

BYLAWS

Approved by the Assembly of Members, March 7, 2014

AMERICAN ASSOCIATION OF FAMILY AND CONSUMER SCIENCES – TEXAS AFFILIATE A NON-PROFIT CORPORATION

ARTICLE I

NAME

The name of the corporation (hereinafter referred to as “Affiliate”) shall be the American Association of Family and Consumer Sciences – Texas Affiliate (AAFCS—TX). AAFCS—TX shall be an affiliate of the American Association of Family and Consumer Sciences. Secondary name shall be TAFCS.

ARTICLE II

PURPOSES AND MISSION

The purposes of the American Association of Family and Consumer Sciences – Texas Affiliate (AAFCS--TX), hereinafter referred to as the Affiliate, shall be as stated in the Articles of Incorporation of AAFCS—TX.

The mission of AAFCS—TX is to affect the optimal well-being of families and individuals by: Empowering members to act on continuing and emerging concerns; focusing the expertise of members for action on critical issues; and assuming leadership among organizations with mutual purposes.

The mission of AAFCS is to provide leadership and support for professionals whose work assists individuals, families, and communities in making informed decisions about their well being, relationships, and resources to achieve optimal quality of life.

ARTICLE III

AFFILIATION WITH THE AMERICAN ASSOCIATION OF FAMILY AND CONSUMER SCIENCES

Section 1. AAFCS—TX shall be an affiliate of the American Association of Family and Consumer Sciences (henceforth referred to as AAFCS) and the requirements for membership shall include the membership requirements of AAFCS. Sub-affiliates, referred to as districts, are described in Article X.

Section 2. AAFCS--TX, as an affiliate state association, shall be represented in the AAFCS Senate by:

- (a) The President;
- (b) The President Elect;
- (c) The incoming Vice President Professional Development; and
- (d) An additional Senator may be elected based upon membership requirements as

established by AAFCS. If eligible for a fourth Senator, an at-large representative shall be elected on the ballot along with alternate Senators.

ARTICLE IV **OFFICERS, SENATORS, AND STAFF: ELECTIONS**

Section 1. The elected officers of the Affiliate shall consist of a President, a President Elect, Secretary, Treasurer, a Counselor, six Vice Presidents, and one Vice President Elect.

Section 2. Nominees shall be selected from the Active, Sustaining, and Emeritus member categories. Nominees for the office of President Elect or President must be current or former members of the Board of Directors. All officers shall assume office at the beginning of the fiscal year following their election (see Article XIII).

Section 3. There shall be a salaried Executive Director hired by the Executive Committee. Executive Director shall serve *ex officio* at the discretion of the Board of Directors and will report directly to the President.

Section 4. Election of officers of the Affiliate (except the Student Unit), , Alternate Senators, and members of the nominating committee shall be by ballot process. Voting privileges are extended to all AAFCS--TX members with the exception of students and honorary members. Ballots shall be sent to eligible members at least 30 days prior to the State Conference. The cast ballots shall be returned to the Executive Director of the Affiliate at least two weeks prior to the State Conference. Elections shall be by a majority of the votes cast. Results will be announced to the sitting President, who will then immediately notify nominees. The results of the election shall be reported to the membership at the Assembly of Members during the State Conference. Section 5. The President Elect shall be elected annually and commit to serving three consecutive years: a one-year term as President Elect, followed by a one-year term as President, and a third one-year term as Counselor. Each office has a vote on the Board of Directors. In case of emergency or vacancy, President Elect will fill unexpired term of President

Section 6. Secretary and Treasurer shall be elected every year to serve one-year terms. Treasurer shall be committed to serve an additional year as Finance Committee Chair immediately following the elected term as Treasurer.

Section 7. The Vice President Marketing and Vice President Membership shall be elected in even-numbered years to serve two-year terms.

Section 8. The Vice President Member Relations, Vice President Public Policy, and Vice President Academic Affairs shall be elected in odd-numbered years to serve two-year terms.

Section 9. The Vice President Elect Professional Development shall be elected annually to serve a two-year commitment: a one-year term as Vice President Elect Professional Development followed by a one-year term as Vice President Professional Development.

Section 10. The Nominating Committee shall consist of five members from the Active, Sustaining, Emeritus, and Associate member categories. Each member shall serve for two years. Two members shall be elected in odd-numbered years and three shall be elected in even-numbered years. The chair of the committee shall be appointed by the President.

Section 11. The President shall appoint eligible members to fill unexpired terms in case of vacancies in elective offices except the President Elect, who shall be elected by the Board of Directors by ballot. The Executive Committee chaired by the Counselor shall serve as the Nominating Committee for this election.

Section 12. The Student Unit standing rules shall provide for the election of Student Unit officers. Annual election of AAFCS—TX Student Unit officers is usually held at State Conference. Members enrolled full-time as postsecondary, undergraduate, or graduate students are eligible to vote and hold office in the Affiliate and AAFCS Student Units. The AAFCS—TX Student Unit Chair has a seat on the Affiliate Board of Directors.

Section 13. Representation at the AAFCS Senate shall be in accordance with the guidelines and quotas established by AAFCS and as described in Article III, Section 2, by the designated officers: President, President Elect, incoming Vice President Professional Development. Any undesignated quota shall consist of elected Senators as described in Article IV, Section 4. Pre-professional/graduate students shall be represented collectively in the Senate by two Senators selected from the membership of the AAFCS Student Unit. Alternate Senators shall serve in the event that designated or elected Senators are unable to serve.

ARTICLE V FUNCTIONS OF ELECTED OFFICERS AND STAFF

Section 1. The functions of the elected officers are as given herein and other duties as may pertain to the respective office. Each elected officer shall serve as a member of the Board of Directors and the Assembly of Members.

- (a) The **President** shall be the executive officer of the Affiliate, supervise and provide leadership to organizational policies and the development of the program of work, and perform the following duties:
 - (1) Serve as chair of the Executive Committee and the Board of Directors;
 - (2) Preside at the business meeting of the Affiliate Assembly of Members;
 - (3) Serve as voting Senator of the AAFCS Senate, and head the Texas delegation;
 - (4) Appoint eligible members to serve on committees;
 - (5) Appoint eligible members to fill unexpired terms in cases of vacancies in both elective and appointive offices with the exception of the President Elect;
 - (6) Designate the chair of the nominating committee; and
 - (7) Appoint the Finance Committee composed of members of the Board of Directors with the retiring Treasurer as the designated chair.

- (b) The **President Elect** shall:
 - (1) Serve as a member of the State Conference Program Committee;

- (2) Serve as advisor to district chairs;
 - (3) Fill the unexpired term in the case of a vacancy in the President's office;
 - (4) Perform duties of the President in the absence of the President; and
 - (5) Serve as voting Senator of AAFCS Senate.
- (c) The **Vice President Professional Development** shall:
- (1) Serve as chair of the State Conference Program Committee;
 - (2) Serve as liaison to the Board of Directors for the General Arrangements Committee for the State Conference; and
 - (3) Serve as voting Senator of AAFCS Senate, if needed.
- (d) The **Vice President Elect Professional Development** shall:
- (1) Coordinate general/local facility arrangements for State Conference of the following year; and
 - (2) Work closely with Vice President Professional Development and Executive Director; and
 - (3) Vice President-Elect Professional Development could begin planning program and underwriting for the following year.
- (e) The **Vice President Member Relations** shall:
- (1) Serve as chair of the Awards Committee;
 - (2) Coordinate and oversee the activities of all other recognition committees; and
 - (3) Coordinate and oversee the activities of the Affiliate operations directed by the newsletter editor, and historian.
- (f) The **Vice President Marketing** shall:
- (1) Promote AAFCS—TX and the State Conference to the profession and public;
 - (2) Serve as chair of the Marketing Committee;
 - (3) Serve as liaison to the Board of Directors for related organizations; and
 - (4) Provide updates and an annual evaluation of the AAFCS—TX Web site and social media.
- (g) The **Vice President Public Policy** shall:
- (1) Maintain public policy link on AAFCS—TX Web site; and
 - (2) Attend AAFCS public policy workshop during Annual Meeting.
- (h) The **Vice President Academic Affairs** shall:
- (1) Serve as chair of the Research Committee as well as any other committee that directs Affiliate activities concerning research;
 - (2) Serve on the State Conference Program Committee;
 - (3) Appoint a Chair of the Scholarship Committee to coordinate and oversee the activities of the Scholarship Committee;
 - (4) Serve as liaison to the Board of Directors for the Scholarship Committee; and
 - (5) Assume responsibility for publishing the *Texas Family and Consumer Sciences Journal*. There will be two issues per year: *Research Issue* and *State Conference Proceedings Issue*.

- (i) The **Vice President Membership** shall:
 - (1) Serve as chair of the Membership Committee; and
 - (2) Coordinate and oversee activities to increase membership.
 - (3) Work with Executive Director to contact new members and seek nonrenewed members.

- (j) The **Secretary** shall:
 - (1) Record and distribute the minutes of the business meetings of the Assembly of Members, Board of Directors and Executive Committee;
 - (2) Conduct correspondence as directed by the Assembly of Members, Board of Directors and Executive Committee;
 - (3) Coordinate and oversee the activities of the Nominating Committee; and
 - (4) Serve as liaison to the Board of Directors for the Nominating Committee.

- (k) The **Treasurer** shall:
 - (1) Assume responsibility for all fiscal matters as directed by the Board of Directors;
 - (2) Be responsible for reviewing financial records of the Affiliate and monitoring all fiscal activities, including those of salaried staff members responsible for performing financial functions as directed by the Executive Committee and the Board of Directors;
 - (3) Work with the Finance Committee and present the proposed annual budget to the Board of Directors;
 - (4) Submit a report to the membership at the annual meeting of the Assembly of Members during State Conference; and
 - (5) Serve as Chair of the Finance Committee and voting member of the Board of Directors in the year following the term as Treasurer.

- (l) The **Counselor** shall:
 - (1) Serve as parliamentarian of the Affiliate;
 - (2) Serve as chair of the Bylaws Committee; and
 - (3) Serve as chair of the Resolutions Committee.

Section 2. The **Executive Director** shall:

- (a) Serve at the discretion of the Executive Committee;
- (b) Be responsible for the day-to-day fiscal management of the Affiliate under the direction of the Board of Directors;
- (c) Be responsible for investment of funds and shall sign as a representative all notes, contracts, and other instruments that materially obligate the Affiliate;
- (d) Be responsible for preparation of records for the annual fiscal review;
- (e) Maintain Non-Profit status paperwork with IRS and Secretary of State;
- (f) Serve as editor of the Affiliate newsletter; and
- (g) Serve on Board of Directors as *ex officio* member.

ARTICLE VI
COMPOSITION OF GOVERNING BODIES: FUNCTIONS

Section 1. The governing bodies of the Affiliate shall consist of the following: (1) Assembly of Members that shall act as its policy-making body and have other duties as may be described in these Bylaws, (2) Board of Directors, and (3) Executive Committee.

Section 2. The **Assembly of Members** shall consist of all members attending the State Conference. The Assembly of Members shall meet at the time of the State Conference. A majority of the members present and voting shall constitute a quorum. Business that should properly come before the Assembly of Members may be conducted by mail/electronic means between meetings of the Assembly of Members. A majority of the votes cast shall rule.

Section 3. The **function of the Assembly of Members** shall be to:

- (a) Transact business as may properly come before it, including recommendations and action on major policy decisions affecting the future of the Affiliate and the direction of its development;
- (b) Receive and act upon reports of the elected officers, the Board of Directors, communities, action groups, and committees of the Affiliate as recommended by the Board of Directors;
- (c) Adopt an annual budget and program of work;
- (d) Act upon proposed changes in the bylaws;
- (e) Adopt resolutions; and
- (f) Give guidance to Affiliate Senators to the AAFCS Senate and receive reports of the Senate as recommended by the Board of Directors.

Section 4. The **Board of Directors** of the Affiliate shall be composed of:

- (a) The elected officers as named in Article IV, Section 1;
- (b) A representative of the Subject Matter Communities chairs;
- (c) A representative of the Professional Practice Communities chairs;
- (d) All district chairs;
- (e) Chair of the Student Unit;
- (f) Chair of the Finance Committee; and
- (g) The Executive Director (*ex officio*).

Section 5. The **functions of the Board of Directors** of the Affiliate shall be to:

- (a) Develop plans for the implementation of the program of work;
- (b) Administer business of the Affiliate and refer matters that require action to the Assembly of Members;
- (c) Control and manage the funds of the Affiliate;
- (d) Designate banks to be used as depositories of the Affiliate funds, and authorize necessary bonding of officers as needed;
- (e) Review the budget as submitted by the Finance Committee and submit its recommendations to the Assembly of Members;
- (f) Authorize an annual review of the financial records of the Affiliate by the Financial Review Committee or a certified public accountant;
- (g) Determine the dates and places for State Conferences of the Affiliate;

- (h) Review reports of officers, community chairs, action group representatives, district chairs, and committees; submitting recommendations to the Assembly of Members; and
- (i) Meet a minimum of two times annually or on the call of the President, with one-third of the voting members of the Board of Directors constituting a quorum.

Section 6. The **Executive Committee** of the Affiliate shall be composed of the President, President Elect, Secretary, Treasurer, Counselor, and the Executive Director as an *ex officio* member. Two-thirds of the voting members shall constitute a quorum.

Section 7. The **functions of the Executive Committee** shall be to:

- (a) Act for the Board of Directors between meetings of the Board of Directors at the call of the President;
- (b) Hire, evaluate, and dismiss the Executive Director;
- (b) Designate the duties and responsibilities of the Executive Director;
- (c) Cancel the State Conference of the Affiliate in the case of an emergency; and
- (d) Approve the committees of the Affiliate as recommended by the President.

ARTICLE VII

MEMBERSHIP, DUES, AND PRIVILEGES

Section 1. Membership shall consist of two categories, individual and organizational, as designated by the Bylaws of AAFCS.

Section 2. Individual members shall be (a) Active, (b) Ellen Richards Sustaining, (c) Associate, (d) Emeritus, (e) Student (collegiate/post-secondary).

- (a) An Active member shall be a professional with a baccalaureate degree or higher, professional-level certification, or professional-level licensure in family and consumer sciences or related field who is working toward or supporting the vision and mission of AAFCS.
- (b) An Ellen Richards Sustaining member shall be any individual who is eligible for membership as defined under the Active Member category and is interested in furthering the purposes of AAFCS through an additional contribution, according to dues structure.
- (c) An Associate member shall be an individual with an associate degree, pre-baccalaureate level certification, or pre-baccalaureate licensure in family and consumer sciences or a related field who is working toward or supporting the vision and mission of AAFCS.
- (d) An Emeritus member shall be any individual who is retired, at least 60 years of age, and has been a member of AAFCS for at least 10 years.
- (e) A Student member shall be enrolled full-time as a postsecondary, undergraduate, or graduate student, and have completed the Student Status Statement.

Section 3. Annual dues for all categories of individual membership shall include:

- (a) An amount approved by the Senate of AAFCS. The Association Affiliate designated by the individual member shall receive one-fourth of said dues, and
- (b) The amount of additional dues approved by the Affiliate membership during

Assembly of Members meeting or on a mail/electronic ballot. Ballots shall be sent to all members, with the exception of Student Unit and honorary members at least thirty (30) days prior to the State Conference. The ballots shall be returned to the Executive Director of the Affiliate at least two weeks before the State Conference. Elections shall be by a majority of the votes cast. The results of the ballot shall be reported at the Assembly of Members during the State Conference.

Section 4. Privileges of individual members shall include:

- (a) The eligibility to vote for Active, Ellen Richards Sustaining, Associate, and Emeritus member categories;
- (b) The opportunity to serve as an elected officer of the Affiliate and the Nominating Committee for Active, Ellen Richards Sustaining, and Emeritus member categories.
- (c) All member categories may serve on Affiliate committees.
- (d) Student Unit members are eligible to vote and hold office in the Student Unit.
- (e) Annual subscription to the *Journal of Family & Consumer Sciences*, AAFCS E-newsletter, and the AAFCS—TX newsletter; and
- (f) All member benefits, discounts on publications and event registrations.

Section 5. Organizational members. An organizational member is an organized group, agency, or business with a purpose in common with AAFCS, resulting in mutual benefits.

Section 6. Dues and privileges for organizational members shall be:

- (a) Annual dues for organizational members shall be established by the Board of Directors of AAFCS.

ARTICLE VIII

COMMUNITIES , OTHER GROUPS, and STUDENT UNIT

Section 1. Membership.

The membership of AAFCS shall be organized into Communities, Action Groups, Special Emphasis Groups, and Student Unit.

- (a) AAFCS Communities serve as a conduit of professional action, dialogue, and promotion of the AAFCS mission. Membership in Communities is self-selecting and open to all AAFCS—TX members.
 - (i) Subject Matter Communities may reflect subject knowledge, areas of concern, and/or current issues like apparel, textiles, and design; obesity; global perspectives interests.
 - (ii) Professional Practice Communities may reflect professional practice settings like elementary, secondary, and adult education; business and entrepreneurship; and home and community interests.
- (b) Action Groups reflect timely issues in which AAFCS can assume a critical role. Members may join Action Groups in AAFCS as they are established if guidelines for membership are met.
- (c) Special Emphasis Groups shall include a Past Presidents' Unit. Membership is open to all past presidents of AAFCS—TX and is convened by the Counselor.
- (d) Student Unit is composed of student members that are enrolled full-time as a postsecondary, undergraduate, or graduate student, and have completed the Student

Status Statement. AAFCS membership entitles students Affiliate Student Unit membership in the state in which they attend school.

Section 2. Board Representation

- (a) AAFCS—TX Communities
 - (i) Subject Matter Communities may reflect subject knowledge, areas of concern, shall be represented on the Board of Directors by one of the Leaders of the Subject Matter Communities.
 - (ii) Professional Practice Communities, with the exception of the Student Unit, shall be represented on the Board of Directors by one of the Leaders of the Professional Practice Communities.
 - (iii) These representatives shall be elected by the respective Community Leaders, or appointed by the President, to serve on the Board of Directors for one-year terms.
- (b) The Chair of the Affiliate Student Unit shall represent Texas students on the AAFCS—TX Board of Directors.

Section 3. Officers

- (a) Each Community shall:
 - (i) Have an elected Leader, and other officers that the Community shall authorize;
 - (ii) Elect its own officers from the participating members of the Community; and
 - (iii) Make an annual report of the work of each Community to the Board of Directors through the elected Community representatives to the Board.
- (b) Action Group and Special Emphasis Group Chairs may be designated by the President or from their own membership.
- (c) The Student Unit standing rules shall provide for the election of officers from among its members. See *Student Handbook*.

Section 4. Formation

- (a) AAFCS Communities may be proposed by submitting a plan to the Board of Directors through the Vice President Professional Development. The plan should include: (1) a statement of need, (2) goals, (3) evidences of relationship to the AAFCS statements of vision and mission, and the AAFCS/AAFCS-TX strategic programs of work and priorities, (4) intended outcomes, (5) activities, (6) timeline, (7) budget, and (8) termination plan. Specific Communities may be formed to include only Texas members if desired.
- (b) Action and Special Emphasis Groups in AAFCS—TX may be established by Districts, Communities, the Board of Directors, or by individual members to address an identified need or area of concern for a specified limited period of time.
- (c) An annual status and financial report from all AAFCS-TX Communities and Groups must be submitted to the Board of Directors through the Vice President Professional Development with copies to Treasurer and Executive Director.
- (d) The Student Unit shall have standing rules that are in accordance with the policies of the Association. See *Student Handbook*.

Section 5: Meetings

Provisions may be made on the program of the Affiliate State Conference for

- (a) Meetings of Communities and the Student Unit; and
- (b) Activities of Action/Special Emphasis Groups including the Past Presidents' Unit.

ARTICLE IX COMMITTEES

Section 1. The President, with the approval of the Executive Committee, shall appoint the chair of the Nominating Committee (preferably someone who has already completed one year of service on the committee); Board members to serve on the Finance Committee, with the retiring Treasurer as the chair; members of the Bylaws Committee with the Counselor as the chair; and other chairs of standing committees.

Section 2. Other committees, standing or special, shall be appointed by the President as the Affiliate or Executive Committee shall deem necessary to carry on the work of the Affiliate. The President shall be an *ex officio* member of all committees except the Nominating Committee.

ARTICLE X DISTRICTS

Section 1. The Affiliate shall be divided into Districts. The Board of Directors may regroup districts when such realignment would facilitate the work of either the districts or the Affiliate. Members of the districts must be members of AAFCS—TX and AAFCS.

Section 2. Each district shall have a Chair, Chair Elect, and other officers and committees as needed.

- (a) District officers shall be elected at the annual Fall District Meetings by a majority vote of those present, and the elective offices shall be at the discretion of the Districts. If no meeting is held, the appointment is made by the Affiliate President.
- (b) The Chair Elect shall be elected/appointed yearly and serve as Chair in the year following the one-year term as Chair Elect.
- (c) Officers shall be Active, Sustaining, or Emeritus, members and shall serve one-year terms. Persons from all member categories may serve on committees.
- (d) District officers shall assume office at the beginning of the fiscal year following their election (see Article XIII).

Section 3. District Chair, assisted by Chair Elect and other officers/members of the district, will plan and conduct an annual Fall District Meeting. the date, time, and place for Fall District Meeting is to be determined by the officers of the district. Other meetings may be held as desired by the membership.

Section 4. Chairs for the districts shall be members of the Board of Directors and make an annual written report of district meetings and activities. They shall also write a summary of the meetings for the Affiliate newsletter.

Section 5. Districts shall adopt no policies, resolutions, or participate in activities not in harmony with the purposes of AAFCS—TX and AAFCS.

ARTICLE XI MEETINGS

There shall be an annual State Conference of the Affiliate at such time and place as the Board of Directors shall determine. There shall be at least one meeting of the Assembly of Members at the time of the State Conference. Business may be transacted by a majority vote of the members attending the conference. In the event of an emergency, the State Conference may be canceled by the Executive Committee.

ARTICLE XII COMMUNICATIONS

The Affiliate shall publish a newsletter, *AAFCS – TX ACTION*, which shall be the official publication. The Affiliate shall communicate through published newsletters and electronic media.

ARTICLE XIII FISCAL YEAR

The fiscal year of the Affiliate shall be from June 1 through May 31.

ARTICLE XIV AMENDMENTS

Section 1. These Bylaws may be amended at the annual meeting of the Assembly of Members by a two-thirds vote, provided that notice is given at the preceding State Conference or by mail/electronic means to all members thirty days prior to the State Conference.

Section 2. In the event of an emergency these Bylaws may be amended by the membership by mail/electronic vote. A majority of votes cast will prevail.

Section 3. Revisions to AAFCS Bylaws with which the Affiliate must comply shall automatically become a part of the AAFCS—TX Bylaws and shall not require a vote by the membership.

ARTICLE XV TAX-EXEMPT STATUS

Section 1. No part of the net earnings of the Affiliate shall inure to the benefit of any director of the Affiliate, officer of the Affiliate or any private individual (except that reasonable compensation may be paid for services rendered to or for the Affiliate affecting one or more of its purposes), and no director or officer of the Affiliate, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Affiliate. No substantial part of the activities of the Affiliate shall be the carrying on of propaganda, or otherwise attempting to influence legislation,

and the Affiliate shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

Section 2. The Affiliate shall distribute its income from each taxable year at such time and such manner as not to become subject to tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

Section 3. The Affiliate shall not engage in any act of self-dealing as defined in Section 4941 (d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

Section 4. The Affiliate shall not retain any excess business holdings as defined in Section 4943 (c) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

Section 5. The Affiliate shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

Section 6. The Affiliate shall not make any taxable expenditures as defined in Section 4945 (d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

Section 7. Notwithstanding any other provision of these Articles of Incorporation, the Affiliate shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501 (c) (3) of the Internal Revenue Code and its regulation as they now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code and regulations as they now exist or as they may hereafter be amended.

Section 8. Upon dissolution of the Affiliate or the winding up of its affairs, the assets of the Affiliate shall be distributed exclusively to charitable, religious, scientific, testing for public safety, literary, or educational organizations which would then qualify under the provisions of Section 501 (c) (3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

ARTICLE XVI

DEFENSE AND INDEMNIFICATION

Section 1. To the extent permitted by law, AAFCS shall defend and/or indemnify any person who was or is a party defendant or is threatened with being made a party defendant to any legal action, suit, or proceeding (other than an action, suit, or proceeding by or in the right of AAFCS) by reason of the fact that he/she is or was a Director, officer, employee, or agent of AAFCS, or is or was so serving at AAFCS's request for another profit or not-for-profit corporation, against expenses actually and

necessarily incurred by him/her in connection with the defense of such legal action, suit, or proceeding, except in relation to matters as to which he/she shall be adjudged in such legal action, suit, or proceeding to be liable for negligence or misconduct in the performance of his/her duty to AAFCS.

Section 2. The termination of any legal action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner which he/she reasonably believed to be in AAFCS's best interests. To the extent that the court or body in or before which such legal action, suit, or proceeding was finally determined has not addressed the questions of negligence or misconduct in the performance of the person's duty to AAFCS, a determination that indemnification is proper shall be made by a majority vote of the AAFCS Board of Directors. In the event of settlement of a legal action, suit, or proceeding, indemnification shall be made up to the amount that would reasonably have been expended in the defense, as provided for by the AAFCS Board of Directors.

Section 3. Indemnification shall not be deemed exclusive of any other rights to which the AAFCS Director, officer, employee, or agent may be entitled under any Bylaw, agreement, vote of the AAFCS Board of Directors or members, or otherwise.

ARTICLE XVII DISSOLUTION

In the event of dissolution or termination of the Affiliate, the Board of Directors shall, after paying all the liabilities of the Affiliate, dispose of all the assets of the Affiliate as described in Article XV, Section 8.

ARTICLE XVIII PARLIAMENTARY AND STATUTORY AUTHORITY

The rules contained in the current edition of ROBERT'S RULES OF ORDER shall govern this Affiliate in all cases in which they are applicable, and in which they are not inconsistent with these Bylaws. Further, the corporate authority, property, and affairs of the Affiliate shall be exercised, controlled, and conducted in accordance with The Texas Non-Profit Corporation Act (Article 1396) as it now exists or hereafter may be amended.