

BYLAWS of The National Drug & Alcohol Screening Association

ARTICLE 1 – NAME

The legal name of NDASA shall be known as National Drug and Alcohol Screening Association, Inc., and shall herein be referred to as “NDASA” with administrative offices currently located at 1629 K Street NW, Suite 300 Washington, D.C. 20006. NDASA is formed as a non-profit 501(c)(6) association in the State of Arizona.

The offices of the association shall be located at a place determined by the Board of Directors of NDASA.

ARTICLE 2 – PURPOSE

The general purposes for NDASA has been established as follows:

- a) To represent the membership on matters relating to the drug and alcohol testing industry both nationally and internationally.
- b) To establish and provide industry training, certifications, accreditations and recognitions for professional industry standards and procedures.
- c) To serve as a reliable and credible resource for the membership and general public for information on drug and alcohol use, substance abuse, employer testing rights and responsibilities, public safety and other matters including current trends and best practices for the drug and alcohol testing industry.
- d) To serve as the liaison between the association’s membership and Governmental Agencies, corporations, employers, and industry organizations.
- e) To hold conferences and educational seminars nationally and internationally for the purpose of providing industry training and certification, collaboration, and coordination of efforts, communicating with our membership and the public.
- f) To advocate before International, US Federal, State and local governments for the interests of our membership regarding association-related issues.

The purpose for which the Non-Profit Corporation is formed is set forth in the attached Articles of Incorporation.

In addition, NDASA has been formed for the purpose of performing all things incidental to, or appropriate in, the foregoing specific and primary purposes. However, NDASA shall not, except to an insubstantial degree, engage in any activity or the exercise of any powers which are not in furtherance of its primary non-profit purposes.

NDASA shall hold and may exercise all such powers as may be conferred upon any nonprofit organization by the laws of the State of Arizona and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of NDASA. At no time and in no event shall NDASA participate in any activities which

have not been permitted to be carried out by NDASA exempt under Section 501(c)6 of the Internal Revenue Code of 1986 (the "Code").

ARTICLE 3 – OFFICES

The principal office of NDASA is currently located at the address stated in Article 1. NDASA may have other such offices as Board of Directors may determine or deem necessary, or as the affairs of the NDASA may find a need from time to time.

ARTICLE 4 – DEDICATION OF ASSETS

The properties and assets of NDASA are irrevocably dedicated to and for non-profit purposes only. No part of the net earnings, properties, or assets of NDASA, on dissolution or otherwise, shall inure to the benefit of any person or any member, director, or officer of NDASA. On liquidation or dissolution, all remaining properties and assets of NDASA shall be distributed and paid over to an organization dedicated to non-profit purposes which has established its tax-exempt status pursuant to Section 501(c) of the Code.

ARTICLE 5 – BOARD OF DIRECTORS

General Powers and Responsibilities

NDASA shall be governed by a Board of Directors (the "Board"), which shall have all the rights, powers, privileges and limitations of liability of directors of a non-profit corporation. The Board shall establish policies and directives governing the business and programs of NDASA and shall delegate to the Executive Director and NDASA staff, subject to the provisions of these Bylaws, authority and responsibility to see that the policies and directives are appropriately followed.

The Executive Director shall report to and be subject to the day-to-day supervision of the Board Chair. The Board of Directors shall establish all personnel-related policies, provide an annual evaluation of the Executive Director's performance and have full and complete authority to hire and terminate the employment of the Executive Director, staff, vendors or volunteers upon a majority vote of the Board of Directors.

Number and Qualifications

The Board shall have up to 25 members, but no fewer than 13 Board members. The number of Board members may be increased beyond 25 members or decreased to less than 13 members by the affirmative vote of a two-thirds majority of the general membership. In addition to the regular membership of the Board, representatives of such other organizations or individuals as the Board may deem advisable to elect shall be *Ex-Officio Board Members*, which will have the same rights and obligations, including voting power, as the other directors.

Board Compensation

The Board shall receive no compensation other than for reasonable expenses. However, provided the compensation structure complies with Sections relating to "Contracts Involving Board Members and/or Officers" as stipulated under these Bylaws, nothing in these Bylaws shall be construed to preclude any Board member from serving NDASA in any other capacity and receiving compensation for services rendered.

Board Elections

The Nominating Committee shall present nominations for new and renewing Board members to the general membership at least 30 days prior to a scheduled election. Recommendations from the Nominating Committee shall be made known to the Board in writing before nominations are made and voted on. New and renewing Board members shall be approved upon election of the general membership at a Board meeting at which a quorum is present.

Qualifications

With the exception of the founding board members, only one Board Representative per company may serve on the Board of Directors at any given time. If a merger, acquisition, or transfer of employment causes a breach of this provision by previously qualified Directors, those impacted by this merger, acquisition, transfer etc. will inform the Board of Directors as to which individual will continue to serve.

Furthermore, and with the exception of the founding board members, only one spouse will be eligible to serve as a member of the Board of Directors.

If the Board of Directors receives no notification of the breach, the most recently elected Director will resign from the Board of Directors. If the Directors were elected concurrently, the Board of Directors would use an objective random selection method to select the Director to resign. The Board of Directors may reserve the right to consent for the resigning Director to serve the remainder the term without voting right.

All members in good standing regardless of membership category, who have obtained the age of 18, shall be eligible for election to the board. Member companies may designate an individual for nomination and election to the Board representing that membership.

The Board of Directors shall establish a nominating committee to review all submitted nominations to the Board and provide such nominations to the general membership. The nominating committee's responsibility shall be limited to ensuring that all submitted nominations meet the association's qualifications and to affirm such qualifications. The nominating committee shall consist of 3 members, appointed by the Board of Directors, with one member serving as committee chair.

Term of Board

All appointments to the Board shall be for a term of 3 year(s). No person shall serve more than 3 consecutive terms. No person shall serve more than 9 consecutive years. After serving the maximum total number of consecutive years on the Board, a member may be eligible for reconsideration as a Board member after 3 years have passed since the conclusion of such Board member's service.

Vacancies

A vacancy on the Board of Directors may exist at the occurrence of the following conditions:

- a) The death, resignation, or removal of any director;
- b) The declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, found by final order or judgment of any court to have breached a duty pursuant to the Corporation Code and/or Act of the law dealing with the standards of conduct for a director, or has missed 3 consecutive meetings of the Board of Directors, or a total of 4 meetings of the Board during any one calendar year;
- c) An increase in the authorized number of directors; or
- d) The failure of the directors, at any annual or other meeting of directors at which director(s) are to be elected, to elect the full authorized number of directors.

The Board of Directors, by way of affirmative vote of a majority of the directors then currently in office, may remove any director with cause at any regular or special meeting, provided that the director to be removed has been notified in writing in the manner set forth in Article 5 ("*Meetings*" section) that such action would be considered at the meeting.

Except as provided in this paragraph, any director may resign effective upon giving written notice to the chair of the Board of NDASA, the secretary of NDASA, or the Board of Directors, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be designated to take office when the resignation becomes effective. The designated Board Member would be subject to election at the next annual membership meeting. Unless the Attorney General of the State of Arizona is first notified, no director may resign when NDASA would then be left without any duly elected director in charge of its affairs.

The Board of Directors will make recommendations to fill the open seat and provide notice to all members in good standing that a vacancy exists. All members in good standing are eligible for election to the Board. All candidates must submit a formal request for consideration including any and all qualifications, skills, or expertise for consideration to the Executive Director. A vote for all vacant seats must be filled within 30 days of the notice. If less than ½ of the term remains for the vacated seat, the Board of Directors will appoint the Director which will require a 2/3 majority vote of the Board of

Directors. If more than ½ of the vacated term remains, a notice will be communicated to all members in good standing and a general election for the vacant board seat will be required.

A Board member elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

International Seat

The Board shall create an International Board Seat to be designated to an International Member of the Board that has been duly elected to the Association membership. The international board seat will automatically Chair or Co-Chair the International Committee and shall be for a term of 3 years. The seat may be elected by the Board of Directors in the event there are multiple international members of the Board of Directors expressing interested in the seat. In the event there are no International members on the Board of Directors or no international members want to Chair or Co-Chair the International Committee, then the seat may be filled by a U.S. based member of the Board.

State Affiliate Caucus Seat

The Board of Directors shall create a seat on the board for the State Affiliate Caucus. This seat shall be elected by the general membership by vote of State Affiliate members at the annual conference. The State Affiliate seat shall be a 2-year term. Eligibility requirement is that the members must be an active State Affiliate for at least 1 year prior to being appointed. The elected person will automatically chair or co-chair the State Affiliate Caucus.

Resignation

Each Board member shall have the right to resign at any time upon written notice thereof to the Chair of the Board or Secretary of the Board.

Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

Removal

Any Director may be removed from office, with or without the assignment of any cause, by a unanimous vote of the other Directors at a duly convened meeting of the Board, provided that written notice of the intention to consider removal of such Director has been included in the notice of the meeting. No Director shall be removed without having the opportunity to be heard at such meeting, but no formal hearing procedure need be followed.

In the event someone is removed from the board:

A new association member shall be elected to finish the removed member's term. If removal occurred in the first half of a term then the board will notify all current association members, in writing, that a board seat is available and allow the membership to vote. Notification must be made to membership within 5 days of the removal and allow 20 days for submissions. The vote must then take place within 30 days in order to have the seat filled within 2 Board of Director Meetings. If the removal occurred in the last half of the removed member's term, then the Board of Directors shall appoint a member.

Meetings

The Board's regular meetings may be held at such time and place as shall be determined by the Board. The Chair of the Board or any 5 regular Board members may call a special meeting of the Board with 7 days' written notice provided to each member of the Board. The notice shall be served upon each Board member via hand delivery, certified mail, email, or fax. The person(s) authorized to call such special meetings of the Board may also establish the place the meeting is to be conducted, so long as it is a reasonable place to hold any special meeting of the Board.

Minutes

The Secretary shall be responsible for the recording of all minutes of each and every meeting of the Board in which business shall be transacted in such order as the Board may determine from time to time. However, in the event that the Secretary is unavailable, the Chair of the Board shall appoint an individual to act as Secretary at the meeting. The Secretary, or the individual appointed to act as Secretary, shall prepare the minutes of the meetings, which shall be delivered to NDASA to be placed in the minute books. A copy of the minutes shall be delivered to each Board member via either regular mail, hand delivered, emailed, or faxed within 14 business days after the close of each Board meeting.

Action by Written Consent

Any action required by law to be taken at a meeting of the Board, or any action that may be taken at a meeting of the Board, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all Board members. The number of directors in office must constitute a quorum for an action taken by unanimous written consent. Such consent shall be placed in the minute book of NDASA and shall have the same force and effect as a unanimous vote of the Board taken at an actual meeting. The Board members' written consent may be executed in multiple counterparts or copies, each of which shall be deemed an original for all purposes. In addition, facsimile signatures and electronic signatures or other electronic "consent click" acknowledgments shall be effective as original signatures.

Quorum

At each meeting of the Board of Directors or Board Committees, the presence of 50% plus 1 persons shall constitute a quorum for the transaction of business. If at any time the Board consists of an even number of members and a vote results in a tie, then the vote of the Chair of the Board shall be the deciding vote. The act of the majority of the Board members serving on the Board or Board Committees and present at a meeting in which there is a quorum shall be the act of the Board or Board Committees, unless otherwise provided by the Articles of Incorporation, these Bylaws, or a law specifically requiring otherwise. If a quorum is not present at a meeting, the Board members present may adjourn the meeting from time to time without further notice until a quorum shall be present. However, a Board member shall be considered present at any meeting of the Board or Board Committees if during the meeting he or she is present via telephone or web conferencing with the other Board members participating in the meeting.

Voting

Each Board member shall only have one vote.

Proxy

Board members shall not be allowed to vote by written proxy.

Board Member Attendance

An elected Board Member who is absent from 3 consecutive regular meetings of the Board during a fiscal year shall be encouraged to reevaluate with the Chair of the Board his/her commitment NDASA. The Board may deem a Board member who has missed 3 consecutive meetings without such a reevaluation with the Chair to have resigned from the Board.

Role of Board Members and Commitments

General

- 3 Year Commitment (term)
- Refer new members
- Must attend board meetings. If three meetings are missed in one year or more than 1 annual meeting missed during term without Executive Board approval, then will be removed from the board

Accountability

- Self-evaluation required
- 2-3 hours/month dedicated to NDASA
- Log volunteer hours to show activity

Board members are responsible for helping the association to grow in membership and revenue via:

- Fundraisers
- Soliciting Sponsorships
- Hosting NDASA events
- Membership referrals when joining (track when they register)
- Globally add new memberships
- Bring in 10 new members each year
- Chair a committee/participate in committee management

Code of Conduct

Adhere to

- Highest standards
- Morals
- Standard for ethics
- Business standards
- Know and effectively articulate the NDASA mission, purpose, goals, By-Laws, policies and programs
- Attend board meetings
- Maintain membership
- Regularly participate in at least one board committee
- Seek members
- Participate in hiring of NDASA staff
- Avoid conflict of interest
- Represent NDASA in community, at industry functions and appropriate media settings
- Maintain confidentiality

Recommendations of what board members should not do:

- Anything to benefit own business
- Illegal activities
- Speak negatively about Board Members, Board Executives, or the Association in public or on committee calls
- Discuss Board business in public or on committee calls
- Conduct oneself in an unprofessional manner
- Violate State/Federal laws or be subject to a Public Interest Exclusion (PIE)

Code of Ethics for Board Members

- Faithfully abide the By Laws
- Exercise reasonable care, good faith, and due diligence in NDASA affairs
- At the earliest opportunity, fully disclose information that may result – as perceived or fact – actual conflict of interest.

- At the earliest opportunity, fully disclose information of fact that would have significance in board decision-making
- Remain accountable for prudent fiscal management to association, members, the board, and nonprofit requirements.
- Professional excellence
- Maintain a professional level of courtesy, respect, objectivity, in all NDASA activities
- Strive to uphold those practices and assist other NDASA members of the board in upholding the highest standards of conduct
- Personal Gain – Exercise the powers invested for the good of all members of the organization rather than for personal benefit

Equal Opportunity

- Ensure the right of all Association members to appropriate and effective service without discrimination on the basis of geography, political, religious or social-economic characteristics of the state or region represented
- Ensure the right of all Association members to appropriate and effective services without discrimination on the basis of NDASA's volunteer or staff make-up in respect to gender, sexual orientation, natural origins, race, religion, age, political affiliation, or disability in accordance with ethical, legal and regulatory requirements

Confidential information

- Respect the confidentiality of sensitive information gained due to board service

Collaboration and cooperation

- Respect the diversity of opinions as expressed or acted upon by the NDASA Board committees and membership
- Promote collaboration, cooperation, and partnership among Association members

ARTICLE 6 – OFFICERS

Officers and Duties

The Board shall elect officers of NDASA which shall include a Chair (Chief Executive Officer), Chair-Elect, a Secretary, a Treasurer (Chief Financial Officer), and such other officers as the Board may designate by resolution. For the first two years of any Chair's term the Board shall appoint a Vice-Chair to sit on the Executive Committee until such time as a Chair-Elect is elected. The same person may hold any number of offices, except that neither the Secretary nor the Treasurer may serve concurrently as the Chair of the Board. In addition to the duties in accordance with this Article, officers shall

conduct all other duties typically pertaining to their offices and other such duties which may be required by law, Articles of Incorporation, or by these bylaws, subject to control of the Board of Directors, and they shall perform any other such additional duties which the Board of Directors may assign to them at their discretion.

The office of Chair of the Board and Treasurer may be re-elected to their respective office if they have a full term on the board available and remaining after their current selection period ends. Neither officer may serve more than 2 concurrent terms in their respective office.

The officers will be elected during the annual meeting by the Board during the annual meeting, and shall serve the needs of the Board, subject to all the rights, if any, of any officer who may be under a contract of employment. All newly elected officers will take office at the annual board meeting, while the Chair-Elect will assume office at the conclusion of the annual conference, allowing the current Chair to preside over the annual conference and introduce the Chair-Elect into his/her role to the general membership. Following their final day as Chair, the Chair of the Board will automatically be given a seat on the board as Past Chair even if they have reached their 9-year concurrent term limit. The Past Chair seat will create a continuity of care and service to the board and its members. The Past Chair will have full voting rights and will serve to assist the incumbent Chair and serves as a non-executive member of the board.

Therefore, without any bias or predisposition to the rights of any officer that may be under any contract of employment, any officer may be removed with or without cause by the Board. All officers have the right to resign at any time by providing notice in writing to the Chair of the Board, Vice-Chair, and/or Secretary of NDASA, without bias or predisposition to all rights, if any, of NDASA under any contract to which said officer is a part thereof. All resignations shall become effective upon the date on which the written notice of resignation is received or at any time later as may be specified within the resignation; and unless otherwise indicated within the written notice, a stated acceptance of the resignation shall not be required to make the resignation effective.

Any and all vacancies in any office because of death, resignation, disqualification, removal, or for any other cause, shall be filled in accordance to the herein prescribed bylaws for regular appointments to such office.

Chair of the Board (Chief Executive Officer)

It shall be the responsibility of the Chair of the Board, when present, to preside over all meetings of the Board of Directors and Executive Committee. The Chair of the Board is authorized to execute, in the name of NDASA, any and all contracts or other documents which may be authorized, either generally or specifically, by the Board to be executed by NDASA. When required by law that the President signature must be provided, the signature of the Chair will fulfill that requirement.

It shall be the responsibility of the Chair to be available to all Board of Director members regarding NDASA Business. All Board members should discuss with the Chair all issues or complaints. The Chair will address each circumstance either individually, with the

assistance of the Executive Board or the entire board to resolve all issues in the best interest of the association.

Vice Chair

It shall be the responsibility of the Vice Chair, when the Chair is absent and has delegated temporary responsibilities to the Vice Chair or is unable to continue in the role of Chair for any reason, until the Board can elect a new Chair. Responsibilities includes all functions of the Chair.

Secretary

The Secretary, or his/her designee, shall be the custodian of all records and documents of NDASA, which are required to be kept by the Secretary's office of NDASA, and shall act as secretary at all meetings of the Board of Directors, and shall keep the minutes of all such meetings on file in hard copy or electronic format.

S/he shall attend to the giving and serving of all notices of NDASA and shall see that the seal of NDASA, if any, is affixed to all documents, the execution of which on behalf of NDASA under its seal is duly authorized in accordance with the provisions of these bylaws.

Treasurer (Chief Financial Officer)

It shall be the responsibility of the Treasurer to keep and maintain, or cause to be kept and maintained, adequate and accurate accounts of all the properties and business transactions of NDASA, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements.

The Treasurer shall be responsible for ensuring the deposit of, or cause to be deposited, all money and other valuables as may be designated by the Board of Directors. Furthermore, the Treasurer shall disburse, or cause to be disbursed, the funds of NDASA, as may be ordered by the Board of Directors, and shall render to the Chair of the Board and directors, whenever they request it, an account of all the Treasurer's transactions as treasurer and of the financial condition of NDASA.

The Treasurer shall give NDASA a bond, if so requested and required by the Board of Directors, in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the Treasurer's office and for restoration to NDASA of all its books, papers, vouchers, money and other property of every kind in the Treasurer's possession or under the Treasurer's control upon the Treasurer's death, resignation, retirement, or removal from office. NDASA shall pay the cost of such a bond.

ARTICLE 7 – COMMITTEES

Committees of Directors

The Board of Directors may, by resolution adopted by a majority of the directors then in office, provided that a quorum is present, designate one or more committees to exercise all or a portion of the authority of the Board, to the extent of the powers specifically delegated in the resolution of the Board or in these bylaws. Each such committee shall consist of two (2) or more directors and may also include persons who are not on the Board but whom the directors believe to be reliable and competent to serve on the specific committee. However, committees exercising any authority of the Board of Directors may not have any non-director members. The Board may designate one or more alternative members of any committee who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the directors then in office, provided that a quorum is present. The Board of Directors may also designate one or more advisory committees that do not have the authority of the Board. However, no committee, regardless of Board resolution, may:

- a) Approve of any action that, pursuant to applicable Law, would also require the affirmative vote of the members of the Board if this were a membership vote.
- b) Fill vacancies on, or remove the members of, the Board of Directors or any committee that has the authority of the Board.
- c) Fix compensation of the directors serving on the Board or on any committee.
- d) Amend or repeal the Articles of Incorporation or bylaws or adopt new bylaws.
- e) Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable.
- f) Appoint any other committees of the Board of Directors or their members.
- g) Approve a plan of merger, consolidation, voluntary dissolution, bankruptcy, or reorganization; or a plan for the sale, lease, or exchange of all or considerably all of the property and assets of NDASA otherwise than in the usual and regular course of its business; or revoke any such plan.
- h) Approve any self-dealing transaction, except as provided pursuant to law.

Unless otherwise authorized by the Board of Directors, no committee shall compel NDASA in a contract or agreement or expend NDASA funds.

Meetings and Actions of Committees

Meetings and actions of all committees shall be governed by, and held and taken in accordance with, the provisions of Article 5 - Board of Directors of these bylaws concerning meetings and actions of the directors, with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee.

Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the

committee. Minutes shall be kept of each meeting of any committee and shall be filed with the NDASA records. The Board of Directors may adopt rules not consistent with the provisions of these bylaws for the governance of any committee.

If a director relies on information prepared by a committee of the Board on which the director does not serve, the committee must be composed exclusively of any or any combination of (a) directors, (b) directors or employees of NDASA whom the director believes to be reliable and competent in the matters presented, or (c) counsel, independent accountants, or other persons as to matters which the director believes to be within that person's professional or expert competence.

Executive Committee

Pursuant to Article 7 - Committee of Directors, the Board may appoint an Executive Committee composed of a minimum of 4 directors, one of whom shall be the Chair of the Board, Vice Chair, Secretary and Treasurer, to serve on the Executive Committee of the Board. The Executive Committee, unless limited in a resolution of the Board, shall have and may exercise all the authority of the Board in the management of the business and affairs of NDASA between meetings of the Board, provided, however, that the Executive Committee shall not have the authority of the Board in reference to those matters enumerated in Article 7 - Committee of Directors. The Secretary of NDASA shall send to each director a summary report of the business conducted in any meeting of the Executive Committee.

Audit Committee

The Board, at its sole discretion, shall appoint an Audit Committee, which shall otherwise govern any committee's operations, and may be comprised of one or more persons including persons other than directors of NDASA.

The membership of the Audit Committee shall not include the following persons:

- a) The Chair of the Board
- b) The Treasurer of the Corporation;
- c) Any employee of the Corporation; or
- d) Any person with a material financial interest in any entity doing business with NDASA

In the event that the Board should appoint a Finance Committee, the members of said Finance Committee must comprise less than one-half (1/2) of the membership of the Audit Committee, and the Chair of the Finance Committee shall not serve on the Audit Committee.

The Audit Committee shall make recommendations to the Board of Directors regarding the hiring and termination of an auditor, who shall be an independent certified public accountant, and may be authorized by the Board to negotiate the auditor's salary.

The Audit Committee shall consult with the auditor to assure its members that the financial affairs of NDASA are in order, and after review shall determine whether to accept the audit

It shall be the responsibility of the Audit Committee to ensure that the auditor's firm adheres to the to the Standards, which have been published by the Comptroller General of the United States, or any standards established and published by the Attorney General of State of Arizona.

ARTICLE 8 - STANDARD OF CARE

General

A director shall perform all the duties of a director, including, but not limited to, duties as a member of any committee of the Board on which the director may serve, in such a manner as the director deems to be in the best interest of NDASA and with such care, including reasonable inquiry, as an ordinary, prudent, and reasonable person in a similar situation may exercise under similar circumstances.

Any director may participate in any committee discussion regardless of being an active committee member. The Chair of the Board and executive committee members are encouraged to monitor and participate in committee meetings intermittently throughout their terms.

In the performance of the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- a) One or more officers or employees of NDASA whom the director deems to be reliable and competent in the matters presented;
- b) Counsel, independent accountants, or other persons, as to the matters which the director deems to be within such person's professional or expert competence; or
- c) A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director deems to merit confidence, so long as in any such case the director acts in good faith, after reasonable inquiry when the need may be indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

Except as herein provided in Article 8 - Standard of Care, any person who performs the duties of a director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limitation of the following, any actions or omissions which exceed or defeat a public or charitable purpose to which the NDASA, or assets held by it, are dedicated.

Loans

NDASA shall not make any loan of money or property to, or guarantee the obligation of, any director or officer, unless approved by the State of Arizona Attorney General;

provided, however, that NDASA may advance money to a director or officer of NDASA or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such officer or director so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

Conflict of Interest

The purpose of the Conflict of Interest policy is to protect NDASA's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of one of its officers or directors, or that might otherwise result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable corporations/organizations and is not intended as an exclusive statement of responsibilities.

Restriction on Interested Directors

Not more than 0% (percent) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (1) any person currently being compensated by NDASA for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director; and (2) any brother, sister, parent, ancestor, descendent, spouse, brother-in-law, sister-in-law, son-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the interested person. All directors/board Members, when voting, for formulating strategy, shall keep the interests of NDASA first and not make decisions based on the positions of their personal or private enterprise.

Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors who are considering the proposed transaction or arrangement.

Establishing a Conflict of Interest

After the disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the Board meeting while the potential conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.

Addressing a Conflict of Interest

In the event that the Board should establish that a proposed transaction or arrangement

establishes a conflict of interest, the Board shall then proceed with the following actions:

- a) Any interested person may render a request or report at the Board meeting, but upon completion of said request or report the individual shall be excused while the Board discusses the information and/or material presented and then votes on the transaction or arrangement proposed involving the possible conflict of interest.
- b) The Chair of the Board shall, if deemed necessary and appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c) After exercising due diligence, the Board shall determine whether NDASA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the best interest of NDASA, for its own benefit, and whether it is fair and reasonable. It shall make its decision as to whether to enter into the transaction arrangement in conformity with this determination.

Violations of Conflict of Interest Policy

Should the Board have reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, the Board shall then inform the interested person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose.

If, after hearing the interested person's explanation, and after making further investigation as may be warranted in consideration of the circumstances, the Board determines the interested person intentionally failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Procedures and Records

All minutes of the Board Meetings, when applicable, shall contain the following information:

- a) The names of all the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.
- b) The names of the persons who were present for discussions and any votes relating to the transaction or arrangement, the content of the discussions, including any alternatives to the proposed transaction or arrangement, and a record of any vote taken in connection with the proceedings.

Acknowledgement of Conflict of Interest Policy

Each director, principal officer, and member of a committee with Board delegated powers shall be required to sign a statement which affirms that such person:

- a) Has received a copy of the conflict of interest policy;
- b) Has read and understands the policy;
- c) Has agreed to comply with the policy; and
- d) Understands that NDASA is charitable, and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Violation of Loyalty - Self-Dealing Contracts

A self-dealing contract is any contract or transaction (i) between NDASA and one or more of its Directors, or between NDASA and any corporation, firm, or association in which one or more of the Directors has a material financial interest ("Interested Director"), or (ii) between NDASA and a corporation, firm, or association of which one or more of its directors are Directors of NDASA.

Said self-dealing shall not be void or voidable because such Director(s) of corporation, firm, or association are parties or because said Director(s) are present at the meeting of the Board of Directors or committee which authorizes, approves or ratifies the self-dealing contract, if:

- a) All material facts are fully disclosed to or otherwise known by the members of the Board and the self-dealing contract is approved by the Interested Director in good faith (without including the vote of any membership owned by said interested Director(s));
- b) All material facts are fully disclosed to or otherwise known by the Board of Directors or committee, and the Board of Directors or committee authorizes, approves, or ratifies the self-dealing contract in good faith—without counting the vote of the interest Director(s)— and the contract is just and reasonable as to NDASA at the time it is authorized, approved, or ratified; or
- c) As to contracts not approved as provided in above sections (a) and/or (b), the person asserting the validity of the self-dealing contract sustains the burden of proving that the contract was just and reasonable to NDASA at the time it was authorized, approved, or ratified. Interested Director(s) may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof, which authorizes, approves, or ratifies a contract or transaction as provided for and contained in this section.

Indemnification

To the fullest extent permitted by law, NDASA shall indemnify its "agents," as described by law, including its directors, officers, employees and volunteers, and including persons formerly occupying any such position, and their heirs, executors and administrators, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," and including any action by or in the right of NDASA, by reason of the fact that the person is or was a person as described in the Non-Profit Corporation Act. Such right of indemnification shall not be deemed exclusive of any other right to which such persons may be entitled apart from this Article.

To the fullest extent permitted by law, and, except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification in defending any "proceeding" shall be advanced by NDASA of an undertaking by or on behalf of that person to repay such amount unless it is ultimately determined that the person is entitled to be indemnified by NDASA for those expenses.

NDASA shall have the power to purchase and maintain insurance on behalf of any agent of NDASA, to the fullest extent permitted by law, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give other indemnification to the extent permitted by law.

Alternative Dispute Resolution

All controversies, disputes or claims between the Association, its board members, managers, officers, directors, agents, employees and members, if applicable, arising out of or related to this agreement or any other agreement between the Board and Association members or any provision of any such agreement, Association's relationship with members, the validity of this Agreement or any other agreement between Association board and Association members or any provision of any such agreement or any part of NDASA's procedures relating to the establishment or operation of the Association will be submitted for resolution to a tribunal of one of the Association's board members, one other member in good standing and a third person selected by the two of them, of which the third person must be an attorney licensed to practice in the State wherein the dispute arises.

The designees shall conduct a telephonic hearing and shall render a decision within seven (7) days of the telephone hearing. If any party is not satisfied with the decision rendered by this tribunal, then the parties shall submit the dispute to an independent mediator for an attempt at resolution.

If this mediation is ineffectual, then the parties shall submit the dispute for binding arbitration to the office of an arbitrator that is within the county of NDASA's principal business address. Arbitration proceedings will be conducted in such office, except as otherwise provided in this agreement, and will be heard by one arbitrator in accordance with the then-current commercial arbitration rules of the American Arbitration Association. All matters relating to the arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et. Seq.) and not by any state arbitration law.

ARTICLE 9 – EXECUTION OF CORPORATE INSTRUMENTS

Execution of Corporate Instruments

The Board of Directors may, at its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon NDASA.

Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts of NDASA, promissory notes, deeds of trust, mortgages, other evidences of indebtedness of NDASA, other corporate/organization instruments or documents, memberships in other corporations/organizations, and certificates of shares of stock owned by NDASA shall be executed, signed, and/or endorsed by the Chair.

All checks and drafts drawn on banks or other depositories on funds to the credit of NDASA, or in special accounts of NDASA, shall be signed by such person or persons as the Board of Directors shall authorize to do so.

Loans and Contracts

No loans or advances shall be contracted on behalf of NDASA and no note or other evidence of indebtedness shall be issued in its name unless and except as the specific transaction is authorized by the Board of Directors. Without the express and specific authorization of the Board, no officer or other agent of NDASA may enter into any contract or execute and deliver any instrument in the name of and on behalf of NDASA.

ARTICLE 10 – RECORDS AND REPORTS

Maintenance and Inspection of Articles and Bylaws

NDASA shall keep at its principal office the original or a copy of its Articles of Incorporation and bylaws as amended to date, which shall be open to inspection by the Board of Directors at all reasonable times during office hours.

Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

NDASA shall keep at its principal office a copy of its federal tax exemption application and its annual information returns for three years from their date of filing, which shall be open to public inspection and copying to the extent required by law.

Maintenance and Inspection of Other Corporate Records

NDASA shall keep adequate and correct books and records of accounts and written minutes of the proceedings of the Board and committees of the Board. All such records

shall be kept at a place or places as designated by the Board and committees of the Board, or in the absence of such designation, at the principal office of NDASA. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of NDASA shall turn over to his or her successor or the Chair of the Board or Vice Chair, in good order, such corporate/organization monies, books, records, minutes, lists, documents, contracts or other property of NDASA as have been in the custody of such officer, employee, or agent during his or her term of office.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of NDASA and each of its subsidiary corporations/organizations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

Preparation of Annual Financial Statements

NDASA shall prepare annual financial statements using generally accepted accounting principles. Such statements shall be audited by an independent certified public accountant, in conformity with generally accepted accounting standards, under supervision of the Audit Committee established by these bylaws. NDASA shall make these financial statements available to the State of Arizona Attorney General and members of the public for inspection no later than 60 days after the close of the fiscal year to which the statements relate.

Reports

The Board shall ensure an annual report is sent to all directors within 60 days after the end of the fiscal year of NDASA, which shall contain the following information:

- a) The assets and liabilities, including trust funds, of this corporation at the end of the fiscal year.
- b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- c) The expenses or disbursements of NDASA for both general and restricted purposes during the fiscal year.
- d) The information required by Non-Profit Corporation Act concerning certain self-dealing transactions involving more than \$50,000 or indemnifications involving more than \$10,000 which took place during the fiscal year.

The report shall be accompanied by any pertinent report from an independent accountant or, if there is no such report, the certificate of an authorized officer of NDASA that such statements were prepared without audit from the books and records of NDASA.

ARTICLE 11 – FISCAL YEAR

The fiscal year for NDASA shall end on December 31.

ARTICLE 12 – AMENDMENTS AND REVISIONS

These bylaws may be adopted, amended, or repealed by the vote of a two-thirds majority of the directors then in office. Such action is authorized only at a duly called and held meeting of the Board of Directors for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations therefore, is given in accordance with these bylaws. If any provision of these bylaws requires the vote of a larger portion of the Board than is otherwise required by law, that provision may not be altered, amended or repealed by that greater vote.

ARTICLE 13 – CORPORATE/ORGANIZATION SEAL

The Board of Directors may adopt, use, and alter a corporate/organization seal. The seal shall be kept at the principal office of NDASA. Failure to affix the seal to any corporate/organization instrument, however, shall not affect the validity of that instrument.

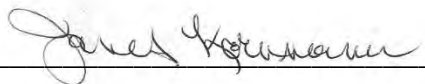
ARTICLE 14 – CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the Non-Profit Corporation Act as amended from time to time shall govern the construction of these bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes NDASA as well as a natural person. If any competent court of law shall deem any portion of these bylaws invalid or inoperative, then so far as is reasonable and possible (i) the remainder of these bylaws shall be considered valid and operative, and (ii) effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

CERTIFICATE OF SECRETARY

I, Janet Kornmann, certify that I am the current elected and acting Secretary of the benefit NDASA, and the above bylaws are the bylaws of NDASA as adopted by the Board of Directors, and that they have not been amended or modified since the above.

EXECUTED on this day of October 12, 2020, in the State of Arizona.



(Duly Elected Secretary)