

Bylaws of the Alabama Alarm Association

(herein called the “Corporation”)

Article I- Office.

1.1 The principal mailing address of the Corporation, until changed by its Board of Directors, shall be 400 South Union Street, Suite 395 Montgomery, AL 36104

1.2 The corporation will be a “Chartered State Association” of the National Burglar and Fire Alarm Association, (NBFAA), and will adhere to the NBFAA positions regarding anti-trust, ethical actions of the Corporation’s members, unless this association with the NBFAA is terminated. The Chartered States Association of the NBFAA may be terminated upon unanimous vote of the Board of Directors and confirmed by the majority vote of the membership at the next regularly scheduled meeting.

Article II- Membership.

2.1 Classes of Membership and Qualifications. The membership of the Corporation shall be divided into three (3) classes.

a) Regular Members. Any partnership, corporation, proprietorship, or association operating and licensed by the Electronic Security Board of Licensure in the State of Alabama, if required by law, which derives its principal revenue from the sale, lease, installation, monitoring, or service of electronic alarm equipment shall become eligible to become a regular member.

b) Associate Members. Any partnership, corporation, proprietorship, or association deriving revenue by manufacturing or supplying equipment or services for the electronic alarm industry shall be eligible to become an associate member. Associate Members will have one representative that serves on the Board of Directors and may vote therein.

c) Honorary Member. Any partnership, corporation, proprietorship, or association of acknowledged eminence in any profession or occupation which has made a significantly valuable contribution to the electronic alarm industry shall become an honorary member. Honorary Members shall be entitled to all privileges of regular members, except the right to vote, hold office, or attend Board of Directors Meetings.

d) Public Safety Member. Public Safety Membership shall consist of any governmental employee involved with public safety who has the capability and desire to contribute to the advancement of the Association. Public Safety Members will have one representative that serves on the Board of Directors and may vote therein.

2.2 Application for Membership. Applicants for regular and associate membership shall submit to the Board of Directors a written application for membership on the form prescribed by the Board of Directors, which shall be accompanied by the prescribed first year's dues.

2.3 Election to Membership.

- a) Applications for regular membership, associate membership, public safety membership or honorary membership shall become members upon majority vote of the Board of Directors at the next regular meeting following receipt of the application for membership and the prescribed dues.
- b) Membership and membership classes in the corporation will follow the procedures as prescribed by the Bylaws of the NBFSA, unless the association between the NBFSA and the Corporation is terminated. In such case, the Board of Directors shall determine the membership rules and membership classifications.

2.4 Voting and Representation. Only regular members of the Corporation shall have one (1) vote only. Each member which is a corporation or partnership shall designate on its application for membership, the individual who will act as its representatives in the affairs of the corporation and will cast its one vote.

2.5 Resignation. Any member may withdraw from the corporation after fulfilling all obligations to it by giving written notice of such intention to any officer of the Corporation, which notice shall be presented to the Board of Directors by the Secretary at the first duly organized meeting of the Board of Directors. There will be no refund of any pre-paid membership fees in the event of resignation.

2.6 Grievance Procedures: Upon receiving written report of a grievance against any Member of the Association, the Board of Directors shall promptly appoint a Grievance Committee to begin investigation of the matter. The Grievance Committee shall consist of three (3) disinterested and impartial members; one (1) who shall be from the region wherein the complaint originated and the remaining two (2) shall be from other regions. One (1) of the members shall be a Regional Vice-President who shall serve as the Committee Chairman. All grievances must be sent to the three (3) members of the Grievance Committee at least thirty (30) days prior to the regularly called meeting of the Board of Directors.

A. The Complainant shall submit the grievance in writing setting forth: (1) Complainant's name and address. (2) The Trade name, personal name and address of the accused party. (3) The nature of the complaint with any pertinent documents and/or information. Attach supporting data, places, pictures, advertising clips and/or other applicable items.

B. Preliminary investigation will be made by the Committee Chairman, including notification in writing to the accused of a pending investigation. A report the results of this preliminary investigation shall be submitted to the other members of the Grievance Committee for a decision whether or not to proceed with a full hearing. In any case, a full report shall be made to the Board of Directors.

C. If the preliminary investigation indicates that the grievance may be substantiated, a mutually agreeable time shall be set for a meeting of the accused and his accusers. Hearing shall be presided over by the Vice-President and the two (2) members of the Grievance Committee.

D. The Chairman of the Grievance Committee is to make a report of the Committee's findings to the Board of Directors in writing. If not resolved, complainant and defendant must be notified to appear before the Board of Directors.

In the event the Board of Directors shall find a member responsible or guilty of the accusation, the Board may upon majority vote impose one of the following sanctions: A) Warning B) Remanded to Probationary Member status. C) Dismissal from the Association. Involved parties shall be notified within two (2) weeks from the hearing of Board of Directors' decision. Matters not resolved by the Board of Directors shall be presented at the annual meeting of the Association provided a minimum of thirty (30) days notice has been given to all parties concerned.

2.7 Suspension and Expulsion. The Board of Directors may recommend for expulsion any member it may decide has been guilty of making false reports to the Association, or to have violated any agreement, lawfully and formally entered into with the Association, or who fails to continue to fulfill all the standards and requirements for membership, or has been convicted of a felony.

a) Dues invoices shall be mailed no later than November 15th and due on January 1st. Members will receive a second notice on February 1st. If dues are not received by March 1st, the member will be suspended from the Association and so notified by the Secretary. If dues are not paid by April 1st, the member will be removed from membership and so notified by the Secretary.

- 2.8 Membership Fees.
- 2.9 Funds of the Corporation

Article III – Board of Directors.

3.1 Number. The property, affairs, activities and concerns of the Corporation shall be vested in the Board of Directors consisting of a President, four (4) Regional Vice Presidents, Secretary, Treasurer, three (3) Directors-at- Large, Public Safety Director, and Associate Director. All candidates shall be members in good standing to be eligible for a seat on the Board of Directors, and in accordance with general membership voting each company shall only have one (1) vote. The members of the board shall, upon election, immediately enter upon the performance of their duties to elect officers for the new fiscal year

3.2 Election of Directors and Terms. The Directors shall hold office for a (2) year staggered term and be elected from a pool of nominations sent in from the membership annually. Five directors will be elected in the even years and seven in the odd years. Nominations will be opened at the third quarterly meeting each year. Nominations will close 30 days prior to the annual meeting and the names of the nominees will be sent by first class mail, fax, or email to the membership for voting. Voting will be closed seven days prior to the annual meeting. The newly elected board of directors will be publicly announced at the Annual Meeting. Upon adoption of these bylaws, the three (3) Directors that are currently seated will serve in the Directors-at-Large Positions and all other Board of Directors seats will be voted upon by the general membership. In order to preserve the staggered terms, the Four (4) Vice President Directors shall initially serve a one (1) year term. Nominations will be opened at the Annual meeting and will close in fifteen (15) days. Nominations will be sent by first class mail to the membership for voting. Voting will be closed fifteen (15) days from the date of the nominations being mailed.

3.3 Duties of Directors. The Board of Directors May:

- a) Hold meetings at such times and places necessary to conduct the board business.
- b) Appoint committees on particular subjects from either the board or the membership of the Corporation.

- c) Review and disburse funds of the Corporation.
- d) Print and circulate documents and publish articles.
- e) Carry on correspondence and communication with other associates interested in the electronic alarm industry.
- f) Devise and carry into execution such other measures as it deems proper and expedient to promote the interest and welfare of the members.
- g) Act on behalf of the Corporation in negotiations and actions with any governmental agency or office.
- h) Resolve any and all conflicts which may arise from any ambiguity in these Bylaws or other association matters.
- i) Attend all scheduled meetings and shall not miss two (2) consecutive meetings without prior approval from the Board. If two consecutive meetings are missed without approval, the director may be removed by a majority vote of the Board of Directors.

3.4 All regular meetings and Board of Directors meetings shall follow Robert's Rules of Order.

3.5 Regular Meetings. A regular meeting of the Board of Directors shall be held quarterly, in conjunction with the regular meetings of the Corporation. All Board of Directors meetings are open to regular members and associate members, who may attend for comment or informal purposes, but may not vote on any item to come before the Board. The Board of Directors meetings are not open to honorary, associate, or special category members unless invited for comment by a director.

3.6 Special Meetings. A special meeting may be called at any time as deemed necessary by polling of the Board of Directors. These special meetings are open to regular members but may not be posted due to time constraints. Any special meeting of the Board of Directors shall not replace the regular meeting but will be in addition to the regular meeting.

3.7 Quorum. A majority of the Board of Directors shall constitute a quorum at a meeting of the Board of Directors, except on such matters on which a concurrence of a greater number is required by law or these bylaws. If less than a majority of the members of the

Board of Directors is represented at a meeting, a majority of the Board of Directors so represented may adjourn the meeting from time to time without further notice.

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

3.9 Vacancies. Whenever any vacancy occurs on the Board of Directors by death, illness, resignation, or otherwise, it shall be filled without delay by a majority vote by ballot of the remaining members of the Board of Directors at a special meeting called for this purpose. The election of the replacement board director shall occur within sixty (60) days after the occurrence of the vacancy. The replacement board director shall serve the remaining term of the open position.

3.10 Removal of Directors. Any one or more of the Directors may be removed in the same manner in which a regular member is removed from the Corporation.

3.11 Informal Action by Directors. Any action required to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors entitled to vote with the respect to the subject matter thereof.

3.12 Indemnification of Directors. The Corporation shall indemnify all of its Directors, Officers, and Employees or former Directors, or any person who may have served at the request of the Corporation, from any suit or proceeding, by reason of the fact that he or she was a Director, Officer, or Employee, former Directors, or a person serving as directed by the Corporation against expenses, including attorney's fees, judgments, fines and amount paid in settlement actually and reasonably incurred in connection with such action, if said person acted in good faith, in a matter in which he or she believed to be in the best interest of the Corporation and had no reason to believe that his or her conduct was unlawful. Provided, however, no indemnification shall be made in respect to any suit or proceedings as to which such person shall be judged to have committed an act including wanton or willful misconduct in the performance of his or her duty. Such

indemnification may be entitled, under any other agreement, vote of the members of the Corporation, or otherwise.

3.13 Compensation. The Board of Directors shall serve without compensation.

Article IV- Officers

4.1 Number. The officers of the Corporation shall be a President, four (4) Regional Vice Presidents, a Treasurer, and a Secretary. These officers serve on the Board of Directors but have specified duties and titles.

4.2 Duties. The duties and powers of the officers of the Corporation shall be as follows:

- a) President. The president shall preside at the meetings of the Corporation and the Board of Directors and shall be a member ex officio, with right to vote, of all committees organized under these bylaws. He shall also, at the annual meeting of the Corporation and at the annual meeting of the Board of Directors and at such other times as he deems proper, communicate to the Corporation or the Board of Directors such matters and make suggestions as may in his opinion, tend to promote the welfare and increase the usefulness of the Corporation and shall perform such other duties as are necessary incident to the office of President. The President shall serve as the Liaison to the National Burglary and Fire Alarm Association, and be in attendance to all scheduled meetings accordingly. In case of death or absence of the President or his inability from any cause to act, one of the regional Vice Presidents, in order designated by resolution of the Board of Directors shall perform the duties of his office.

- b) Regional Vice Presidents. Regional Vice Presidents shall promote all the stated purposes of the Corporation in his or her regional area and shall preside over all area meeting in the event the President is not present. The Board of Directors shall, by resolution, designate the areas of responsibility of each Regional Vice President. Each Regional Vice President shall conduct a minimum of one area meeting per year.

- c) Secretary. It shall be the duty of the Secretary to give notice of and attend all regular and special meetings of the Corporation and its several divisions and all committees and attend all regular and special meetings of the Board of Directors and its several divisions and all committees and keep a record of the actions (provided, however, that each Regional Vice President may designate a member to keep such records for each informal regional meeting); to conduct all correspondence and to carry into execution all orders, votes, and resolutions not otherwise committed, to keep a list of the members of the Corporation; to notify members of their appointment on committees; to prepare, under the direction of the Board of Directors, an annual report of the transactions and condition of the Corporation; and generally to devote his or her best efforts to forwarding the business and advancing the interest of the Corporation. The Secretary shall be the keeper of the Corporation's seal.
- d) Treasurer. The Treasurer shall keep an account of all moneys received and expended for the use of the Corporation, and shall make disbursements as directed by the Board of Directors. He or she shall deposit all sums received in an account named "Alabama Alarm Association" and said account shall require two signatures of the Board of Directors for all disbursements. The Treasurer shall make a report to the Board of Directors at the annual meeting or if called upon by the President. At the expiration of the term of office, the Treasurer will deliver over to his or her successor all books, moneys, and other property, in the absence of a Treasurer-elect, to the President. In case of the absence or disability of the Treasurer, the Board of Directors may appoint a Treasurer pro term.

4.3 Vacancies. All vacancies in any office shall be filled by the Board of Directors without undue delay at its regular meeting, or at a meeting specially called for that purpose.

4.4 Committee Chairs. A special category of the Board of Directors will be Committee Chairs. A Committee Chair is an appointment of the Board of Directors to oversee

special areas of concern to the Corporation. Committee Chairs serve at the pleasure of the Board of Directors and are not elected or designated to serve a designated term. Committee Chairs may be regular members, associate members or honorary members or can be a Director and shall attend all meetings of the Board of Directors and the general membership meetings of the Corporation. Committee Chairs, with the exception of a Director, do not have a vote on the Board of Directors.

Article V- Meetings

5.1 Regular and Annual Meetings. The membership of the Corporation shall hold its regular meeting quarterly. The Annual meeting of the membership shall be once a year at the fourth quarterly meeting. Each member shall be notified by mail not less than ten (10) days prior to each regular meeting and such notice shall set forth the time and place of the meeting.

5.2 Special Meetings. Special meetings of the members may be called by the President or the Board of Directors, after a majority of the Board of Directors has approved such a special meeting. Notification of such special meeting shall be mailed to each member not less than ten (10) nor more than thirty (30) days in advance of the meeting. Such notice shall designate the time and place of the meeting.

5.3 Quorum. No business shall be conducted at any meeting of the membership unless there is in attendance the President or Regional Vice President and the Treasurer or Secretary (provided, however, that this requirement does not apply to informal meetings). Fifteen percent (15%) of all regular members of the Corporation shall constitute a quorum of a meeting of members except on such matters for which concurrence of a greater number is required by law or these bylaws. If less than fifteen percent (15%) of the members is represented at a meeting, a majority of the regular members so represented may adjourn the meeting from time to time without further notice.

5.4 Proxies. The voting by proxy shall not be allowed.

5.5 Informal action by Regular Members. Any action required to be taken at a meeting of the regular members may be taken without a meeting if a consent in writing setting forth

the actions taken shall be signed by all the regular members entitled to vote with respect to the subject matter thereof. Any notice required by law or by these bylaws may be waived in writing, and such waiver shall be deemed equivalent to the giving of such notice.

Article VI- Committees.

6.1 There shall be the following standing Committees:

a. Financial Committee. The Financial Committee shall review all financial policies and records of the association. This Committee shall make recommendations on the annual budget of the association to the treasurer. This annual budget shall be decided upon on an annual basis shall be approved by the Board of Directors.

b. Membership Committee. The Membership Committee shall advise and suggest ways of promoting membership building and retention.

c. Program Committee. The program committee shall assist or arrange meetings of the association.

d. Bylaws Committee. The Bylaws Committee shall review the Association bylaws along with any proposed updates, changes, and/or amendments and make appropriate recommendations. This Committee shall review any portion of the bylaws that may come into question for clarification.

e. False Alarm Management Committee. The False Alarm Management Committee shall serve to promote relationships between the association and members of public safety. This committee shall review alarm ordinances and make recommendations to the Board of Directors.

f. Education Committee. The Education Committee shall cooperate with the Board of Directors and the NBFSA in developing training and certification programs. This committee shall oversee all aspects of the training program conducted on behalf of the association.

g. Election Committee. The Election Committee shall oversee the nominating and voting process on behalf of the association.

The Board of Directors may from time to time appoint additional committees as it deems necessary in order to promote the business and welfare of the Corporation. A majority of any committee so appointed shall constitute a quorum for the transaction of business; unless any committee shall be a majority vote of its entire membership decide otherwise. The various committees, if appointed, shall have the power to fill vacancies in their membership. All committees shall consist of at least three (3) members. Each committee shall be responsible to the Board of Directors and shall make such reports as directed. All chairpersons and the members of committees shall be subject to removal by the Board of Directors.

Article VII-AESBL Appointments

7.1 The Board of Directors and its officers shall nominate the two positions to the AESBL to be served at the pleasure of the governor.

7.2 The nominees shall consist only of members in good standing and shall be determined one year prior to the expiration of the term. These nominees shall begin attending all meeting held by the Alabama Electronic Security Board of Licensure during that year.

7.3 The nominees shall be elected by a majority vote of the Board of Directors.

Article VIII- Fiscal Year.

8.1 The fiscal year of the Corporation shall begin the first day of January and end on the last day of December of each year.

Article IX- Dues.

9.1 Annual Dues. The Board of Directors may determine from time to time to increase or decrease the amount of the annual dues for all membership categories payable to the Corporation. The changes will go before the entire membership for ratification. A majority vote, via mail, fax or email, will be necessary to change the annual dues. The Corporation may also collect dues in the name of the Corporation on behalf of the NBF AA. Failure to pay the entire amount of the dues, both to the Corporation and to the

NBFAA, will result in a default status with any member. Any member who renders payment that is not accepted on the first presentation to the financial institution of the Corporation shall be deemed in fault.

9.2 Other fees. The Board of Directors shall set the appropriate amounts for any other fees, such as training, merchandise bearing Corporation logos, etc. that the Corporation may charge by majority vote of the Directors. Failure to render payment for other fees shall place a member in default.

Article X- Limitations

10.1 Neither the corporation nor any of its officers or committees shall incur any obligation or announce any policy in the name of the Corporation unless the action or obligation or policy shall have been formally approved by the Board of Directors.

10.2 The Corporation or membership therein shall not be used for the promotion of individual interests. No member shall use any office or title held within the Corporation on his personal business stationary. Members may designate their membership by using the name of the Corporation on their letterheads, advertising or business cards.

Article XI- Amendments

11.1 The bylaws may be amended by recommendation of the Board of Directors who will send written notice at least fifteen (15) days before the meeting of the members at which time the amendment will be voted upon. An amendment shall be adopted if it is approved by two-thirds (2/3) or more of the regular members present and voting.

Article XII- Professional Services.

12.1 Such professional services, as may be considered necessary, shall be selected by the Board of Directors, which shall also designate contract terms, specific matter or matters to be handled, and fees and/or retainers.

12.2 In the event that the professional services duplicates the responsibilities of any Director, the Director whose responsibilities are being duplicated will oversee the work of the service rendered.

Article XIII- Dissolution.

13.1 In the event three fourths (3/4) of the voting members in good standing of this Corporation shall vote to dissolve the Corporation, then and in that event the Corporation shall be forthwith dissolved.

13.2 In the event the Corporation is dissolved, all funds in the treasury of the Corporation shall first be applied to payment of all legal debts and obligations of the Corporation. The assets of the Corporation shall be liquidated by the Treasurer or such other person as may be appointed by the President, and the funds from such liquidation shall be disbursed to the then existing members who are in good standing; each member shall receive the portion of the funds as the amount of money paid in by all members during their membership, provided however, that no member shall receive as a result of such division an amount greater than the total amount of initiation fees, dues and other sums he has contributed to the Corporation during this period of membership. Any such assets not so disposed of shall be disposed of by transfer thereof to an organization whose operation is to the betterment of the electronic security industry, as a majority vote of the regular members at the final meeting shall determine.

(Adopted November 12, 1997, Amended December 5, 2005)