# BYLAWS TO THE BOARD OF DIRECTORS OF
# MASSACHUSETTS RETAIL LUMBER DEALERS
# ASSOCIATION, INC.

**Table of Contents**

<table>
<thead>
<tr>
<th>Article</th>
<th>Identification</th>
<th>Article II. Mission and Purpose of the Association</th>
<th>Article III. Members</th>
<th>Article IV. Board of Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>1.1 Name</td>
<td>2.1 Mission and Purpose</td>
<td>3.1 Categories of Membership</td>
<td>4.1 Authority; Duties</td>
</tr>
<tr>
<td></td>
<td>1.2 Non-Profit Status</td>
<td>2.2 Lawful Activities</td>
<td>3.2 Dealer Members</td>
<td>4.2 Composition; Eligibility</td>
</tr>
<tr>
<td></td>
<td>1.3 Principal Office</td>
<td></td>
<td>3.3 Associate Members</td>
<td>4.3 Terms of Office</td>
</tr>
<tr>
<td></td>
<td>1.4 No Anti-Competitive Provisions</td>
<td></td>
<td>3.4 Honorary Members</td>
<td>4.4 Elections</td>
</tr>
<tr>
<td></td>
<td>1.5 No Coercion</td>
<td></td>
<td>3.5 Non-Profit Members</td>
<td>4.5 Meetings</td>
</tr>
<tr>
<td></td>
<td>1.6 No Discrimination</td>
<td></td>
<td>3.6 Election of Members</td>
<td>4.6 Waiver of Notice</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3.7 Membership Records</td>
<td>4.7 Quorum and Voting</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3.8 Non-liability of Members</td>
<td>4.8 Conflict of Interest</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3.9 Termination of Membership</td>
<td>4.9 Meetings by Telephone</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.10 Action Without a Meeting</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.11 Compensation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.12 Vacancies and Newly Created Directorships</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.13 Removal</td>
</tr>
</tbody>
</table>
Article V. Executive Committee and Officers ......................................................... 9
  5.1 Officers ........................................................................................................ 9
  5.2 Executive Committee ............................................................................... 9
  5.3 Election ...................................................................................................... 9
  5.4 Vacancies ................................................................................................. 9
  5.5 Removal .................................................................................................. 9
  5.6 President .................................................................................................. 9
  5.7 1st Vice President ...................................................................................... 9
  5.8 2nd Vice President ..................................................................................... 9
  5.9 Treasurer .................................................................................................. 9
  5.10 Secretary ................................................................................................ 9

Article VI. Advisors to and Committees of the Association ................................. 10
  6.1 Advisors .................................................................................................. 10
  6.2 Compensation ......................................................................................... 10
  6.3 Committees ............................................................................................ 10

Article VII. Annual and Special Meetings ........................................................... 10
  7.1 Annual and Special Meeting of Members .............................................. 10
  7.2 Notice of Special Meetings of Members ............................................... 10
  7.3 Quorum, Adjournments of Annual and Special Meetings of Members .... 11
  7.4 Conduct of Meetings of Members .......................................................... 11
  7.5 Member Voting ....................................................................................... 11
  7.6 Proxy Votes of Members ........................................................................ 11
  7.7 Action by the Members .......................................................................... 11
  7.8 Special Actions Requiring Vote of Members ........................................ 12

Article VIII. Contracts, Checks, Bank Accounts and Investments ....................... 12
  8.1 Checks, Notes and Contracts .................................................................. 12
  8.2 Investments ............................................................................................. 12

Article IX. Finances ............................................................................................ 12
  9.1 Fiscal Year ................................................................................................ 12
  9.2 Operating Budget ..................................................................................... 12

Article X. Association Transactions .................................................................... 12
  10.1 Contracts ............................................................................................... 12
  10.2 Indebtedness ......................................................................................... 12
Article XI. Books and Records

Article XII. Restrictions on Activities

Article XIII. Personal Liability

Article XIV. Indemnification and Insurance
  14.1 Indemnification
  14.2 Successors; Rights Not Exclusive

Article XV. Dissolution

Article XVI. Amendments
BYLAWS OF
MASSACHUSETTS RETAIL LUMBER DEALERS ASSOCIATION, INC.

ARTICLE I
Identification

Section 1.1 Name. The name of the Association shall be the Massachusetts Retail Lumber Dealers Association Inc. (hereinafter referred to as "MRLDA Inc." or the "Association").

Section 1.2 Non-Profit Status. The Association is not intended as a profit-making corporation, nor is it founded with the expectation of making a profit. The Association shall use its funds only for the purposes specified in these Bylaws.

Section 1.3 Principal Office. The location and principal office of MRLDA Inc. in the Commonwealth of Massachusetts shall be located at the address of the current Board Treasurer’s place of business, or such other office as the Board of Directors may designate from time to time via amendment to the Association’s Articles of Organization in compliance with the Act (as defined below).

Section 1.4 No Anti-Competitive Provisions. No rules, regulations, or bylaws shall be adopted in any manner limiting competition or production, restraining trade, regulating prices or pooling profits, inconsistent with federal or state statutes. Both MRLDA Inc. and its members shall fully comply with federal and state antitrust laws.

Section 1.5 No Coercion. No coercive measures of any kind shall be used toward any member, potential member, or non-member either to induce him or her to join MRLDA Inc. or to buy or refrain from buying from any particular person or organization.

Section 1.6 No Discrimination. MRLDA Inc. shall not engage in or knowingly allow discriminatory practices against any member, potential member, or non-member.

ARTICLE II
Mission and Purpose of the Association

Section 2.1 The purpose of the Association is to engage in the following activities:

The Association is organized and shall at all times be operated exclusively for purposes consistent with Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue) (the "Code").

Within these restrictions, the Association is organized for the following purposes:

The mission of the Association is to represent, unite, educate, and support Massachusetts retail lumber and building material dealers. The Association pledges to help its members successfully progress toward the future while preserving and celebrating their industry’s rich history.
Section 2.2 The Association is also authorized to engage in any and all lawful purposes, activities and pursuits, which are substantially similar to the foregoing and are or may hereafter be authorized by Section 501(c)(6) of the Code and are consistent with those powers described in Chapter 180 of the Massachusetts General Laws, as amended and supplemented (the “Act”).

Article III
Members

Section 3.1 Categories of Membership. There shall be four categories of membership: Dealer Membership, Associate Membership, Honorary Membership, and Non-Profit Membership. MRLDA Inc. will be primarily structured to serve Dealer Members. Memberships are not transferable, regardless of category. Except for Honorary Members and Non-profit Members, all members of MRLDA Inc. are entitled to vote and, in the case of individuals, hold office in MRLDA Inc.

Section 3.2 Dealer Members. Any person or organization in good standing in the Northeastern Retail Lumber Association (NRLA) with a place of business within the Commonwealth of Massachusetts may become a Dealer Member if: (a) it maintains a facility that is equipped to serve the public and/or the professional trades; (b) its facility includes an office, storage yard or warehouse; (c) its facility is kept open during business hours; and (d) it carries an inventory of lumber and/or building materials or millwork to sell in small or large quantities to the general public (including the professional trades) and not exclusively or primarily for its own consumption.

Section 3.3 Associate Members. Any person who or organization that actively supplies lumber and/or building materials, millwork, or services to one or more Dealer Members, or any Dealer Member who retires from the lumber and building materials industry, may become an Associate Member of MRLDA Inc. An Associate Member of the Northeastern Retail Lumber Association with a place of business within the Commonwealth of Massachusetts will automatically be an Associate Member of the MRLDA. An individual organization eligible for membership both as a Dealer Member and an Associate Member may not become an Associate Member until the requirements for Dealer Membership have been satisfied. Associate Members shall be entitled to vote, but are not eligible to hold the office of President, 1st Vice President, or 2nd Vice President.

Section 3.4 Honorary Members. Upon retirement from the lumber and/or building material business, millwork or services to the Dealer Members, any individual with the approval of the Board of Directors may, by reason of distinguished service to MRLDA Inc. and the industry, be elected an Honorary Member. Honorary Members shall not be entitled to vote or to hold office.

Section 3.5 Non-Profit Members. A non-profit organization supporting the mission and purpose of MRLDA Inc. through one or more of its primary functions may become a non-voting member of MRLDA Inc. Membership applies to the organization, not the individual members of the organization. Non-profit Members shall not be entitled to vote or to name representatives to hold office in MRLDA Inc.

Section 3.6 Election of Members. The Board of Directors will elect all members. There is no limitation in the number of members in the Association. All members must subscribe to the Bylaws of MRLDA Inc. Any member may resign by filing written notice with MRLDA Inc.’s
Board of Directors (which shall provide a copy of such notice to NRLA Inc.’s staff), but such resignation will not relieve the member of the obligation to pay any accrued and unpaid dues, assessments, or other charges. Memberships are not transferable. Any question arising as to eligibility for membership in MRLDA Inc. shall be referred to the MRLDA Board of Directors for determination.

Section 3.7 Membership Records. The Association and the Northeastern Retail Lumber Association shall maintain membership records including the name and address of each Association member. The records shall contain the date upon which an applicant becomes a member of the Association, and the date the membership of any member ceases. The membership records shall be kept in the principal place of business of the Association, with a duplicate copy kept at the principal place of business of Northeastern Retail Lumber Association.

Section 3.8 Non-liability of Members. No member by virtue of just being a member of the Association shall be liable for the debts, liabilities, or obligations of the Association.

Section 3.9 Termination of Membership. A member’s membership interest in the Association shall terminate on the occurrence of any of the following events:

a. Upon receipt of a member’s written resignation of membership in the Association;
b. Upon the dissolution of the member;
c. Upon the failure of a member to pay membership dues by the due date (Termination of membership for non-payment of dues occurs automatically without notice being given by the Association. Membership may be reinstated in full if delinquent dues are paid within one year of the due date); or
d. Upon the Board of Directors’ determination that a member:
   i. is ineligible for membership,
   ii. has engaged in conduct violating the purposes for which the Association was formed, or
   iii. has breached the duty of good faith owed to the Association.

All rights, privileges, and interests of a member in the Association shall cease upon termination of membership.

ARTICLE IV
Board of Directors

Section 4.1 Authority; Duties. The business and affairs of the Association shall be controlled and governed by the Board of Directors, which shall have the right to exercise all powers of the Association as permitted by law. Every Director in exercising his or her powers and discharging his or her duties shall act honestly and in good faith with a view to the best interest of the Association and its members and shall exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

Section 4.2 Composition; Eligibility. The Board of Directors shall consist of not fewer than fifteen (15) nor more than twenty (20) Directors. The Board of Directors shall be composed of: (a) the Executive Committee of the Association (as defined in section 5.2 of these bylaws), (b) a Legislative Committee Chair, (c) not less than five (5) nor more than eight (8) additional Dealer Members, (d) not less than two (2) nor more than four (4) additional Associate Members, and (e)
the MRLDA Trustee to the Northeastern Retail Lumber Execs (NYLE). Each and every director shall have one vote on matters which require vote of the Board of Directors. The Board of Directors shall, from its numbers, constitute a nominating committee (the “Nominating Committee”), which shall be responsible for, among other items, the election process outlined in Section 4.4 below.

Section 4.3 Terms of Office. Directors shall be elected annually at the Annual Meeting of the Members (as defined in Section 6.1), by a majority vote of members present and absentee ballots submitted by those who are eligible to vote. Each Director so elected shall hold office until his or her successor has been duly elected and qualified or until his or her earlier death, resignation, or removal. Associate Member Directors shall be limited to four consecutive one-year terms.

Section 4.4 Elections. The members shall conduct such elections through the following procedure:

Sixty (60) days before the annual meeting, the Nominating Committee shall publish a proposed slate of nominees. Nominations from the membership shall be submitted to the Nominating Committee no later than forty (40) days before the annual meeting, closing the opportunity for further nominations. The Nominating Committee shall then finalize the slate of Board nominees from among all proposed candidates. Ballots shall be sent to the members thirty (30) days before the annual meeting. Ballots may be mailed or electronically sent, or carried to the annual meeting. Proxies are acceptable in accordance with applicable law.

Section 4.5 Meetings. The Board of Directors shall meet at least three (3) times per year. Regular meetings of the Board shall be held at such places, within or outside the Commonwealth of Massachusetts, and the dates and times determined from time to time by the Board of Directors.

Special meetings of the Board of Directors may be called by the Secretary and must be called by the Secretary upon the written request of ten percent (10%) of the members eligible to vote. Special meetings may be held, either within or outside of the Commonwealth of Massachusetts, and the time shall be specified in the notice of the meeting. Notice of all Board meetings shall be delivered by mail at least seven (7) days before the meeting, or (except for notice of a special meeting pursuant to Section 4.13) by sending notice by electronic transmission at least three (3) days before the meeting to the usual business, residence or electronic address of each Director.

Section 4.6 Waiver of Notice. Any director may waive notice of the meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted, or the purpose of any meeting of the Board need not be specified in the notice, or waiver of notice of such meeting, unless specifically required by law, or these Bylaws. Notice of a meeting may be waived if the requirements for a meeting in person are met.

Section 4.7 Quorum and Voting. A majority of serving Directors shall constitute a quorum at any meeting of the Board of Directors. Each director shall be entitled to one (1) vote. Unless otherwise stated in the Associations Articles of Incorporation or these Bylaws, a simple majority of votes cast shall be sufficient for the adoption of any motion.

Section 4.8 Conflict of Interest. Directors shall serve in a representative or fiduciary capacity requiring loyalty to MRLDA Inc. at all times while serving, and Directors shall work to further
the interests of MRLDA Inc. as a whole.

Any Director who is aware of a potential conflict of interest with respect to any matter coming before the Board shall disclose such potential conflict of interest to the Board and shall not participate in discussion of, or vote in connection with, the matter.

Each Director shall disclose to the Board any situation which might be construed as a conflict of interest with the individual’s duty to MRLDA Inc. Such conflicts may include using information obtained through the Director’s position on the Board of Directors for personal or business gain or those arising out of serving in a dual role as a Board member and a representative of a state and local association, the Northeastern Young Lumber Executives Association Inc., the Lumber and Building Material Dealers Foundation, or other NRLA related entities. The Board shall render a final judgment on what constitutes a conflict of interest.

Section 4.9 Meetings by Telephone. MRLDA Inc. shall ensure the ability of Directors to participate in any annual, regular, or special meeting of the Board by means of telephone conference or similar communications equipment by which all persons participating in the meeting are able to hear each other at the same time. Such participation shall constitute presence in person at such meeting.

Section 4.10 Action Without a Meeting. Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action, unless, as provided herein, such action may be taken by members of the Board or committee by less than unanimous vote, in such case, such action may be taken in writing if the requisite consent threshold is satisfied. "Written" or "in writing" means any communication transmitted or received by electronic means, and includes the transmission or receipt of a vote, consent, or proxy by electronic means, with the transmission thereof to be deemed the equivalent of a physical signing thereof. The resolution and the written consents by the members of the Board or Committee shall be filed with the minutes of the proceedings of the Board or Committee.

Section 4.11 Compensation. Directors shall not receive any salaries for their services on the Board, but the Board may authorize reimbursement of actual expenses incurred on behalf of the Association by officers or members.

Section 4.12 Vacancies and Newly-Created Directorships. A vacancy or vacancies in the Board of Directors shall not interrupt the continuity of association business, and the continuing directors shall for this purpose be deemed to constitute the full Board of Directors. Any vacancy occurring in the Board of Directors shall be filled as soon as conveniently possible by a majority vote of the board of directors. A director elected by the Board of Directors to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office.

Section 4.13 Removal. Any Director may be removed, with or without cause, by a vote of seventy-five percent (75%) of the Directors then in office at a regular meeting or special meeting of the Board called for that purpose; provided further than at least one (1) week’s notice of the proposed action shall have been given to the entire Board then in office. Missing three consecutive meetings of the Board unless a majority of the Directors has excused such Director from attendance due to circumstance(s) may constitute cause for such removal.
ARTICLE V
Executive Committee and Officers

Section 5.1 Officers. The officers of the corporation shall consist of a president, a 1st vice president, a 2nd vice president, a treasurer, and a secretary.

Section 5.2 Executive Committee. The officers and the immediate past president shall comprise the executive committee of the association. Between meetings of the board of directors, the executive committee shall be empowered to act on the board’s behalf.

Section 5.3 Election. The officers of the association shall be elected annually by the general membership at the annual meeting. Each officer shall hold office until a successor shall have been elected and qualified.

Section 5.4 Vacancies. A vacancy in any office because of death, resignation, disqualification, or otherwise may be filled by the board of directors for the unexpired portion of the term.

Section 5.5 Removal. Any officer may be removed, with or without assignment of cause, by a vote of seventy-five percent (75%) of the entire board of directors at any meeting of the board of directors. No officer shall be removed from office unless the notice of the meeting at which removal is to be considered states such purpose and opportunity to be heard at such meeting is given to the officer whose removal is sought.

Section 5.6 President. The President shall preside at all meetings of MRLDA Inc. and shall perform all other duties incumbent with the office. The President shall act as President to the Board of Directors and the Executive Committee. The President shall be a member, ex-officio, with the right to vote, on all committees. The President may recommend for the approval of the Board of Directors such committees as deemed necessary.

Section 5.7 1st Vice President. The 1st Vice President shall assist the President in discharging the duties of the President and during any absence of the President shall discharge the duties of the President.

Section 5.8 2nd Vice President. The 2nd Vice President shall assist the President in discharging the duties of the President and during any absence of the President and the 1st Vice President shall discharge the duties of the President.

Section 5.9 Treasurer. The treasurer, or other proper officer or agent of the association authorized by the board of directors, shall have charge and custody of and be responsible for all funds and securities of the association; receive and give receipt for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the association in such banks, trust companies, or other depositories as shall be selected by the board of directors; and in general perform all of the duties incident to the office of treasurer and such others as may from time to time be assigned by the board of directors.

Section 5.10 Secretary. The Secretary shall attend meetings of the Board of Directors and shall keep, or cause to be kept, in a book (electronic or hard copy) established for such purpose, a true and complete record of the proceedings of such meetings. The Secretary shall attend to the
giving and serving of all notices of the Association, and shall perform such other duties as these Bylaws may require or as the Board of Directors may prescribe. The Secretary shall serve as the Association’s clerk.

ARTICLE VI
Advisors to and Committees of the Association

Section 6.1 Advisors. The Board may appoint from time to time any number of persons as advisors of the Association to act either singly or as a committee or committees of the Association. Each advisor shall serve at the pleasure of the Board and shall have only the authority and obligations as the Board may from time to time determine.

Section 6.2 Compensation. Advisors to the Board of Directors or committees thereof may be paid, but may not be voting members of the Board of Directors or any committee thereof. The Board may also authorize reimbursement to advisors for expenditures reasonably incurred in connection with activities for the benefit of the Association.

Section 6.3 Committees. The Board of Directors may create from their number, or from among such other persons as the Board may see fit, standing and special committees (other than the Executive Committee, which shall be established pursuant to Article V) as determined to be in the best interest of the Association. Committee members shall not receive any salaries for their services on the committee(s), except that the Board may authorize reimbursement of expenditures reasonably incurred in connection with activities for the benefit of the Association.

ARTICLE VII
Annual and Special Meetings

Section 7.1 Annual and Special Meeting of Members. The annual meeting of the members (the “Annual Meeting of the Members”) for the election of the Directors and for the transaction of such other business as may come before the members, including the delivery of a financial statement, shall be held each year at the place (which may be either within or outside the Commonwealth of Massachusetts), time and date, in the first quarter of the fiscal year as may be fixed by the Board, or, if not so fixed, as may be determined by the President.

Special Meetings shall be held whenever called by resolution of the Board, the President or any Vice President, or written demand to the Secretary of at least ten percent (10%) of the Members eligible to vote. The Secretary upon receiving the written demand or resolution shall promptly give notice of such meeting as provided below, or if the Secretary fails to do so within five (5) business days thereafter, any member signing such demand may give such notice.

Section 7.2 Notice of Special Meetings of Members. Written notice of the place, date and hour of any meeting (other than the Annual Meeting of the Members) shall be given to each member entitled to vote at such meeting by mailing the notice by first class mail, postage prepaid, personal delivery, fax or email not less than ten (10) nor more than fifty (50) days before the date of the meeting; provided, however, that a special or Annual Meeting of the Members called to amend these Bylaws shall require at least (30) days written notice. Notice of Special Meetings shall indicate the purpose for which they are called and the person or persons calling the meeting.
Section 7.3 Quorum, Adjournments of Annual and Special Meetings of Members. Unless otherwise provided by applicable law, at all Annual and Special Meetings of the members, ten percent (10%) of members eligible to vote shall constitute a quorum for the transaction of business. Proxies and ballots shall count toward determining a quorum. In the absence of a quorum, the members present in person shall adjourn the meeting from that time until a quorum is present. Notice of the new meeting is not required if the time and place for the new meeting is announced at the meeting at which the adjournment is taken, and at the new meeting any business may be transacted which might have been transacted at the meeting as originally called.

Section 7.4. Conduct of Meetings of Members. The President of the Association shall preside at all meetings of the members, or in the absence of the President, an acting Chair shall be chosen by the members present. The Secretary of the Association shall act as Secretary at all meetings of the members, but in the absence of the Secretary, the presiding member may appoint any person to act as Secretary of the meeting.

Section 7.5 Member Voting. At any meeting of the members, each voting member present, in person or by proxy, or ballot, shall be entitled to one (1) vote. Upon demand of any member, any vote for Directors or upon any question before the meeting shall be conducted by ballot. The record eligibility of voting rights shall be set ten (10) days before the date of the meeting.

Section 7.6 Proxy Votes of Members. Every member entitled to vote at a meeting of members, or to express consent or dissent without a meeting, may authorize another voting member or members to act for such member by proxy. Every proxy must be in writing and signed by the member or the member’s duly authorized officer, director, employee or agent, or by email and set forth information from which it can be reasonably determined that the proxy was authorized by that member. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the member executing it, except as otherwise provided by law. For the purposes of conducting meetings, all proxies shall be delivered to the Secretary or, upon the absence of the Secretary, the member appointed to act as Secretary of the meeting.

Section 7.7 Action by the Members. Except as otherwise provided by statute or by these Bylaws, any corporate action authorized by a majority of the votes cast at a meeting of the members shall be the act of the members. Action may be taken without a meeting on written consent, setting forth the action to be taken, signed by all of the members. Such consent may be written or electronic. If the consent is written, it must be signed by the member. If the consent is electronic it must be able to be reasonably determined to have been sent by the member.
Section 7.8 Special Actions Requiring Vote of Members. The following actions may not be taken without approval of at least two-thirds (2/3) of the votes cast of those voting members present or who have submitted a proxy at a meeting of the members:

a. Any amendment of the Certificate of Incorporation;
b. A petition for judicial dissolution;
c. Disposing of all, or substantially all, of the assets of the Association;
d. Approval of a plan of merger; or
e. Revocation of a voluntary dissolution proceeding.

The affirmative votes cast in favor of any action described in this subsection shall be at least equal to the minimum number of votes necessary to constitute a quorum. Blank votes or abstentions shall not be counted in the number of votes cast.

ARTICLE VIII
Contracts, Checks, Bank Accounts and Investments

Section 8.1 Checks, Notes and Contracts. The Board is authorized to select the banks or depositories it deems proper for the funds to the Association and shall determine who shall be authorized on the Association’s behalf to sign checks, drafts or other orders for the payment of money, acceptances, notes or other evidences of indebtedness, to enter into contracts or to execute and deliver other documents and instruments.

Section 8.2 Investments. The investments of the Association may be retained in whole or in part in accordance with the Investment Policy adopted by the Board of Directors.

ARTICLE IX
Finances

Section 9.1 Fiscal Year. The fiscal year of the Association shall begin on October 1 and end on the following September 30, or such other period as determined by the Board of Directors.

Section 9.2 Operating Budget. Each year, the Treasurer shall oversee the preparation of the association operating budget for the ensuing fiscal year. A draft of the proposed budget shall be circulated to the Board of Directors in September for comments. A final budget shall be presented to the Board of Directors and approved prior to the annual meeting. The budget may be amended by the Board of Directors when necessary.

ARTICLE X
Association Transactions

Section 10.1 Contracts. The Board of Directors may authorize any Officer or Officers, agent or agents of the Association in addition to the Officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined by specific instances.

Section 10.2 Indebtedness. All checks, drafts, or orders for the payment of money, notes, or
other evidence of indebtedness issued in the name of the Association, shall be signed by the
President or Treasurer or their designee; provided, however, that any transaction outside the
Association’s normal and ordinary course of business shall be specifically approved by the
Board of Directors.

ARTICLE XI
Books and Records

The Association shall keep at its principal office in the Commonwealth of Massachusetts
correct and complete books and records of account; minutes of the proceedings of the Board of
Directors; and a register of the names and addresses of the Directors of the Association. All
books and records of the Association may be inspected at the Association’s principal office in
the Commonwealth of Massachusetts or at the NRLA Inc. headquarters by any Member,
Director, or agent or attorney thereof, for any proper purpose at any reasonable time. The
review of all documents shall be consistent with all state and federal laws.

ARTICLE XII
Restrictions on Activities

Notwithstanding any other provisions of these Bylaws, no Director, Officer, agent or any other
representative of the Association shall take any action, or carry on any activity by or on behalf of
the Association not permitted to be taken by an organization exempt under section 501(c)(6) of
the Code.

ARTICLE XIII
Personal Liability

No Officer or Director of the Association shall be personally liable to the Association for
monetary damages for or arising out of a breach of fiduciary duty as an officer or director
notwithstanding any provision of law imposing such liability; provided, however, that the
foregoing shall not eliminate or limit the liability of an Officer or Director to the extent that such
liability is imposed by applicable law (i) for a breach of the Officer’s or Director’s duty of
loyalty to the Association, (ii) for acts or omissions not in good faith or that involve intentional
misconduct or a knowing violation of the law, or (iii) for any transaction from which the Officer
or Director derived an improper personal benefit.

ARTICLE XIV
Indemnification and Insurance

Section 14.1 Indemnification. The Association shall, to the extent now or hereafter permitted by
law, indemnify each person made, or threatened to be made, a party to any action or proceeding
by reason of the fact that he or she or his or her testator is or was a Director, Officer or Employee
or agent of the Association, against judgments, fines, amounts paid in settlement and reasonable
expenses, including attorneys’ fees. No indemnification may be made to or on behalf of any such
person if (a) his or her acts were committed in bad faith or were the result of his or her active and
deliberate dishonesty and were material to such action or proceeding or (b) he or she personally
gained a financial profit or other advantage to which he or she was not legally entitled in the
transaction or matter in which indemnification is sought.
Section 14. 2 Successors; Rights Not Exclusive. The indemnification provided hereunder shall insure to the benefit of the heirs, executors, and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to, and not exclusive of, all other rights to which any person may be entitled.

This Article constitutes a contract between the Association and the indemnified Officers and Directors. No amendment or repeal of the provisions of this Article shall limit the right to indemnification of an Officer or Director for any act or omission. The right to indemnification of an Officer or Director shall be provided to the full extent permitted by this Article, as so amended, and any laws of the Commonwealth of Massachusetts. This Section is intended to be in addition to, and not in limitation of, any other provisions of the Bylaws or any agreement of the Association, or any law that provides a right to indemnification of an officer or director.

ARTICLE XV
Dissolution

In the event of the liquidation, dissolution or winding up of the affairs of the Association, whether voluntarily, involuntarily, or by operation of law, the Board of Directors shall, except as otherwise provided by law, transfer all of the assets of the Association in such a manner as the Directors, in the exercise of their discretion, may by a majority vote determine; provided, however, that any such distribution of assets shall be calculated to carry out the objects and purposes of the Association; and provided further that all such distribution must be to one (1) or more organizations which are exempt from tax as organizations described in Sections 501(c)(6) or 501(c)(3) of the Code.

ARTICLE XVI
Amendments

These MRLDA Inc. Bylaws may be amended or repealed by vote of at least two-thirds (⅔) of the voting members of the Association at a meeting duly called for the purpose of altering these Bylaws at which a quorum is present and for which written notice of such meeting setting forth the proposed alteration is given in accordance with Section 7.2 of these Bylaws.

The End