

INTERNATIONAL BLUEGRASS MUSIC ASSOCIATION, INC.
AMENDED AND RESTATED BYLAWS

ARTICLE I

LOCATION

The principal office and location of the International Bluegrass Music Association, Inc. (the “IBMA”) shall be in Nashville, Tennessee.

ARTICLE II

MEMBERS

Section 1. Membership. The membership of the IBMA shall be composed of members who have voting rights with respect to the election of Directors (“Voting Members”) and members who do not have voting rights (“Patrons”):

- a) **Voting Members.** Voting Members are persons or organizations who:
 - i) are (1) presently or formerly active, directly and substantially, in the field of bluegrass music, or (2) aged 18-22 years of age and presently enrolled in an eligible bluegrass and music business program as determined by the Executive Director;
 - ii) fall in one of the eight (8) Voting Membership Categories described in Section 2 of this Article;
 - iii) have been approved as Voting Members as provided in Section 2(b) of this Article II; and
 - iv) are current in their membership dues.

One person is limited to one voting membership (a “Voting Membership”) at any time and may hold either one individual Voting Membership or may be the designated voting contact for one organizational Voting Membership, but not both. Organizations, groups and/or companies are limited to one organizational Voting Membership. Multiple persons from the same organization may hold their own individual Voting Membership.

- b) **Patrons.** Patrons are persons who support the goals of the IBMA by providing financial support and have been approved as Patrons as provided in Section 2(b) of this Article II. Patrons do not have voting rights as members of the IBMA. This type of membership may also be referred to as the “Grass Roots Club.”

Section 2. Voting Membership Categories and Membership Applications.

- a) **Voting Membership Categories.** Voting Membership shall be comprised of the following eight (8) categories (each, a “Voting Membership Category”):
- 1) Agents, Managers & Publicists
 - 2) Artists, Composers & Music Publishers
 - 3) Bluegrass Music Associations
 - 4) Print, Media & Education (includes Journalists, Electronic Media, Educators and Photographers)
 - 5) Recording, Distribution & Marketing (includes Record Labels, Recording Services and Record Distributors)
 - 6) Event Production (includes Event Producers and Event Tech Services)
 - 7) Broadcast Media (includes Radio Broadcasters, Webcasters and Television)
 - 8) Merchandisers and Luthiers
- b) **Membership Applications.** Applications for Voting Membership or to become a Patron shall be made in writing to the IBMA in such form as may, from time to time, be established by the Board of Directors (the “Board of Directors” or the “Board”) or, through Board delegation, the Executive Director. Each applicant for Voting Membership shall designate his or her Voting Membership Category when completing the membership application and, in the case of an organization, shall specify the number of votes it is applying for, up to a maximum of three (3) votes per organization. A Voting Member may change Voting Membership Category by notifying the IBMA office in writing (or via email). The Executive Director shall review all applications for Voting Membership and to become a Patron, make determinations with respect to such applications (including, without limitation, the number of votes of each organization that is accepted as a Voting Member) and periodically report to the Board with respect to accepted and rejected applications. The IBMA shall not discriminate on the basis of race, color, national origin, age, disability, gender, gender identity, religion, reprisal, political beliefs, marital status, familial or parental status or sexual orientation.

Section 3. Annual Meeting of the Members. A meeting of the members shall be held annually at a location to be fixed by the Board of Directors, within or without the Commonwealth of Kentucky. The annual meeting of the members shall be called by the Chairperson or a majority of the Board of Directors.

Section 4. Notice of Annual Meeting of the Members. Notice of the annual meeting of the members shall be in writing and shall state the day, hour, and place of such meeting; and shall be issued to each member by U.S. mail or electronic medium at the postal or email address the member most recently provided to the IBMA, not less than ten (10) nor more than thirty-five (35) days prior to the date of such annual meeting.

Section 5. Special Meetings of the Members. Special meetings of the members may be held at any time and for any purpose and in any location within or without the Commonwealth of Kentucky, and may only be called by the Chairperson or a majority of the Board of Directors.

Section 6. Notice of Special Meetings of the Members. The notice of a special meeting of the members shall comply fully with the requirements of Section 4 of this Article II.

Section 7. Quorum and Voting. Voting Members holding one-tenth (1/10) of the votes entitled to be cast on the election of Directors as described in Article II, Section 1 represented in person or by proxy shall constitute a quorum at a meeting of members. Voting Members may vote in person or by proxy executed in writing by the Voting Member or by his or her duly authorized attorney-in-fact. Except as otherwise provided herein, at all meetings of the members each Voting Member (individual or organizational member) shall be entitled to one (1) vote on each matter presented for a vote. Organizational members shall be entitled to up to three (3) votes on each matter presented for a vote, as determined by the Executive Director in accordance with Section 2(b) of this Article II.

Section 8. Dues and Financial Commitment.

- a) **Voting Membership Dues.** Annual membership dues for Voting Members shall be established from time to time by the Board of Directors. Payment of dues in a timely manner is a condition of membership. Failure to pay dues in a timely manner shall, within three (3) months following notice, cause an automatic lapse in membership in the nature of a voluntary withdrawal. Membership may be restored by payment of all dues owing without reapplication for members who are otherwise in good standing. Dues for organizational Voting Membership may be set at a higher level than dues for individual Voting Membership.
- b) **Patron Financial Commitment.** The Executive Director shall from time to time set expectations for financial support from Patrons. Failure to provide financial support in a timely manner shall, within three (3) months following notice, cause an automatic lapse in membership in the nature of a voluntary withdrawal. Membership may be restored by providing a financial contribution to the IBMA as determined by the Executive Director, without reapplication for members who are otherwise in good standing.

Section 9. Expulsion of Members. The Board of Directors has the authority to expel any member whose continued membership is determined to not be in the best interests of the IBMA using the procedure provided below, and each member agrees to be bound by the decision of the Board in such circumstances:

- a) A written statement of grounds for expulsion signed by not less than fifty (50) members of the IBMA in good standing or by any two Directors shall be submitted to the Board for action;
- b) The Board shall submit a copy of the written statement to the member not less than two (2) weeks prior to the meeting of the Board at which the Board is scheduled to review the written statement of grounds for expulsion and render a decision;
- c) The member who is the subject of the written statement of grounds for expulsion shall have the right to appear before the Board at the meeting at which the matter is being considered and may present evidence on his or her own behalf;
- d) Expulsion of a member must be approved by a two-thirds (2/3) vote of the entire Board of Directors.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Board of Directors. The Board of Directors shall consist of nineteen (19) Directors, each of whom is an individual Voting Member or a principal of an organizational Voting Member. The Board of Directors shall also include as an *ex officio* member the Executive Director, but the Executive Director shall not be counted for purposes of a quorum nor shall the Executive Director have a vote on matters decided by the Board. In addition, the Board of Directors may include at the discretion of the Board the Executive Director of the International Bluegrass Music Museum, Inc. (“IBMM”) as described in paragraph (e) below, but shall not count that person for quorum purposes, nor shall such person have a vote on matters decided by the Board. The Board of Directors shall be validly constituted notwithstanding the existence of one or more vacancies on the Board. Directors shall be elected as follows:

Member-Elected Directors:

- a) One (1) Director elected from each of the eight (8) Voting Membership Categories set forth in Article II, Section 2 of these Bylaws, except there shall be three (3) members from the Voting Membership Category of Artists, Composers & Music Publishers.
- b) Two (2) Directors to serve as At-Large Directors elected from the Voting Members.

Board-Elected Directors:

- c) Six (6) Directors to serve as At-Large Directors.

- d) One (1) international Director (not residing in the United States) to serve as an At-Large Director.

IBMM Director:

- e) The Board may also appoint the executive director or equivalent of the IBMM (the “IBMM Executive Director”) to serve as a non-voting *ex officio* member of the Board of Directors so long as the charter and/or bylaws of IBMM provide that the Executive Director of the IBMA may serve as an *ex officio* member of the board of directors of IBMM and the Executive Director of the IBMA is invited to serve in that capacity. In the event that at any time the IBMA Board of Directors determines that these conditions are not met, the IBMM Executive Director shall no longer be a member of the IBMA Board, without any further action necessary to comply with the process for removing Directors set forth in Section 6 of Article III of these bylaws (the “Bylaws”).

Section 2. Board Powers.

- a) **General Powers.** The Board of Directors shall direct the affairs of the IBMA by establishing general policy and procedural guidelines, hiring and reviewing the performance of the Executive Director, providing oversight of the management of the IBMA’s business, affairs, assets and member relations, and exercising all powers of the IBMA that are not by law or the IBMA articles of incorporation (the “Articles of Incorporation”) or these Bylaws specifically reserved to the members.
- b) **Limitation.** No Director shall commit resources of the IBMA or contract with any parties on the IBMA’s behalf without the express delegation or consent of the Board of Directors. Failure to comply with the limitation set forth in this Section 2(b) shall be cause for removal of the relevant Director, which removal shall be in accordance with Section 6 of this Article III.

Section 3. Terms and Term Limits. Directors serve for a term of three (3) years. No Director shall be eligible to serve more than two (2) consecutive full terms of three (3) years each.

- a) Any Director who has served two (2) full consecutive terms of three (3) years each shall not thereafter be eligible for Board membership until he or she has remained off the Board for a minimum of one (1) year.
- b) A Director who is elected to fill a vacancy in an unexpired term shall be eligible thereafter to serve two (2) additional consecutive three (3) year terms; the time remaining in the unexpired term does not count as a “term” for purposes of term limits as stated herein.

- c) Directors who serve on the Board of Directors *ex officio* by virtue of their position as IBMA Executive Director or IBMM Executive Director are not subject to these term limits.

Section 4. Board Meetings. The time and place of regular meetings of the Board of Directors shall be as agreed upon by a majority of the Directors. Meetings of the Board of Directors other than those regularly scheduled may be held at any time and at any location designated by the Chairperson upon five (5) day advance notice to each Director. Notwithstanding the foregoing, the Board may meet from time to time by teleconference or video conference as determined by the Chairperson provided that each Director is sent notice of such meeting at least twenty-four (24) hours in advance. Directors are encouraged to attend meetings held at a physical location in person, however, a Director may, with prior notice to the Chairperson, attend a meeting through the use of any means of communication by which all Directors participating may simultaneously hear and speak to each other during the meeting. A Director participating in a meeting by such communication means shall be deemed to be present in person at the meeting.

Section 5. Vacancies. Vacancies occurring from time to time on the Board of Directors shall be filled as set forth in this Section 5.

- a) **Member-elected Board Seats.** Vacancies in member-elected Board seats, described in Article III, Section 1 of the Bylaws, shall be filled as follows:
 - i) If the vacated seat has a term remaining of more than one (1) year, a special election of Directors by members shall be conducted as soon as practical. The members eligible to vote for said position shall elect a replacement Director to complete the unexpired term of the seat vacated.
 - ii) If the vacated seat has a term remaining of one (1) year or less, the Board may choose, but is not required, to hold a special election where an eligible member may fill the seat. If the majority of the Board of Directors determines that a special election is impracticable, then the Board may fill the vacant seat by Board decision. If the Board determines that the unexpired term is insufficient to secure and verify a nominee, then the Board may choose to hold the seat open (unfilled) until the next general election.
- b) **Board-elected Board Seats.** Vacancies in Board-elected Board seats, described in Article III, Section 1 of the Bylaws, shall be filled at the discretion of the Board regardless of the time left in the unexpired term.

In either case (a) or (b) herein, the Nominating Committee process for recommending eligible nominees specified in Article III, Section 9 shall apply.

Section 6. Removal of Directors. A Director may be removed because of misconduct, failure to attend two (2) or more consecutive Board meetings without a valid reason, failure to

comply with the limitation set forth in Section 2(b) of Article III or as otherwise provided in these Bylaws.

The process for removing a Director shall be as follows:

- a) Any three Directors may recommend that a Director be removed by providing a written petition for removal to the Chairperson, or in the event the petition identifies the Chairperson as the Director to be removed to the full Board, and in either instance with a copy to the Executive Director setting forth in short summary the reasons for the petition.
- b) Upon receipt of a petition for removal, a special meeting of the Board shall be noticed and convened at which meeting the reasons for removal of the identified Director shall be presented by the petitioner. The Board shall determine whether to move forward with a removal procedure, in which case thereafter the Board shall: (1) determine a date for an additional Board meeting (if an additional Board meeting has not also already been noticed with sufficient time for notifying the identified Director and allowing five (5) business days for the Director's response to the grounds for removal); (2) inform the identified Director of the reasons the Board has determined to move forward with the removal procedure; and (3) inform the identified Director of the opportunity to submit a response to the Board in writing within five business days.
- c) At the meeting noticed for Board deliberation, the Board shall consider the written response of the identified Director if provided and in either event may, upon motion duly made, vote whether to remove the identified Director. Any Director may be removed by a two-thirds (2/3) vote of the entire Board of Directors.

Section 7. Quorum and Voting. Except where these Bylaws or the law provides otherwise:

- a) Action may be taken at a duly called meeting of the Board at which a quorum is present; a quorum shall consist of a majority of Directors. The presence of any Director who serves on the Board *ex officio* by virtue of their position as the IBMA Executive Director or the IBMM Executive Director shall not count towards a quorum.
- b) The vote of a majority of Directors present at a duly called meeting at which a quorum is present shall constitute the decision of the Board on any authorized action, unless as otherwise may be provided by law or in the Articles of Incorporation or these Bylaws.
- c) Voting shall take any form determined by the Chairperson in accordance with applicable law, such as electronic balloting, voice voting, show of hands or paper balloting.

- d) Action required or permitted by law to be taken at a Board meeting may be taken without a meeting if the action is by written consent of all Directors (unanimous written consent). Such action shall not be effective until evidenced by written consents describing the action taken, signed by each Director. Such written consents shall be included in the minutes or filed with the corporate records reflecting the action taken.
- e) The Board of Directors may, at the discretion of the Chairperson, meet in executive session without the presence of any Director who serves on the Board *ex officio* by virtue of their position as the IBMA Executive Director or the IBMM Executive Director, and may take action at such sessions so long as a quorum is present.

Section 8. Delegation to Committees and Individuals. In addition to the committees described in these Bylaws, the Board of Directors may from time to time appoint committees or designate individuals and delegate to them authority to investigate particular matters and make recommendations to the Board and carry out the directions of the Board or otherwise act on behalf of the Board, so long as any delegation of authority is not inconsistent with these Bylaws or the law. The Board of Directors may dissolve any such committee or appointment or alter or change or revoke the delegation of authority at any time.

Section 9. Nominating Committee. The Nominating Committee is a committee of the Members and not a committee of the Board due to its mixed composition of Voting Members who are not currently serving as members of the Board of Directors and current Directors who are not up for re-election in the period for which nomination decisions are being made. The Nominating Committee shall be responsible for recommending a slate of eligible nominees for election to the Board of Directors and for verifying the eligibility of such nominees. Each member of the Nominating Committee shall be appointed by the Board of Directors on the recommendation of the Chairperson of the Board of Directors. No member of the Nominating Committee shall be a candidate for election or re-election as a Director at the time of his or her service on the Committee. The Nominating Committee shall be comprised of five (5) members:

- a) Two (2) current Directors who were elected to serve on the Board of Directors by the Board of Directors,
- b) One (1) current Director who was elected to serve on the Board of Directors by the Voting Members, and,
- c) Two (2) Voting Members who are not currently serving as Directors, who are recommended by the Chairperson of the Board of Directors and the Nominating Committee Chairperson to serve on the Nominating Committee, and whose appointment to the Nominating Committee is ratified by the Board of Directors.

The Chairperson of the Board shall select one of the three members of the Nominating Committee referred to in paragraph (a) and (b) of this Section 9 to serve as the Nominating Committee Chairperson.

Section 10. Executive Committee. The Executive Committee shall be a standing committee of the Board of Directors and shall consist of the Chairperson, Vice Chairperson, Secretary and Treasurer and one (1) additional Director appointed by the Board of Directors. It shall also include the Executive Director as a non-voting *ex officio* member. The Executive Committee shall have authority to conduct the affairs of the Board of Directors between Board meetings except as otherwise provided by law. Any formal action taken or initiated by the Executive Committee shall be fully disclosed to the Board of Directors within five (5) business days.

ARTICLE IV

DIRECTOR NOMINATION AND ELECTION

Section 1. Candidates for Nomination to the Board. Any Voting Member in good standing shall be eligible for nomination to the Board except as otherwise provided in these Bylaws.

Section 2. Director Nominations and Elections. Candidates for Director shall be nominated in one of two ways:

- 1) **Nominated by the Nominating Committee.** Voting Members may recommend Director candidates by providing a recommendation to the Nominating Committee at least sixty (60) days prior to the date on which the annual meeting of the members is scheduled to occur. The eligibility of such Director candidates shall be determined by the Nominating Committee. Any Voting Member who receives two (2) or more written recommendations from other Voting Members of the IBMA shall be considered by the Nominating Committee as a potential candidate in the Voting Membership Category or Categories for which such person is qualified.
- 2) **Write-in Candidates by Voting Members.** Voting Members may write-in the name of a Director candidate on the ballot so long as such candidate is a Voting Member in good standing.

The timetable shall be as follows:

- a) **For Member-Elected Board Seats:**
 - i) At least one hundred and twenty (120) days before the annual meeting of members – The Nominating Committee shall issue a call for candidates from the membership for the seats that shall be up for election at the next regular election (September-October of the same year).
 - ii) At least ninety (90) days before the annual meeting of members – Deadline for submission to the Nominating Committee of qualifications and 100-word biographical statement from each candidate.

- iii) The Nominating Committee shall acknowledge each submission via email.
- iv) At least seventy-five (75) days before the annual meeting of members – Nominating Committee reviews candidate qualifications and biographical statements and verifies their membership status and Voting Membership Category (if applicable).
- v) At least seventy-five (75) days before the annual meeting of members – Nominating Committee narrows candidate list to a slate of no less than 2 nor more than 3 candidates for each seat for the election.
- vi) At least sixty (60) days before the annual meeting of members – Ballots are sent to eligible Voting Members. The candidate receiving the highest number of votes shall be elected.
- vii) At least forty-five (45) days before the annual meeting of members – Deadline for submission of Member votes for the Board of Directors. In the event of a tie, a runoff ballot shall be administered. If the runoff ballot also results in a tie, the Board of Directors shall break the tie.

The persons nominated by the Nominating Committee pursuant to this Section 2 of Article IV, together with those eligible candidates receiving write in votes in the election process, shall be the only persons eligible to be elected as Directors by the membership. The ballot shall provide space for write-in votes. The Board of Directors shall establish a cut-off date by which ballots must be submitted in order to be counted for the election. Each Voting Member shall have the right to vote for one person on each ballot presented to them in accordance with these procedures. The Board of Directors shall verify the eligibility of any write-in candidate who receives sufficient votes to be elected. As an alternative to mailed ballots and elections, elections may be conducted on-line utilizing a reliable and secure on-line voting process approved by the Board of Directors.

- b) **For Board-Elected Board Seats.** The Nominating Committee shall recommend a slate of no less than 2 nor more than 3 candidates for each seat for Board consideration. The Board shall vote by ballot on the candidates for each seat. The candidate receiving the highest number of votes for each seat shall be elected. In the event of a tie in the Board vote by ballot for Board-elected Board seats, a runoff ballot shall be administered. If the runoff ballot also results in a tie, the Chairperson of the Board shall break the tie.

Section 3. Special Election Provisions for the Chairperson and Vice Chairperson. By majority vote, the Board of Directors shall elect annually to a term of service of one (1) year, from the members of the Board of Directors:

- a) one (1) Chairperson; and
- b) one (1) Vice Chairperson.

To be eligible for service as Chairperson or Vice Chairperson, a person must have served as a Director for at least two years immediately prior to election to the position. The Chairperson and Vice Chairperson shall have the same voting rights as other Directors. Except as may be otherwise stated in these Bylaws, upon election, the Chairperson and the Vice Chairperson shall relinquish any and all other positions within the IBMA. There shall be a limitation of three (3) consecutive one-year terms of service for each position. For the avoidance of doubt, a person who has served as Chairperson for three (3) consecutive one-year terms may be eligible to serve as Vice Chairperson for three (3) consecutive one-year terms after his or her service as Chairperson has ceased, or vice versa.

ARTICLE V

OFFICERS

Section 1. Officers. The Officers of the IBMA shall consist of the Chairperson, the Vice Chairperson, the Secretary, the Treasurer and the Executive Director, and with the exception of the Executive Director shall each be elected by the Board of Directors annually from among the Directors. The Board of Directors shall provide oversight of each Officer's performance of his or her duties.

No Officer may hold more than one Officer position at a time.

Section 2. Chairperson. The duties of the Chairperson shall include convening meetings of the Board of Directors, establishing the agenda and the rules of conduct of meetings of the Board of Directors, presiding over such meetings, fulfilling other duties of the Chairperson as set forth in these Bylaws and performing other functions consistent with the office of Chairperson and not otherwise inconsistent with these Bylaws. The Chairperson shall also serve as the assigned spokesperson with responsibilities to communicate the IBMA's mission and objectives to the membership and other entities both within and outside the IBMA and shall preside at all meetings of the members. The Chairperson shall serve as an *ex officio* member with voting rights of each committee of the Board of Directors.

Section 3. Vice Chairperson. The duties of the Vice Chairperson shall be to advise and assist the Chairperson in establishing the agenda for meetings of the Board and in making recommendations regarding appointments to committees. The Vice Chairperson shall serve as an *ex officio* member with voting rights of each committee of the Board of Directors. In the absence of the Chairperson, the Vice Chairperson shall preside at the meeting and perform those functions of the Chairperson that are necessary to be attended to. Should the Chairperson be incapacitated or the Chairperson seat become vacated, the Vice Chairperson shall preside at meetings and perform the functions of the Chairperson. In the absence of both the Chairperson and Vice Chairperson, the Directors shall appoint an acting Chairperson to serve as needed.

Section 4. Secretary. The Secretary shall maintain the minutes of meetings of the Board of Directors and membership meetings and authenticate the records of the IBMA. The Secretary shall cause the minutes of all official meetings to be recorded and kept and the issuance of all notices of corporate meetings as required by these Bylaws or by law, and shall perform such other duties as may be prescribed by the Board of Directors.

Section 5. Treasurer. The Treasurer, subject to the direction of the Chairperson and the Board of Directors, shall supervise and oversee the custody of all corporate funds. The Treasurer shall cause to be kept full and accurate account of receipts and disbursements in the books of the IBMA and shall cause all moneys and other valuable effects to be deposited in the name and to the credit of the IBMA in such depositories as may be designated by the Board of Directors. An audit of all funds and accounts of the IBMA will be made by an accounting firm appointed by the Board of Directors at such time as the Directors may designate.

Section 6. Removal of Officers. Each Officer is elected by the Board for a one (1) year term. Any Officer may be removed with or without cause at any time by a majority vote of the entire Board of Directors.

Section 7. Officer Vacancies. If any vacancy occurs in any office of the IBMA, the Board of Directors may in its discretion determine to elect a successor to fill such vacancy for the remainder of the unexpired term and until a successor is duly elected, or determine to leave the position open for a short period of time until the term expires, in which case the Board must consider how to ensure that the functions of the specific Officer are fulfilled.

ARTICLE VI

EXECUTIVE DIRECTOR

The Board of Directors shall appoint an Executive Director to serve as the Chief Executive Officer of the IBMA with responsibility for managing the day-to-day affairs of the IBMA and for seeing that all resolutions of the Board of Directors are carried into effect. The Executive Director shall have authority for management of day-to-day operations of the IBMA; hiring, dismissal and supervision of additional personnel and maintaining the offices; and managing the administrative affairs of the IBMA including the maintenance of the books of account of the IBMA. The Executive Director's authority is subject, however, to the Board's authority to delegate to Officers, committees, or others any specific authority. The Executive Director shall provide Directors with access to books and records as requested, and make them available at a reasonable time. The Executive Director shall be bonded at all times.

ARTICLE VII

AMENDMENT OF THE BYLAWS

These Bylaws may be amended from time to time by the vote of a two-thirds (2/3) majority of the Directors present at a duly called meeting of the Board of Directors at which a quorum is present. All proposed amendments shall be presented to the Board in writing no later than at the time of the notice of the meeting at which they will be considered.

ARTICLE VIII

NOTICE

Notice may be communicated in person, by mail or other method of delivery, or by telephone, voice mail, or other electronic means permitted by law. Notice by electronic transmission is written notice.

ARTICLE IX

INDEMNIFICATION AND INSURANCE

Section 1. Indemnification. The IBMA shall indemnify to the fullest extent permitted by law, as the same exists or may hereafter be amended, all of its present and former Directors and Officers or any person who may have served at the IBMA's request as a director or officer of another corporation in which the IBMA owns shares of capital stock or of which the IBMA is a creditor against expenses actually and reasonably incurred by him or her in connection with the defense of any action, suit or proceeding, civil or criminal, in which he or she is made a party by reason of being or having been such director or officer, except in relation to matters as to which he or she shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty to the IBMA.

Section 2. Advancement of Expenses. To the fullest extent permitted by law, as the same exists or may hereafter be amended, expenses incurred by a person seeking indemnification under Section 1 of this Article IX in defending any proceeding covered by Section 1 of this Article IX shall be advanced by the IBMA before final disposition of the proceeding, on receipt by the IBMA of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the IBMA for those expenses.

Section 3. Insurance. The IBMA, to the fullest extent permitted by law, may purchase and maintain directors' and officers' liability insurance on behalf of any person who is or was a Director or Officer of the IBMA, or is or was serving at the request of the IBMA as a trustee, director, officer, employee or agent of another corporation (domestic or foreign, nonprofit or for profit), partnership, joint venture, trust or other enterprise.

Approved by the IBMA Board of Directors on June 28 2017