



BYLAWS

OF

NATIONAL BLACK MBA ASSOCIATION, INC.

Amended and Restated Effective as of November 1, 2002

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BYLAWS OF NATIONAL BLACK MBA ASSOCIATION, INC.

ARTICLE 1

CORPORATION

Section 1.1 Corporate Name

The name of the corporation shall be National Black MBA Association, Inc. (the "Association").

Section 1.2 Principal Office

The principal office for the transaction of the business of the Association will be at such place as the Board of Directors, from time to time, shall determine. If otherwise not determined, it shall be located in the City of Chicago, County of Cook, State of Illinois (the "Principal Office").

Section 1.3 Corporate Purposes

The Association is organized exclusively for charitable, educational, religious, or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as may be amended from time to time, or any corresponding provision of any future United States Internal Revenue Law (the "Code").

Section 1.4 Mission Statements

As a professional membership organization of graduates of color with MBAs, advanced degrees, and entrepreneurs, the mission of the Association is to increase the number as well as the diversity of successful blacks in the business community by:

- Providing innovative programs to stimulate their intellectual and economic growth,
- Building partnerships with key stakeholders who help facilitate this growth,
- Increasing awareness and facilitating access to graduate management education programs and career opportunities in management fields, and

- Developing the pipeline of youth by providing a framework to deploy business practices.

Section 1.5 Not for Profit Organization

All of the assets and earnings of the Association shall be used exclusively for charitable, religious, educational, or scientific purposes within the meaning of Section 501(c)(3) of the Code, in the course of which operation:

- (a) No part of the net earnings of the Association shall inure to the benefit of, or be distributable to, its directors, officers, or other persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein.
- (b) No substantial part of the activities of the Association shall engage in propaganda, or otherwise attempt to influence legislation, and the Association shall not participate in, or intervene (including the publishing or distribution of statements), in any political campaign on behalf of, nor in opposition to, any candidate for public office except as authorized under the Code.
- (c) Notwithstanding any other provisions of the Association's Articles of Incorporation and Bylaws, the Association shall not engage in any other activities not permitted: (1) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (2) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.
- (d) Upon the dissolution of the Association, the Board of Directors shall, after paying or making provisions for the payment of all the liabilities of the Association, dispose of all the assets of the Association exclusively for the purpose of the Association in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the Principal Office of the Association is then located exclusively for such purposes or to such organization or organizations as said court shall determine which are organized and operated exclusively for such purposes.

Section 1.6 Chapters

- (a) General: Chapters of the Association may be established, chartered, altered or abolished in accordance with the policy of the Board of Directors. The management and financial operation of Chapters must be consistent with the nonprofit nature of the Association. The purposes and polices of each Chapter shall conform to and be consistent with the Association's purposes and policies. Notwithstanding the foregoing, each Chapter established pursuant to these Bylaws shall be deemed to be a separate legal entity and no responsibilities or liabilities of any Chapter shall be imputed to the Association.

- (b) Submission of Funds to National Office: Any local Chapter that does not submit the dues of each Member or other monies owed to the Principal Office in a timely manner shall be subject to suspension pending confirmation by a vote of two-thirds (2/3) of the Board of Directors present.

Section 1.7 Geographical Composition

The Association shall be comprised of five (5) geographic regions (collectively the "Regions" and individually a "Region"), each of which shall be entitled to representation on the Board of Directors of the Association, as provided in these Bylaws. The five (5) Regions shall be as follows:

- (a) East Region;
- (b) South Region;
- (c) Midwest Region;
- (d) Mideast Region; and
- (e) West Region.

The Board of Directors shall establish the boundaries for each Region. The Board of Directors shall assign each Chapter of the Association to a Region.

ARTICLE 2

MEMBERSHIP

Section 2.1 Eligibility

Membership in the Association shall be open to those persons who:

- (a) have earned advanced degrees in the management area. Such person shall be eligible for "Full Membership" in the Association and shall be eligible to become a "Full Member" of the Association.
- (b) have distinguished themselves in the business world through their management experience or entrepreneurial endeavors. Such person shall be eligible for "Associate Membership" in the Association and shall be eligible to become an "Associate Member" of the Association.
- (c) are currently enrolled in a program for an advanced management degree. Such person shall be eligible for "Student Membership" in the Association and shall be eligible to become a "Student Member" of the Association.
- (d) have met the requirements for either Full Membership or Associate Membership and have the desire for a permanent commitment to the Association. Such person shall be eligible for "Life Membership" in the Association and shall be deemed to be a "Life Member" of the Association.

Section 2.2 Members in Good Standing

Members in "Good Standing" of the Association (collectively referred to herein as the "Members" and individually as a "Member") shall be those persons meeting the requirements for eligibility for membership in the Association set forth in Section 2.1 herein, who have applied for membership in the Association pursuant to requirements established by the Board of Directors from time to time, have been admitted to membership in the Association by action of the Principal Office, have not been suspended or terminated pursuant to Section 2.3 herein and who are current in the payment of all dues to the Association.

Section 2.3 Suspension or Termination

The Principal Office may suspend or terminate the membership of any Member who in its judgment has violated the Bylaws or whose conduct is deemed detrimental to the best interests of the Association. Written notice of an impending suspension or termination of a Member shall be mailed to the Member concerned at least twenty (20) days prior to the effective date of the termination or suspension. Such notice shall include the reasons for the proposed action. The Principal Office

may grant such Member an opportunity to resign or be heard prior to a decision on termination or suspension.

Section 2.4 Membership Dues

The Board of Directors shall approve the membership dues of Members of the Association, and the required due date for the payment of such dues. Failure to pay dues will result in Suspension or Termination as described in Section 2.3 of these Bylaws.

Section 2.5 Membership Meetings

- (a) Annual Meeting: The annual meeting of Members of the Association shall be held at such place on such dates as may be determined by the Board of Directors. A quorum will consist of those Members present.
- (b) Voting: Each Member shall have one (1) vote at all membership meetings of the Association. Unless a greater proportion is otherwise required by these Bylaws, or in the Articles of Incorporation or by law, a majority of the votes cast by the Members present at a meeting shall be necessary for the adoption of any matters voted upon by the membership of the Association.

ARTICLE 3

BOARD OF DIRECTORS

Section 3.1 General Powers

All of the business and affairs of the Association shall be managed by or under the direction of the Board of Directors (the "Board"), subject to the limitation of the laws of the State of New York, the Articles of Incorporation and these Bylaws, and in accordance with the policies and principles of the Association. The Board of Directors shall have full authority to carry out the functions of directors authorized by the New York Not for Profit Corporation Act.

Section 3.2 Duties and Qualifications of Board of Directors

- (a) **Management:** The management of the affairs of the Association shall be vested in the Board of Directors. It shall be the duty of the Board of Directors to carry out the objectives and purposes of the Association and, to this end, it may exercise all powers of the Association.

- (b) **Eligibility and Criteria:** A candidate for membership on the Board of Directors shall at a minimum: (a) have attained Membership status pursuant to the requirements established by Section 2.1 of these Bylaws; (b) have demonstrated his/her commitment to the mission of the Association as evidenced by his/her membership in either the Association or other community and professional organizations (preferably having served at the board of directors or national level within those organizations); and (c) have a minimum of ten (10) years business experience in the private, government or educational sectors.

A current Chapter officer may not serve in a dual capacity as a Chapter officer and a Director of the Association. Members of the Association who are classified in the Student Membership category are not eligible to serve as a Director of the Association.

Additional criteria for Board membership shall be set forth by the Board and reviewed from time to time to ensure diversity of experience and that a breadth of resources, skills, and expertise is available to the Board and Association. These criteria will be maintained in the Policy and Procedure Manual (the "PPM") and the Board Resource Manual. The PPM will encourage Board members to become Lifetime Members of the Association.

Section 3.3 Composition of Board of Directors

- (a) Number of Directors: The Board of Directors shall be comprised of no less than seven (7) and no more than twenty-two (22) members (collectively referred to as the "Directors" and individually as a "Director"). The number of Directors comprising the Board may be reduced from time to time by a resolution of the Board by a two-thirds (2/3) vote.
- (b) Appointed and Elected Directors: The Board of Directors of the Association shall be structured as follows:

Appointed Directors: There shall be up to twelve (12) Appointed Directors. Each such Director shall be a Member meeting the eligibility requirements of Section 3.2 herein and appointed to the Board through the nominating and approval process set forth below. The term of office for Appointed Directors shall be three (3) years beginning January 1st of the year immediately following the selection.

Elected Directors: There shall be up to ten (10) Elected Directors selected by the respective membership in each region as described in Section 1.7 of these Bylaws. Each Region elects up to two (2) members to the Board. Each such Director shall be a Member meeting the eligibility requirements of Section 3.2 herein and appointed to the Board through the nominating and election process set forth below. The term of office for Elected Directors shall be three (3) years beginning January 1st of the year immediately following the selection.

Section 3.4 Nominating Committee Composition

The Nominating Committee shall be responsible for bringing viable candidates to the attention of the Board and overseeing the nominating process. The Nominating Committee shall be composed of a core team of seven (7) people plus up to, but no more than, an additional five (5) members who serve as regional process integrators.

The chair of the Nominating Committee must be a current Board member. A minimum of two (2) members of the Nominating Committee must be current Board members.

The Corporate Secretary and the National Secretary should be two (2) of the seven (7) core members of this committee and shall be non-voting members of the committee.

The role of the regional process integrators is to ensure qualified candidates are referred from the five Regions of the Association.

No member of the Nominating Committee may be recommended for appointment or election in any calendar year in which he/she serves on the Nominating Committee.

Section 3.5(a) Nominating Process

Each year the Nominating Committee will be charged with recommending candidates to the Board of Directors based on qualifications and needs predetermined by the Board. These nominations stem from recommendations made by the General Membership, the Board, and associates of the Association. The number of appointed and elected candidates will be based on the number of current Board members whose terms are set to expire at the end of that current year and any current vacancies that exist.

The candidates for potential Appointed and Elected Directors will be presented to the Board of Directors for approval. Each individual will be voted upon separately and must receive two-thirds (2/3) majority vote in order to move forward in the process.

- (a) Once each potential Appointed Director has been accepted by the Board by two-thirds (2/3) majority vote, each of the candidates must be ratified by the General Membership by simple majority. Only Members who are in Good Standing as of July 1st of that year are eligible to vote.
- (b) Once potential Elected Directors have been accepted by the Board by two-thirds (2/3) majority vote, the specific Region in which they are running must vote each of the candidates in, by simple majority vote. Only Members who are in Good Standing as of July 1st of that year within the specific Region are eligible to vote.

The official term of both the Appointed and Elected Directors will commence January 1st of the following year for a period of three (3) years.

In the case where an Appointed or Elected Director is filling the un-expired term of a previous Board member, the new member will serve out the remainder of that term.

Section 3.5(b) Nominee Selection

The selection of Directors shall occur annually and the number of candidates will be determined by the number of seats opening as of January 1st of the following year. Directors shall be Members in Good Standing.

Candidates for Director shall be nominated and selected by the Nominating Committee or by a Board-sanctioned appointment procedure. Any Member of the Association in good financial standing, as of December 31st of the prior year, may submit the name and supporting documentation for candidates for Director to the

Nominating Committee for consideration. It is the responsibility of the Committee to conduct an exhaustive search to identify the best-qualified candidates based on the needs of the Association as recommended by the Board of Directors.

The entire Board of Directors, at a specified Board meeting designated for this purpose, shall vote on all persons who are recommended by the Nominating Committee.

Members in Good Standing as of July 1st of any election year shall be entitled to vote to approve or reject the candidates recommended by the Board to become Directors. Ballots for the ratification of candidates recommended by the Board to become Directors shall be sent to Members in Good Standing no later than August 15th in each election year and must be postmarked to the Principal Office no later than September 15th of that election year.

The General Membership shall ratify by either a yes or no vote for each individual candidate for Director. Board-approved candidates not receiving a simple majority from the returned membership ballots are not eligible for appointment as a Director to the Board of Directors during the current election year.

Announcement of the new Directors will be made at the Membership Meeting at the National Conference and mailed or emailed to all Members in Good Standing within 30 business days of the National Conference announcement.

If any candidate for a Director position that has been approved by the Board does not receive a simple majority from the voting membership, the position will be declared vacant. The Nominating Committee will have up to 60 days to present the Board with additional candidates to fill the vacancy. Such a candidate is appointed to the Board by a two thirds (2/3) majority of the Board. No member ratification is required in this circumstance.

If the Nominating Committee is unable to present a qualified candidate within the 60-day timeframe, the Board may choose to either continue its search or leave the position vacant for a longer period.

Section 3.6 Removal of Directors

The Board of Directors shall be empowered to remove any Director, with cause, by a two-thirds (2/3) vote of the full Board of Directors at a regular meeting or at a special meeting for which the notice thereof shall specify such purpose.

A detailed list of causes for removal is listed in the Policies and Procedure Manual.

The Director whose removal is sought shall be mailed written notification stating the cause for the proposed action at least twenty (20) business days prior to the effective date of the planned removal and shall have the right to be heard and/or

resign prior to action being taken. Upon removal of any Director, the vacancy shall be filled as provided under Section 3.8 of these Bylaws.

Section 3.7 Resignations

Any Director may resign at any time by giving written notice to the Chairperson or the National Secretary of the Association. Such resignation shall take effect at the time specified therein or, if no time is so specified, shall take effect immediately; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.8 Vacancies

Any vacancy occurring on the Board of Directors by reason of death, incapacity, resignation or otherwise, shall be filled by action of the remaining Board of Directors per the recommendation of the Nominating Committee. The term of the Board member filling the vacancy shall be for the unfilled term of the member being replaced. In addition, any directorship to be filled by reason of an increase in the number of Directors shall be filled by the then current process of appointing or electing Board members as outlined in the nominating process. Each Director so appointed or elected to fill a new directorship position shall hold office for the term of office so designated and shall have the same rights and responsibilities as originally assigned to the position.

In the event of a vacancy or vacancies on the Board of Directors, the candidate(s) recommended to the Board by the Nominating Committee will fill the position(s). Candidates to fill a vacant Board position require a two-thirds (2/3) majority vote of the entire Board of Directors for confirmation but it is not required that they be ratified and/or elected by a vote of the General Membership. The Board shall, at its discretion, fill or leave empty any Board position that becomes vacant.

Section 3.9 Term Limits

No Member of the Association shall serve on the Board of Directors for more than nine (9) consecutive years.

A Board member who has previously met his/her term limit may return to the Board through the standard nomination and appointment/election process after taking a minimum of one (1) fiscal year off of the Board.

Section 3.10 Manner of Acting

The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as otherwise provided by these Bylaws, the Articles of Incorporation, or as otherwise provided by law. Each

Director shall have one (1) vote, provided; however, the Chairperson of the Association shall only be entitled to vote in the event of a deadlock of the Board.

Section 3.11 Attendance by Telephone

Any or all of the members of the Board of Directors may participate in a meeting of the Board by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other. Participation in this manner constitutes presence in person at the meeting. If a written ballot vote is to be taken, the person on the phone may verbally give their proxy to a member present.

Section 3.12 Quorum

For all the meetings of the Board of Directors, two-thirds (2/3) of the members of the Board of Directors either in attendance or represented by proxy shall constitute a quorum for all purposes during the meeting. The act of the majority of the Directors present at the meeting where a quorum is present shall be the act of the Board of Directors unless law or these Bylaws or the Articles of Incorporation requires a greater portion. A quorum is required in any and all voting situations.

Section 3.13 Informal Action By Directors

Any action that is required to be taken, or that may be taken, at a meeting of the Directors may be taken without a meeting if notice is given to all Directors before such action is to be voted on. The quorum rule shall apply as stated in section 3.12.

Section 3.14 Compensation

Directors shall not receive any compensation for their services as Directors.

Section 3.15 Board of Director Meetings

- (a) The Board of Directors shall meet at least twice per year at such a place as is determined by the Board or by the Executive Committee when the Board is not in session.
- (b) Notice of Regular Meetings: Notice of regular meetings shall be mailed, emailed or faxed by or at the direction of the National Secretary to each Director entitled to receive such notice, addressed to their residence or usual place of business, at least seven (7) days but not more than thirty (30) days before the day on which such meeting is to be held. The notice shall specify the place, date and hours of the meeting.
- (c) Notice of Special Meetings: Written notice of the time and place of special meetings shall be given to each Director at least five (5) days

prior thereto, sent by first-class mail, email, postage pre-paid, overnight courier or fax, provided, however, that notice of a special meeting to remove a Director shall be delivered to all Directors at least ten (10) days prior to such meeting. The purpose of any special meeting of the Board shall be specified in the notice or waiver of notice and no other business shall be transacted except that stated in the notice.

- (d) Place of Meeting: Meetings of the Board may be held at any place that has been designated from time to time by resolution of the Board or in the notice of the meeting or, if not designated or there is no notice, at the Principal Office of the Association.
- (e) Waiver of Notice: Notice may be waived in writing by a Director either before or after the meeting and shall be made a part of the minutes of such meeting. Appearance by a Director at a meeting shall be deemed a waiver of notice unless the Director attends for the express purpose of asserting the illegality of the meeting. Notwithstanding any other provisions of these Bylaws, any meeting of the Board of Directors shall be a valid meeting without any notice thereof having been given if all Directors attend.

Section 3.16 Annual Membership Meeting

The annual meeting of Members of the Association shall be held at such place on such dates as may be determined by the Board of Directors. All Directors are expected to attend. A quorum will consist of those Members present. The annual meeting shall be held on or before December 31st of each calendar year.

ARTICLE 4

Section 4.1 Officer Descriptions

The Officers of the Association shall be: Chairperson, Vice Chair of Development, Vice Chair of Policy and Programs, Secretary and Treasurer, all elected by the Board of Directors. In addition, under the circumstances outlined in Section 4.4 herein, the Immediate Past Chairperson serves as an ex-officio, non-voting Officer of the Executive Committee.

An Officer may be re-elected with the length of service limited only by Board member term limit. The Secretary oversees the Nominating and Bylaws Committees; the Treasurer oversees the Finance and Audit Committees; and the Vice Chairs oversee key committees and strategic programs. The Vice Chair of Development succeeds the Chairperson if the Chairperson does not fulfill his/her term.

Section 4.2 Term of Office

The term of office for Officers of the Board shall be three (3) years. Officers may serve multiple terms, limited only by their Board seat term limit. If an Officer's Board term expires while he/she is in office, he/she must be re-appointed or re-elected to the Board to complete his/her Officer term.

Section 4.3 Election Process

Officers of the Association shall be elected at a Board meeting designated for this purpose by a two-thirds (2/3) majority vote of the current Directors. All Directors will be eligible to hold positions as Officers with the exception of current Directors whose terms of office expire as of January 1st of the year following the Officer election.

The Chairperson of the Nominating Committee or designee will present candidates to the Board for each available office. Candidates for each office and additional nominations, if any, will be received at this time. A motion will be made and recorded to accept the nominee(s). The Directors present at this meeting shall cast a written, secret ballot.

The National Secretary or such other person as the Board of Directors may designate shall be responsible for conducting the election and counting the ballots. The candidate with the highest number of votes cast shall fill the Officer position.

Section 4.4 Duties and Responsibilities

The duties of the Officers of the Association shall be as follows:

- (a) **Chairperson:** The Chairperson shall preside at all meetings of the membership of the Association, the Board of Directors, and the Executive Committee. The Chairperson is charged with leading the Board in the development of the mission, policies and goals for the Association. The Chairperson also is charged with leading the Board in the oversight of management's implementation of programs and actions to achieve the mission, goals and corporate purpose. The Chairperson is a voting member of the Executive Committee and is an ex-officio member of all other Standing Committees.

The Chairperson shall have the power to veto policy decisions of the Board of Directors with the following stipulations – the veto may not represent a conflict of interest or be self-serving for the Chairperson; the Chairperson may not veto an electoral process or result of an election; a Chairperson's veto may be overridden by a two-thirds (2/3) vote of the Board of Directors.

In the event that any other Officer resigns or is removed from office, the Chairperson, with the concurrence of a majority of the Executive Committee, shall appoint a replacement for such Officer.

- (b) **Vice Chair of Development:** The Vice Chair of Development shall be responsible for the overall advancement and development of the Association. The Vice Chair of Development shall, in the absence of the Chairperson, preside at appropriate meetings. Should the Chairperson resign or otherwise be removed from office prior to the completion of his/her term, the Vice Chair of Development shall assume the office of Chairperson and, with the concurrence of a majority of the full Board, appoint a replacement as Vice Chair of Development.
- (c) **Vice Chair of Policy and Programs:** The Vice Chair of Policy and Programs shall be charged with select strategic programs at the commencement of each fiscal year, depending on the needs of the Association, based on the recommendation of the Executive Committee and approval of the Board. In the absence of the Chairperson and Vice Chair of Development, the Vice Chair of Policy and Programs shall preside at appropriate meetings.
- (d) **Secretary:** The Secretary (the "National Secretary") shall be responsible for overseeing the recording of the proceedings of meetings of the Association, Board of Directors and the Executive Committee, and ensuring the maintenance of the corporate records and the seal of the Association. The Secretary shall oversee the elections for Officers and Executive Committee members of the Board of Directors, and

count the ballots cast at the appropriate meetings. The Secretary also shall oversee and ensure that appropriate updates are made to the Association's Bylaws. The Secretary shall, in the absence of the Chairperson, Vice Chair of Development and Vice Chair of Policy and Programs, preside at appropriate meetings.

- (e) Treasurer: The Treasurer shall lead the development and oversight of the financial policies of the Association. The Treasurer shall oversee the finance and audit responsibilities of the Board. The Treasurer shall, in the absence of the Chairperson, Vice Chair of Development, Vice Chair of Policy and Programs and Secretary, preside at appropriate meetings.
- (f) Immediate Past Chairperson: The Immediate Past Chairperson is the Board member who most recently served as Chairperson. He/she retains this title for one year after serving as Chairperson. The Immediate Past Chairperson serves on the Executive Committee as an ex-officio/non-voting member of the Committee. It is required that this position be held only by a current Board member.

Section 4.5 Resignation

Any Officer may resign at any time by giving written notice to the Chairperson or Secretary of the Association. Any such resignation shall take effect at the time specified therein and, if no effective date is specified, such resignation shall take place immediately. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.6 Executive Committee

The Executive Committee shall consist of the Officers of the Association, the President/Chief Executive Officer, and the Corporate Secretary.

The President/Chief Executive Officer of the Association is an ex-officio, non-voting member of the Executive Committee and all Standing Committees of the Board.

The Corporate Secretary is an ex-officio, non-voting member of the Executive Committee and shall be responsible for recording the proceedings of meetings of the Association, Board of Directors and the Executive Committee, and the maintenance of the corporate records and the seal of the Association.

A majority of voting members of the Executive Committee shall constitute a quorum.

No individual may serve in more than one Executive Committee position at one time.

The Executive Committee may invite other Members of the Association or consultants to serve as advisors or participate in meetings or conference calls of the Executive Committee.

The Executive Committee shall have and exercise powers and responsibilities of the Board of Directors between meetings of the Board, subject to any prior limitation established by the Board of Directors. The Executive Committee, however, shall not have the power, or the authority, without the consent of two-thirds (2/3) of the Board, to amend, alter, or rescind any policy adopted by the Board of Directors.

Regular minutes of the proceedings of the Executive Committee shall be kept and shall be reported to the Board of Directors as soon as practicable after each meeting of the Executive Committee.

ARTICLE 5

COMMITTEES OF THE BOARD

Section 5.1 Committees of Board of Directors

- (a) **Creation of Committees:** The Board of Directors, by resolution adopted by a majority of Directors in office, may designate and appoint one or more committees. The committees of the Board of Directors shall be standing ("Standing Committees") or ad hoc ("Ad Hoc Committees"). Section 5.4 of these Bylaws lists the Standing Committees as determined by the Board of Directors. The functions, responsibilities and accountability of each Standing Committee are detailed in the Policy and Procedure Manual. In no instance shall any Standing Committee consist of less than one (1) Director. Standing Committee chairs must be current Board members.

The Chairperson of the Board of Directors shall appoint committee chairs and co-chairs with concurrence of a majority of the Executive Committee and input from the Board Development Committee. Final approval of committee chairs is determined by a majority vote of the Board.

Committee chairs have autonomy to select members to their committee that they deem qualified and may seek advice from the Executive Committee, Board Development Committee and/or other Board members.

- (b) **Limitation on Committee Authority:** No committee shall have the authority to take any actions outside the scope of its authorization or take any action on behalf of the Association or otherwise bind the Association or the Board of Directors or take any action not authorized by the New York Not for Profit Corporation Act.
- (c) **Committee Dissolution:** A committee may be dissolved by affirmative vote of two-thirds (2/3) majority of the Board members present at a meeting.

Section 5.2 Committee Procedures

Reasonable notice of the meetings of any committees shall be given to the members thereof and to the Executive Committee and Chairperson of the Board of Directors.

A majority of the members of any committee shall constitute a quorum for the transaction of business. The action of a majority of the members of any committee shall be the action of the committee. Any action required or permitted to be taken at

a committee meeting may be taken without a meeting if a consent in writing, setting forth the action, shall be signed by a majority of the committee members or indication of agreement is indicated via email correspondence. Such consent shall have the same force and effect as a majority vote of the committee.

Section 5.3 Resignation or Removal of Committee Members

A member of a committee may resign at any time by giving written notice to the chair of the committee and/or the Chairperson of the Board of Directors. The Chairperson of the Board may remove any member from a committee, upon recommendation of the chair of the involved committee, with or without cause, subject to the approval of a majority of the Executive Committee.

Section 5.4 Standing Committees

A Standing Committee is a committee that has work to do throughout the year and has a long-term requirement to ensure fiduciary responsibility and Board effectiveness.

Ad-Hoc Committees address topics of critical importance – Board effectiveness, fiduciary responsibility, or organizational stability. They are charged with a project that has a specific time frame or with a need that must be addressed from time to time. They should have a deliverable or hand-off that is measurable.

It is recommended that committee chairs take an active role in identifying their committee members and that it not be the sole responsibility of the Board Chairperson to approve membership of a given committee or termination of a specific committee member.

Attendance by telephone for committee meetings does constitute “Presence”. Committee descriptions will be included in the PPM and the Board Resource Manual.

Standing Committees of the Board will consist of the following committees:

- (a) Advancement and Development;
- (b) Audit;
- (c) Board Development;
- (d) Executive;
- (e) Finance; and
- (f) Nominating.

The Board may, from time to time, create additional or terminate existing Standing Committees with two-thirds (2/3) consent of the Board. When creating

additional Standing Committees, the Board will determine such qualifications for membership, powers and duties by resolution.

Section 5.5 Ad Hoc Committees

The Board and/or Executive Committee may from time to time appoint such other committees, to be known as Ad Hoc Committees, with such qualifications for membership, powers and duties as the Board shall determine by resolution.

Section 5.6 Attendance by Telephone

Any or all of the members of a committee may participate in a meeting of such committee by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other. Participation in this manner constitutes presence in person at the meeting. If a written, secret ballot is required during a meeting where members are participating via telephone or similar communications equipment, those who are not physically present may give their proxy(s) to those who are in physical attendance so as to cast their ballots in accordance with the voting procedure.

ARTICLE 6

FUNDS

Any and all contributions, gifts, grants, devices or bequests of real or personal property or both, or any charitable funds otherwise coming into the possession of the Association shall promptly be forwarded to the Chief Financial Officer (CFO) for deposit on behalf of the Association.

ARTICLE 7

INDEMNIFICATION

The Association shall indemnify any Director or Officer of the Association as set forth below, to the extent and in the manner set forth in and permitted by the New York Not for Profit Corporation Act.

- (a) The Association shall indemnify any Director or Officer of the Association (collectively, the "Indemnified Party"), who was or is party or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether criminal, civil, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that the Indemnified Party is or was a Director or Officer of the Association, or is or was serving at the request of the Association as a Director, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Indemnified Party in connection with such action, suit or proceeding, if the Indemnified Party acted in good faith and in a manner the Indemnified Party reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. The Association shall not indemnify any Indemnified Party without prior authorization in the specific action, suit or proceeding, that such indemnification is permissible under the circumstances because the Indemnified Party has met the standard of conduct set forth in this Article 7, and that such related expenses are reasonable. A Director or Officer shall not be indemnified under this Article 7 in respect of any proceeding charging improper personal benefit to him/her, whether or not involving action in his/her official capacity, in which he/she shall have been adjudged to be liable on the basis that personal benefit was improperly received by him/her. Termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Indemnified Party did not act in good faith and in a manner the Indemnified Party reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, that the Indemnified Party had no reasonable cause to believe his/her conduct was unlawful.
- (b) The Association shall not indemnify any Indemnified Party who was or is a party or is threatened to be made a party, to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that the Indemnified Party is or was a Director or Officer of the Association, or is

or was serving at the request of the Association as a Director, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including reasonable attorneys' fees), actually and reasonably incurred by the Indemnified Party in connection with the defense or settlement of such action or suit, if the Indemnified Party acted in good faith and in a manner the Indemnified Party reasonably believed to be in, or not opposed to, the best interests of the Association, provided that no indemnification shall be made in respect of any claim, issue or matter to which the Indemnified Party shall have been adjudged to be liable for negligence, misconduct in the performance of his/her duty to the Association, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such Indemnified Party is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

ARTICLE 8

CONFLICT OF INTEREST

Section 8.1 Conflict of Interest Policy

It shall be the policy of the Association to avoid all conflicts of interest and to minimize any appearance of conflict by any Director, Officer, employee, consultant or other individual who provides services or furnishes goods to the Association. All Directors are required to sign a Conflict of Interest Agreement at the beginning of each year they serve on the Board.

Section 8.2 Definition of Conflict of Interest

A conflict of interest may exist if a transaction is entered into by the Association and one or more of its Directors or Officers, or by the Association and any other corporation, partnership, association or other entity in which one or more of its directors, officers or general partners is or are Director(s), Officer(s) or have a material financial interest.

Section 8.3 Disclosure of Conflict of Interest

Any conflict of interest and any situation that may give the appearance of a conflict of interest, even though no actual conflict of interest exists, shall be disclosed to the Board of Directors in writing as soon as practicable after the conflict or appearance of conflict becomes known. The Board of Directors, acting without the vote of any Director who may have a conflict of interest with respect to the matter under consideration, shall determine the optimum course for eliminating the conflict of interest and minimizing any appearances that a conflict of interest exists. These requirements shall not be construed as preventing a Director from briefly stating his/her position in the matter, nor from answering pertinent questions of other Directors. All Board actions taken on matters that involve a conflict of interest or appearance of conflict shall clearly reflect, in the minutes of such action, that the above requirements have been met. All Directors and Officers shall submit to the National Secretary upon request a signed written statement disclosing possible conflicts of interest.

ARTICLE 9

MISCELLANEOUS PROVISIONS

Section 9.1 Depositories

All funds of the Association not otherwise employed shall be deposited on a regular basis to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors or its duly authorized agent may designate.

Section 9.2 Checks, Drafts, Etc.

All checks, drafts or other orders for the payment of money issued in the name of the Association may be signed by such Officer or Officers or other individuals in such manner as shall from time to time be determined by the Board of Directors.

Section 9.3 Deeds, Mortgages, Bonds, Contracts and Other Instruments

Officers or other individuals, as the Board of Directors may designate and authorize, may sign all deeds, mortgages, bonds and other contracts or instruments of the Association.

Section 9.4 Fiscal Year

The Fiscal Year of the National Black MBA Association, Inc. is from January to December of a given year.

Section 9.5 Maintenance of Corporate Records

The Association shall maintain its corporate records at its Principal Office, including the Association's Articles of Incorporation and these Bylaws. Minutes of the proceedings of the Directors, Board or Committees of the Board shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed or printed form.

Section 9.6 Inspection of Corporate Records

Directors shall have the right to inspect, copy and make extracts of the Association's books, records and documents and to inspect the physical properties of the Association during regular business hours and at its Principal Office. Reasonable notice shall be given to management in the event a Director/s requires inspection of such books, records and documents.

Section 9.7 Financial Reporting

The Board of Directors shall approve an annual budget for the Association and, following the close of each fiscal year, shall cause the preparation of an annual report, which shall summarize the activities of the Association for such year, compare the actual results of the Association to the budget, and include audited financial statements.

Section 9.8 Audit

Each year the Board of Directors shall appoint a firm of certified public accountants, who are not members of the Board of Directors, to make an audit and report to the Board of Directors.

Section 9.9 Order of Business

The presiding Officer shall prescribe the order of business at all meetings of the Association. Robert's Rules of Order (revised) shall govern all meetings of the Association on any point not covered in the Bylaws or Policies of the Board of Directors.

Section 9.10 Use of Association Name

The Board of Directors of the Association shall prescribe regulations governing the use of the name National Black MBA Association Inc., its initials and the trademarks of the Association, and all Chapters and Members of the Association shall adhere to such rules and regulations.

Section 9.11 Financial Responsibility

The Association shall not be financially responsible for the conduct of any Chapter of the Association. No Chapter or Member shall have authority to pledge the credit of the Association, except as specifically authorized in writing by the Board of Directors.

ARTICLE 10

AMENDMENTS

Section 10.1 Articles of Incorporation

The Articles of Incorporation may be amended by resolution of the Board of Directors adopted by an affirmative vote of a two-thirds (2/3) majority of the Directors then in office at any duly convened annual, regular or special meeting of the Board of Directors.

Section 10.2 Bylaws

- (a) General: The Board of Directors may amend, restate or repeal these Bylaws by resolution of the Board of Directors adopted by an affirmative vote of a two-thirds (2/3) majority of the Directors then in office at any duly convened annual, regular or special meeting of the Board of Directors.
- (a) Effective Date: Amendments shall be effective on the date approved by the Board of Directors or on the date specified in the amendment.
- (b) Publication: Notice of adopted changes in the Articles of Incorporation and Bylaws shall be made available to all Members in Good Standing as soon as practicable but no later than ninety (90) days after the effective date.