

# Bylaws of the Airforwarders Association

## ARTICLE I: GENERAL

- A. Name. The name of the corporation (hereinafter the “Association” or the “Corporation”) is the “Airforwarders Association,” and it is organized as a non-profit, mutual benefit corporation under the laws of the District of Columbia.
- B. Purpose. To be an effective advocate for the Airforwarders Association members and to provide information and education to the air and expedited freight forwarding industry.
- C. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the last day of December.
- D. Reparability. Should any portion of these Bylaws be declared invalid, for any reason, such action shall not render the remainder of these Bylaws invalid.

## ARTICLE II: DIRECTORS

### SECTION 1: POWERS AND DUTIES

- A. The business and affairs of the Association shall be managed, and all corporate powers shall be exercised by or under the direction of the Board of Directors ("Directors" or "Board" shall be used synonymously and shall have the same meaning), except as otherwise provided in these Bylaws.
- B. The Directors shall have the power to:
  - 1. Select Officers, Agents and Employees. Select and remove all officers, agents and employees of the Association; set compensation for all employees; prescribe any powers and duties for them that are consistent with the Articles of Incorporation and with these Bylaws.
  - 2. Contracts. Authorize any officer, agent or employee of the Association to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association. Such authority may be general or restricted to specific instances.
  - 3. Change Location. Change the principal executive office or the principal business office in the District of Columbia, from one location to another; cause the Association to be qualified to do business in any other state, territory, dependency or country and conduct business within or outside the District of Columbia; designate any place within or outside the District of Columbia for

the holding of any directors or members' meetings, including annual meetings; and adopt, make and use a corporate seal; prescribe the forms of Membership Certificates; and alter the form of the seal and Certificate.

## SECTION 2: NUMBER OF DIRECTORS

Authorized number of Directors shall be fifteen (15), inclusive of the Chairperson.

## SECTION 3: QUORUM

The attendance of no less than a majority of Directors at any meeting shall constitute a quorum for the transaction of business, except to adjourn. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

## SECTION 4: ELECTIONS AND TERM OF OFFICE

### A. Nomination of Directors.

1. Nominating and Elections Committee. At least eight (8) weeks prior to the Election Date the Board shall appoint a Nominating and Elections Committee of five Directors to:
  - i. Identify and select qualified nominees to stand for election to the Board.
  - ii. Set any procedures, not otherwise specified in these Bylaws, for conducting the election.
2. Qualified Nominees. An employee of a Regular or Associate member company who has been a member in "good standing" for at least one (1) year prior to their nomination
3. Ineligible for Re-Election. If a Director has missed two (2) consecutive Board meetings in one (1) year, or four (4) meetings in the course of his/her term, that Director will be ineligible for further nomination to the first election after their term unless approved by a three-quarters (3/4) affirmative vote of the full Board at a Regular or Special meeting.

4. Additional Nominations. Additional valid nominations will be accepted from the general membership. A valid nomination must include the approval of (2) additional Regular members, and must be filed in writing with the Executive Director at least eight (8) weeks before the Election Date.
- B. Term. The term is four (4) years and Directors may be re-elected to consecutive terms, except that no individual shall serve more than three (3) consecutive terms. The term commences and ends on the Election Date.
- C. Election Procedures.
  1. All Directors shall be elected by written or electronic ballot of the members. The Nominating and Elections Committee will set procedures for making ballots available.
  2. Directors shall be elected by a majority vote of the members on the Election Date.
  3. Votes are to be counted and attested by a majority of the Nominating and Elections Committee and announced by the Annual Membership Meeting.
- D. Election Date. The Election Date is the date of the Annual Membership Meeting in the year elections are to be held unless otherwise specified by the Nominating and Elections Committee.

## SECTION 5: VACANIES

A vacancy on the Board shall be deemed to exist upon the occurrence of the following: (1) death, resignation or removal of any Director; (2) declaration or resolution of the Board of Directors of a vacancy of the office of a Director who has been declared of unsound mind by a court, or convicted of a felony, or who has been by final order or judgment to have breached his duty under the District of Columbia Non-profit Corporation Law upon the three-quarters (3/4) affirmative vote of the full Board at a Regular or Special meeting of the Board.

- A. Resignation of a Director. A Director may resign by giving written notice to the Chairperson.
- B. Removal of a Director. A Director shall be removed if:
  1. In the case of two (2) consecutive absences or four (4) cumulative absences, during their Term, from Regular Board meetings, unless for adequate cause. The Chairperson shall determine if the cause of absence is adequate and, if adequate, shall deem such absence excused.
  2. If their member company ceases to be a member in “good standing.”

3. In accordance with the provisions of the District of Columbia non-profit Corporation Law any Director may be removed, with or without cause, prior to the expiration of their term, upon the three-quarters (3/4) affirmative vote of the full Board at a Regular or Special meeting of the Board.
- C. Filling Vacancies. A vacancy may be filled by the Board of Directors for the unexpired portion of the term by a majority vote of the members of the Board at a Regular or Special meeting of the Board, and the person so elected shall serve for the balance of the unexpired term for which elected. Such appointment will not be construed as a term as described in Section 4.

## SECTION 6: BOARD MEETINGS

- A. Time and Place of Meetings.
1. Regular meetings of the Board may be held at such time and place as designated by the Board.
  2. Special meetings of the Board may be called by the Chairperson, or by a majority of the Directors.
  3. Meetings may be held by conference call or other technology approved by District of Columbia law.
- B. Notice.
1. Regular meetings of the Board require thirty (30) days notice.
  2. Special meetings of the Board require twenty four (24) hours notice.
  3. Neither the business to be transacted, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.
- C. Member Attendance at Board Meetings. Members in “good standing” may attend regular Board Meetings, but the privilege of the floor may be accorded at the discretion of the presiding officer or by a majority vote of those Board members present.
- D. Action without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all Directors consent in writing to that action. Such action by Written Consent shall have the same force and effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board of Directors.
- E. Procedure. The rules contained in the most recent edition of Robert’s Rules of Order shall provide the rules of procedure for the Association.

## SECTION 7: COMPENSATION

Directors shall not receive any compensation for their services as such, but by resolution of the Board of Directors a fixed sum and expenses may be allowed for attendance at Special meetings of the Board; however, nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving reasonable compensation therefore.

## ARTICLE III: OFFICERS

### SECTION 1: OFFICERS

The officers shall consist of: Chairperson of the Board, President, Vice-President, Secretary, Treasurer and Executive Director.

### SECTION 2: POWERS AND DUTIES

- A. Chairperson of the Board. Will preside at all meetings of the Board.
- B. President. Will be the chief executive officer of the Association and shall exercise general supervision through the Executive Director to whom the President or the Board of Directors may delegate any power or duty of general supervision as the President or the Board of Directors deems prudent.
- C. Vice-President. Will assume the duties of the President in case of his/her absence and shall perform such duties as may be assigned by the President or the Board of Directors.
- D. Secretary. Will ensure that a proper record of the proceedings of the Board of Directors and of the Association is kept and maintained.
- E. Treasurer. Will be the chief financial officer and shall receive and account for all funds of the Association; set the Association's annual budget, subject to Board approval and report to the Board of Directors on the Association's finances. The Treasurer shall be responsible, with the assistance of Association staff, for the administration and oversight of the Association's financial records, initiation of an annual audit, and compliance with statutory reporting requirements, tax returns, and tax payments.
- F. Executive Director. The Executive Director shall be hired by the Board of Directors for the purpose of administering the day-to-day affairs of the Association. The Executive Director shall be responsible to the Board of Directors in all of his or her duties, and shall carry out such duties at the

direction of the Board. The salary or any method of payment to the Executive Director will be determined by the Board of Directors.

### SECTION 3: ELECTIONS AND TERM OF OFFICE

#### A. Nomination of Officers.

1. Nominating Committee. A nominating committee shall be selected by the Board prior to the Officer Election and shall consist of the Chairperson, the President, and one Board member (excluding officers) chosen by the Board.
2. Qualified Candidates. To be eligible to serve as an Officer a Director must be a Regular member and have served on the Board of Directors for at least two (2) years.
3. Additional Nominations. Additional nominees may be submitted by any Director.

B. Term. The term is two (2) years and Officers may be re-elected to consecutive terms, except that no individual shall serve more than two (2) consecutive terms for the same Officer position. The term commences and ends on the Officer Election Date.

C. Election Procedures. Officers shall be elected by majority vote of the Board of Directors at a Regular or Special meeting of the Board.

D. Officer Election Date. Election of Officers shall take place at the next Board meeting immediately following the election of the new Board of Directors.

### SECTION 4: VACANCIES

A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term by a majority vote of the members of the Board. Such appointment will not be construed as a term under this Section.

## **ARTICLE IV: COMMITTEES AND ADVISORY BOARDS**

### SECTION 1: EXECUTIVE COMMITTEE

Except as provided the Board of Directors may delegate its authority to, and between meetings of the Board of Directors the powers of the Board of Directors shall be held by, an Executive Committee.

- A. Eligibility. The Executive Committee shall consist of the Officers of the Association and one at-large Board member who shall be elected by the Board of Directors. The Executive Director will serve ex-officio and will have no vote.
- B. Meetings. Meetings and actions of the Executive Committee shall be governed by, held, and taken in accordance with, the provisions of these Bylaws concerning meetings and Board actions in lieu thereof, except that the time for Regular meetings of the Executive Committee and calling of Special meetings of the Executive Committee may be determined either by Board resolution, or if there is none, by resolution of the Executive Committee.
- C. Meeting Minutes. Minutes of each meeting of the Executive Committee shall be kept and shall be filed by the Secretary with the Association records.
- D. Authority. The Executive Committee shall have the full authority of the Board, except that it may not:
  - 1. Take any action that requires approval of the members.
  - 2. Fill vacancies on the Board.
  - 3. Fix compensation of the Directors for serving on the Board or on any committee.
  - 4. Amend or repeal Bylaws or adopt new Bylaws.
  - 5. Amend or repeal any Board resolution.
  - 6. Create any other committees or appoint the members of committees of the Board.

## SECTION 2: COMMITTEES AND ADVISORY BOARD

The Board of Directors is authorized to form, appoint and disband standing and special committees as may be needed from time to time to fulfill the goals and objectives of the Association. The Board of Directors may also appoint an Advisory Board to assist in carrying out the purposes of the Association.

- A. Committee membership. The Board has the authority to appoint committee members. Any representative of a member in “good standing” may serve on a committee.
- B. Advisory Board. The Board of Directors may appoint an Advisory Board of persons who need not be current members of the Association.

- C. Authority. No committee or advisory board shall have the powers of the Board of Directors, or delegate any duties to such committee or board that shall be contrary to these Bylaws or corporation laws of the District of Columbia.
- D. Quorum. A majority of the whole committee or Advisory Board shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee or board.

## **ARTICLE V: MEMBERSHIP**

### SECTION 1: CLASSES OF MEMBERSHIP

The Board of Directors from time to time shall establish such class or classes of membership as it determines to be appropriate and determine the voting and other rights of each such class of membership.

The following membership classes are authorized:

- A. Regular. Air freight forwarding companies, indirect air carriers, or those companies that undertake to engage indirectly in air transportation of property and use the services of a direct air carrier for any part of such transportation.
- B. Associate. Surface line-haul providers, firms and professionals that primarily provide products or services to airfreight forwarding companies and indirect air carriers.
- C. Airline. Direct air carriers and their subsidiaries.
- D. Affiliate. Single location pickup and delivery companies, firms and professionals that provide products or services to airfreight forwarding companies and indirect air carriers.
- E. Honorary. May be conferred by unanimous vote by the Board of Directors upon individuals who have retired from the active involvement in the industry, or who have performed eminent service to the Association.

### SECTION 2: FEES, DUES AND ASSESSMENTS

- A. Annual Dues. Annual dues for members shall be set by the Board of Directors.
- B. Special Assessments. Assessments for special purposes may be levied by the Board of Directors as, from time to time, may be necessary. Funds

from such assessments may not be commingled with the general funds of the Association.

### SECTION 3: REPRESENTATION

All memberships shall be held in the company's name. Every member shall designate an employee to be the "authorized representative," who shall be accredited to carry out the duties of membership on its behalf.

### SECTION 4: RESIGNATION

Any member may resign by filing a notice to that effect with the Secretary of the Association and paying in full all amounts due the Association.

### SECTION 5: SUSPENSION

- A. Non Payment of Dues. The Board will suspend any member who becomes three (3) months delinquent in payment of dues.
- B. For Cause. The Board may suspend membership for violation of the Bylaws or commission of any act injurious to the reputation and standing of the industry or the Association.
- C. Forfeiture of Rights and Privileges. Upon resignation or suspension from the Association, any and all rights and privileges of membership shall be forfeited.
- D. Liability for Dues. Resignation or suspension from membership shall not relieve the business from liability for any unpaid dues or other duly assessed fees or charges owed.

### SECTION 5: REINSTATEMENT

A resigned or suspended member may, at the discretion of the Board, be reinstated upon payment of the required dues.

### SECTION 6: CERTIFICATE OF MEMBERSHIP

Every member shall receive a Certificate of Membership

### SECTION 7: VOTING

- A. Qualified to Vote.

1. Only members in “good standing” and having a voting status, may participate in meetings and be allowed to vote. *“Good standing” is defined as any member who is current in their dues payments and has not been suspended for any other reason.*
  2. All votes must be cast by the authorized representative.
- B. Proxy Voting. Voting by proxy is allowed provided the authorized representative has informed the Secretary in writing at least twenty-four (24) hours prior to voting.
- C. Number of Votes. Regular & Airline members shall have one (1) full vote, Associate members one-half (1/2) vote, and other classes of membership shall have such voting powers as the Board of Directors shall determine.
- D. Right to Vote. Each member of the Association qualified to vote has the right to vote on all matters to be voted on by the members.
- E. Referendum Vote. All actions of the Board may be subject to a referendum vote by the membership of the Association, and such membership may rescind any act or acts of the Board, wherein the rights of third persons are not involved, upon a two-thirds (2/3) affirmative vote of the membership Qualified to Vote.

## SECTION 8: MEMBERSHIP MEETINGS

- A. Annual Membership Meeting. There shall be an annual meeting of the membership of the Association, to be held at a time and place to be determined by the Board of Directors, for the election of Directors and such other business as may properly come before the meeting.
- B. Notice of Meeting. The Association will notify all members of the Association of the Annual Membership Meeting and any Special Meetings to each member at his address in the records of the Association not less than fifteen (15) days before the date of the meeting.
- C. Notice of Meeting Agenda. Only those matters may be voted upon which were set forth in a general manner in the Notice of Meeting, in accordance with the District of Columbia Non-profit Corporation Law.
- D. Quorum. A minimum of twenty-five (25) members Qualified to Vote are necessary to form a quorum.
- E. Special Meetings of the Members. A Special Meeting may be called by the Chairperson, President, any four (4) Directors, or upon written request of a Quorum of members Qualified to Vote.

- F. Guests. Privilege of the floor may be accorded non-members at the discretion of the presiding officer or by a majority vote of members Qualified to Vote that are present.
- G. Procedure. The rules contained in the most recent edition of Robert's Rules of Order shall provide the rules of procedure for the Association where they are not inconsistent with the provisions of the Articles of Incorporation or these Bylaws.

## **ARTICLE VI: RECORDS, REPORTS AND FINANCIAL TRANSACTIONS**

- A. Records. The Association shall keep correct and complete books and records of all accounts, including a record of each member's name, address, and class of membership.
- B. Reports.
  - 1. Meeting Minutes. Written minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors shall be prepared and maintained by the Secretary.
  - 2. Annual Report. An annual report shall be prepared within six (6) months after the end of the Association's fiscal year, including balance sheet, income statement and statement of changes by independent accountants.
- C. Checks. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association, shall be signed by such Officers or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President or Vice-President of the Association.
- D. Deposits. All funds of the Association shall be deposited in such banks, trust companies, or other depositories as the Board of Directors may select.
- E. Funds. The Board of Directors may accept on behalf of the Association any lawful contribution, gift, bequest, or other device for the general purposes, or for any special purpose of the Association.

## **ARTICLE VII: INDEMNIFICATION**

Any present or former Director, officer, or employee of the Association, or other such persons so designated at the discretion of the Board of Directors, or the legal representative of such person, shall be indemnified by the Association against all reasonable costs, expenses, and counsel fees paid or incurred in connection with any action, suit, or proceeding to which any such person or his legal representative may be made a party by reason of his being or having been such a Director, officer, or employee serving or having served the Association, except in relation to matters as to which he/she shall be found guilty in a U.S. court of law of negligence or misconduct in respect of the matters in which indemnity is sought and in relation to matters settled or otherwise terminated without a final determination on the merits where such settlement or termination is predicated on the existence of such negligence or misconduct.

### **ARTICLE VIII: DISSOLUTION**

- A. Dissolution. A vote to dissolve the Association shall require an affirmative vote of more than three quarters (3/4) of all members Qualified to Vote.
- B. Distribution of Assets. In the event of dissolution of the Association, all assets remaining after payment of all debts of the Association shall be transferred by the Board of Directors to the District of Columbia or any instrumentality or subdivision thereof exclusively for public purposes, or to any not-for-profit Association, trust, foundation or other organization whose purposes are substantially similar as those of the Association and which, at the time of transfer, is exempt from Federal income taxation under Section 501C(6) of the Internal Revenue Code or the corresponding provisions of any subsequent Federal tax law.

### **ARTICLE IX: AMENDMENTS**

- A. Subject to the rights of members under Subsection (b) of this Article of these Bylaws, the Board may adopt, amend, or repeal Bylaws unless the action would:
  - 1. Materially and adversely affect the members' rights as to voting.
  - 2. Effect an exchange, reclassification, or cancellation of all or part of the memberships.
- B. Once members have been admitted to the Association, the Board may not, without the approval of the members, specify of change any Bylaw provision that would:
  - 1. Fix or change the authorized number of Directors.
  - 2. Fix or change the minimum or maximum number of Directors.

3. Change from a fixed number of Directors to a variable number of Directors, or vice versa.
- C. The Board of Directors may amend these Bylaws by a two-thirds vote of the directors present. Notice of such vote must be made to each Director at least twenty-one (21) calendar days prior to the meeting that such amendment is to be considered. Any amendments so passed by the Board of Directors must then be published and distributed in the Association's membership

#### **ARTICLE X: CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting Secretary of Airforwarders Association, a District of Columbia non-profit, mutual benefit corporation, that the above are the Bylaws of this Association as adopted by the Board of Directors on July 23<sup>rd</sup>, 2013 and that they have not been amended or modified since that date.

Executed on July 23<sup>rd</sup>, 2013



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Airforwarders Association Secretary