

MICHIGAN STATE AUCTIONEERS ASSOCIATION

BYLAWS

ARTICLE I

NAME:

The name of this corporation shall be Michigan State Auctioneers Association.

ARTICLE II

PURPOSE:

This is a non-profit, voluntary, private organization incorporated for the following purposes:

- 1) To provide an organized and unified voice for auctioneers.
- 2) To develop and promote a code of ethics for auctioneers.
- 3) To provide for the exchange of appropriate information with those interested in auctioneering.
- 4) To promote understanding, cooperation and communication among auctioneers.
- 5) To assemble and disseminate information about auctioneering, issues and needs to auctioneers, appropriate bodies and individuals.
- 6) To assemble and disseminate information about auctioneering, the auctioneering industry and auction events to the general public.

ARTICLE III

MEMBERSHIP:

SECTION 1: ELIGIBILITY

Eligibility for membership shall be approved by the Board of Directors in each of the following categories and shall not be denied for reason of race, color, religion, sex, sexual orientation, age national origin, ability or disability. The Board of Directors may delegate its authority to act on membership applications to the President and Executive Secretary.

A) Active Membership

Active membership shall include any individual who is actively engaged in auctioneering and has paid the current annual membership fees prescribed by the association. Active members shall have one vote.

B) Associate Membership

Associate membership shall include any individual or organization having an interest in the purposes of the Michigan State Auctioneers Association but shall not include those eligible for Active or Vendor Membership. Associate Members shall have no voting rights and shall not hold office or serve on the Board of Directors.

C) Vendor Membership

Vendor Membership shall include companies or individuals that have an interest in the purposes of the Michigan State Auctioneers Association and that charge for goods or services provided to the membership but shall not include those eligible for Active Membership. Vendor Members shall have no voting rights and shall not hold office or serve on the Board of Directors.

D) Honorary Membership

Honorary Membership may be granted by the Board of Directors to members and non-members in recognition of any outstanding service rendered for or in behalf of auctioneering or the Michigan State Auctioneers Association. Honorary Members shall not be required to pay membership fees, shall have no voting rights and shall not hold office or serve on the Board of Directors.

SECTION 2: DURATION

Membership of a person or organization eligible under Article III, Section 1 shall commence with the acceptance of an application by the Board of Directors or its designee, and full payment of annual membership fees, and shall continue until termination as provided in Section 3 of this Article.

SECTION 3: TERMINATION

A) All categories of members may cancel their membership at any time by written notice to the Board of Directors.

B) The Board of Directors may cancel membership for delinquency in payment of membership fees or by a two-thirds vote of the entire Board for conduct detrimental to the Association and in accordance with applicable law or Association Code of Ethics after a full and fair due process hearing.

SECTION 4: MEMBERSHIP FEES

All members shall pay annual, non-refundable membership fees at the beginning of each calendar year as determined by the Board of Directors.

During the first year of membership, any member joining before July 1 shall pay the membership fee for the entire calendar year in which the membership is approved. Members joining after July 1 shall pay one-half the annual membership fee.

SECTION 5: MEETINGS

A) The Annual Meeting of the members shall be held during, and at the same place as, the Annual Convention of the Association, at such time, date and place as shall be designated in a notice mailed to all voting members, for the purpose of electing officers and directors and transacting such other business as may properly come before the meeting. If the election of officers and directors shall not be held on the day designated for any Annual Meeting of the members, or at any adjournment thereof, or should such election not take place within sixteen months following the last Annual Meeting, the Board of Directors shall cause the election to be held at a special meeting of members as soon thereafter as conveniently may be.

B) Special Meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors, and shall be called by the President at the request of five (5) or more members.

C) Any annual or special meeting may be held either within, or without, the State of Michigan. The place of meeting shall be designated in notice thereof.

D) Written or printed notice, stating the place, day, and hour of the meeting and, in case of a special

meeting, the purpose or purposes for which the meeting is called, shall be mailed to each voting member of the Association, or published in a publication designated by these By-Laws as an official publication of the corporation, not less than ten (10) not more than fifty (50) days before the date of the meeting. Such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the books of the corporation, with postage thereon prepaid.

SECTION 6: QUORUM

Ten (10) members of the Association shall constitute a quorum at all meetings of the members, and the act of a majority of the members so present shall be the act of the full membership except as otherwise specifically provided by statute, the Articles of Incorporation, or these By-Laws. If less than a quorum is present at a meeting, a majority of the members present may adjourn the meeting to a subsequent time, without further notice. A meeting of members at which a quorum is present, may be adjourned by vote of a majority of the members, without further notice. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

SECTION 7: TERMINATION OF MEMBERSHIP

A) Non-payment of Membership Fees: Should a member fail to pay membership fees when specified by Association's billing therefor, the membership of such member shall automatically terminate forthwith. Such membership may be automatically reinstated by payment of such delinquent membership fees and all subsequent fees made to the date of member's reinstatement, within one year following the first delinquency in payment; thereafter such member shall be admitted only upon election as a new member.

B) Resignation: Any member may resign from the Association by delivering a written resignation to the President or Secretary of the Association.

C) Suspension; Reprimand; Expulsion: The Board of Directors by two thirds vote of the entire board at a duly called meeting at which a quorum is present may suspend, reprimand or expel any member

considered guilty of unethical conduct, violation of the Code of Ethics of the Michigan State Auctioneers Association, or for such other reasons as the Board of Directors, in its sole discretion, deems that in the interests of the corporation the membership be terminated. The decision of the Board of Directors in such regard shall be final.

D) Rights of Members: The rights of a member to vote or to participate in any activities of the Association shall cease on termination of his membership.

ARTICLE IV

DIRECTORS:

SECTION 1: GENERAL POWERS

The business and affairs of the corporation shall be managed by its Board of Directors.

SECTION 2: NUMBER

The number of Directors shall be thirteen (13), consisting of the President, President-Elect, Vice President, Immediate Past President, and nine (9) Directors elected, or in the event of vacancy appointed, as hereinafter provided.

SECTION 3: ELECTION AND TERM OF OFFICE

The President, President-Elect, and Vice-President, shall hold office as Directors so long as they hold their respective positions as elective officers of the corporation. The Immediate Past President shall automatically hold office as a director until replaced by his/her successor. The terms of office of all other Directors shall be three (3) years, and such terms shall be staggered. At each annual election of Directors, a sufficient number of Directors shall be elected to replace Directors whose terms have expired or whose offices as Directors have been vacated and left unfilled by the Board of Directors, the Directors elected for such vacated offices to be elected only for the unexpired term.

SECTION 4: ANNUAL MEETINGS

The annual meeting of the Board of Directors shall be held immediately after the meeting of members at which annual election of Directors takes place, at the same place as that at which such meeting of members

is held. No additional notice of such meeting need be given.

SECTION 5: OTHER MEETINGS

A. Three (3) quarterly meetings shall be held per year. The dates and locations to be determined by the Board of Directors at the Annual Meeting.

B. A special meeting of the Board of Directors may be called by, or at the request of, the President or any Four (4) Directors. The person or persons authorized to call such special meeting may fix any place, within or without the State of Michigan and the time, for such special meetings.

SECTION 6: NOTICE

Notice of any special meeting shall be given by mail posted at least three days prior to such meeting, or personally delivered or telegraphed. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at a meeting 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 is not lawfully called or convened. Any business may be transacted at any Director's meeting, of which notice has been given, and at any meeting at which all Directors are present, whether or not notice or waiver thereof has been given.

SECTION 7: CHAIRMAN

The President, or in his absence the President-Elect, or in the absence of both of them, the Chairman chosen by the Directors present, shall preside at all meetings of the Board of Directors.

SECTION 8: QUORUM

A majority ($1/2 + 1$) of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

SECTION 9: MANNER OF ACTING

The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 10: ATTENDANCE

Failure to attend three of the five meetings of the Board of Directors by an elected Officer or Director without an excuse deemed acceptable by the Board of Directors may be construed as a resignation.

SECTION 11: VACANCIES

Any vacancy occurring in the Board of Directors, other than removal of a Director, may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors. A Director so appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office.

SECTION 12: DISPENSING WITH MEETINGS

Whenever the vote of the Board of Directors at a meeting thereof is required to be taken in connection with any corporate action, the meeting of Directors may be dispensed with and the corporate action may be carried forward if each Director consents in writing to a majority of the entire Board files with the Secretary, written votes in favor of the corporate action being taken.

ARTICLE V

COMMITTEES:

SECTION 1: EXECUTIVE COMMITTEE

The Board of Directors may create an Executive Committee from its own membership, which may exercise, to the extent permitted by law and not otherwise specifically provided in the Articles of Incorporation or these Bylaws, all or such part of the authority of the Board of Directors as may be provided by resolution of the Board of Directors.

SECTION 2: ELECTION COMMITTEE

At each meeting of members at which a vote of members is to be taken, the President or other presiding officer shall appoint from the membership a Committee of Five (5) members, who shall act as tellers of the election as may be required.

SECTION 3: OTHER COMMITTEES

In addition to the Executive Committee and Election Committee, there shall be the following Standing Committees, the size of each of which, unless otherwise provided in these Bylaws or resolutions of the Board of Directors, shall be determined by the President, the membership and Chairman of which shall be appointed by the President and the majority of the membership of each of which shall be members of the Board of Directors: Auditing, Resolutions, Grievance, and such other committee as the President shall in his discretion appoint.

SECTION 4: PROCEDURE AT MEETINGS OF COMMITTEES

All provisions of these Bylaws as to notice, waiver of notice, order of business, rules of order and manner of acting relating to meetings of the Board of Directors, shall control like matters in meetings of Committees, unless otherwise specifically provided in the Articles of Incorporation or these Bylaws.

ARTICLE VI

**ORDER OF BUSINESS;
RULES OF ORDER:**

SECTION 1: ORDER OF BUSINESS, MEETINGS AND MEMBERS

The order of business at all meetings of members shall be:

- (A) Reading of the minutes of the previous meeting.
- (B) Consideration of financial statements and reports.
- (C) Report of Auditing Committee.
- (D) Report of Resolutions Committee.
- (E) Report of Grievance Committee.
- (F) Consideration of other business.
- (G) Report of Nomination Committee if that be an item of business.
- (H) Election of Officers if that be an item of business.
- (I) Election of Directors if that be an item of business.

SECTION 2: ORDER OF BUSINESS, MEETINGS OF DIRECTORS

The order of business at all meetings of Directors shall be:

- (A) Reading of the minutes of the previous meeting.
- (B) Reports of officers.
- (C) Consideration of financial statements and reports.
- (D) Consideration of unfinished business.
- (E) Consideration of new and miscellaneous business.

SECTION 3: 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.

ARTICLE VII

OFFICERS:

SECTION 1: NUMBER

The elective officers of the corporation shall be a President, a President-Elect, and a Vice-president, who shall be elected by the members at the Annual Meeting of members. The corporation shall also have a Secretary and a Treasurer, each of whom shall be appointed by, and serve at the pleasure of, the Board of Directors. The same person may hold the offices of Secretary and Treasurer.

SECTION 2: ELECTION AND TERM OF OFFICE

The elective officers of the corporation shall be elected annually by the members, immediately before election of Directors. Each officer shall hold office until his successor is qualified or until his death or until he shall have been removed in the manner hereinafter provided.

SECTION 3: SUBORDINATE OFFICERS

The Board of Directors from time to time may appoint subordinate officers, including but not limited to Assistant Secretaries and Assistant Treasurers, each of whom shall hold office at the pleasure of the Board of Directors or for such term as the Board of Directors may designate. The Board of Directors may delegate to any officer the power to appoint any such subordinate officers and to prescribe their respective authorities, duties and terms of office.

SECTION 4: REMOVAL; RESOLUTION

The Board of Directors, by majority vote of the entire number exclusive of the officer being removed, at any

meeting called for such specific purpose, may remove from office any elective officer of the corporation, and at any meeting may delegate to any officer the authority to remove or accept the resignation of any subordinate officer.

SECTION 5: VACANCIES

Any vacancies occurring in the office of President, President-Elect, Vice-President, Secretary or Treasurer by death, resignation, removal or otherwise, may be filled for the unexpired portion of the term by the Board of Directors at a special meeting called for such purpose, but such vacancies need not be filled until the first Annual Meeting of the Board of Directors subsequent to the vacancy prior to that meeting.

SECTION 6: SALARIES

Elective officers of the corporation shall not receive compensation for their services. Any director or officer who receives compensation (other than reimbursement for expenses) shall not have the right to vote. Salaries of the Secretary and the Treasurer shall be fixed from time to time by the Board of Directors. The Board of Directors may delegate to any officer the authority to fix the salary or other compensation of subordinate officers. The Board of Directors may make provision for continuance, for a reasonable period of a reasonable portion of the salary of the Secretary, the Treasury, or any subordinate officers or employees of the corporation, in the event that either may become disabled during the term of his office.

SECTION 7: PRESIDENT

The President shall be the chief executive officer of the corporation, and subject to the direction and under the supervision of the Board of Directors, shall have general charge of the business affairs and property of the corporation and control of its several officers. The President shall preside at all meetings of the members, Board of Directors and the Executive Committee; shall appoint the members of the Executive Committee, other than the elective officers, the members of all standing committees, and the members of all other committees created by the Bylaws, or by resolution of the Board of Directors. He shall be an ex-officio member of all standing committees and other committees created by the Bylaws or by resolution of the Board of Directors.

SECTION 8: PRESIDENT-ELECT

At the request of the President, or in his absence or disability, the President-Elect shall perform all of the duties of the President. When so acting the President-Elect shall have all of the powers of, and be subject to all restrictions upon, the President. The President-Elect shall have such other duties and responsibilities and may exercise such other powers as from time to time may be assigned to him by these Bylaws, the Board of Directors, or the President. The President-Elect shall automatically succeed to the office of President following completion of the President's term.

SECTION 9: VICE-PRESIDENT

At the request of the President, or in the absence or disability of both the President and the President-Elect, the Vice-President shall perform all of the duties of the President. When so acting the Vice-president shall have all of the powers of, and be subject to all the restrictions upon, the President. The Vice-President shall have such other duties and responsibilities and may exercise such other powers as from time to time may be assigned to him by these Bylaws, the Board of Directors or the President.

SECTION 10: SECRETARY

The Secretary shall maintain and have charge of the Michigan Headquarters Office, in the City selected by the Board of Directors; shall keep an accurate record of accounts and proceedings of all members' and Directors' meetings; give all notices required by law, the Board of Directors, the President, the Articles of Incorporation, or the Bylaws; shall receive all applications for membership and shall issue membership cards to members whose applications are accepted; shall collect all membership fees and initiation fees, issue statements therefor and remit the same and all funds of the corporation received by him, to the treasurer; shall compile the history of the corporation; shall answer all correspondence and other communications except that requiring the attention of the various other officers, which he shall direct to the appropriate officer for attention; shall keep an up-to-date roster of the members of various classes, shall issue warrants for expenditures which shall be countersigned by the President unless otherwise provided by the Board of Directors; shall maintain on file the correspondence of the corporation and assist in keeping the books of account. The Secretary shall have such other powers as are usually incident to the office or as from time to time may be assigned to him

by these Bylaws, the Board of Directors, or the President. The Board of Directors may delegate all or part of the authority and duties of the Secretary to Assistant Secretaries.

SECTION 11: TREASURER

The Treasurer shall have custody of the corporation's funds; keep full and accurate accounts of all receipts and disbursements of the corporation, a inventory of assets and a record of the liabilities of the corporation; deposit all money and other securities in such depositories as may be designated by the Board of Directors; disburse the funds of the corporation pursuant to warrants for expenditures issued by the Secretary and counter-signed by the President, or as otherwise provided by the Board of Directors, taking proper vouchers for disbursements; and prepare all statements and reports required by law, by the President or the Board of Directors. The Board of Directors may delegate all or part of the authority and duties of the Treasurer to Assistant Treasurers.

ARTICLE VIII

SEAL

The corporation shall have a corporate seal which shall be in the form of a circle with the name of the corporation, together with the words "Michigan State Auctioneers Association, Corporate Seal" inscribed thereon. Upon manufacture, said seal shall be impressed in the margin of these Bylaws.

ARTICLE IX

FISCAL YEAR

The fiscal year of the corporation shall end on December 31 of each year hereafter.

ARTICLE X

WAIVER OF NOTICE

Whenever any notice is required to be given to any member or Director of the corporation under the provisions of these Bylaws or under the provisions of the Michigan Business Corporation Act, a waiver thereof in writing, signed by the member or Director entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI

VOTING UPON STOCK OF OTHER CORPORATIONS

Unless otherwise ordered by the Board of Directors, the President shall have full power and authority on behalf of the corporation to vote at any and all meetings, either in person or by proxy, any stock or securities entitled to vote, which this corporation may hold, and at any such meeting may process and exercise all of the rights and powers incident to the ownership of such stock or securities which, as the owner thereof, this corporation might have possessed and exercised if present. The Board of Directors may confer like powers upon any other person and may revoke any such powers as granted by it or by this Article at its pleasure.

ARTICLE XII

INVESTMENTS

The corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgement of the Board of Directors, without being restricted to the class of investments which a Director is or may hereafter be permitted by law to make or any similar restriction, provided, however, that no action shall be taken by or on behalf of the corporation if such action is a prohibited transaction or would result in the denial of the tax exemption under Section 501(c) of the Internal Revenue Code and its regulations as they now exist or as they may thereafter be amended.

ARTICLE XIII

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 of the corporation.

ARTICLE XIV

OFFICIAL PUBLICATION

The official publication of the corporation shall be a magazine bearing the name "Michigan Auction Gavel", which shall be published periodically throughout each year.

ARTICLE XV

ANNUAL CONVENTION

The time and place of the Annual Convention shall be determined by the Board of Directors.

ARTICLE XVI

AMENDMENT OF ARTICLES

The Articles of Incorporation may be amended by vote of two-thirds (2/3rds) of the members present at any annual meeting or at any special meeting, notice or waiver of notice of which designates the time, place and purpose of the meeting and the nature of the proposed amendment, in such manner as provided in a resolution of a majority of the Board of Directors adopted prior to such annual or special meeting of members.

ARTICLE XVII

AMENDMENT OF BYLAWS

The Board of Directors shall have power to make, alter, amend, and repeal the Bylaws of the corporation by affirmative vote of two-thirds (2/3rds) of the members of the Board present at a meeting at which a quorum is present, provided however, that the action is proposed at a regular or special meeting, and adopted at a subsequent regular or special meeting.