

ARTICLE I
Name & Incorporation

The name of the organization is the International Aloe Science Council (herein referred to as “IASC” or “the Council”). IASC is a nonprofit Corporation chartered under the laws of the State of Delaware and under section 501(c)(6) of the Internal Revenue Code.

ARTICLE II
Definitions

The term “*Aloe vera* Industry” includes all those individuals, sole proprietors, partnerships, corporations (and their subsidiaries and subdivisions) or other business firms whose activities to a significant extent involve the growing, supplying, processing, manufacturing, or marketing of *Aloe vera* and it’s related products.

ARTICLE III
Mission

The mission of the IASC is to advance, promote and represent the aloe industry by providing educational, scientific and self-regulatory leadership and guidance.

ARTICLE IV – Membership

Section 1: Application for Membership

Any entity (e.g., sole proprietor, partnership, corporation, etc.) eligible for membership under these Bylaws must apply for membership by submitting a written application form provided by the Council and signed by an authorized representative of the applicant. Payment of annual dues for the current fiscal year and in conformity with Article VI, Section 1 must accompany the application. Provided applicable dues are paid and upon approval as determined in conformity with all Council policies that govern such approval, such applicant shall become a member of the Council. Membership shall continue until such time as the member resigns, as defined in Article IV, Section 8 or is suspended or expelled as defined in Article IV, Section 7 or does not make annual dues payments as defined in Article VI, Section 1.

Section 2: Title to Membership

Membership in IASC belongs to a business entity (e.g., sole proprietor, partnership, corporation, etc.) and not to the individual representing that business entity. Membership in the Council is not transferable or assignable.

Section 3: Obligations of Membership

Members are obligated to support the mission, goals and objectives of the Council. Such support includes payment of all dues and properly approved assessments; adherence to all policies and principles of business practice as outlined in the Council's Bylaws and Code of Ethics & Business Conduct, and to any rule or practice properly adopted by the Council; and restraint from any conduct prejudicial to the interests of the Council.

Section 4: Classes of Membership

There are two classes of members in the Council: Active members and Associate members.

ACTIVE MEMBERS: All entities directly engaged in the Aloe Industry, as defined in Article II above, are eligible to become Active members of this Council. No entity that is eligible to be an Active member may join the Council as an Associate member.

ASSOCIATE MEMBERS: All entities not directly engaged in, but serving the Aloe Industry, as defined in Article II above, are eligible to become Associate members of this Council. This membership category includes, but is not limited to: researchers, educators, consultants, attorneys, healthcare professionals and the media.

Section 5: Multiple Memberships

A business entity substantially owned or controlled by an existing member and which is otherwise qualified for its own membership may become an IASC member.

Section 6: Members in Good Standing

A member in good standing is an Active or Associate member who has paid all required fees and dues and is not suspended, expelled or resigned.

Section 7: Suspension, Expulsion & Reinstatement of Membership

AUTOMATIC SUSPENSION FOR NON-PAYMENT OF DUES: Any member who is in default in the payment of dues or any mandatory assessment for a period of sixty (60) calendar days after such dues or such assessment becomes payable is automatically suspended from membership. Any member so suspended shall, until reinstated, forfeit all rights and privileges of membership in the Council; provided, however, that suspension shall not relieve a member from the requirement of fulfilling all obligations to the Council theretofore incurred. A suspended member shall be reinstated to good standing upon payment in full of all dues and other amounts owing and payable at the time of suspension and reinstatement.

EXPULSION: Any member may be expelled for just and reasonable cause. Just and reasonable cause shall include any violation of these Bylaws, the *Code of Ethics & Business Conduct*, or any agreement, rule or practice properly adopted by the Council, or any conduct prejudicial to the interests of the Council. Proceedings to expel a member may be initiated only by the action of the Board of Directors or the Executive Committee. No decision to suspend or expel a member may be made until at least fifteen (15) calendar days after a Statement of Charges has been sent by the Council, by any medium that will certify the receipt of the Statement of Charges, to the last recorded address of the member. A notice of the place and time of the meeting of the Board of

November 2009

Directors at which the charges will be considered shall accompany the Statement of Charges. The member's representative(s) shall be provided the opportunity to present to the Board any defense to the Statement of Charges before action is taken thereon by the Board. Such expulsion shall be by two-thirds (2/3) vote of the Board of Directors present at a duly constituted meeting of the Board as defined in Article IX. Expulsion shall not entitle the member to any refunds of any type or in any amount.

In the case of expulsion, the member shall have the right to re-apply for membership in accordance with these Bylaws and upon proof that the previous action that resulted in expulsion has been modified so the member no longer violates IASC's Bylaws, *Code of Ethics & Business Conduct*, or any agreement, rule or practice properly adopted by the Council, or that the member's conduct is no longer prejudicial to the interests of the Council.

Section 8: Resignation of Membership

Any member in good standing may resign from the Council by submitting written notice of such intention to the Council's office. Resignations are effective on the date of the member's notice of resignation or any date specified by the member that is prior to the member's annual renewal date. Resignations shall not entitle the member to any refunds of any type or in any amount. A resignation shall not relieve the member of any obligations to pay any dues, assessments, or other charges that had accrued and were unpaid prior to the effective date of the resignation.

ARTICLE V

Member Voting Rights & Procedures

Section 1: General

IASC Active members in good standing are authorized by these Bylaws and by the Council's *Code of Ethics & Business Conduct* to vote on the following issues: election of Elected Directors in conformity with Article IX, Sections 5 and 6; and amendments to the Council's Bylaws.

Only Active members in good standing shall have a right to vote on each of the specific issues for which members are authorized to vote. Each Active member shall be entitled to only one vote on any issue submitted to a vote of IASC's members.

Voting shall be conducted by secret ballot. Voting may be conducted at any meeting of the Council or by mail, fax, electronic mail or other appropriate medium vote, as defined by Article V, Section 3. All votes shall be conducted in accordance with these Bylaws and duly adopted policies of the Council.

Whenever any issue is voted on by the Active members it shall be authorized by a simple majority of the votes cast by a quorum of the members, as defined in Article VII, Section 4; except that election of Directors shall be held in accordance with the Election Policies defined in Article IX, Sections 5 and 6; and except a two-thirds (2/3) majority shall be required to authorize any amendments to the Bylaws as defined in Article XVII.

Section 2: Votes Conducted At Member Meetings

When voting is conducted at a meeting of the Council, votes may be cast directly by a member's representative, or by written proxy, or by absentee ballot. All IASC Active members in good

November 2009

standing shall be provided by mail, fax, electronic mail, or other appropriate medium, not later than thirty (30) days prior to the date of the meeting, with material to adequately describe the issue or issues that are the subject of voting as well as proxy forms and absentee ballots.

Any Active member in good standing may assign its vote by written proxy to any other Active member in good standing by completing a proxy authorization in a manner that is timely and in conformity with IASC voting policies. The person who is authorized to exercise a proxy may not exercise the proxy unless it is exercised no later than the votes cast directly by members. The Secretary or other person charged with recording the vote shall record both the name of the person who authorized the proxy on behalf of the member and the name of the person who exercises the proxy. If the member representative who authorized a proxy personally attends the meeting at which the vote that is the subject of the proxy is scheduled, they may, at their sole discretion, rescind their authorization and cast their vote directly. A duly authorized proxy is only valid for the particular vote for which it was authorized.

When a vote is cast by absentee ballot, it may be returned by the voting member by mail, fax, electronic mail, or any other appropriate medium. Members will be informed of the date on which an absentee ballot must be received in the IASC office in order to qualify as a duly cast vote, such date to be determined at the sole discretion of IASC's administrative staff. In the event that an absentee ballot has been received timely by the IASC office and a representative of the member who has cast that absentee ballot personally attends the meeting at which the vote that is the subject of the absentee ballot is scheduled, the member will not be allowed to cast their vote directly.

Section 3: Votes of the Members Conducted By Mail, Fax, Electronic Mail Or Other Appropriate Medium

Whenever, in the judgment of the Board of Directors, any question shall arise which it considers should be put to the vote of the Active members, and when it deems it inexpedient to call a special meeting for such purpose, the Board of Directors may, unless otherwise required by these Bylaws, submit such matter to the membership in writing for vote by mail, fax, electronic mail or other appropriate medium vote. The question thus presented shall be determined according to either a simple majority or a two-thirds (2/3) majority, depending upon the matter that is the subject of the vote and in accordance with the majority requirements established in Section 1 of this Article, of the votes received in writing within 30 calendar days after such submission to the membership. This is provided that in each case, votes of a quorum of the voting members shall be received. Any and all action taken in pursuance of a majority vote in each such case shall be binding upon the Council and upon each member thereof.

ARTICLE VI Dues and Assessments

Section 1: Dues

Annual dues for members will be set by the Board of Directors.

Dues payments shall be for the fiscal year for which they are billed. Annual dues are payable on January 1 of each year. Dues are non-refundable.

November 2009

Any member who is in excess of sixty (60) days behind in payment of dues is automatically suspended, as defined in Article IV, Section 7 and shall not be entitled to any benefits or rights of membership.

Section 2: Assessments

Mandatory assessments may be levied by the Council upon its members by decision of the Board of Directors. Members who refuse to pay a mandatory assessment will be automatically expelled from the membership as defined in Article IV, Section 7.

ARTICLE VII Meetings of Members

Section 1: Member Meeting

Member meetings of the Council shall be held as determined by the Board of Directors. As appropriate at such member meetings, the Active members shall conduct elections for Elected Directors, as defined in Article IX, Section 2, receive annual reports of the business of the Council, and transact any other business that may come before the membership.

In order to elect Directors or to transact any other business that requires a vote of the Active members in good standing at any member meeting, a quorum, as defined in Article VII, Section 4, must be present; except that, in the absence of a quorum, the election of Directors may be adjourned and completed in conformity with the procedures described in Article IX, Section 6.

Section 2: Special Member Meetings

Special meetings of the Council may be called upon by the written request of forty percent (40%) of the Active members in good standing of the Council, or in conformity with Article IX, Section 8. Special meetings are called to address a specific subject(s), and nothing but that specific subject(s) shall be considered at that meeting. The Board of Directors may designate the time and place of any special meeting in conformity with any other requirements of these Bylaws or Council policies.

Section 3: Membership Quorum

Twenty percent (20%) of the Active membership in good standing shall constitute a quorum of the Council's Active members.

At any meeting of the Council all members represented by physical attendance, or by proxy, or by absentee ballot shall be considered to be in attendance at a meeting for purposes of determining the presence of a quorum, such that the number of members in attendance at a meeting shall be the sum of those members represented at the meeting by physical attendance, and by proxy, and by absentee ballot. A quorum need not be present at any meeting in order to transact business but must be met when conducting voting or amendments to the Bylaws.

When a vote is conducted by mail, fax, electronic mail, or other appropriate medium in conformity with Article V, Section 3, all votes received shall be counted toward the presence of a quorum.

Section 4: Notice of Meetings of the Members

Written notice of all meetings of members shall be delivered to each member not less than thirty (30) calendar days before the date of the meeting. Notice shall be delivered by mail, fax, electronic mail or other appropriate medium. Notice of the meeting shall state the place, day and time of the meeting, the general and/or specific purpose(s) for which the meeting is called, and, if any of the purposes of the meeting will require a vote of the Active members in good standing, the Notice shall include a proxy and an absentee ballot for each such Active member. Notice shall be deemed to be delivered at the time the notice is dispersed to the membership.

**ARTICLE VIII
Management of the Council**

The Council shall be managed by its Executive Director, who is an employee of the Council. The Executive Director shall be responsible for supporting the Board in its policymaking role and for establishing, executing and supervising the Council's annual operating plan and budget, including the hiring, supervision, and remuneration of staff and agents of the Council, within the parameters of the Board-approved budget. In addition, the Executive Director of the Council shall sit *ex officio* without vote on both the Board of Directors and on the Executive Committee.

**ARTICLE IX
Board of Directors**

Section 1: Board Governance & Duties

The Council shall be governed by a Board of Directors who shall be appointed or elected in conformity with these Bylaws. The general oversight of the affairs, business and concerns of the Council shall be vested in the Board of Directors, whose duties shall be carried out at duly regularly scheduled meetings and at other such times as provided by these Bylaws, except that, between regularly scheduled meetings of the Board, the Executive Committee, as defined in Article X, Section 3, shall be responsible for oversight of the Council.

The Board of Directors shall have control of the affairs of the Council, with authority to engage, discharge, and set the salary of the Executive Director and, in the absence of an Executive Director, all other employees and agents of the Council; to admit, suspend or expel members; to formally approve all operating budgets desirable in the conduct of the business of the Council; to amend to the Council's *Code of Ethics & Business Conduct*; and to establish or recommend additional policies and guidelines that are consistent with the Council's Mission.

All actions before the Board shall be decided by majority vote in the presence of a quorum of the Board, as defined in Section 11 of this Article, at a duly constituted meeting of the Board; or by majority vote in the presence of a quorum of the Executive Committee, as defined in Article X, Section 3, at a duly constituted meeting of the Executive Committee. In all voting discussed in this Section abstentions are not counted as votes cast. The act of the majority of the Directors at a meeting at which a quorum is present shall be the act of the Board, except as otherwise specified in these Bylaws. Additionally, a Board action may be taken without a meeting, by written vote via mail, fax, electronic mail or other appropriate medium, if all members of the Board consent to

November 2009

such action. Such consent shall have the same force and effect as a unanimous vote of the Board of Directors and shall be filed with the Council Minutes.

Directors shall discharge their duties in accordance with the Council's Bylaws and *Code of Ethics & Business Conduct*, in good faith, with ordinary care, and in a manner they reasonably believe to be in the best interest of the Council. Ordinary care is care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In the discharge of any duty imposed or power conferred on Directors, they may in good faith rely on information, opinions, reports, or statements (including financial statements and other financial data) concerning the Council or another person that was prepared or presented by others.

Section 2: Board Composition

Active members in good standing shall elect Directors at the Annual meeting of the Council and in conformity with Article V and Article XI, Sections 5 and 6. Non-voting, honorary board positions may be created and filled at the discretion of the board.

Section 3: Board Size

The number of Elected Directors as of the completion of an annual election of Directors shall be between 5-21. Additional Director positions may be established by the Board at its discretion.

Section 4: Director Eligibility

All Director Candidates must be officially nominated or designated in writing by an Active member.

The policies and procedures for qualifying candidates for elected seats shall be recommended by the Ethics Committee and approved by the Board of Directors, and such candidates shall be required to submit written applications for their candidacy and other documentation as is required by any such approved policies and procedures. The Ethics Committee shall not unreasonably withhold the certification of candidates and shall treat all candidates equally and fairly.

Section 5: General Election Procedures

An Ethics Committee shall be duly chartered as a standing committee by the Board of Directors and maintained by the Council. The responsibilities and authority of the Ethics Committee include, but are not necessarily limited to the responsibilities and authority described in this Section.

The policies and procedures for all elections, including the election of Directors and the election of Board officers and additional members of the Executive Committee shall be recommended by the Ethics Committee and approved by the Board of Directors.

Directors shall be elected only by Active members in good standing at the Annual meeting of the Council. Elected Directors shall consist of those candidates who had the greatest number of votes until all open Elected seats have been filled.

Section 6: Director Election Procedures in the Absence of a Quorum of Active Members

If a quorum, as defined in Article VII, Section 3, is not present at the annual meeting of the Council, those Active members in attendance, whether physically, by proxy, or by absentee ballot, shall cast their votes for election of Directors. The election shall then be adjourned for two (2) calendar weeks during which time all Active members who have not yet voted will be informed the election has been adjourned and will be encouraged to submit their votes by mail, fax, electronic mail or other appropriate medium. If at the end of this two week period or any other two week period in the election adjournment process a quorum has still not been met the election shall be adjourned for an additional two (2) calendar weeks and the same process shall be repeated, until such time a quorum has been met.

Votes cast for an election of Directors at a meeting at which a quorum is not present or in any of the two week adjournments described herein shall not be counted until the last day of the two week adjournment in which a quorum has been achieved, on which date the election shall be considered to have been completed.

In the event that a quorum is not present at the Annual meeting of the Council and notwithstanding that certain Directors, officers, and members of the Executive Committee will have reached the end of their terms as of the date of that meeting, until such time as an election has been completed as described herein, the Board of Directors, officers, and members of the Executive Committee shall consist of the same Directors who served as Directors and in such positions at the beginning of the election process.

Section 7: Director Term of Service and Term Limits

Directors shall serve for a three (3) year term, which ends at the third Annual meeting of the Council following their election, except that, in the event a quorum is not present at the Annual meeting of the Council, the term of any Director who has reached the end of his/her term as of the date of that meeting shall be extended until such time as the annual election for Directors has been completed as described in Section 6 of this Article.

There are no limits placed on service by any Director so long as the member company represented by the Director is an Active member in good standing as defined in Article IV, Section 6 and so long as the Director maintains his/her status as the member's designee and has not been otherwise removed in accordance with Section 8 of this Article or Article IV, Section 7.

Section 8: Removal of Directors

If a majority of the Board of Directors in any meeting authorized by the Bylaws determines that a current Director is no longer the designee of an Active member company, or if IASC staff is so notified, then the Director shall be removed as of the date of such determination or notification.

A Director may also be removed and replaced at any time by members with or without cause. Upon receipt of petitions for removal signed by no less than 51% of Active members in good standing, a Special meeting of members shall be called at which the Director shall be given the opportunity to be heard and to present evidence. In the presence of a quorum, as defined in Article VII, Section 4, a vote of the Active members in attendance, as defined in Article VII, Section 4, shall then ensue and the Director shall be removed if the vote for removal is equal to

November 2009

51% or more of all Active members voting at the meeting. In the absence of a quorum at the Special meeting described herein, the Director may not be removed.

Additionally, if a Director is absent from more than 50% of two consecutive meetings of the Board, he or she is automatically removed as a Director subject to reinstatement for cause shown. For purposes of this Section, attendance by appropriate telecommunication medium will not be considered an absence the first time it occurs in any one-year period that begins on the anniversary date of the Director's appointment or election, and will be considered an absence any other time it occurs during that period.

Also, if a Director fails to attend at least one meeting in person in any one-year period that begins on the anniversary date of the Director's appointment or election, he or she is automatically removed as a Director subject to reinstatement for cause shown.

Section 9: Director Vacancies

A seat on the Board of Directors becomes vacant when a Director resigns, when the Active member represented by a Director informs the Council, in writing, that the Director is no longer their designee or when a Director is removed in accordance with Section 8 of this Article above or for other good cause.

In the case of a vacancy, Director vacancies may be filled by the Active member that was represented by that Director. The Active member may only fill the vacant seat by naming, in writing, another designee who is otherwise qualified.

An Elected seat that becomes vacant and filled as prescribed in this Section shall be considered vacant, and therefore subject to election, (i) at the first Annual meeting of members following the vacancy if the vacancy occurs after an Annual meeting of members and before the deadline for declarations of candidacy for election to the Board at the next scheduled Annual meeting, or (ii) at the second Annual meeting of members following the vacancy if the vacancy occurs after the deadline for declarations of candidacy for election to the Board at the next scheduled Annual meeting and before the next scheduled Annual meeting. In either of these options, the deadline for declarations of candidacy for election to the Board shall be the date established by current election policy.

Section 10: Director Substitutes at Meetings of the Board

If a Director is unable to attend a meeting of the Board, the member company represented by the Director has the option of appointing a substitute for that meeting, which substitute shall bear the full duty and authority of the Director, including the right to vote on all matters before the Board, and which substitute shall count toward the presence of a quorum.

Attendance of a substitute at a meeting of the Board of Directors shall not be considered to be attendance by the substituted Director, such that the Director will be considered absent from the meeting for purposes of Section 8 of this Article.

Section 11: Board of Director Quorum

BOARD MEETING: A simple majority of the Board shall constitute a quorum. For purposes of determining the presence of a quorum, any Director vacancy that has not been filled in accordance with Section 9 of this Article at the time that a meeting of the Board is called to order

November 2009

shall be excluded when determining the total number of Directors that currently constitute the Board. A quorum is required to be present either in person or by appropriate telecommunication medium in order to call to order a duly constituted meeting of the Board. A Director in attendance by appropriate telecommunication shall have all of the rights and responsibilities as Directors who are in attendance in person. The Directors present at a duly constituted meeting at which a quorum is initially present may continue to transact business even if less than a quorum remains. However, no actions may be approved by the Board in the absence of a quorum.

Section 12: Remuneration

Directors will receive no remuneration whatsoever for their services as Directors but may be recompensed for expenses incurred with approval by the Board of Directors.

Section 13: Conflict of Interest

Directors shall have an affirmative duty to disclose any material conflict or potential conflict of interest in any manner under consideration by the Board. Unless requested otherwise, they must absent themselves from such deliberation or decision.

ARTICLE X

Board Officers and Executive Committee

Section 1: Officer Positions

The officers of the Council shall be a Chairman of the board, a President, a President-Elect, a Secretary and a Treasurer. The Board of Directors may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill these positions. Member companies may not be represented in more than one officer position.

CHAIRMAN OF THE BOARD: The Chair shall preside at the meetings of the Council and of the Board of Directors and shall be a member *ex officio*, with right to vote, of all committees. She or he shall perform the duties as are necessarily incident to the office of Chair of the Council or as may be prescribed by the Bylaws and Board of Directors.

PRESIDENT & PRESIDENT-ELECT: When the Chairman of the Board is absent, is unable to act, or refuses to act, or if the Director who was duly elected as the Chairman of the Board is the subject of a vacancy as defined in Section 4 of this Article, the President shall perform the duties of the Chairman of the Board. When the President acts in place of the Chairman of the Board, the President shall have all the powers of and be subject to all the restrictions upon the Chairman of the Board.

In the absence of the Chairman and the President at a meeting of the Board, the President-Elect will act as Chairperson for the meeting. If the Chairman, President and President-Elect are absent, the Board of Directors shall appoint a member of the Board to act as Chair *pro tem*. The Chair *pro tem* shall have all the powers of and be subject to all the restrictions upon the Chair.

SECRETARY: The Secretary shall act as Corporate Secretary of the Council and shall perform all the statutory and customary duties of the office, including overseeing the maintenance of the membership records, the serving of notices and the keeping of Minutes of all meetings of members and the Board.

November 2009

TREASURER: The Treasurer shall perform all the statutory and customary duties of the office and shall oversee the filing of all required financial reports and returns. A yearly accountant's review of the books of the Council shall occur. The Treasurer, or any person entrusted with the handling of funds or property of the Council, shall, at the discretion of the Board of Directors, furnish, at the expense of the Council, a fidelity bond approved by the Board, in such sum as the Board shall prescribe. The Treasurer shall report on the financial condition of the Council at its Annual meeting and at meetings of the Board of Directors, when required.

Section 2: Election of Officers

A regular meeting of the Board of Directors shall follow the completion of the annual election process. At this meeting, the Board of Directors shall elect from among themselves the officers as defined in Article X, Section 1. The election of officers shall be conducted in the following order: first, the Board shall elect the Chair, who shall immediately upon election take on the duties of the Board Chair; second, the Board shall elect the President; third, the Board shall elect the President-Elect; Fourth the board shall elect the Secretary; and fifth, the Board shall elect the Treasurer. Any other officers created in conformity with this Article shall be elected in any order. Officers shall be elected by majority vote of the Board of Directors. Elected officers shall hold office for a term of one (1) year and may continue to run for office every year. In the case of the President-Elect and President, those positions will automatically advance to President and Chairman of the Board, respectively, creating a vacancy in the President-Elect position annually. The election of officers shall be conducted by the procedures in Article V, Section 1.

Section 3: Executive Committee

The Board of Directors shall elect from amongst themselves two (2) additional members who shall serve, along with the officers, as the Council's Executive Committee. The Executive Committee shall be responsible for oversight of the Council between regularly scheduled meetings of the Board. No member company or its subsidiaries may have more than one (1) representative on the Executive Committee.

A meeting of the Executive Committee may be called by the Executive Director, the Chair, or any other two (2) members of the Committee, and may be conducted by any appropriate communication medium. Notice of a meeting of the Committee shall be made to all of the members of the Committee and to the Executive Director. Notice of any Executive Committee meeting will also be provided to all Directors. A quorum of the Executive Committee shall consist of not less than four (4) of its members.

The act of the majority of the Executive Committee at a meeting of the Committee at which a quorum is present shall be the act of the Board of Directors, except as otherwise specified in these Bylaws. Additionally, an action may be unanimously taken by the Executive Committee without a meeting, by written vote via mail, fax, electronic mail or other appropriate medium, if all members of the Committee consent to such action. Such consent shall have the same force and effect as a unanimous vote of the Board of Directors and shall be filed with the Council Minutes.

All actions taken by the Executive Committee shall be considered for approval by the Board of Directors at its next scheduled meeting.

November 2009

Section 4: Vacancies on the Executive Committee

Any vacancy on the Executive Committee, including officer vacancies, may be filled by the Board of Directors or by the remaining members of the Executive Committee for the unexpired portion of the Committee member's term. Vacancies may be filled at any meeting of the Board or of the Executive Committee. Any Director who fills any office or Executive Committee vacancy shall have all the powers of and be subject to all the restrictions on such position.

Notwithstanding the right of member companies to fill a Director vacancy in conformity with Article IX, Section 9, neither a Director who is a member of the Executive Committee, including Board officers, nor a member company represented by such Director shall have the right to fill a vacancy or appoint a substitute to the Executive Committee for any purpose whatsoever.

ARTICLE XI**Indemnification and Exoneration****Section 1: Indemnification**

The Council shall indemnify its Directors, officers and employees for all claims and liabilities, including reasonable expenses and attorney's fees, to which they may be subject by reason of such positions with the Council, to the fullest extent permitted by Maryland law and for organizations which are exempt from Federal income tax under section 501(c)(6) of the Internal Revenue Code. Indemnification or reimbursement shall be made only if it is determined the Director or employee acted in good faith and in the reasonable belief the action that is the basis for such claim or liability was in the best interest of the Council. If this determination is not made in a legal proceeding related to the claim or liability, it shall be made by the Board of Directors in accordance with the laws of the State of Maryland.

Section 2: Exoneration

To the fullest extent permitted by Maryland law and for organizations which are exempt from Federal income tax under section 501(c)(6) of the Internal Revenue Code, no Director, officer or employee of this Council shall be personally liable to the Council or its members for monetary damages except in the case of fraud, embezzlement or any other form of conduct that constitutes a crime under the laws of Maryland and which causes the Council to incur a monetary loss. No amendment of the Articles of Incorporation or repeal of any of its provisions shall limit or eliminate the benefits provided to Directors, officers and employees under this provision with respect to any act or omission which occurred prior to such amendment or repeal.

Section 3: Insurance

The Council shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Council, or who, while a Director, officer, employee or agent of the Council is or was serving any other entity at the request of the Council, and in any capacity, against any liability, asserted against and incurred by such person in any such capacity or arising out of such person's position, whether or not the Council would have the power to indemnify him or her against such liability under the provisions of this Article.

November 2009

Section 4: Miscellaneous Provisions

Except to the extent prohibited by law, the indemnification provided by this Article shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under the Articles of Incorporation, and Bylaws, agreements, votes of disinterested Directors or otherwise, both as to action in the Director's official capacity and as to actions in any other capacity while holding office, and shall continue as to a person who has ceased to be a Director or officer, employee or agent of the Council and shall inure to the benefit of the heirs, executors, or administrators of such persons.

ARTICLE XII**Committees****Section 1: Committees**

Any committee deemed necessary or desirable by the Board of Directors shall be appointed by the Board of Directors. There shall be two categories of committees, Standing Committees and Special Committees, and all committees shall be chartered and managed in conformity with policies established by the Board of Directors.

Standing Committees are defined as permanent and broad in scope, and exist to address issues that affect a wide representation of the membership. Standing Committees may be funded by general funds or special assessments, as appropriate, and in conformity with these Bylaws and the Council's financial policies.

Special Committees are chartered to address the needs of a specific sub-group of IASC's members or to deal with a specific issue or group of issues. The budgets for Special Committees are provided from funds generated by the members of the Committees, unless the Board determines general funds should be available. A Special Committee's accounts payable may never exceed that Committee's cash on reserve in an IASC account. All accounting for Special Committees is managed by IASC.

The Board of Directors may not assign to any committee any authority that is assigned by these Bylaws to the Board, and committees do not have any such authority. The authority of all committees is limited to making recommendations to the Board of Directors, such recommendation subject to adoption or rejection by action of the Board, and to carrying out the work of the Council in a manner that is consistent with and within the confines of each committee's Charter as approved by the Board of Directors. Committees are explicitly prohibited from establishing any policies for the Council or for any segment of the Council. Committees are explicitly prohibited from making statements or representations on behalf of the Council without the explicit approval of the Board of Directors.

Section 2: Eligibility

Any IASC member is eligible to serve on any committee, except that membership on the Executive Committee is determined by election as defined in Article X, Section 3, and except that any committee may include a restriction on membership in its Charter subject to approval by the Board of Directors. The Board of Directors shall appoint all committee chairpersons. All committee members serve at the pleasure of the Board of Directors.

November 2009

ARTICLE XIII
Inspection of Corporate Records

These Bylaws, the membership roster, the books of accounts and the Minutes or proceedings of meetings of the Council, of the Board of Directors and of the Committees shall be open to inspection no later than (10) days after receipt of a written request, addressed to the Chair or the Secretary of the Council by any member of the Council for any purpose reasonably related to its interests as a member. Such records also shall be made available for the same purpose at any Board of Directors meeting when requested by at least three (3) Directors. Inspection may be made in person or by an authorized agent or attorney and inspector includes the right to make extracts at the member's expense.

ARTICLE XIV
Dissolution and Waiver of Interest

Section 1: Dissolution

In the event of dissolution of the Council, all assets of the Council shall be distributed among the members in proportion to the membership dues paid by the members in the preceding three (3) years. Nothing in this Article represents any financial obligation on the Council to the members other than the specific distribution of assets described herein, and there is no obligation on the Council to reimburse members for dues paid for the services that would have been provided by the Council if dissolution had not occurred.

Section 2: Waiver of Interest in Council Property

All real, personal and intellectual property acquired by the Council shall be owned by IASC. No member shall have any interest in any of the property of the Council. Each member hereby expressly waives the right to require partition of all or part of the Council's property.

ARTICLE XV
Non-Discrimination

The organization's, officers, Directors, employees and persons served by this Council shall be selected in a non-discriminatory manner with respect to age, sex, race, color, national origin, and political or religious opinion or affiliation.

ARTICLE XVI
Antitrust Policy

All members of the Council will abide by an antitrust policy which shall be in conformity with all laws and regulations related to such a policy and which shall be approved by the Board of Directors.

ARTICLE XVII
Amendments to Bylaws

These Bylaws may be amended, repealed or altered, in whole or in part, upon approval of a two-thirds (2/3) majority of a quorum of the Active members in good standing at a duly constituted

November 2009

meeting of the Council or by mail, fax, electronic mail or other appropriate medium vote, such voting to be conducted in conformity with Article V.

ARTICLE XVIII
Referenda/Grassroots Initiatives

Active members in good standing may initiate petitions to put an amendment to the Bylaws or other initiatives (other than the removal of a Director) before the general membership for vote without the approval of the Board of Directors. To do so, the member must file with the Board a written petition setting forth the request and the reasons therefore, along with the signatures of twenty percent (20%) of the membership endorsing the petition.

ARTICLE XIX
Fiscal Year

The fiscal year of the Council shall begin on the first day of January and end on the last day of December of each year.

ARTICLE XX
Miscellaneous Provisions

Section 1: Legal Authorities Governing Construction of Bylaws

The Bylaws shall be construed in accordance with the laws of the State of Maryland. All references in the Bylaws to statutes, regulations or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

Section 2: Legal Construction

If any Bylaw provision is held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other provision, and the Bylaws shall be construed as if the invalid, illegal or unenforceable provision had not been included in the Bylaws.