

BYLAWS

OF THE

NATIONAL ASSOCIATION OF CORPORATE DIRECTORS

ARTICLE I
OFFICES

The principal offices of the National Association of Corporate Directors (herein "Association") are located in Washington, D.C., at 1133 21st St., N.W., Suite 700. The Association may change its principal offices, or establish additional offices, within or without the District of Columbia, as the Association may decide.

The registered office of the Association shall be located in Washington, D.C.

ARTICLE II
NONPROFIT PURPOSES

SECTION 1. IRC SECTION 501(C)(3) PURPOSES

The corporation is organized and operated exclusively for charitable and educational purposes within the meaning of sections 170(c)(2)(b), 501(c)(3), 2055(a)(2), and 2522(a)(2) of the Internal Revenue Code.

SECTION 2. SPECIFIC OBJECTIVES AND PURPOSES

The specific objectives and purposes of this Association shall be to promote responsible corporate board leadership and participation by: (1) fostering and promoting education and advancing knowledge in board governance; (2) conducting research, training, publishing, or exchanging information with respect to best practices in corporate governance, performance standards, and methods for assessment of governance leadership and participation; and (3) engaging in such other and further related activities as may be necessary and proper to accomplish the foregoing, including the raising of funds through grants, gifts, devises, bequests or otherwise for carrying out these purposes.

ARTICLE III

BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS. The business and affairs of the Association shall be managed under the direction of the Board of Directors.

SECTION 2. QUALIFICATIONS, NOMINATION, AND ELECTION. The Board of the Association will elect Directors as follows:

(a) **Qualifications.** Individuals who demonstrate a commitment to the mission of the Association and who meet the selection criteria set forth in the Association's Governance Guidelines will be eligible for consideration.

(b) **Nomination.** Any Director, officer, employee, or other interested party may propose a candidate to the Board. The Board will refer the candidate to the Governance Committee, which will present nominees to the full Board.

(c) **Election.** Candidates receiving a majority of votes will be elected to the Board. Elections of new Directors may be held at any meeting during the year. Re-election of Directors will be held at the closest meeting prior to the expiration of a Director's current term. The term of newly elected and re-elected Directors shall commence on the date of their initial election or re-election.

SECTION 3. NUMBER, ELECTION, AND TERM. The number, election, and term of the Directors of the Association shall be as follows:

(a) **Number.** There shall be no fewer than five or more than seventeen Directors.

(b) **Election.** Candidates receiving a majority of votes will be elected to the Board.

(c) **Term.** Except as provided in this subsection, Directors shall be elected to serve for a term of three (3) years and they may serve for a maximum of three successive terms. This term limitation does not apply to the President of the Association. This term limitation may be extended for any Director elected or re-elected as Chairman of the Board. The Board may, in its discretion, upon majority vote, elect, or re-elect a Director to a term less than three (3) years.

SECTION 4. VACANCY, REMOVAL, AND RESIGNATION. Vacancy, removal, and resignation shall be as follows:

(a) **Vacancy.** Any vacancy occurring on the Board of Directors may be filled by the majority vote of the remaining Directors.

(b) **Removal.** Any Director may be removed by a majority vote of the other Directors whenever, in their judgment, the best interests of the Association will be served by such removal.

(c) **Resignation.** Any Director may resign his or her position by presenting a letter of resignation to the Chairman.

(d) **Resignation Due to Change in Occupation.** Upon any change in his or her principal occupation or employment, including retirement, a Director shall submit his or her offer of resignation to the Chairman of the Governance Committee. The Governance Committee, in consultation with the Chairman of the Board and the President, shall recommend to the full Board whether to accept or decline the offer of resignation.

SECTION 5. REGULAR MEETINGS. The regular annual meeting of the Board of Directors shall be held each calendar year at a date, time, and place to be designated by the Board. Written notice of the regular annual meeting and such other regular meetings as the Board may hold shall be provided two years in advance. If circumstances require a change of date to a previously scheduled annual meeting or regular meetings of the Board, a written notice of the date change shall be provided to Directors not less than two weeks in advance.

SECTION 6. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the Chairman or any two Directors. Written notice of any special meeting, including the purpose or purposes for which such meeting is being called, shall be provided at least five days in advance.

SECTION 7. WAIVER OF NOTICE. Any Director may waive notice of any meeting. Waiver may be accomplished in either of the following ways:

(a) a written waiver of notice signed by the Director; or

(b) attendance at any meeting *except* when the 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.

SECTION 8. QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting. Once a quorum is determined, the Directors present may continue to transact business until adjournment, even if the departure of one or more Directors leaves less than a quorum present. Members of the Board of Directors (or any committee of the Board) may participate in a meeting by means of conference telephone or other electronic communications whereby all persons participating in the meeting can hear each other. Such electronic participation shall constitute presence in person at such meeting.

SECTION 9. MANNER OF ACTING. Subject to the provisions of Section 8 of this Article, the act of the majority of the Directors present at the meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 10. ACTIONS BY UNANIMOUS WRITTEN CONSENT. Any action to be taken at a meeting of the Board of Directors may be taken without a meeting if, prior to such action, a consent in writing setting forth the action to be taken shall be signed by all of the Directors. Such consent shall have the same effect as a unanimous vote. Such consent in writing may be achieved by electronic mail, facsimile, or other electronic means.

SECTION 11. COMPENSATION. A Director shall receive no financial compensation for service as a Director (or as a member of a committee of the Board of Directors), but shall be reimbursed for reasonable expenses, if any, incurred in performing his or her duties as a Director.

ARTICLE IV **COMMITTEES**

SECTION 1. Executive Committee. The Board may appoint an Executive Committee, which shall consist of the Chairman and at least two (2) other Directors. The Executive Committee shall have authority to take such actions for the Board as may be required between meetings of the Board, provided such actions are not inconsistent with law, the Articles of Incorporation, or the Bylaws.

SECTION 2. Standing Committees. The Board shall establish the following committees as standing committees of the Board:

- (a) Audit Committee
- (b) Compensation Committee
- (c) Governance Committee
- (d) Finance and Investment Committee
- (e) Chapter Support Committee

Each standing committee shall develop a written charter stating the role and responsibility of the committee, and setting out guidelines with respect to membership in the committee and meetings. The Board shall have authority to approve committee charters and such amendments as may be proposed by the committee or the Board from time to time.

SECTION 3. Quorum and Action of Committees. At any meeting of a committee, a majority of the members of the committee shall constitute a quorum, and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 4. Other Committees. The Board is authorized to establish such other standing committees, special committees, task forces, or ad hoc committees from time to time as it shall deem appropriate and in furtherance of the effective and efficient management of the Association.

ARTICLE V
ADVISORY BOARD

SECTION 1. ADVISORY BOARD. The Board of Directors may designate and appoint an Advisory Board. Such Advisory Board shall operate under the rules and procedures set out by the Board of Directors; however, any actions taken or determination made by such Advisory Board shall be subject to review and approval by the Board of Directors.

SECTION 2. DUTIES AND RESPONSIBILITIES. The Advisory Board shall have the following duties and responsibilities:

(a) to provide technical expertise and to otherwise evaluate programs, policies, or plans of the Association;

(b) to provide professional insights and perspective relating to research, care, and education in the corporate field generally; and

(c) in general, to perform all duties as may be assigned to it by the Board of Directors.

SECTION 3. NUMBER, TERM, AND ELECTION. The Advisory Board shall consist of five or more persons elected by the Board of Directors to terms of one year by a majority vote of the Board of Directors. Initial election may be at any time, but re-election shall be at the annual meeting of the Association. Advisory Board members are not subject to term limits. By majority vote, the Board of Directors may increase or decrease the number of members, maintaining the prescribed minimum of five, or discontinue the Advisory Board at any time.

SECTION 4. RULES. The Advisory Board may adopt rules for its own governance not inconsistent with these Bylaws or with rules or guidelines adopted by the Board of Directors.

ARTICLE VI
OFFICERS

SECTION 1. CLASSES. The officers of the Association shall be the Chairman, President, Secretary, and Treasurer. The Association may have such other officers and assistant officers as the Board may deem necessary, such officers to have the authority

and duties prescribed by the Board of Directors. No person shall hold more than one office of the Association.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the Association shall be elected annually by the Board of Directors at its regular annual meeting. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his or her successor has been duly elected and qualified. Officers are not subject to term limits, except that the Chairman may serve a maximum of one (1) three year term, unless the board votes to extend the term by one year due to special circumstances.

SECTION 3. REMOVAL. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board whenever in its judgment the best interests of the Association would be served. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. The election or appointment of an officer or agent shall not of itself create contract rights.

SECTION 4. CHAIRMAN. The Chairman of the Board of Directors shall preside at all meetings of the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors.

SECTION 5. PRESIDENT. The President shall be the Chief Executive Officer of the Association and shall, in general, supervise and control all of the business and affairs of the Association. He or she shall perform all duties incident to the office of President and Chief Executive Officer and such other duties as may be prescribed by the Board of Directors. In the absence of the President or in the event of his or her inability or refusal to act, the Board of Directors shall determine who shall perform the duties of the President.

SECTION 6. SECRETARY. The Secretary is the custodian of corporate records. The Secretary is responsible for: (a) ensuring that minutes of the Board of Directors meetings are taken and kept in one or more books provided for that purpose; (b) providing notices as required by these Bylaws or by law; (c) maintaining a register of the addresses and telephone numbers of each Director; and (d) in general, performing all duties incident to the office of Secretary.

SECTION 7. TREASURER. The Treasurer is the custodian of all funds and securities of the Association. The Treasurer is responsible for performing all the duties incident to the office of Treasurer and such other duties as may be assigned by the President or the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

SECTION 8. COMPENSATION. Officers who are employees of the Association shall receive such reasonable compensation for service as an officer as may be fixed from time to time by the Board of Directors, and shall be reimbursed for

reasonable expenses incurred in carrying out the duties of the office. No officer shall be prevented from receiving such compensation by reason of the fact that the officer is also a Director of the Association.

ARTICLE VII
MEMBERSHIP

The Association shall have non-voting members as provided in the Articles of Incorporation. The Board of Directors shall establish criteria for membership in the Association and membership policies.

ARTICLE VIII
CONTRACTS, LOANS, CHECKS, AND DEPOSITS

SECTION 1. CONTRACTS. The Board of Directors may authorize any officer, officers, agent, or agents, to enter into any contract or execute and deliver any instruments in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

SECTION 2. LOANS. No loans shall be contracted on behalf of the Association, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. Such authority may be general or specific.

SECTION 3. CHECKS, DRAFTS, ORDERS, ETC. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such authorized officer, officers, agent, or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 4. DEPOSITS. All funds of the Association not otherwise employed shall be deposited to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE IX
BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors and standing committees; and shall keep at its registered office or principal office a record of the names and addresses of its Board of Directors. All books and records of the Association

may be inspected by any Director, or his or her agent or attorney, or by any person authorized by law for any proper purpose at any reasonable time.

ARTICLE X
LOANS TO DIRECTORS AND OFFICERS PROHIBITED

No loans shall be made by the Association to its Directors or officers.

ARTICLE XI
INDEMNIFICATION

SECTION 1. EXTENT OF INDEMNIFICATION. The Association shall indemnify members of the Board of Directors and its officers, for the defense of civil or criminal actions or proceedings, as hereinafter provided in a manner and to the extent permitted by applicable law.

The Association shall indemnify each of its Directors and officers from and against any and all judgments, fines, amounts paid in settlement, and reasonable expenses, including attorneys' fees, actually and necessarily incurred or imposed as a result of such action or proceeding or any appeal therein, imposed upon or asserted against him or her by reason of being or having been such a Director or officer and acting within the scope of his or her official duties, but only when the determination shall have been made judicially or in the manner herein provided that he or she acted in good faith for a purpose which he or she reasonably believed to be in the best interests of the Association and, in the case of a criminal action or proceeding, in addition, had no reasonable cause to believe that his or her conduct was unlawful. A nonjudicial determination that the Director or officer has met this standard of conduct shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who are not parties to such action or proceeding, or, (2) at the request of a quorum of disinterested directors, by an opinion in writing of independent legal counsel that the Director or officer has met the foregoing applicable standard of conduct. If such determination is to be made by the Board of Directors, it may rely as to all questions of law on the advice of independent legal counsel.

This indemnification shall apply to all the amounts allowable as above stated, including judgments, fines, amounts in settlement, and reasonable expenses described above whenever arising. The right of indemnification herein provided shall be in addition to any and all rights to which any Director or officer of the Association might otherwise be entitled and provisions hereof shall neither impair nor adversely affect such rights.

SECTION 2. INSURANCE. The Association shall purchase and maintain Directors' and Officers' liability insurance coverage.

ARTICLE XII
AMENDMENT OF BYLAWS

The Board of Directors may alter, amend or rescind the Bylaws or adopt new ones by affirmative vote of the majority of the Directors of the Association at any regular or special meeting.

Amended 1-20-2010