

**BYLAWS
OF
NATIONAL HOME SERVICE CONTRACT ASSOCIATION**

ARTICLE I

OFFICES

Section 1. Principal Office. The principal office for the transaction of the business of the corporation is hereby located at 1000 Marshal Drive, Lenexa, KS 66215.

Section 2. Name. (a) NHSCA shall be the official abbreviation representing the NATIONAL HOME SERVICE CONTRACT ASSOCIATION.

(b) ASSOCIATION as used herein shall mean National Home Service Contract Association.

Section 3. Registered Office. The corporation, by resolution of its board of directors, may change the location of its registered office as designated in the Articles of Incorporation to any other place in Kansas. By like resolution the resident agent at such registered office may be changed to any other person or corporation, including itself. Upon adoption of such a resolution, a certificate certifying the change shall be executed, acknowledged and filed with the Secretary of State, and a certified copy thereof shall be recorded in the office of the Register of Deeds for the county in which the new registered office is located (and in the old county, if such registered office is moved from one county to another).

Section 4. Other Offices. Branch or subordinate offices may at any time be established by the board of directors at any place or places where the corporation is qualified to do business.

ARTICLE II

MEMBERSHIP

Section 1. Eligible Member. Eligible member shall mean any company or firm engaged in the business of providing home repair services contracts for the service, repair or replacement of household appliances, systems, and components which fail due to normal wear and tear or defects in materials, and workmanship. Such home repair service contracts may be for a separately stated consideration, for any duration, and may include incidental service to roofing systems, power surge protection and related services as the home warranty industry redefines the same by its recognized general practices from time to time.

Section 2. General Member. General member shall meet the definition of an eligible member and:

- (a) be registered with the Association with full physical address, phone, e-mail and listing of all management and Board of Directors.
- (b) be approved by at least two-thirds (2/3) of the Board of Directors.
- (c) be a member in good standing through payment of all current dues and assessments.
- (d) shall initially certify in writing the following by its principal officer or CEO:
 - i. That it will comply with the NHSCA published code of ethics;
 - ii. that it has registered or been licensed in the states where required by law;
 - iii. that it is aware of its sales tax obligations where required;
 - iv. that it has posted their required financial security, bond, CLIP, or reserves as required by law or filed its appropriate exemption therefrom; and

- v. that it is not under indictment, suspension, revocation or formal disciplinary action by any state or government. If so it shall provide a full written explanation and planned dispensation acceptable to the NHSCA Board of Directors.

Section 2 as amended June 17, 2021

Section 3. Accredited Members. An accredited Member is a General Member who has been voted as accredited by the Board of Directors after having successfully completed the NHSCA Audit and Accreditation program as amended from time to time by the Board of Directors. NHSCA Accreditation remains optional for all members.

Section 3 added June 17, 2021

Section 4. Class of Members. The Association shall have such classes of members, with or without voting rights, as the Board of Directors may establish from time to time.

Section 5. Affiliate Members. An Affiliate Members is a stakeholder in the home warranty industry but is otherwise not eligible to be a General Member. An Affiliate Members shall:

- (a) Pay any dues as determined from time to time by the Board of Directors;
- (b) adhere to the Association Code of Ethics;
- (c) participate in meetings of the affiliates;
- (d) support the goals of the NHSCA; and
- (e) be licensed as required by any federal agency, state or locality.

The Affiliate Members may, upon advice and consent of the NHSCA Board of Directors, establish other rules, procedures and dues classes for Affiliate Members. All Affiliate dues, sponsorships or fees so established shall be paid direct to the NHSCA.

Section 5 added June 17, 2021

Section 6. Voting. All general voting matters not explicitly requiring a vote of the membership are strictly the purview of the Board of Directors as established in Article III.

At any annual or special meeting of the members of the Association only General Members shall be eligible to vote on any matters requiring the vote of the membership except where vote of other members is required by law or the Articles of Incorporation.

Each dues paying General Member is entitled to one vote even if wholly owned or in a related ownership with another member. If current member is acquired by another member and ceases to pay separate dues, it may still be listed as a member as long as it operates under its separate name, but will no longer be a voting member.

Affiliate Members are not entitled to a vote on any matters involving the Association including but not limited to electing board members or state lobbying efforts. This does not preclude Affiliate Members from establishing rules, including voting, that specifically govern Affiliate Members and are approved by the Board of Directors as provided in Section 4.

Section 5 as amended June 17, 2021

Section 7. Resignation, Suspension, Expulsion and Reinstatement. Any member may resign by sending a written resignation to the President and a copy to the Association executive secretary. Such resignation from the Association may be affected immediately but in no way limits the liability for the member from payment or obligation of its current dues.

An action for suspension or expulsion of a member may be presented in writing to the President and acted upon at the next meeting of the Association. A two-thirds (2/3) vote of the entire Board of Directors, in office at the time, shall be required for suspension or expulsion upon a finding that said member has ceased doing business or no longer represents the ethical and professional business standards of the Association or no longer abides by the By-Laws or purposes of this Association. No vote by the Board of Directors is needed

for the automatic termination of a member for non-payment of dues.

The Board of Directors may adopt policies and procedures to permit reinstatement of former members.

Section 8. Use of Association Name, Logo or Affiliation. Any general member may indicate or advertise that it is a member of the NHSCA and supports or abides by its goals, ethics and professional business standards. General members consent to listing of their name and affiliation on any public or media report utilized by the Association. No individual member or members shall speak, write or promote on behalf of the Association unless specifically authorized by the President or upon direction of the Board of Directors. The President or others the President designates is authorized by general members to represent the daily affairs and positions of the Association subject to the general direction and instructions of the entire Board.

Only accredited members may use the NHSCA special Accredited logo and only during and while their accreditation is active.

Affiliate Members in good standing may use and advertise the NHSCA official Advisory Council Logo.

Section 9. Place of Meetings. All annual meetings of members and all other meetings of members shall be held at the principal office of the corporation unless another place within or without the State of Kansas is designated either by the board of directors pursuant to authority hereinafter granted to said board, or by the written consent of all members entitled to vote thereat, given either before or after the meeting and filed with the secretary of the corporation. Telephonic or other electronic means of participation is specifically authorized for any meeting.

Section 10. Meetings of all Members and Other Membership Matters. The annual meetings of the members shall be held on or about June of each calendar year at such time, date and place each member is notified of as set forth below. At such meeting, a board of directors shall be elected, reports of the affairs of the corporation shall be considered, and any other business may be transacted which is within the power of the members.

Written notice of each annual meeting shall be given to each member, either personally or by mail or other means of written communication, charges prepaid, addressed to such member at his address appearing on the books of the corporation or given by him to the corporation for the purpose of notice. If a member gives no address, notice shall be deemed to have been given if sent by mail or other means of written communication addressed to the place where the principal office of the corporation is situated, or if published at least once in some newspaper of general circulation in the county in which said office is located.

All such notices shall be sent to each member entitled thereto not less than ten (10) days nor more than sixty (60) days before each annual meeting, and shall specify the place, the day and the hour of such meeting, and shall state such other matters, if any, as may be expressly required by statute.

Non-members may be given notice and opportunity to attend and participate in said meetings under procedures as the Board of Directors determine from time to time in their sole discretion are appropriate.

Section 11. Special Meetings. Special meetings of the members, for any purpose or purposes whatsoever, may be called at any time by the president or by the board of directors, or by one or more General Members holding not less than one-fifth of the voting power of the corporation. Except in special cases where other express provision is made by statute, notice of such special meetings shall be given in the same manner as for annual meetings of members. Notices of any special meeting shall specify in addition to the place, day and hour of such meeting, the general nature of the business to be transacted.

Section 12. Adjourned Meetings and Notice Thereof. Any members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the General Membership interests, the holders of which are either present in person or represented by proxy thereat, but in the absence of a quorum, no other business may be transacted at such meeting.

When any members' meeting, either annual or special, is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Except as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting, if the time and place thereof are announced at the meeting at which such adjournment is taken.

Section 13. Quorum. The presence in person or by proxy of a majority of the voting members at any meeting shall constitute a quorum for the transaction of business. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 14. Consent of Absentees. The transactions of any meeting of members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 15. Proxies. Every person entitled to vote or execute consents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the secretary of the corporation; provided that no such proxy shall be valid after the expiration of three (3) years from the date of its execution, unless the person executing it specified therein the length of time for which such proxy is to continue in force.

Section 16. Inspection of Corporate Records. The membership ledger, the books of account, and minutes of proceedings of the members, the board of directors and of executive committees of directors shall be open to inspection upon the written demand of any member or the holder of a voting trust certificate within five (5) days of such demand during ordinary business hours if for a purpose reasonably

related to his interests as a member, or as the holder of such voting trust certificate. The list of members entitled to vote shall be prepared at least ten (10) days before every meeting of members by the officer in charge of the stock ledger, which shall be the secretary, and shall be open to inspection by any member, for any purpose germane to the meeting, during ordinary business hours for at least ten (10) days prior to such meeting. Such inspection may be made in person or by an agent or attorney authorized in writing by a member, and shall include the right to make abstracts. Demand of inspection other than at a members' meeting shall be made in writing upon the president, secretary, assistant secretary or general manager of the corporation.

Section 17. Inspection of Bylaws. The corporation shall keep in its principal office for the transaction of business the original or a copy of these bylaws as amended or otherwise altered to date, certified by the secretary, which shall be open to inspection by the members at all reasonable times during ordinary business hours.

ARTICLE III

DIRECTORS

Section 1. Powers. Subject to limitations of the Articles of Incorporation, of the bylaws, and of the Kansas Corporation Code as to action which shall be authorized or approved by the members, and subject to the duties of directors as prescribed by the bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be controlled by, the board of directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers, to-wit:

1. If allowed by the Articles of Incorporation, to alter, amend or repeal the bylaws of the corporation.

2. To select and remove all the other officers, agents and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, or with the Articles of Incorporation or the bylaws, fix their compensation, and require from them security for faithful

service.

3. To conduct, manage, and control the affairs and business of the corporation, and to make such rules and regulations therefor not inconsistent with the law, or with the Articles of Incorporation or the bylaws, as they may deem best.

4. To change the principal office and registered office for the transaction of the business of the corporation from one location to another as provided in Article I hereof; to fix and locate from time to time one or more subsidiary offices of the corporation within or without the State of Kansas, as provided in Article 1, Section 3 hereof; to designate any place within or without the State of Kansas for the holding of any members' meeting or meetings except annual meetings; to adopt, make and use a corporate seal, to prescribe the forms of membership certificates, and to alter the forms of such seal and of such certificates from time to time, as in their judgment they may deem best, provided such seal and such certificate shall at all times comply with the provisions of law.

5. To borrow money and incur indebtedness for purposes of the corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

6. To appoint an executive committee and other committees, and to delegate to such committees any of the powers and authority of the board in the management of the business and affairs of the corporation, except the power to adopt, amend or repeal bylaws. Any such committee shall be composed of two or more directors.

Section 2. Number, Qualification, Authority and Responsibility of Directors. The Board of Directors shall be made up of eleven (11) General Members and constituted as follows:

- (a) The 6 largest General Members by market share based on data submitted to the NHSCA.

- (b) 3 Accredited Members who submit data to the NHSCA that are elected annually by vote of the General Membership.
- (c) 2 General Members elected annually by vote of the General Membership who conduct business in no more than 15 states.

The Board of Directors shall elect the Association's operating officers and may designate an Executive Committee consisting of the President, Vice President, and joint office of Secretary/Treasurer. The Board of Directors shall have supervision, control and direction of the general policies and affairs of the Association, its committees and publications, and shall actively promote its objectives. The Board of Directors may adopt motions and regulations for the conduct of the Association. It may also grant or delegate any or all of its authority to the Executive Committee to act on its behalf in the interim between meetings of the Board of Directors. The actions of the Executive Committee shall be reviewed by the Board of Directors at its next regular or called meeting.

Section 2 as amended June 17, 2021

Section 3 Appointment and Election of Directors and Term of Office.

Section 3a. The directors shall be appointed and elected at each annual meeting of members pursuant to Article II Section 2, but if any such annual meeting is not held, or the directors are not established thereat, the directors may be elected at a special meeting of the General Members held for that purpose as soon thereafter as conveniently may be. All directors shall hold office until their respective successors are elected or appointed. A director may be removed from office at any time for cause, however, by a majority vote of the Board of Directors, and he may be removed without cause by a two-thirds (2/3) vote of the Board of Directors.

Section 3b. Election and Terms of Officers as Executive Committee. The Executive Committee consisting of the President, Vice President, and Secretary/Treasurer duly elected by the Directors, shall serve two year terms. After

said two year terms, the current President shall become a non voting but participating member of the Executive Committee. The remaining slate of officers shall be elevated with the Vice president becoming President, the secretary/treasurer becoming Vice President, and a new Secretary/Treasurer shall then be elected by the Directors. This new slate of officers shall then serve a two year term. This plan is designed to ensure better continuity of the association and expectations by officer holders. It may be altered by a duly authorized vote of the majority vote of the Directors.

Section 3c Status of President. Notwithstanding the above, the election of the Association President is based both upon their status as a member, whether designated as the official or named board member or not, and based upon their personal experience, reputation and ability to properly represent the Association. Therefore, in the event the president ceases to be employed for any reason by the member at the time of their current term, the Vice President shall automatically and immediately assume the title and role as acting President. A special election shall then be held by all General Members as soon as practicable via email, meeting or conference call to re-elect the same president in their new capacity, or entertain motions for another replacement . The vote required shall be a simple majority of all General Members.

All other officer vacancies shall be handled per Section 4 below.

Section 3 as amended January 15, 2008
Amend October 12, 2018
Amend January 7, 2021

Section 4. Vacancies. The Executive Committee shall recommend individuals to the Board of Directors for approval to fill vacant unexpired terms occurring on the Board of Directors as a result of a named person unable or unwilling to fulfill the seat on the Board on behalf of an eligible Association member.

Vacancies on the board of directors may be filled by a majority of the remaining directors, although less than a quorum, or by a sole remaining director. If the Articles of Incorporation permit election of directors without written

ballot, then the election of directors to fill vacancies shall be without written ballot, unless requested by any director. If at any time, by reason of death, resignation, or other cause, the corporation should have no directors in office, then any officer or any member or any executor, administrator, trustee or guardian of a member or other fiduciary entrusted with like responsibility for the person or estate of a member may call a special meeting of the members in accordance with the provisions of these bylaws, or may apply to the District Court for a decree summarily ordering election as provided for by the Kansas Corporation Code.

Each director so elected shall hold office until his successor is elected at an annual or a special meeting of the members.

A vacancy or vacancies on the board of directors shall be deemed to exist in case of the death, resignation or removal of any director, or if the authorized number of directors be increased, or if the members fail at any annual or special meeting of members at which any director or directors are elected to elect the full authorized number of directors to be voted for at the meeting, or if any director or directors elected shall refuse to serve.

The General Members holding at least twenty percent (20%) of the outstanding membership certificates may call a meeting at any time to fill any vacancy or vacancies not filled by the directors in accordance with the above procedures. If the board of directors accepts the resignation of a director tendered to take effect at a future time, the board or the members shall have power to elect a successor to take office when the resignation is to become effective.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of his term of office.

Section 5. Place of Meeting. Regular and special meetings of the board of directors shall be held at any place within or without the State of Kansas which has been designated from time to time by resolution of the board or by written consent of all members of the board. In the absence of such designation, all meetings shall be held at the principal office of the corporation.

Section 6. Organizational Meeting. Immediately following each annual meeting of members, the board of directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of such meeting is hereby waived.

Section 7. Other Regular Meetings. Other regular meetings of the board of directors shall be held without call at such time as the board of directors may from time to time designate in advance of such meetings; provided, however, should said day fall upon a legal holiday, then said meeting shall be held at the same time on the next day thereafter ensuing which is not a legal holiday. Notice of all such regular meetings of the board of directors is hereby waived.

Section 8. Special Meetings. The Board of Directors, in addition to its annual meeting, shall hold other meetings from time to time as deemed necessary or advisable on a call by the President, or one-third of the qualified membership of the Board of Directors. Notice of meetings of the Board of Directors, the proposed agenda and copies of all materials necessary for study and action with respect to each agenda item shall be sent to each director, then serving, as soon as feasible and reasonable. Notice and forwarding of materials is presumed reasonable if given in writing, by fax or email as the Board directs, at least ten days prior to the meeting.

Section 9. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned.

Section 10. Waiver of Notice. The transactions of any meeting of the board of directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 11. Quorum. Any meeting in which more than 50% of all Board members in good standing are present constitutes a quorum. Unless provided otherwise in these Bylaws, all

voting is by simple majority of those members present. The entire Board of Directors shall be sent copies of minutes of actions taken at all Board of Directors meetings by the Board Secretary/Treasurer.

Section 12. Meetings by Telephone. Members of the board of directors of the corporation, or any committee designated by such board, may participate in a meeting of the board of directors by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear one another, and such participation in a meeting shall constitute presence in person at the meeting.

Section 13. Adjournment. A majority of the directors present may adjourn any directors' meeting to meet again at a stated day and hour or until the time fixed for the next regular meeting of the board.

Section 14. Votes and Voting. All votes required of directors hereunder may be by voice vote or show of hands, unless a written ballot is requested, which request may be made by any one director. Each director shall have one vote, unless the Articles of Incorporation provide that directors elected by the holders of a class of members have more or less than one vote per director on any matter. Every reference to a majority or other proportion of directors shall refer to a majority or other proportion of the votes of such directors.

Section 15. Inspection of Books and Records. Any director shall have the right to examine the corporation's membership ledger, a list of its members entitled to vote and its other books and records for a purpose reasonably related to such director's position as a director. When there is any doubt concerning the inspection rights of a director, the parties may petition the District Court, which may, in its discretion, determine whether an inspection may be made and whether any limitations or conditions should be imposed upon the same.

Section 16. Fees and Compensation. Directors shall not receive any stated salary for their services as directors, but, by resolution of the board, adopted in advance of, or after the meeting for which payment is to be made, a fixed fee, with or without expenses of attendance, may be allowed one or more of the directors for attendance at each meeting.

Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefor.

ARTICLE IV

OFFICERS

Section 1. Officers. The Board of Directors, at its annual meeting, shall nominate and elect a slate of officers of the Association which shall serve a term of two years. Election as an officer shall be contingent upon said person remaining on the Board in good standing. If said person is no longer able to serve or leaves the employ of the general member for which they hold the Board seat, the Board shall elect a replacement at its next meeting.

Section 2. Election. The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article IV, shall be chosen annually by the board of directors, and each shall serve a two-year term.

Section 3. Subordinate Officers, etc. The board of directors may appoint such other officers as the business of the corporation may require, each of whom shall have authority and perform such duties as are provided in these bylaws or as the board of directors may from time to time specify, and shall hold office until he shall resign or shall be removed or otherwise disqualified to serve.

Section 4. Compensation of Officers. Officers and other employees of the corporation shall receive such salaries or other compensation as shall be determined by resolution of the board of directors, adopted in advance or after the rendering of the services, or by employment contracts entered into by the board of directors. The power to establish salaries of officers, other than the president or chairman of the board, may be delegated to the president, chairman of the board, or a committee.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these bylaws

for regular appointments to such office.

Section 6. Removal and Resignation. Any officer may be removed, either with or without cause, by a majority of the directors at the time in office, at any regular or special meeting of the board, or, except in the case of an officer chosen by the board of directors, by any officer upon whom such power of removal may be conferred by the board of directors. Any officer may resign at any time upon written notice to the corporation.

Section 7. Chairman of the Board. The chairman of the board, if there be such an officer, shall, if present, preside at all meetings of the board of directors, and exercise and perform such other powers and duties as may be from time to time assigned to him by the board of directors or prescribed by these bylaws.

Section 8. President. Subject to such supervisory powers, if any, as may be given by the board of directors to the chairman of the board, if there be such an officer, the president shall be the chief executive officer of the corporation and shall, subject to the control of the board of directors, have general supervision, direction and control of the business and officers of the corporation. He shall preside at all meetings of the members and, in the absence of the chairman of the board, at all meetings of the board of directors. He shall be ex officio a member of all the standing committees, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the board of directors or these bylaws.

Section 9. Vice-President. In the absence or disability of the president, the vice-president or vice-presidents, if there be such an officer or officers, in order of their rank as fixed by the board of directors, or if not ranked, the vice-president designated by the board of directors, shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice-presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the board of directors or these bylaws.

Section 10. Secretary/Treasurer. The secretary/Treasurer shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the board of directors may order, of all meetings of directors and members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the members present or represented at members' meetings and the proceedings thereof.

The Secretary/Treasurer shall keep, or cause to be kept, at the principal office or at the office of the corporation's transfer agent, a membership ledger, showing the names of the members and their addresses. Membership certificates are hereby waived unless later demanded by a member. Upon later demand by a member, the Board is authorized to approve, print and distribute appropriate member certificates.

The Secretary/Treasurer shall give, or cause to be given, notice of all the meetings of the members and of the board of directors required by these bylaws or by law to be given, and he shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the board of directors or these bylaws.

The Secretary/Treasurer shall be familiar with the Association policies and procedures and be responsible for the finances of the Association; shall receive all moneys of the Association; shall keep an accurate record of receipts and expenditures; and shall pay out funds only as authorized by the Executive Committee. The Secretary/Treasurer shall present a statement of account at every Executive Committee meeting and shall make a full report at the annual meeting.

ARTICLE V

EXECUTIVE COMMITTEE

Section 1. Authority and Responsibility. The Executive Committee shall consist of the President, Vice President, and Secretary/Treasurer of the Board of Directors who shall be vested with the management of the Association and have authority to act on behalf of the entire Board of Directors in the interim between meetings of the Board of Directors, except where specifically prohibited by either these By-Laws

or action of the Board of Directors. It may adopt motions and regulations for the conduct of its duties. It shall keep minutes of its proceedings which shall be reviewed by the Board of Directors at their next meeting.

Section 2. Meetings. The Executive Committee may hold meetings as often as necessary or at such other times as the President may deem desirable. Meetings may be held by telephone conferences.

Section 3. Quorum. Three of the four members of the Executive Committee shall constitute a quorum for the purpose of any action. A majority vote of such quorum or those present shall be deemed as an affirmative vote of the entire Executive Committee.

Section 4. Committees. Committees may be assigned at the discretion of the President in consultation with the Executive Committee or the entire Board whenever deemed efficient or necessary. Committees have no authority and must report their finding back to the President, Executive Committee or Board for action.

ARTICLE VI

MISCELLANEOUS

Section 1. Dues. The dues required for initial membership and annually or otherwise shall be as specified by written resolution of the board of directors. Such dues may be changed from time to time except that once a member has paid his original membership fee, if any, and becomes a member, no subsequent increase or decrease in the membership fee shall warrant an assessment or require a refund as to such fee with respect to such member. Nonpayment of dues shall be a proper cause for suspension or revocation of membership hereunder. All dues shall be payable as specified by the board of directors. Annual dues shall be in the same amount for all members of the same membership class. The annual dues may vary for each membership class where there is more than one such class. Any member delinquent sixty (60) days in their dues is immediately suspended of all right and privileges under Article II Section 6 to use, advertise or utilize in any form the NHSCA name, logo or affiliation.

Section 2. State Fund Assessments. Assessments to fund the NHSCA STATE FUND to support legislative efforts in the various states are not tax deductible and therefore invoiced separately from General member Dues. Assessments shall be made on an annual basis as follows:

- 1.) NHSCA staff shall determine the average amount paid by all members in all states for the prior five years.
- 2.) The budget for the following year shall be determined by taking that past 5 year average.
- 3.) All Regional and National Members shall be charged a pro rata portion to fund this predicted budget amount for the following year. Local members will be assessed in arrears.
- 4.) All contributions to the STATE FUND will be tracked in separate accounts. To the extent any member, including local members, has been over charged or undercharged based upon states in which it has 100 or more contracts in force, its assessment shall be adjusted the following year.
- 5.) Any decision to expend STATE FUNDS shall be by unanimous vote of those General Members having 100 or more contracts in force in that state.

Section 3. Use of Roberts Rules of Order. The most current revision of Roberts Rules of Order shall be used for the conduct of all members' and directors' meetings except as otherwise provided hereunder or in the Articles of Incorporation.

Section 4. Indemnification of Directors and Officers. When a person is sued, either alone or with others, because he is or was a director or officer of the corporation, or of another corporation serving at the request of this corporation, if any proceeding arising out of his alleged misfeasance or nonfeasance in the performance of his duties or out of any alleged wrongful act against the corporation or by the corporation, he shall be indemnified for his reasonable expenses, including attorneys' fees incurred in the defense of the proceeding, if both of the following conditions exist:

- (a) The person sued is successful in whole or in part, or the proceeding against him is settled with the approval of the court.

(b) The court finds that his conduct fairly and equitably merits such indemnity.

The amount of such indemnity which may be assessed against the corporation, its receiver, or its trustee, by the court in the same or in a separate proceeding shall be so much of the expenses, including attorneys' fees incurred in the defense of the proceeding, as the court determines and finds to be reasonable. Application for such indemnity may be made either by the person sued or by the attorney or other person rendering services to him in connection with the defense, and the court may order the fees and expenses to be paid directly to the attorney or other person, although he is not a party to the proceeding. Notice of the application for such indemnity shall be served upon the corporation, its receiver, or its trustee, and upon the plaintiff and other parties to the proceeding. The court may order notice to be given also to the members in the manner provided in Article II, Section 2, for giving notice of members' meetings, in such form as the court directs.

Section 5. Checks, Drafts, etc. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the board of directors.

Section 6. Annual Report. No annual report to members shall be required, but the board of directors may cause to be sent to the members reports in such form and at such times as may be deemed appropriate by the board of directors.

Section 7. Contracts, Deeds, etc., How Executed. The board of directors, except as in these bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances; and unless so authorized by the board of directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose in any amount; provided, however, that any contracts, agreements, deeds or other instruments conveying lands or any interest therein, and any other documents shall be executed

on behalf of the corporation by the president (or by a vice-president, if there be one, serving in the absence of the president, or by any other specific officer or agent or attorney so authorized under letter of attorney or other written power which was executed on behalf of the corporation by the president (or vice-president serving in the absence of the president)).

Section 8. Membership Certificates. A certificate of membership shall be issued to each member when any such member so requests, and no such certificate shall be issued when initial membership fees are required until such fees are paid in full, unless the board of directors specifically authorizes installment payments. All such certificates shall be signed by the president or vice-president and the secretary/Treasurer, or an assistant secretary. Only one certificate may be issued per member except to replace membership certificates which are lost, stolen or destroyed. In the event a membership certificate is lost, stolen or destroyed, the member requesting a new certificate shall prepare an affidavit stating the conditions and reasons for or circumstances surrounding the loss, theft or destruction.

ARTICLE VII

DISSOLUTION

Section 1. Upon the dissolution of this corporation, the governing body shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation and donate the same to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue law), as the governing board shall determine. Any such assets not so disposed of shall be disposed of by the district court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VIII

AMENDMENTS

Section 1. Power of Directors. New bylaws may be adopted or these bylaws may be amended or repealed by a majority vote of the board of directors at any regular or special meeting thereof; provided, however, that the time and place fixed by the bylaws for the annual election of directors shall not be changed within sixty (60) days next preceding the date on which such elections are to be held. Notice of any amendment of the bylaws by the board of directors shall be given to each member having voting rights within ten (10) days after the date of such amendments by the board.

CERTIFICATE OF SECRETARY/TREASURER

I, the undersigned, do hereby certify:

(1) That I am the duly elected and acting Secretary/Treasurer of National Home Service Contract Association, a Kansas not-for-profit corporation; and

(2) That the foregoing bylaws, comprising 22 pages, constitute the amended bylaws of said corporation, as duly adopted at the annual meeting of the board of directors thereof duly held on the 17 day of June, 2021.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the seal of the said corporation this _____ day of _____, 2021.

[Original with signature on file with NHSCA office]

Jim Mullery
Secretary/Treasurer
As of date of adoption
June 17, 2021