

BYLAWS OF VIRGINIA AUCTIONEERS ASSOCIATION

ARTICLE I—OFFICES

1. *Principal Office.* The corporation shall maintain a principal office in the Commonwealth of Virginia.

2. *Other Offices.* The corporation may establish other offices either within or without the Commonwealth of Virginia, as may be designated from time to time by the board of directors.

ARTICLE II—MEMBERSHIP

1. *Classes of Members.* There shall be five (5) classes of members:

(a) Active Members. Any auctioneer currently licensed to conduct auctions in the Commonwealth of Virginia shall be eligible for active membership. Active members shall be entitled to voting rights as described in section 4 of this Article.

(b) Associate Members. Individuals who are owners or employees of auction businesses of any type, but who are not licensed auctioneers in the Commonwealth of Virginia, or while not engaged in the auction business have interest in the auction industry or the corporation, shall be eligible for associate membership.

(c) Retired Members. Any active member who is age 65 or older and conducts three (3) or less auctions per year shall be eligible for retired membership. A retired member shall not be required to maintain an auctioneer's license, except where that member's continued operation as an auctioneer requires it.

(d) Disabled Members. Any active member who becomes mentally or physically disabled, as certified in writing by a physician licensed to practice medicine in the state of his residence, shall be eligible for disabled membership. A disabled member shall not be required to maintain an auctioneer's license, except where that member's continued operation as an auctioneer requires it.

(e) Honorary Members. Honorary membership may be granted by the board of directors to members and non-members in recognition of outstanding service rendered for, or on behalf of, the corporation or the auction profession. Honorary members shall not be required to pay dues.

2. *Qualification.*

(a) Application for membership shall be made in such manner and form as prescribed by the board of directors.

(b) Active Members. An applicant for active membership shall be eligible for such membership provided he or she swears or affirms as follows: "I solemnly swear (*or* affirm) that I shall faithfully conform to the Articles of Incorporation, Bylaws, Code of Ethics, and Code of Conduct of the Virginia Auctioneers Association, as the same may be amended from time to time."

(c) Associate Members. An applicant for associate membership shall be granted such membership upon showing that the applicant meets the requirements of Article II. 1. (b) of these Bylaws.

(d) Retired Members. An applicant for retired membership shall be granted such membership upon showing that the applicant meets the requirements of Article II. 1. (c) of these Bylaws.

(e) Disabled Members. An applicant for disabled membership shall be granted such membership upon showing that the applicant meets the requirements of Article II. 1. (d) of these Bylaws.

(D) No person whose auctioneer's license has been suspended or revoked by any licensing authority shall be eligible for membership during the period of such suspension or revocation.

(g) Members shall be approved by the board of directors, provided that the board of directors may delegate its authority to act on membership applications to the president, vice president, secretary, or executive director.

(h) Applicants for membership who have been rejected by the corporation for any reason may not reapply within one year from the date of rejection.

(i) No person will be allowed to retain their membership if they are convicted of a felony during their current membership (adopted 1-8-2010)

3. *Dues and Application Fee.*

(a) Application Fee. The board of directors may adopt a reasonable application fee for active and associate members. There shall be no application fee for retired, disabled, or honorary members.

(b) Annual Dues. Annual dues for active, associate, disabled and retired members shall be established by the board of directors and payable in advance. The membership year shall run from January 1 through December 31, so dues become payable on January 1 of each year. For a member joining the corporation between January 1 and June 30, the full amount of annual dues shall be assessed and paid; for a member joining the corporation between July 1 and December 31, one-half (1/2) of the amount of annual dues shall be assessed and paid. Honorary members shall not be required to pay dues.

4. *Vote.*

(a) Each active member who has paid the current assessment of dues and is otherwise in good standing shall have one vote upon each matter submitted to a vote of the active members at any meeting of the corporation, either annual or special.

(b) In the election of directors, every active member who has paid the current assessment of dues and is otherwise in good standing shall have one vote for as many persons as there are directors to be elected at that time.

(c) Voting shall be by secret, written ballot unless all active members at the meeting waive such requirement, and each vote must be cast in person.

(d) Active members who are not present at the meeting shall not be permitted to vote by proxy or otherwise.

(e) Associate, retired, disabled, and honorary members shall not be entitled to vote.

(f) The directors most recently retired from the board shall serve as the elections committee to coordinate and conduct the elections.

5. *Annual Meeting.* The annual meeting of active members shall be held during and at the same place as the annual convention conducted by the corporation. The date, time, and place of the annual meeting shall be determined by the board of directors and designated in a notice mailed to all members, or published as hereafter provided. The election of officers and directors shall occur at the annual meeting, as well as the transaction of such other business as may come before the meeting.

6. *Special Meetings.* Special meetings of the active members for any purpose, unless otherwise prescribed by law, may be called by the chairman of the board of directors, president, or the board of directors, and shall be called by the president upon the written request of one-twentieth (1/20) of the votes entitled to be cast at such meeting. Only business within the purpose described in the meeting notice may be conducted at the meeting.

7. *Active Members' List for Meeting.* At least ten (10) days before each meeting, the officer or agent having charge of the record of members shall make a complete list of the members, including the address of each, and designate the members who are active members in good standing and entitled to vote. For a

period of ten (10) days prior to the meeting, the list of members shall be subject to inspection by any member at the corporation's principal office during usual business hours. The list shall also be produced and kept open during the meeting and subject to inspection by any member. Prior to an election, any active member then in good standing shall be added to the list and entitled to vote.

8. *Place of Meeting.* All annual and special meetings shall be held within the Commonwealth of Virginia on a date and at a place as designated by the board of directors.

9. *Notice of Meeting.*

(a) Written or printed notice stating the date, time, and place of the annual or special meeting and, in the case of a special meeting, the purpose for which the meeting is being called, shall be mailed to each active member in good standing then of record, or published in a publication designated by these Bylaws as an official publication of the corporation, or otherwise as provided by Section 13.1-842 of the Code of Virginia (or its successor), not less than ten (10) nor more than sixty (60) days before the date of the meeting.

(b) Such notice shall be deemed to be delivered when deposited by the corporation in the mail with the United States Postal Service with proper postage prepaid, and addressed to the active members in good standing at their respective last-known addresses as appearing in the corporation's records.

(c) An active member may waive notice of any meeting, before or after the date and time of the meeting by providing a written waiver of notice, signed by the active member entitled to notice, and delivered to the secretary for inclusion in the minutes or corporate records.

10. *Quorum.* The active members present and in good standing shall constitute a quorum for the transaction of business at any meeting. A majority of the active members present may adjourn the meeting to a different date, time, and place, without giving further notice, by announcing the new date, time, and place at the meeting before adjournment. At any meeting held as a result of a prior adjournment of a meeting, any business may be transacted which might have been transacted at the prior meeting as originally notified.

11. *Conduct of Meetings.* The president shall call the meeting to order and act as chairman of the meeting. In the absence of the president, the president-elect shall so act unless absent, in which instance the vice president shall so act unless absent, in which instance any person chosen by the active members present shall call the meeting to order and act as chairman of the meeting. The secretary of the corporation shall act as secretary but, in the absence of the secretary, the presiding officer may appoint any other person present to act as secretary of the meeting.

12. *Presumption of Assent.* An active member of the corporation who is present at a meeting of the active members, or of any committee, at which action on a corporate matter is taken shall be presumed to have assented to the action taken unless such active member's dissent shall be entered in the minutes of the meeting, or unless such active member shall file a written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof. The right to dissent shall not apply to any active member who voted in favor of such action.

13. *Termination of Membership.* Membership may be terminated as follows:

(a) Non-Payment of Dues and Penalty. Should any member fail to pay dues by the last day of February of a given year, or to meet other qualifications required for membership, then the membership of such member shall automatically terminate. In the event a member's membership is terminated solely

for the non-payment of dues, such membership may be automatically reinstated by payment of such delinquent dues, any penalty, and all subsequent dues owing as of the date of reinstatement, if paid within one year following the date of termination; thereafter, such member shall be admitted only upon new application and approval as a new member as provided by these Bylaws. The board may prescribe a financial penalty to be assessed on any payments of dues received after the last day in February in a given year

(b) Resignation. Any member may resign from membership by written notice mailed to the president. A member's resignation shall not relieve the member of any debt then owed by the member to the corporation for dues, or for any other obligation. A resigned member shall be admitted to membership only upon new application and approval as a new member as provided by these Bylaws.

(c) Suspension or Expulsion. A member may be suspended for a stated period or expelled from membership in the corporation if found by the board of directors to have violated: (i) the corporation's Code of Ethics; or (ii) its Code of Con

duct; or (iii) its Articles of Incorporation; or (iv) these Bylaws; or (v) the Auctioneers License Act, Sections 54.1-600 et seq. of the Code of Virginia (or successor); or (vi) the Rules And Regulations of the Auctioneers Board of the Commonwealth of Virginia. No such' action shall be taken against any member until the member has been given written notice of the charge by the board of directors, thirty (30) days from the date of the notice to respond in writing, and then granted a prompt evidentiary hearing before the board to address the charge, with the right to call witnesses and be represented by counsel. The decision of the board of directors shall be final.

14. *Rights of Members*. The right of a member to vote or otherwise participate in any activities or business of the corporation shall immediately cease upon the termination of membership.

ARTICLE III—DIRECTORS

1. *General Powers*. The business and affairs of the corporation shall be conducted by its board of directors.

2. *Number and Qualifications of Directors*.

(a) The board of directors shall consist of the past president elected two years prior, immediate past president, president, president -elect, vice president, treasurer, and six (6) active members so elected.

(b) Requirements for director are:

- (1) resident of Virginia;
- (2) currently licensed Virginia auctioneer;
- (3) active member of the corporation in good standing for three consecutive years;
- (4) present at the annual meeting at which the vote is taken;
- (5) has attended at least two out of the previous three annual meetings, and the meeting at which the vote is taken is not to be counted.

3. *Election and Term of Office*.

(a) Except where otherwise specified by these Bylaws, directors shall be elected at the annual meeting of the members.

(b) Directors shall be elected by a plurality of the votes cast by the active members entitled to vote in the election. (c) The president, president-elect, vice president, and treasurer shall hold office as

directors so long as they hold their respective elected positions. The term of office of the active members elected directors shall be three (3) years, with the terms of these directors staggered so that two (2) directors are elected annually. Directors shall serve until their successors are duly elected. With the exception of the treasurer, a director may not immediately succeed himself; however, after remaining out of office for at least one year, a previous director may be re-elected to a new term of three (3) years as a director.

4. *Changing Number of Directors.* Active members are alone empowered to amend these Bylaws for the sole purpose of changing the number of directors, and this may be done at the annual meeting, or at any special meeting of the membership called for that purpose.

5. *Regular Meetings.* The board of directors shall meet as often as it determines necessary for the proper administration of the business of the corporation. Meetings may be held on any date and at any time and place where the directors consent to holding such meetings, but only within the Commonwealth of Virginia.

6. *Special Meetings.* Special meetings of the board of directors may be called by the president for any purpose, at either his request or the request of any three (3) directors as communicated through the secretary to the president. The president shall designate the date, time, and place for any special meeting which has been duly called, but only within the Commonwealth of Virginia.

7. *Meetings by Telephone or Other Communication Technology.*

(a) Meetings of the board of directors may be conducted via the use of telephone or any other means of wire or wireless communication by which: (i) all participating directors may simultaneously hear each other during the meeting; or (ii) all communication during the meeting is immediately transmitted to each participating director, and each participating director is able to immediately send messages to all other participating directors.

(b) If a meeting of the board of directors is conducted through the use of any means described in section 7. (a), all participating directors shall clearly be informed that a meeting of the board is taking place at which the corporation's official business will be transacted. A director participating in a meeting by any means described in section 7. (a) is deemed to be present in person at the meeting.

8. *Notice of Meetings.*

(a) During a meeting of the board of directors, the board may schedule the date, time, and place of its next regular meeting and no further notice will be required.

(b) Notice of the date, time, and place of any special meeting of the board may be given by oral or written notice delivered personally to each director at least twenty-four (24) hours prior to the meeting.

(c) Notice of the date, time, and place of any special meeting of the board may also be given by written or printed notice sent in the mail collected by the United States Postal Service, or by telegraph, teletype, facsimile, telecopier, electronic mail, or other wire or wireless communication, when properly sent to each director at least seventy-two (72) hours prior to the meeting. Mailed notice is deemed to be properly sent when deposited in the mail collected by the United States Postal Service with proper postage prepaid. Telegraph notice is deemed to be properly sent when delivered to the telegraph company. Facsimile, telecopier, or electronic mail notice is deemed to be properly sent when proper confirmation of transmittal is received by the sender.

(d) Only those items of business set forth in the notice of any special meeting shall be addressed at that meeting of the board.

(e) Any director may waive notice of any meeting of the board by providing a written waiver of notice, signed at any time, and filed with the secretary, and this shall be deemed the equivalent of the giving of proper notice to the director who executes the waiver.

(f) The attendance of a director at a meeting of the board shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

9. *Quorum.* A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the board of directors but, if less than a majority of the directors is present, then a majority of the directors present may adjourn the meeting from time to time without further notice.

10. *Manner of Acting.*

(a) The chairman of the board shall preside at all meetings of the board of directors; in the absence of the chairman, then the president shall preside; if both of them be absent, then the president-elect shall preside; if all three of them be absent, then the vice president shall preside; if all four of them be absent, then the directors present shall designate a temporary chairman to preside at the meeting.

(b) The act of the majority of all the directors present at a meeting of the board of directors at which a quorum exists shall be the act of the board of directors.

(c) Directors absent from a meeting shall not be permitted to vote by proxy or otherwise.

11. *Presumption of Assent.* A director of the corporation who is present at a meeting of the board of directors at which action on a corporate matter is taken shall be presumed to have assented to the action taken, unless such director's dissent shall be entered in the minutes of the meeting, or unless such director shall file a written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof. The right to dissent shall not apply to a director who voted in favor of such action.

12. *Dispensing with Meetings.* Action required or permitted to be taken at a board of directors' meeting may be taken without a meeting if the action is taken by all members of the board. The action shall be evidenced by one or more written consents stating the action taken, signed by each director either before or after the action taken, and included in the minutes or filed with the corporate records reflecting the action taken. Action so taken becomes effective when the last director signs the consent, unless the consent specifies a different effective date, in which event the action taken is effective as of the date specified therein, provided the consent states the date of execution by each director. A signed consent has the effect of a meeting vote and may be described as such in any document.

13. *Attendance by Members.* All meetings of the board of directors shall be open to the members, except that the board may act by a majority vote of a quorum of the board to meet on specific matters in executive session. A member may speak at a board meeting, but only when specifically recognized by the presiding officer, and then only on the subject under discussion, or on the subject on which the member has previously requested, and been granted, permission to speak. A member recognized to speak is entitled to speak further in rebuttal only at the discretion of the presiding officer.

14. *Removal.* A director may be removed from office, with or without cause, by the two-thirds (2/3) vote of the active members present at a regular meeting, or at a special meeting called for that purpose. Notice shall first be given to the director as provided by section 8. of this Article III, and the director shall

be given the opportunity to address the meeting prior to the vote. 15. Resignation. A director may voluntarily resign from the board of directors at any time by delivering written notice to the board, its chairman, the president, or the secretary. A resignation is effective when delivered, unless the notice specifies a later effective date.

16. *Vacancies.* In the event a vacancy occurs on the board of directors from any cause, including an increase in the number of directors, an interim director shall be elected by the board to fill each such vacancy until the next annual meeting of the active members when the active members shall vote in their regular election to fill the directorship of any interim director. In the event of a director's resignation with a later effective date, the board of directors may fill the pending vacancy before the effective date if the board provides that the successor does not take office until the effective date.

17. *Conflict of Interest.*

(a) Each director shall fully disclose to the board of directors any duality of interest, or possible conflict of interest, whenever the duality or possible conflict pertains to a matter being considered by the board.

(b) Any director having a duality or possible conflict of interest on any matter shall abstain from voting on the matter, and shall not be counted in determining the quorum for the vote on the matter. In addition, such director shall not use his personal influence on the matter, but the director may state his position on the matter and answer pertinent questions from other directors about it since his knowledge may be of assistance to the board.

(c) The minutes of the meeting involving any such situation shall reflect that a disclosure was made, the director's abstention from voting, and the count regarding a quorum.

(d) If a director is uncertain as to whether he has a duality or possible conflict of interest which requires abstention from voting on a matter, or if a director asserts that another director may have such a duality or possible conflict of interest, then the board by majority vote of those present, other than the director having the duality or possible conflict of interest, shall decide whether that director's abstention from voting is required. If so, the director shall be deemed to have abstained and shall not cast a vote on the matter.

18. *Compensation and Reimbursement.* Directors of the corporation shall not receive compensation for serving in this capacity, or for providing other personal services to the corporation. However, directors may receive reimbursement for reasonable expenses incurred in connection with corporate matters, provided such reimbursement is authorized by the board of directors.

ARTICLE IV—OFFICERS

1. *Elective Officers.*

(a) The elective officers of the corporation shall be the chairman of the board of directors who will be the immediate past president, the president, the president-elect, the vice president, and the treasurer.

(b) Requirements for elective office are:

- (1) resident of Virginia;
- (2) currently licensed Virginia auctioneer;
- (3) active member of the corporation in good standing for three consecutive years;
- (4) present at the annual meeting at which the vote is taken;
- (5) has attended at least two out of the previous three annual meetings, and the meeting at which the vote is taken is not

to be counted.

(6) candidates for president, president-elect, and vice president shall have first served a full term of three years as a director prior to their election to these offices.

(c) Elective officers shall be members of the board of directors so long as they hold their elected positions.

2. *Secretary.* The corporation shall have a secretary appointed by the board of directors to serve at its pleasure.

3. *Election and Term of Office.*

(a) The elective officers of the corporation shall be elected at the annual meeting of the active members.

(b) At the end of the president's term, the president-elect shall succeed to the office of president if otherwise qualified and available to serve.

(c) All elective officers shall serve in their respective capacity for a term of one (1) year, or until a qualified successor is elected upon the expiration of that officer's term, or until that officer's death, resignation, or removal from office. Active members may be re-elected to serve as officers without limitation; however, with the exception of the treasurer, an officer may not immediately succeed himself in the same office.

4. *Duties of Officers.* The duties of the officers shall be such as their titles, by general usage, would indicate, and such as may be assigned to them respectively by the board of directors, and such as are required by law, and such as are generally here set out:

(a) President shall be the principal executive officer of the corporation and, subject to the control of the board of directors, shall in general supervise and control all of the business and affairs of the corporation. The president shall preside at all meetings of the members and, in the absence of the chairman of the board, the president shall preside at meetings of the board of directors. At the end of his term, the president shall present a "State of the Association" address to the members at the annual meeting which summarizes the accomplishments during the past year, reports on the strengths and weaknesses of the corporation, and defines its goals for the future.

(b) President-elect shall perform the duties of the president whenever the president is absent. The president-elect shall perform such other duties as may be assigned by the board of directors or the president. The president-elect may have charge and supervision of portions of the corporation's affairs, as designated by the board of directors.

(c) Vice president shall perform the duties of the president -elect whenever the president-elect is absent. The vice president shall perform such other duties as may be assigned by the board of directors or the president. The vice president may have charge and supervision of portions of the corporation's affairs, as designated by the board of directors.

(d) Treasurer shall accurately account for all monies, other assets, and liabilities of the corporation. The treasurer shall keep an account of all money received and disbursed by the corporation and make such statements as corporations are required to make by the laws of the Commonwealth of Virginia. Whenever necessary and proper, the treasurer shall endorse on behalf of the corporation all checks and other negotiable instruments, as well as notes or other obligations. Whenever required by the board of directors, the treasurer shall promptly produce a true and complete statement of the cash account, the securities, and all other funds in the custody, or under the control, of the treasurer. The treasurer shall exhibit the corporation's books and accounts to the president or any director upon reasonable request, as well as at every mid-year and annual meeting of the corporation. The treasurer shall in general perform such other duties incident to the office of treasurer of a corporation, subject to the control of the board of

directors. The treasurer may also perform such other duties as may be prescribed by the board of directors and these Bylaws. The treasurer shall provide a surety bond for the faithful discharge of these duties in such amount, and with such surety, as the directors may determine, the cost of which shall be paid by the corporation.

(e) Secretary shall keep a correct and complete record of all proceedings of the corporation, including those related to the election of officers and directors, and a roll of the names and addresses of all members since the corporation was organized. The secretary shall also have charge of the records and files of the corporation, give notice of all meetings, notify new members of their election to membership, and perform such other duties as may be prescribed by the board of directors and these Bylaws.

5. Vacancies.

(a) Any vacancy among the officers of the corporation, with the exception of president and president-elect, shall be filled by appointment of the board of directors after a majority vote of a quorum of the board on the vacancy, and any officer so chosen shall serve the unexpired term of the office for which he or she has been elected.

(b) In the event the office of president becomes vacant, then the president-elect shall immediately assume the duties of president for the remainder of the term. Thereafter, the president-elect shall serve the full term to which he or she was elected.

(c) Should the office of president-elect become vacant, no replacement shall be appointed for the duration of the term, and a new president shall be elected at the next annual meeting to begin serving immediately in that office.

(d) Vacancies by the officers, other than the president, need not be filled if the board of directors does not deem it advisable to fill the vacancy for the remainder of the term.

6. Removal. An officer may be removed from office, with or without cause, by the two-thirds (2/3's) vote of the active members present at the annual meeting, or at a special meeting called for that purpose. Notice shall first be given to the officer as provided by section 8. of Article III, and the officer shall be given the opportunity to address the meeting prior to the vote.

7. Assignment of Duties. The board of directors may assign the duties of secretary and/or treasurer to an authorized agent as the board deems to be in the best interest of the corporation.

8. Compensation and Reimbursement. Officers of the corporation shall not receive compensation for serving in their capacity, or for providing other personal services to the corporation. However, officers may receive reimbursement for reasonable expenses incurred in connection with corporate matters, provided such reimbursement is authorized by the board of directors.

ARTICLE V—FISCAL YEAR

The corporation's fiscal year shall end on November 30 of each year.

ARTICLE VI—WAIVER OF NOTICE

Whenever any notice is required to be given to any member, officer, or director of the corporation under any provision of these Bylaws, or under any provision of the Articles of Incorporation, or under any provision of applicable law, a waiver of notice signed by the member, officer, or director entitled to receive such notice, whether the waiver is executed before or after the time for which the notice was required, shall be deemed equivalent to the giving of proper and timely notice to that member, officer, or director.

ARTICLE VII—CODES

1. *Code of Ethics.* The board of directors shall adopt, and may amend from time to time, a Code of Ethics which shall be binding upon each member, officer, and director of the corporation.

2. *Code of Conduct.* The board of directors shall adopt, and may amend from time to time, a Cod of Conduct which shall be binding upon each member, officer, and director of the corporation.

ARTICLE VIII—PUBLICATIONS

1. *Magazine.* The official publication of the corporation shall be a magazine bearing the name, "The Virginia Auctioneer," which shall be published al least four (4) times each year and mailed to all members.

2. *Directory.* The corporation shall annually publish a membership directory which shall be sent t< all members of record.

3. *Minutes.* The minutes of each meeting of the board of directors shall be published in separate sheets and distributed to all members with the next issue of "The Virginia Auctioneer" immediately following the meeting. These minutes shall include, but not be limited to, a list of the directors who were present, a list of the directors who were absent, every motion presented, every motion passed, and every Bylaw enacted, amended, or repealed.

ARTICLE IX—SEMINARS

The corporation shall conduct such educational seminars as the board of directors deems appropriate.

ARTICLE X—AMENDMENTS

1. *Articles of Incorporation.* The Articles of Incorporation may be amended by a vote of more than two-thirds (2/3's) of the active members at any annual meeting, or at any special meeting called for that purpose, at which a quorum exists, where notice or waiver of notice designating the date, time, place, and purpose of the meeting, and the nature of the proposed amendment have been given.

2. *Bylaws.* The board of directors shall have the power to enact, amend, and repeal the Bylaws of the corporation by a vote of two-thirds (2/3) of the board at a meeting at which a quorum exists, provided notice of the proposed action has been given to each director comprising the board at least thirty (30) days prior to the- meeting at which such action is taken.

ARTICLE XI—EXEMPT ACTIVITIES

Notwithstanding any other provision of these Bylaws, no member, officer, director, employee, or representative of the corporation shall take any action, or carry on any activity, by or on behalf of the corporation, not permitted to be taken or carried on by an organization exempt under Section 501 (c) of the Internal Revenue Code and its regulations pertaining thereto as they now exist or may hereafter be amended.

ARTICLE XII—COMMITTEES

1. *Executive Committee.* The executive committee shall be comprised of the president, who shall serve as chairman, the chairman of the board of directors, the president-elect, the vice president, and the treasurer.

2. *Standing Committees.* Upon taking office, the president, subject to the approval of the board of directors, shall appoint active members to serve on the following standing committees established by the board (parenthetical indicates suggested, but not mandatory, number of committee members):

- (a) Auctioneer Contest (4)
- (b) Audit/Budget (5)
 - (c) Auxiliary Liaison (2)
 - (e) Awards (4)
 - (f) Bylaws and Policy Revision (3)
 - (g) Convention (3)
 - (h) Fund Auction (6)
 - (i) Legislative (5)
 - (j) Membership (5)
 - (k) Publicity & Public Relations (4)
 - (l) Standard Forms (3)
 - (m) Seminars (3)
 - (n) Study (6)
 - (o) Technology (3)
 - (p) Ways and Means (5)

The president shall make these appointments no later than thirty (30) days after the date of the annual meeting. The president shall designate a chairman for each standing committee. Members of the standing committees shall serve until the next annual meeting. Members may be reappointed to these committees without limitation.

3. *Nominating Committee.*

(a) The Nominating Committee shall consist of all past presidents. The chairman of the board shall be the chairman of the committee. Each member of the committee shall pledge himself to:

- (1) not discourage any potential candidate in any manner from running in an election; and
- (2) candidates who are not nominated for office by the committee shall be encouraged by the Committee to run for election from the floor.

(b) The committee shall meet in executive session, and only the committee members and the candidates shall attend.

(c) Each office open for election shall be presented to the committee and every candidate for that office shall be entitled to speak before the committee and present his credentials. The order in which candidates shall be heard for a given office is:

- (1) president-elect
- (2) vice president
- (3) treasurer
- (4) directors

The candidates for each office shall speak in a randomly selected order.

(d) Each member of the committee, except the chairman, shall be entitled to speak on behalf of any candidate whose name comes before the committee. The chairman shall not speak on behalf of any

candidate, nor shall he lobby the other committee members to support any particular candidate.

(e) After discussion by the committee in executive session and without the candidates being present, the committee shall vote by secret, written ballot on the candidates to select one candidate to recommend for election to each open office. The candidates shall be selected by a plurality of the votes cast. Each member of the committee, including the chairman, shall be entitled to vote for one candidate for each office.

(e) After the vote, the chairman of the committee shall immediately publish the results on written notices displayed prominently at each entrance to the room in which the annual business meeting shall be held, and at the corporation's registration desk.

4. *Temporary Committees.* The president, subject to the approval of the board of directors, may constitute temporary committees, and appoint active members to serve upon them, as the president deems advisable during his term. Members of temporary committees may serve until the next annual meeting when the committee shall dissolve, subject only to being reconstituted by the new president. Active members may be reappointed to these committees without limitation.

5. *Duties of Committees.* Committees shall have such duties as their titles indicate, and as the board of directors may assign. All actions of committees shall be subject to approval of the board of directors. The chairman of each committee shall report when requested to the Board on the committee's activity.

6. *Grievance Committee and Procedures.* Upon taking office, the president, subject to the approval of the board of directors, shall appoint a grievance committee that shall serve to receive, investigate, and prepare any complaint against a member for presentation to the full board for action. The grievance committee shall be comprised of five (5) active members in good standing who are neither officers nor directors of the corporation. The president shall designate a chairman for the committee. Members of the grievance committee shall serve until the next annual meeting. Members may be reappointed to this committee without limitation. The grievance committee may request the assistance of the corporation's legal counsel on any matter before it.

(a) Any complaint alleging a member has violated the corporation's Code of Ethics, or Code of Conduct, or Articles of Incorporation, or Bylaws, or the Auctioneers License Act, Sections 54.1-600 et seq. of the Code of Virginia (*or* successor), or the Rules And Regulations of the Auctioneers Board of the Commonwealth of Virginia shall be filed by sworn affidavit with the president, and it shall specify fully the details of the alleged violation. Any person may file such a complaint, whether a member of the corporation or of the general public, so long as the complainant is the aggrieved party. The president shall promptly cause a letter to be sent to the complainant confirming receipt of the complaint and generally outlining the process to be followed.

(b) The president shall simultaneously cause a copy of the written complaint to be sent to the accused member, along with a written request that the accused member respond to the complaint in writing to the president within thirty (30) days after the date the complaint was sent to the accused member. Simultaneously, the president shall forward a copy of the written complaint to the grievance committee for receipt and confidential investigation.

(c) The written response to the complaint from the accused member, if any, shall be forwarded by the president to the grievance committee and the complainant.

(d) The grievance committee may conduct voluntary interviews with persons possessing information relevant to the complaint, and it may gather other evidence as well. Upon completing its confidential investigation of the complaint, the grievance committee shall prepare a written report which it shall file with the board of directors. The grievance committee shall state whether it has found sufficient reason to believe the accused member has committed a violation as charged.

(e) Upon receiving the grievance committee's written report, the board of directors shall review the complaint, the accused member's response, if any, and the report.

(D) After careful review, if the board finds there is insufficient reason to believe the accused member has committed a violation as charged, then the complaint shall be dismissed without further action, and with no prejudice to the accused member. In that instance, the board shall immediately send a written notice and explanation of its decision to both the complainant and the accused member.

(g) After careful review, should the board find there is sufficient reason to believe the accused member has committed a violation as charged, then the board shall set the complaint for a hearing before the board and invite the complainant, any known witnesses, and the accused member, who may be represented by counsel, to appear at the hearing to testify under oath and present all relevant evidence. The board shall immediately give written notice of the date, time, and location of the hearing to both the complainant and accused member. The date of the hearing shall be no less than 30 days from the date of this notice, and no more than 45 days.

(h) The board shall conduct all hearings on complaints in executive session. The chairman of the board shall preside over the hearing and announce the order, procedure, and rules by which the hearing shall be conducted, as well as emphasize the obligation of secrecy upon all attending. In the event the accused member fails to appear at the hearing, or the accused member appears but refuses to participate, the hearing shall continue. Each witness shall testify under sworn oath or affirmation and administered by the president. Hearsay evidence shall be admissible. The board shall receive all evidence and reasonable argument that it deems relevant and material to the issue, and which the ends of justice would require in a fair and impartial hearing. At the conclusion of the evidence and any argument, the board shall either deliberate and reach its decision, or schedule another meeting when it shall do so. The board shall consider the complaint and all relevant evidence carefully and, not later than two (2) weeks after the date of the hearing, the directors shall render their final written opinion. The burden of proof shall be upon the complainant, and the standard of proof for finding an accused member guilty of a violation shall be by a preponderance of the evidence.

(i) In the event the board finds the accused member has committed no violation, then the complaint shall be dismissed without further action, and with no prejudice to the member. In that instance, the board shall promptly send a notice and copy of its written opinion to both the complainant and the accused member. (j) In the event the board finds the accused member to be guilty of a violation, then the board shall act further upon the complaint in accordance with the severity of the violation. The sanctions available to the board against a member found guilty of a violation are: (1) private reprimand with no publication beyond the board of directors; (2) private reprimand with no publication beyond the board of directors, but including specific terms as designated by the board; (3) suspension from membership for a stated period but, under no circumstances, exceeding three (3) years; or (4) expulsion from membership with the expelled member having no right to reapply for membership before the passage of a minimum of forty-eight (48) months from the effective date of the expulsion. In the instance the board finds the accused member to be guilty of a violation, it shall promptly send a notice and copy of its written opinion, including a full description of the sanction, to both the complainant and the member found guilty. In the event the member found guilty is a director and the board wishes to seek his suspension or expulsion from the membership and removal from the board, the board shall schedule a special meeting of the active members and the question of the director's removal from the board shall be voted on for final determination.

7. *Termination of Appointment.* Appointees to committees serve at the pleasure of the board of directors. Any committee appointment may be terminated, with or without cause, by vote of the board of directors upon ten (10) days written notice to the appointee. The president may then appoint a successor for any appointee whose service has been terminated.

8. *President to be Ex Officio Member.* Excepting the grievance committee, the president shall be an ex officio member of all committees.

ARTICLE XIII—AGENTS, CONTRACTORS, AND EMPLOYEES

1. *Agents, Contractors, And Employees.* The board of directors may hire agents, contractors, and employees to assist in the conduct of the corporation's business as it deems necessary.

2. *Executive Director.* The board may hire an executive director to assist in the administration of the corporation's business, as it specifies, and to serve at its pleasure. The president shall supervise the work of the executive director who may also work in tandem with the treasurer in regards to the accounts, monies, debts, books, and records of the corporation. The executive director may also be the corporation's secretary.

3. *Compensation.* The board may agree to pay reasonable compensation for the services provided the corporation by any agents, contractors, and employees that it engages.

ARTICLE XIV—ARBITRATION REQUIRED AND BINDING

1. *Binding Arbitration.* The members of the corporation shall each pledge themselves to the avoidance of litigation and the use of binding arbitration to resolve all disputes. Each member agrees that any controversy or claim that arises against the corporation and cannot be resolved amicably shall in every instance be determined by final and binding arbitration, with no appeal permitted, except as provided by statute, and conducted in accordance with Sections 8.01-577 et seq. of the Code of Virginia (or successor). The directors, officers, and members shall each voluntarily and completely waive their rights to seek traditional legal remedies against the corporation in any court, including the right to a trial by jury.

2. *Venue.* In the event of any controversy or claim being asserted against the corporation, the members agree that venue shall be laid solely in the capital city of Richmond, Virginia.

3. *Written Agreement Not Required.* If requested to do so, each member shall sign an agreement promising to use binding arbitration to resolve all disputes with the corporation, and to take no action, either directly or indirectly, against the corporation or any director, officer, or other person acting on behalf of the corporation, that would result in any litigation against the corporation. However, such signed agreement is not necessary for the application of this Article to every member, and membership alone in the corporation gives this Article full effect.

ARTICLE XV—MISCELLANEOUS

1. *Gender.* A word in these Bylaws importing the masculine gender only may extend and be applied to females, as well as to males.

2. *Number.* A word in these Bylaws importing the singular number only may extend and be applied to several persons or things, as well as to one person or thing; and a word importing the plural number only may extend and be applied to one person or thing, as well as to several persons or things.

3. *Corporate Acts.* The chairman of the board and president shall jointly sign all deeds, leases, or other conveyances executed by the corporation, and instruct the secretary to affix the corporate seal, if

any, to all papers requiring seal.

4. *Prior Acts.* The corporation ratifies and affirms all action taken by its officers and directors, as approved by the board of directors, on every issue and item of business preceding the enactment of these Bylaws.

5. *Supersession.* These Bylaws supersede and replace the documents found within the records of the corporation and identified as:

- a. "Constitution"
- b. "By-Laws" (enacted previously to these)
- c. "Standing Policy"
- d. any other written rules or documents relating to governance.

The board of directors declares each of these documents to be forthwith null and void, and no provision in any of them shall hereafter have any force and effect whatsoever.

6. *Severability.* The provisions and terms of these Bylaws and their applicability to any person or circumstance which are held invalid shall not affect the validity of any other provisions or terms of these Bylaws which can be given effect without the invalid provisions. All provisions and terms of these Bylaws are severable unless it is apparent that two or more provisions or terms must operate in accord with one another.

7. *Deposits.* All funds of the corporation shall be deposited promptly after receipt to the credit of the corporation in such bank or other depository as the board of directors may direct.

8. *Loans.* No money shall be borrowed on behalf of the corporation, and no evidence of indebtedness shall be issued on its behalf, unless expressly authorized by written resolution of the board of directors. Such authority may be general or confined to specific instances.

9. *Logo.* The board of directors may approve and designate a logo for the corporation.

ARTICLE XVI—CHAPLAIN

The president shall appoint one active member to serve as the corporation's chaplain to officiate accordingly at memorial services for members, and to give the invocation whenever requested. The chaplain need not be a member of the clergy.

ARTICLE XVII—AWARDS

1. *Awards.* The board of directors may draft policy and rules and designate awards to be presented to worthy recipients at the annual meeting or otherwise.

2. *Categories.* The categories for awards are:
3.
 - a. Advertising
 - b. Auctioneer of the Year
 - c. Gavel Award
 - d. Hall of Fame
 - e. Photography
 - f. Rookie of the Year

g. Virginia State Champion Auctioneer

3. *Certificates of Appreciation.* The president may designate worthy recipients to be awarded certificates of appreciation for exceptional service to the corporation.

ARTICLE XVIII—PARLIAMENTARIAN AND PROCEDURE

1. *Parliamentarian.* The president shall appoint a qualified member or non-member to serve as the corporation's parliamentarian at meetings.

2. *Rules of Order.* Except as otherwise provided in the Articles of Incorporation or these Bylaws, the latest edition of Robert's Rules Of Order shall determine procedure in all meetings of the members and the board of directors.

adopted 06/21/99

Revised 1-8-2010