time, and by resolution, determine the categories of Associate members, the level of annual fees for each category as well as all benefits of the Association for each of the classes or category of associate members.

Section 4 Place of Meeting. Meetings of the Auxiliary Members and Associate Members of the Association shall be held, if at all, at such places as may be determined by the Board of Directors.

Section 5 Voting. The Auxiliary Members and the Associate Members of the Association shall not have a vote on matters pertaining to this Association. The Directors of the Association shall have the sole voting power.

ARTICLE THREE

Board of Directors

Section 1 Board of Directors. The Board of Directors shall consist of the persons specified in the Articles of Incorporation.

Section 2 Powers and Duties. The Board of Directors shall manage the affairs of the Association. The Directors are not required to be residents of the District of Columbia or members of the Association. The Board of Directors shall have such powers and duties as may be specified in the Articles of Incorporation, provided or permitted under applicable statutes and shall include all powers and duties not expressly denied.

Section 3 Terms of Office. The Elected Directors shall be those Directors elected by the Board of Directors to a term of two years or until their successors have been elected. The terms of office for the Elected Directors shall be staggered as set out below. The Elected Directors may serve subsequent two-year terms, but no more than a total of five (5) years. Those Elected Directors who serve two consecutive two-year terms may subsequently be considered and elected to new terms of office after an absence of at least two years from their prior consecutive terms. The terms of office for the Chairman of the Board, the President and the Executive Vice President are determined by their status as the incumbent National Commodore, Vice National Commodore and Immediate Past National Commodore. Terms of office for directors commence on November 1st of the year following the election of the respective directors. [Amended July, 2010]

Section 3.1 Initial Board and Establishment of Terms. The initial Elected Directors were elected at the Special Meeting in February of 2006 and began their terms of office at the Annual meeting in August of 2006. The initial Elected Directors shall determine one-half of their number to serve for a one year period ending at the Annual meeting in 2007. Those serving a one year term shall be eligible to be elected for two full two-year terms, the first term to be elected at the Annual meeting in 2007.

Section 4 Annual Meeting. The Annual Meeting of the Board of Directors shall be held during each fiscal year on a date and location agreed upon by the Board of Directors.

Section 5 Special Meetings. Special Meetings of the Board of Directors shall be held at the call of the Chairman of the Board or at the request of a majority of the Board of Directors. Such call or request shall be in writing including, but not limited to electronics means, and shall specify the purpose(s) of such special meeting. The notice of all special meetings shall be transmitted to the Secretary for dissemination to the Board of Directors unless such call is made by the Chairman of the Board and in that case, a copy provided to the Secretary. Special meetings of the Board may be held in any form or method that allows each Director to participate in such meeting including, but not limited to email, telephone, video or similar conferencing.

Section 6 Notice. The Secretary or the Chairman of the Board shall give at least ten (10) days notice of any such Special Meeting to each member of the Board of Directors, specifying the time and place of such meeting and stating the purpose(s) of the meeting. Unless otherwise decided by a two-thirds (2/3) vote of the Directors then present and voting, the business of any such special meeting shall be confined to such stated purpose(s).

Section 7 Quorum and Voting. A majority of the voting members of the Board of Directors shall constitute a quorum for the transaction of business at all meetings. Each member of the Board of Directors shall have one vote. Unless otherwise provided in these by-laws, all actions of the Board of Directors shall be determined by a majority of the votes cast, not counting abstentions or illegal ballots.

Section 8 Conduct of Business. Unless otherwise provided by the Articles of Incorporation, these by-laws or applicable statutes, all business of the Board of Directors shall be conducted in accordance with Robert's Rules of Order (Revised).

Section 9 Removal of Directors. A Director may be removed at any time by a vote of 75% of the members of the Board of Directors that elected that Director in a meeting called for that purpose. The procedure for removal shall be as set out in Section 10 below with respect to notice and opportunity for hearing. [Amended July, 2010]

Section 10 Procedure for Removal. A Director may be removed whenever, in the judgment of a majority of the Board of Directors that the removal of a director is in the best interests of the Association. Prior to such removal, the Board of Directors shall direct the CEO to notify the affected director in writing of the proposed removal and shall cite the reasons of such action. The subject director shall have an opportunity to answer or otherwise respond to the proposed action of the Board in writing and to address the Board of Directors at a meeting called to include this action. At such called meeting and after the said director has had an opportunity to respond, the director in question may be removed upon a vote of 75% of

the Board of Directors. Additionally, a Director who has not attended three (3) consecutive meetings of the Board and has been unresponsive to all attempts to be contacted can immediately be removed by a 75% vote of the Board of Directors. [Amended July, 2010]

Section 11 Vacancies. If a vacancy occurs in the Board of Directors by reason of death, removal or resignation, the vacancy shall be filled by the affirmative vote of a majority of the remaining members of the Board of Directors or at the discretion of the Board, the vacancy may be deferred to a separate meeting of the Board of Directors called to fill the remaining term of such director except in the case of a vacancy in the offices of the Chairman of the Board, President and the Executive Vice President. [Amended July, 2010]

Section 12 Resignations. A director may resign at any time by filing his/her written resignation with the Secretary, who will notify the Board of Directors upon receipt of the resignation.

Section 13. Policies. The Board of Directors may adopt, from time to time, policies and procedures for the effective operation of the Association. Such policies and procedures may be attached to these Bylaws as an appendix.

ARTICLE FOUR

Officers

Section 1 Executive Officers. The executive officers of the Association shall be the Chairman of the Board (COB)/Chief Executive Officer (CEO), the President, the Chief Operating Officer (COO), and the Executive Vice President. These officers comprise the Association Executive Board (EXBD). [Amended November 2010]

Section 2 Appointment of other Officers. The Chairman of the Board, with the advice and consent of the Board of Directors, shall appoint an Executive Director, Treasurer, Secretary, Vice President-Internal, Vice President External, Vice President-Education, and Director of Development, who shall hold their offices for such terms and shall exercise such powers and perform such duties as the Board of Directors shall determine from time to time. The Executive Director, Treasurer, Secretary, Vice President-Internal, Vice President-External, Vice President-Education, and Director of Development shall be non-voting officers of the Association. The Chairman of the Board may also appoint such other officers as deemed necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as the Chairman of the Board shall determine from time to time. The Directors and Officers of the

Association and the paid employees of the corporation are covered under the Association's Commercial Crime Policy for loss of money, securities and property for employee dishonesty within the limits of the insurance. In addition to the Association's insurance policies, the Board may obtain bonds for any officer or employee of the Association in such amounts as the Board, from time to time, deem necessary. [Amended November 2010]

Section 3 Other Officers. The incumbent four Deputy National Commodores, the incumbent District Commodores and the incumbent President of the National Association of Commodores (NAC) serve as members of the Operating Committee as provided in Article Fourteen herein, shall be non-voting officers of the Association to the extent of the authority of those members of the Operating Committee in said Article Fourteen. [Amended July, 2010]

Section 4 Salaries. No executive or appointed officer of the Association shall receive a salary for performing the duties of office unless approved by the Board of Directors, except the Executive Director who is eligible to receive such salary, performance incentives, and other benefits as may be determined from time to time by the Board of Directors and formalized in an employment contract.

ARTICLE FIVE

The Chairman of the Board

Section 1 Chairman of the Board. The Chairman of the Board (COB) of the Association shall be the incumbent National Commodore of the United States Coast Guard Auxiliary. The Chairman of the Board shall preside at all meetings of the Board of Directors and shall be a voting member of all Standing Committees. The Chairman of the Board shall be the Chief Executive Officer (CEO), shall have the general and active supervision of the business of the Association, shall see that all decisions and resolutions of the Board of Directors are implemented and shall execute all documents requiring the seal of the Association.

Section 2 Budget. Within Thirty (30) days after the Fiscal Committee's Meeting, the Chairman of the Board shall submit the budget for the ensuing year, as recommended by the Fiscal Committee, to the Board of Directors. The Annual Budget approved by the Board of Directors at the duly called meeting shall constitute authorization for the Chairman of the Board to cause the expenditure of corporate funds for the purpose set forth therein. [Amended July, 2010]

Section 3 Spending Authority. In addition to the expenditures authorized by the Board of Directors in the approved budget, the Chairman of the Board may expend a sum not exceeding five thousand (\$5,000) dollars per year, for corporate purposes, without prior authorization of the Board of Directors. Any such expense over One Thousand (\$1,000) dollars will be reported to the Board within sixty (60) days for review and approval.

ARTICLE SIX

The President, Chief Operating Officer and Vice President(s)

Section 1 President. The President shall be the incumbent Vice National Commodore of the United States Coast Guard Auxiliary. In the absence of the Chairman of the Board or the Chairman of the Board's

inability to act, the President shall exercise the powers of the Chairman of the Board. The President shall have such powers and perform such duties as may be delegated by the Chairman of the Board or prescribed by the Board of Directors. [Amended November 2010]

Section 2 Chief Operating Officer. The Chief Operating Officer (COO) shall be elected annual from the Board of Directors by the Board of Directors with a one-year term and serves as an Association officer. The COO shall have such powers and perform such duties as may be delegated by the Chairman of the Board or prescribed by the Board of Directors. The COO is responsible for the general oversight of the day-to-day operations of the Association. [Amended November 2010]

Section 3 Vice President (s). The incumbent Immediate Past National Commodore shall be the Executive Vice President and the incumbent Deputy National Commodores shall be Vice Presidents of the Association. All other Vice Presidents shall be appointed by the Chairman of the Board with the consent of the Board of Directors and shall have such powers and perform such duties as may be delegated by the Chairman of the Board or prescribed by the Board of Directors as provided in Article Four above. [Amended November 2010]

ARTICLE SEVEN

The Executive Director

Section 1 Executive Director. The Executive Director shall serve at the pleasure and under the supervision of the Chairman of the Board, subject to the advice and consent of the Board of Directors, and until a successor is duly appointed. The Executive Director shall be an officer of the Association and a nonvoting member of the Board of Directors.

Section 2 Duties. The Executive Director shall:

- (a) be responsible for the day to day operations of the Association;
- (b) shall disburse funds from the operating-checking account when authorized by the Board of Directors in accordance with the Annual Budget of the Association and with interim expenditures approved by the Chairman of the Board and/or Fiscal Committee;
- (c) shall have the authority to review and approve or disapprove reimbursements of all travel and non-travel vouchers;
- (d) be responsible for maintaining all formal accounting and other records of Association;
- (e) assist in developing annual budgets, budget adjustments, and contracts and periodically review the same;

- (f) be responsible for managing and operating the Auxiliary Center (AUXCEN) in accordance with the Annual Budget;
- (g) be responsible for the AUXCEN materials procurement and distribution program;
- (h) be responsible for the inventory management encompassing the requisitioning, receipt, storage, and distribution of all Association equipment and supplies, property on loan from the Coast Guard to the AUXCEN and Printing Division and/or Coast Guard Auxiliary, property which has been requisitioned as excess and property acquired as surplus;
- (i) coordinate the reproduction and printing of material for Association, the U.S. Coast Guard, and the Coast Guard Auxiliary, as directed;
- (j) supervise all Association employees, to include hiring and termination of employment, salary of employees, maintain personnel records, personnel policy, and work assignment, as directed by the Chairman of the Board/CEO, President, and Chief Operating officer (COO). [Amended November 2010]
- (k) review requests for grants and forward to the Fiscal Committee for review and/or approval;
- (l) develop an organization and appropriate job descriptions to carry out the day to day tasks of Association;
- (m) conduct internal audits of the Association programs under his/her control;
- (n) supervise the acquisition of grants;
- (o) perform any other duties and exercise any other powers, including signing business agreements or contracts, when specifically delegated that authority by the Chairman of the Board, the President, the Chief Operating Officer, or the Board of Directors; and, [Amended November 2010]
- (p) deliver to his/her successor all Association records, reports, books, papers, and files in his/her possession, custody, or control belonging to the Association or pertaining to the Association and the office of the Executive Director.

Section 3 Personal Involvement. The Executive Director will not be personally involved in acquiring funds, gifts, or grants for the Association.

ARTICLE EIGHT

The Secretary

Section 1 Secretary. The Secretary shall serve at the pleasure of the Chairman of the Board and until a successor is duly appointed. The Secretary shall be an officer of the Association and a nonvoting member of the Board of Directors.

Section 2 Duties. The Secretary shall:

- (a) attend all meetings of the Board of Directors, record or caused to be recorded all votes and shall keep or cause to be kept, minutes of all proceedings of the Board of Directors;
- (b) when directed by the Chairman of the Board, give or cause the giving of notice of all meetings of the Board of Directors;
- (c) prepare, distribute and receive, or, cause the preparation, distribution and receipt of all ballots conducted during any meeting of the Board of Directors.
- (d) keep in safe custody the Seal of the Association and, when authorized by the Chairman of the Board, or the Board of Directors, affix the seal to any instrument requiring it and attest to it by signature of the Secretary;
- (e) keep in safe custody all permanent papers of the Association except those papers designated by these bylaws or otherwise designated by the Chairman of the Board to be kept by the Executive Director, the Treasurer, or other officers; [Amended November 2010]
- (f) perform any other duties and exercise any other powers as shall be delegated by the Chairman of the Board or prescribed by the Board of Directors;
- (g) prepare or cause the preparation, execution and filing of all annual reports and similar legal documents which shall be necessary to maintain the Association in good standing with all cognizant governmental authorities; and,
- (h) deliver to his/her successor as Secretary the Seal of the Association and all books, papers and files pertaining to the Association and the office of the Secretary.

Section 3 Temporary Secretary. In the absence of the Secretary and any Assistant Secretary from any meeting, a Temporary Secretary chosen at the meeting by the presiding officer shall record the proceedings thereof.

Section 4 Assistant Secretary. Any Assistant Secretary shall have such duties and powers as shall be delegated from time to time by the Chairman of the Board, the Board of Directors or the Secretary.

ARTICLE NINE

The Treasurer

Section 1 Treasurer. The Treasurer shall serve at the pleasure of the Chairman of the Board and until a successor is duly appointed. The Treasurer shall be an officer of the Association and a non-voting member of the Board of Directors.

Section 2 Duties. The Treasurer shall:

- (a) direct the Executive Director to maintain custody of the corporate funds, securities and valuable effects;
- (b) account for all funds, securities and valuable effects paid to, acquired by, or transferred to the Association;
- (c) prepare and mail bills for the annual and quarterly National Dues to all Districts/Regions of the Auxiliary with an assigned due date; [Amended November 2010]
- (d) deposit all funds of the Association in a banking institution(s) selected by him/her and approved by the Chairman of the Board, in accounts, maintained in the corporate name, which are insured by an agency of the United States Government, except as noted in subparagraph (i) below, ensuring appropriate resolution forms required by the financial/banking institutions are obtained, adopted by the Board of Directors and filed with those institutions;
- (e) to disburse funds and authorize the Vice President-Internal and the Executive Director, when specifically authorized by the Board of Directors, to disburse funds in accordance with the approved Annual Budget of the Association and when authorized for interim expenditure by Chairman of the Board and/or the Fiscal Committee; [Amended November 2010]
- (f) keep full and accurate records and books of account that shall belong to the Association, to reflect such receipts, disbursements and deposits and the funds, securities and valuable effects in the Treasurer's custody; render to the members of the Board of Directors, the Executive Director, and the Comptroller a monthly operating statement and balance sheet;
- (g) prepare the Proposed Annual Budget and coordinate with the Fiscal Committee;

- (h) distribute the Fiscal Committee's recommended Annual Budget to the Board of Directors no later than fifteen (15) days following the Fiscal Committee's approval.
- (i) At the direction of the Investment Advisory Committee, funds of the Association may be invested in various types of investments, if in the judgment of the Investment Advisory Committee they represent sufficient stability of capital and maximum earnings capability commensurate with the risk involved;
- (j) serve as an advisor to the Fiscal Committee;
- (k) cause all financial records and books of account of the Association to be audited annually by an independent Certified Public Accountant, whose report will be made directly to the Board of Directors and Chairman of the Board;
- (l) render to the Board of Directors at the Annual Meeting, upon relief by a successor in office or whenever requested by the Chairman of the Board, an account of all financial transactions of the Treasurer and the financial condition of the Association;
- (m) direct the Executive Director to keep safe custody of all certificates of deposit, securities, evidences of accounts receivable and similar documents comprising or evidencing the fiscal assets of the Association;
- (n) direct the Executive Director to keep safe custody of all financial records and books of account of the Association;
- (o) prepare or cause the preparation, execution and filing of all tax returns, financial statements and similar fiscal reports required by cognizant governmental authorities;
- (p) in the case where the Treasurer is no longer in office, by reason of death, resignation, retirement or removal from office, all property belonging to the Association in the possession, control or custody of the Treasurer is required to be returned to the Association;
- (q) assist the General Counsel and Executive Director, as requested, in preparation, review and revision of various corporate contracts;
- (r) perform any other duties and exercise any other powers as shall be delegated by the Chairman of the Board or prescribed by the Board of Directors; and(s) deliver to his/her successor as Treasurer, all property and fiscal assets in his/her possession, custody or control belonging to the Association and all books, papers and files in his/her possession, custody or control pertaining to the Association and the office of the Treasurer.

ARTICLE TEN

The Vice President-Internal

Section 1 Vice President-Internal. The Vice President-Internal shall serve at the pleasure of the Chairman of the Board and until a successor is duly appointed. The Vice President-Internal shall be an officer of the Association and a non-voting member of the Board of Directors. [Amended November 2010]

Section 2 Duties. The Vice President-Internal shall: [Amended November 2010]

- (a) serve as an advisor to the Fiscal Committee;
- (b) audit a sampling of travel and non-travel vouchers;
- (c) supervise the acquisition by the Association of monies and materials from sources other than annual dues including gifts;
- (d) assist the General Counsel, Executive Director, and Treasurer, as requested in the preparation, review and revision of various corporate contracts;
- (e) render to the Board of Directors at the Annual Meeting, upon relief by a successor or whenever requested by the Chairman of the Board or Secretary, an report of activities of the office of the VP-Internal;
- (f) perform such other duties and exercise such other powers as shall be delegated to the VP-Internal by the Chairman of the Board or prescribed by the Board of Directors; and [Amended November 2010]
- (g) deliver to his/her successor as Vice President-Internal, all funds, books, papers and files in his/her possession, custody or control belonging to the Association or pertaining to the Association and the office of the VP-Internal. [Amended November 2010]

ARTICLE ELEVEN

The Standing Committees

Section 1 Standing Committees. The Standing Committees of the Board of Directors shall consist of the Audit Committee, the Fiscal Committee, the Operating Committee, the Investment Advisory Committee, Governance and Ethics Committee and such other permanent committees as the Board of Directors shall establish from time to time.

Section 2 Duties. Except for the Audit Committee, the Fiscal Committee and the Operating Committee, the Board of Directors shall prescribe the duties of each Standing Committee and the method of appointment and removal of the members of such committees. The Board may delegate to a Standing Committee, including the Fiscal Committee, the authority to act for the Association in specified matters in the intervals between meetings of the Board of Directors.

Section 3 Minutes. Each Standing Committee shall keep written minutes, and whenever possible, the Secretary, or Assistant Secretary, shall attend and keep such written minutes. The minutes of any meeting of all committees shall be furnished to the Chairman of the Board, kept by the Secretary, and presented to the Board of Directors at their next meeting, together with the actions of each Standing Committee in writing. Minutes concerning the Audit Committee, Fiscal Committee, Investment Advisory Committee and Operating Committee shall be provided to the Executive Director, Treasurer and the Vice President-Internal. [Amended November 2010]

Section 4 Ad Hoc Committees. This power to appoint Standing Committees shall not prevent the Chairman of the Board or the Board from appointing ad hoc committees and prescribing their duties, membership and authority, provided however, no such ad hoc committee shall exercise any power of the Board of Directors.

ARTICLE TWELVE

The Audit Committee

Section 1 Audit Committee. The Audit Committee shall consist of a minimum of four (4) members who are not Officers of the Association and who are not members of the Fiscal Committee. At a minimum the committee shall include two voting members of the Board of Directors and one or more members of the Operating Committee. The Chairman of the Board shall appoint all members of the committee. The Treasurer and Secretary are Advisory Non-voting Members of the Audit Committee.

Section 2 Duties. The Audit Committee shall:

- (a) after consultation with the Chairman of the Board, President, Treasurer and the Comptroller, select the independent Certified Public Accountant who shall perform the Annual audit of the financial affairs of the Association; meet at least once after the annual audit and discuss in detail the report of the annual audit;
- (b) encourage the independent auditor's communication with the committee concerning:
 - (1) significant accounting policies,
 - (2) sensitive accounting estimates,
 - (3) disagreements with the officers of the Association,

- (4) difficulties in performing the audit,
 - (5) irregularities or other reportable conditions.
- (c) prepare and render a written report to the Board of Directors at the Annual Meeting.

ARTICLE THIRTEEN

The Fiscal Committee

Section 1 Fiscal Committee. The Fiscal Committee shall consist of the Chairman of the Board/CEO and the President/COO (serving as chairman) as well as two other Board Members and one or more members of the Operating Committee selected by the Chairman of the Board/CEO. The Treasurer, Vice President-Internal, Executive Director and Secretary and such other officers as may be appointed by the Chairman of the Board shall be nonvoting advisory members of the Fiscal Committee. [Amended November 2010]

Section 2 Duties. The Fiscal Committee shall:

- (a) approve a proposed Annual Budget for each ensuing Fiscal Year that the Treasurer shall submit to each member of the Board of Directors at least thirty (30) days prior to the Annual Meeting of the Board of Directors;
- (b) at the request of the Chairman of the Board, review and approve or disapprove any interim expenditures not to exceed \$25,000 which must be made before the next Annual Meeting and which are not provided for by the Annual Budget previously adopted by the Board of Directors. Any such expense will be reported to the Board within sixty (60) days for review and approval;
- (c) review the report of the independent Certified Public Accountant of the books and records of the Association for the preceding calendar year and submit a written report reflecting this review to the Chairman of the Board and the Board of Directors;

ARTICLE FOURTEEN

Operating Committee

Section 1 Operating Committee. The members of the Operating Committee shall consist of the members of the National Board of the U.S. Coast Guard Auxiliary. [Amended November 2010]

Section 2. Duties. The Operating Committee shall have such authority and responsibilities as provided from time to time by the Board of Directors. [Amended November 2009]

ARTICLE FIFTEEN

Investment Advisory Committee

Section 1 Investment Advisory Committee. The members of the Investment Advisory Committee shall consist of the Chairman of the Board, the President, the Treasurer, the Vice President-Internal and three (3) Directors. [Amended November 2010]

Section 2. Duties. The Investment Advisory Committee shall be responsible for the overall review and operation of the financial investments for the Corporation. The members of the Committee shall periodically review the types, quantities and performance of the portfolio of Corporation investments and shall make such changes or investments as they deem necessary and proper to keep and maintain sufficient stability of capital with maximum earning capability commensurate with the risk involved. The Committee shall make its recommendations to the Fiscal Committee and to the appropriate Officers of the Corporation for implementation.

Section 3. Other Duties. The Investment Advisory Committee shall have such authority and responsibilities as provided from time to time by the Board of Directors.

ARTICLE SIXTEEN

Governance and Ethics Committee

Section 1 Governance and Ethics Committee. The members of the Governance and Ethics Committee shall consist of the Chairman of the Board, the President, the Treasurer, the Executive Director and Secretary and three (3) Directors.

Section 2. Duties. The Governance and Ethics Committee shall be responsible for the overall review and operation of the governance and ethical issues for the Corporation. The members of the Committee shall periodically review governance and ethical policy and procedures of the Corporation, any issues that impact or could impact the Corporation and shall make such recommendations or reports as they deem necessary and proper to conduct the business of the Corporation in a manner that adheres to the best practices to benefit the members of the Corporation. The Committee shall make its recommendations or present its reports to the Board of Directors.

Section 3. Other Duties. The Governance and Ethics Committee shall have such authority and responsibilities as provided from time to time by the Board of Directors.

ARTICLE SEVENTEEN

Nominating Committee

Section 1. Nominating Committee. The members of the Nominating Committee shall consist of the members of the Board of Directors.

Section 2. Duties. The Nominating Committee shall be responsible for the overall identification, solicitation, review and recommendation of prospective individuals to serve on the Board of Directors. The Committee shall institute its own process to identify, solicit, and receive nominations sixty (60) days prior to the annual meeting of the Operating Committee held in conjunction with the Auxiliary Annual National Conference. The Operating Committee may submit nominations to the Nominating Committee provided that twenty-five per cent (25%) of the Operating Committee members sign the nomination submission. The Nominating Committee shall then provide their recommendations of qualified candidates to the Operating Committee thirty (30) days prior to the annual meeting of the Operating Committee. All nominees shall meet the requirements in the Articles of Incorporation to be considered for the board terms being elected.

Section 3. Other Duties. The Nominating Committee shall have such authority and responsibilities as provided from time to time by the Board of Directors.

ARTICLE EIGHTEEN

Dues

Section 1 Dues. All members of the Association shall pay dues as approved from time to time by the Board of Directors. The Operating Committee shall recommend to the Board of Directors the national dues amount to be paid by the Auxiliary members of the Association except that the dues of all Past District Commodores who become lifetime members are waived. The amounts for the Associate Member levels of the membership are determined by the Executive Board in accordance with Article Two of these By-Laws.

Section 2 Waiver. National Auxiliary dues may be waived for members of the Armed Forces, National Guard or Reserve components during any period of deployment while serving on active duty in a hostile fire area or other combat support staging area. Likewise, active duty members of any component of the Armed Forces may receive a waiver of National Auxiliary dues if they are assigned outside the 50 states, U.S. territories or commonwealths and are not able to participate with an Auxiliary unit during the period of their assignment.

Section 3 Exemption. The Board of Directors may, from time to time, exempt members from the payment of annual national dues.

ARTICLE NINETEEN

Fiscal Policy

Section 1 Fiscal Policies. The fiscal policies of the Association are determined by the Board of Directors, provided, however, the Board may delegate to the Chairman of the Board, the Treasurer and/or the Vice President-Internal the power to prescribe detailed procedures for the receipt, keeping and disbursement of corporate funds and assets. [Amended November 2010]

Section 2 Authorized Limits. The following officers are authorized to sign checks not to exceed the amounts specified:

Chairman of the Board	\$10,000.00
President	\$10,000.00
Treasurer	\$10,000.00
Vice President-Internal	\$10,000.00 [Amended November 2010]
Executive Director	\$10,000.00

The Treasurer is authorized to transfer funds between authorized bank accounts and investment management organizations as needed and in accordance with the normal business operation of the Association. Such transfers may be made without regard to the Treasurer's above stated \$10,000.00 check authorization. In all other cases, two (2) signatures are required on checks in excess of \$10,000.00.

ARTICLE TWENTY

Accounting Period

Section 1 Accounting Period. The Association's accounts shall be kept on a fiscal year basis commencing 1 November and ending October 31.

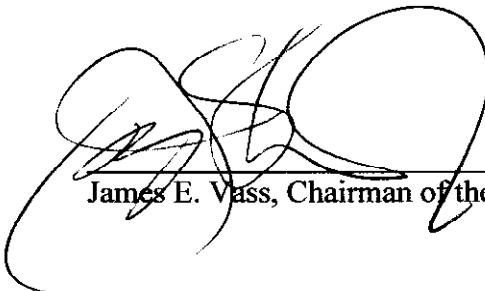
ARTICLE TWENTY-ONE

Amendments

Section 1 Amendments. These bylaws may be amended by a two-thirds (2/3) vote of the Board of Directors at any legally constituted meeting or by mail as provided herein. The Appendix to these Bylaws may be amended by a majority vote of the Board of Directors at any legally constituted meeting or by mail as provided herein.

ADOPTED

These By-Laws of the Association were amended by a vote of two-thirds (2/3) of the Board of Directors present in a legally constituted meeting held on November 6, 2010.

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and flourishes.

James E. Vass, Chairman of the Board

A handwritten signature in black ink, appearing to read 'Richard L. Lawrence', with a long horizontal flourish extending to the right.

Richard L. Lawrence, Secretary