By-Laws of The Wisconsin Land Title Association

As amended at the General Membership Meeting-WLTA Fall Convention September 2026

ARTICLE I - NAME AND PRINCIPAL OFFICE

The name of the Association shall be Wisconsin Land Title Association (WLTA). The principal office shall be at the office of the Executive Director of the Association or as designated by the Board of Directors (Board).

ARTICLE II - OBJECTS AND PURPOSE

The objects and purposes of this Association shall be to promote the general welfare of the abstract and title insurance industry, to promote ethical business standards in the industry, to promote the enactment of sound legislation affecting the industry, to provide information and education to the members of the public and this Association of the aims and issues of this industry. To this end the Code of Ethics of the WLTA is made an integral part of these By-Laws. The WLTA highly recommends, but does not require that its members join the American Land Title Association.

ARTICLE III - MEMBERSHIP

Section 1. Classes of Membership

There shall be 3 classes of membership designated as Active, Associate, and Honorary members.

Active Members shall be limited to any sole proprietorship, partnership, or other business entity who 1.) directly, legally, and regularly engages in the business of abstracting or insuring titles as a title insurance agent or title insurance underwriter; 2.) having subscribed to the Code of Ethics of this Association; 3.) having agreed to be governed by the By-Laws of this Association and 4.) if engaged in the business of insuring title to real estate shall be and remain in good standing with the Insurance Commissioner of the State of Wisconsin and shall have in force at all times a certificate of authority pursuant to Section 601.04 Wisconsin Statutes.

Associate Members shall be limited to only individuals, sole proprietorships, partnerships, or other business entities 1.) not qualified for Active Membership 2.) engaged in closely allied professions or businesses to the title industry 3.) approved by the Board 4.) having subscribed to the Code of Ethics of this Association and 5.) having agreed to be governed by the By- Laws of this Association.

Honorary Members shall be limited to those individuals so designated by the Board for the performance and/or meritorious service to the Association or to the profession of land title evidencing.

Section 2. Qualification for and Election to Membership

A. Application for Active or Associate Membership

In addition to the requirements of Section 1 of this article, shall be made in writing on a form prescribed by the Board. Such applicant shall furnish any additional information satisfactory to the Board that will enable the Board to determine the eligibility of the applicant. Approval of an application for membership shall be by a majority vote of the entire Board.

B. Dues and Assessments.

Each Active and Associate Member shall pay annual dues in accordance with a schedule to be fixed by the Board which may be changed only at the time of each Annual Convention for the ensuing year, payable on or before February 28th of such year. Honorary Members shall pay no dues. Dues paid by new members during the last quarter of the year shall be credited in full for the following year.

The Board may assess each member in any emergency declared by them, an amount not more than twice the amount of the dues collected from said member for the date of said assessment.

Default of any payment of dues or assessments shall be reason for censure or expulsion under Article IX at the discretion of the Board.

Section 3. Representation and Voting

For Association business on the floor, each Active Member in good standing, having paid applicable registration fees for the voting event, shall have one vote.

If any Active Member is represented at any meeting by more than one person, upon the request of the Association, one person shall be designated as the person to vote.

Out of state Active Members in good standing must have at least one staffed branch office physically located in Wisconsin to vote.

If after having been elected a Director or Officer, the Active Member's status changes to that of Associate Member, the Associate Member shall be entitled to vote.

No vote shall be cast by proxy or absentee ballot.

Section 4. Resignation of Members

Any member may resign by delivery of a written resignation with the Executive Director of the WLTA, but such resignation shall not relieve the member so resigning of the obligation to pay any past dues pro-rated for the year of resignation, assessments or other charges theretofore accrued and not paid.

Section 5. Review of Status

Any sale of a member's business, in whole or in part including but not limited to goodwill, title plant, company assets or controlling shareholder or partnership interests, shall be reason for review by the Board of the membership status of said member. Upon such review, the Board may request a new application for membership.

Section 6. Relationship of Underwriters and Agents

Any underwriter which is a member of WLTA shall encourage all of its agents in Wisconsin to become eligible and apply for membership in the WLTA.

ARTICLE IV - GENERAL MEMBERSHIP MEETINGS

Section 1. Annual Convention

An Annual Convention shall be held before October 31st at such time and at such place as shall be recommended by the President and approved by the Board.

Section 2. Spring Meeting

A Spring meeting may be held at such a time and at such a place as shall be recommended by the President and approved by the Board.

Section 3. Notice of Convention and General Membership Meetings

Written notice of each Convention or General Membership Meeting shall be delivered by mail or email to all members at least one month prior to the Convention or General Membership Meeting date. Said notice shall include all proposals and matters to be brought before the membership for a vote.

Section 4. Rules of Order

Roberts Rules of Order shall govern all meetings of this Association, its Board and *C*ommittees.

Section 5. Quorum

Any number of Active Members in good standing, present in person and registered for the voting event shall constitute a quorum for the transaction of any business.

Article V – WLTA Regions

The State of Wisconsin shall be divided into four regions as follows:

> **Region No. 1** - Kenosha, Racine, Milwaukee, Ozaukee, Washington, Waukesha, Jefferson and Walworth Counties.
>
> **Region No. 2** - Brown, Oconto, Manitowoc, Kewaunee, Marinette, Outagamie, Calumet, Vilas, Winnebago, Forest, Florence, Oneida, Lincoln, Langlade, Marathon, Shawano, Wood, Portage, Waupaca, Sheboygan, Fond du Lac, Door and Menominee Counties.
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> **Region No.3** - Douglas, Bayfield, Ashland, Iron, Price, Sawyer, Washburn, Burnett, Polk, Barron, Rusk, Chippewa, Dunn, St. Croix, Pierce, Pepin, Eau Claire, Buffalo, Trempealeau, Jackson, La Crosse, Monroe, Taylor, Clark, and Vernon Counties
>
> **Region No. 4** - Juneau, Adams, Waushara, Marquette, Green Lake, Dodge, La Fayette, Sauk, Richland, Crawford, Grant, Iowa, Dane, Rock, Columbia, and Green Counties.

ARTICLE VI- BOARD OF DIRECTORS

Section 1. Number, Qualification, Election & Duties

The number of directors shall be ten (10).

The Board shall be composed of:

A. Officers

Number: The officers of the Association shall be the President and President Elect.

Qualification: The officers shall be Active Members of the Association in good standing.

Change in Membership Status: If after having been elected an officer, the officer's status changes from that of an Active Member to Associate Member, the officer is eligible to remain in the office until their term of President has concluded.

Residency: Officers must be Wisconsin residents. If after having been elected an officer, the officer's residency changes from Wisconsin to another State, the officer is eligible to remain in the office until their term of President has concluded. This eligibility will be contingent upon the officer's continued business in the State of Wisconsin.

1. <u>President</u>

The President assumes office upon installation but in no event later than adjournment of the annual convention.

The President shall hold office for one year or until such time as his or her successor has been elected or appointed.

The President, unless otherwise delegated by the Board, shall be the primary spokesperson for the Association.

The President shall preside at all meetings of the membership and Board unless meeting is regarding the President's removal from office.

The President shall make all committee appointments, unless otherwise spelled out in the individual committee bylaws under Article VIII, subject to Board approval of committee chairpersons.

The President shall be an ex-officio member of all committees.

2. <u>President-Elect</u>

From the 4 Directors at Large elected at the annual convention, a President-Elect shall be voted on by the newly elected Board at their first meeting following the Annual Convention as the first item on the meeting agenda.

The President-Elect assumes office upon election.

The President-Elect shall hold office for one year or until such time as his or her successor has been elected or appointed.

The President-Elect shall assume the duties of President in case of absence or inability to act.

B. Directors at Large

1. Number, Term & Qualifications

Number: There shall be four Directors at Large as follows: 1st Director at Large, 2nd Director at Large, 3rd Director at Large, 4th Director at Large.

From the 4 Directors at Large elected at the annual convention, a President-Elect shall be voted on by the Board at their first meeting following the annual convention, thus reducing the Director at Large positions on the Board from 4 to 3 for the remainder of the board year.

Term: Directors at Large will automatically move up from 4th to 1st position each consecutive term that they serve provided they are elected as per the process outlined in the WLTA By-laws under Article VI.

Qualification: Directors at Large shall be Active Members of the Association in good standing.

Residency: Directors at Large must be Wisconsin residents.

Change in Membership Status: If after having been elected a Director at Large, the director's status changes from that of Active Member to Associate Member, the director is eligible to remain a director until the remaining term of office ends.

2. Election:

As set forth in Article VIII, Section 1. H. hereof, the Nominating Committee shall present at the Annual Convention General Session its list of four (4) individuals as nominees for Directors at Large as mailed or emailed to all Active Members not less than 30 days prior to the Annual Convention.

Additional nominations by any party other than the Nominating Committee may be made, provided that these names are submitted in writing to the Executive Director by mail or email not less than 15 days prior to the Annual Convention. The names of the nominees shall also have been seconded in writing, including a signature, by not less than

3 Active Members in good standing included with the above nomination.

Each of the Nominating Committee's four nominees shall be nominated separately from the Nominating Committee's other nominees; the nomination and election for the first nominee shall be held and consummated prior to the nomination of the Nominating Committee's second nominee, and the nominations and elections of the second and all subsequent nominees shall be held in a like manner, until an election held for the Nominating Committee's last nominee is in fact consummated.

Any nominee having been nominated but not elected, may not be nominated or re-nominated for Director at Large until the next regularly held election the following year.

C. Region Directors

1. Number, Term & Qualifications

Number: Each of the four regions, created pursuant to Article V shall designate an individual of the region who shall serve on the Board as a voting member thereof.

Qualification: Region Directors shall be an employee of an Active Member of the Association of the region in good standing.

Residency: Region Directors must be Wisconsin residents.

Terms: Each Region Director will serve a 2-year term, beginning immediately after installation at the Annual Convention following their election. Region Directors may be re-elected thereafter. Terms shall be staggered as per the election process for Region Directors under Article VI, Section C. 2-Election.

Change in Membership Status: If after having been elected a Region Director, the Region Director's status changes from that of Active Member to Associate Member, the Region Director is eligible to remain a Region Director until the remaining term of office ends.

2. Election

Region Directors shall be elected at a WLTA Region meeting. If no such meeting is held, the outgoing Director and President-elect shall act as the Nominating Committee and submit at least 2 nominees for election to the region members by mail or email coordinated through the office of Executive Director.

Region Elections shall be held for staggered terms as follows: Regions 1 & 2 shall hold elections in odd numbered years, Regions 3 & 4 shall hold elections in even numbered years.

For Region Elections, each dues paying Active Member, with one or more staffed branch offices located in the Region, shall have one vote. The Board shall review and determine voting eligibility in the event of any ambiguity or dispute.

Out of state Active Members in good standing shall have one

vote in each region where they have a staffed branch physically located.

D. Past President Director

The immediate Past President shall be a voting ex-officio member of the Board as a resident or non-resident of Wisconsin.

Section 2. Powers of the Board of Directors

The Board shall manage the affairs of the Association including, but not limited to:

A. Vacancies

The Board shall fill vacancies in any elective office or among the Board, such appointees to hold office until the next Convention or until successors are duly elected and qualified or until removed under provisions of Article VI hereof.

B. Removal of Elected or Appointed Office

The Board may remove any elected or appointed officer or director for violation of the Code of Ethics or other sufficient cause by a majority vote. Said action shall be reported to the membership. The removed officer shall have the right to appeal to the Association membership. Reversal of removal shall require a two-thirds vote of all Active Members in attendance at the next annual convention. Upon receiving the two-thirds vote necessary for reinstatement, the officer shall be reinstated, but any action taken by his substitute during the officer's suspension shall be valid.

C. Removal of President

If the removal of the President is sought, the President-Elect shall have the authority to call a special meeting of the Board to act under this section upon the written request of two other Directors.

Section 3. Board of Directors Meetings

A. Regular Meetings

1. Number of Meetings: The Board shall hold at least one business meeting at each Annual Convention and Spring Meeting (if duly called under Article IV, Section 2) and 2 other meetings as called by the President. Meetings may be held by telephone conference.

2. Quorum: Six (6) members of the Board shall constitute a quorum of said Board.

3. Vote: A majority vote of the Board members present shall be required for any action. All votes in any meeting held by telephone conference shall be by roll call vote only.

B. Special Meetings

1. Procedure: The President or any 2 Board members may call a meeting of the Board.

2. Notice: A notice of special meeting describing the purpose of the meeting shall be given by the Executive Director or the President on a business

day, during business hours, not less than 48 hours prior to the special meeting to all Board members.

3. Day & Time: Special meetings shall be held between 8:00 a.m. and 5:00 p.m. Monday through Friday only, excluding holidays, unless the special meeting is adjourned and/or extended, in which case the meeting may resume or continue at, or be extended to, other times.

4. Meeting Type: Special meetings may be held in person, by telephone conference, or any oral electronic communication.

5. Quorum: A majority of the Board members shall be in attendance, which constitutes a quorum.

6. Vote: All votes in any meeting held by telephone conference shall be by roll call vote only. A majority of those in attendance is required to approve any action.

ARTICLE VII - EMPLOYEES AND AGENTS

Section 1. Executive Director

A. Employment

The President, with the approval of the Board, may employ an Executive Director. The cost or salary for the Executive Director shall be approved by the Board.

B. Duties

Duties of the Executive Director shall be those as directed by the Board.

Section 2. Other Employees or Agents

The President, with the approval of the Board, may employ legal counsel, lobbyists, and providers of any other necessary professional services. The cost or salary for such services shall be approved by the Board.

ARTICLE VIII - COMMITTEES

Committees of the WLTA shall be classed as Standing Committees, Special Committees, Wisconsin Land Title Professional Council (WLTP) and Council of Past Presidents. Any officer or member of the Board or any Active Member or Honorary Member may serve as chairperson or member of any committee.

Committee Chairs shall provide a written report of any meeting, or action taken by the committee, within 30 days of a request by the Executive Director or President.

Section 1. The Standing Committees

Shall be appointed by the President, and approved by the Board within a reasonable time after he or she shall assume office. Continuity of the committee structure shall be considered. Standing committees shall function from appointment by the President until the close of the next Annual Convention. Their composition and duties shall be as follows:

A. Budget Committee

Two or more members who shall recommend a budget for the ensuing year to be approved by the Board and which committee shall review the books of the WLTA at the annual convention.

B. Legislative Committee

Two or more members who shall observe, audit and report upon proposed legislation in Wisconsin affecting business of this Association or its members. It shall recommend to the Board positions and actions this Association should take with regard to all federal and state government action affecting the title industry; coordinate and participate in appropriate action to implement such WLTA policy, as authorized by the Board; carry out an educational program to improve the understanding of federal and state legislatures, regulators, and public agencies regarding the title industry; and be responsible for developing programs and activities to improve title industry rapport with federal and state legislators and agencies.

Notwithstanding the foregoing, this committee shall be empowered to take positions and actions in the Association's best interests with regard to federal and state governmental action affecting the title industry, with approval of the President in the event time does not permit authorization by the Board. The President shall immediately inform the Board of the positions and actions taken.

C. Liaison Committee

Two or more members, who shall maintain relationships and communication with affiliated industries on issues of importance to the WLTA and shall attend all liaison related organization meetings and represent the position of WLTA at such meetings. The Liaison Committee leadership shall consult with WLTA leadership prior to communicating WLTA positions on issues and shall submit a written report to the WLTA Board summarizing all correspondence, communications and meetings.

D. Communications & Social Media Committee

Two or more members who shall publicize appropriate news of the Association or its individual members as such information may become available. It may engage in any publicity program that will in its judgment benefit the Association or any group of its members, subject to the approval of the Board.

E. Grievance Committee

Three or more members composed of the Council of Past Presidents who shall have power to consider and investigate complaints involving alleged misconduct by a member in his relations with the general public, the Association or a member thereof, including without limitation, alleged violations of the principles of the Code of Ethics. The Committee may itself initiate investigation as to such misconduct and, on majority vote of its members, may become the complaining party to a grievance, or to undertake any such investigation upon complaint laid before it by a member or by any aggrieved party. The committee shall proceed in the manner provided by Article IX.

F. Education Committee

Members shall include, but not be limited to, the current teaching faculty of WLTA education programs who shall keep the Board informed as to educational developments for formal instruction in title evidencing and related subjects. At the Board direction the Committee may itself sponsor seminars or cooperate with educational institutions in such sponsorship for the formal training of members of this Association and their employees.

G. Membership Committee

Three or more members who shall endeavor to solicit and encourage applications for membership in the Association. The Membership Committee shall research qualifications and references of new member applicants and recommend approval or non-approval to the Board.

H. Nominating Committee

The nominating committee will be composed of the last three immediate past-presidents of the Wisconsin Land Title Association to be chaired by the most immediate past president plus not more than two other active members of the Wisconsin Land Title Association who may be past presidents.

The committee shall identify four (4) nominees, who are individuals for Directors at Large who would serve on the Board, and these nominees shall be selected by the committee sufficiently in advance of the Annual Convention in order to assure the communication of the names of all the committee's nominees to the Active Members by mail or email not less than 30 days prior to the Annual Convention.

I. Convention Committee

Two or more members whose appointment and function shall be to assure a successful Annual Convention. The Convention Committees shall function from appointment until the election of a new President.

J. Agent Committee

The Agent Committee shall be made up exclusively of agent and abstractor members of the WLTA.

The Agent Committee shall take nominations from the floor during an Agent Committee meeting for the chairperson and vice chairperson positions followed by a vote of those in attendance at that same meeting.
The term shall be one year with the option to be re-elected for not more than one additional consecutive term.

K. Executive Committee

A committee comprised of the President, Immediate Past President and the President-Elect shall meet with the Executive Director at least twice annually to set goals for the Executive Director and evaluate his/her performances which said committee will be chaired by the President.

L. Labor and Diversity Committee

A committee comprised of two or more members whose appointment shall be to focus on labor and diversity issues within the title industry.

Section 2. Special Committees

The President may appoint, and the Board shall approve one or more special committees composed of members of any classification as he or she may deem necessary to carry out the orderly functions of the Association in accordance with its purpose and objections, so long as the duties of any such committee are limited and described at the time of appointment until the election of a new president.

Section 3. Council of Past Presidents

The Council of Past Presidents shall be composed of all Past Presidents, the chair of which shall be elected by the members of the Council present at each Annual Convention. The Council may elect such other officers as may be determined expedient and proper. The Council of Past Presidents when requested shall, and on its own motion may, advise with and give counsel to the Board or any officers or committee on any measure deemed to advance the good of the Association, and shall report through the immediate Past President at all meetings of the Board.

Section 4. Wisconsin Land Title Professional Council

The Wisconsin Land Title Professional (WLTP) Council shall be formed for the purpose of approving WLTP designations, reviewing and recommending changes to the designation criteria and process to the Board, and approving renewal applications and designation revocation.

A. Council Members

The WLTP Council shall be comprised of 3 members of the WLTA, at least one of whom must also be a member of the Board, as follows:

- One Underwriter representative
- One Agent representative
- One Underwriter or Agent representative that has the WLTP designation

B. Appointments

WLTP Council members shall be appointed by the President, and approved by the Board within a reasonable time after he or she shall assume office.

C. Term

The term of each WLTP Council member shall be from appointment until the close of the next Annual Convention.

D. Vacancies

In the event of a vacancy, the President shall appoint a new Council member to fill the balance of the vacated term subject to approval by the Board. When selecting the new Council member, the President shall select someone who fills the same slot as the vacating person (i.e.: Underwriter, Agent, or WLTP designation Representative).

E. Removal of a WLTP Council Member

Shall be recommended to the Board by a majority vote of all WLTP Council members.

ARTICLE IX - PROCEDURES RESPECTING GRIEVANCES, COMPLAINTS, AND INVESTIGATION

Section 1. Complaints

Complaints against a member of the Association alleging misconduct in his or her relations with the general public, the Association, or a member thereof, shall be in writing signed by the complaining party and shall state plainly the matter and the section of the Code of Ethics or By-Laws which is the basis of the complaint. Any such complaint shall be filed at the principal office of the Association and be referred to the Grievance Committee. The complained-of-member shall be furnished a copy of the complaint and be permitted thirty days to answer the same in writing. Such member shall cooperate with the Grievance Committee and, on request, disclose pertinent facts and records, not privileged, germane to the investigation.

Section 2. Dismissal of Complaint or Hearing by Committee

After preliminary investigation, if the committee shall deem the complaint groundless, it may dismiss the complaint by majority vote of the Grievance Committee members. If there is no such dismissal, then at a time and place designated by the Grievance Committee, said committee shall hold a hearing on the complaint, at which hearing the complainant and complained-of-member or any other person called by the committee may appear personally and by counsel.

Section 3. Report of Committee and Hearing by Board

The Grievance Committee findings and recommendations after investigation and hearing of any complaint shall be reduced to writing and submitted promptly to the Board. A copy thereof shall be given to the complained-of-member. Upon the written request of the complained-of-member, the Board shall, before making a final decision, give such member an opportunity to appear in person and by counsel and to be heard in their defense.

Section 4. Review of Action by Board

The Board shall review the Grievance Committee findings and recommendations and may find the complained-of-member to be guilty or not guilty of the charges, and, if found guilty, may adjudge that the member be censored, suspended, or expelled from the association. No censure, suspension or expulsion shall be adjudged except by affirmative vote of all those members of the Board present, except that one abstention shall not affect such decision. Such decision of the Board shall be reduced to writing and a copy thereof furnished to the complainant and the complained-of-member.

Section 5. Appeal of Membership

Any decision of the Board censoring, suspending, or expelling a member shall be final and shall become effective according to its terms unless, within thirty days thereafter, the member shall file in the principal office of the Association, a written appeal to the membership of the Association, in which event the decision of the Board shall be held in abeyance pending action by the members on the appeal at the next meeting or annual convention, whichever first occurs. Upon any such appeal the decision of the Board shall be affirmed or reversed by a majority vote of the active members present and voting at the meeting, but such appeal shall open to the membership all proceedings and communications involved in the case.

Section 6. Communications

All communications, notices, or pleadings by or from any party to a grievance proceeding shall be sent by Certified or Registered mail addressed to the Association at its principal place of business. All notices or communications by or from the Association to any party to such proceedings shall be sent by Certified or Registered mail addressed to the principal office of said party as last entered upon the records of the Association.

ARTICLE X - AMENDMENTS

By-laws may be amended by either:

Section 1. By the Board

A. Vote
Vote of not less than a majority of the directors present at any regular or special meeting of the Board; and

B. Written copy
Written copy of such amendment shall have been sent by mail or email to each member of the Board at least 10 days prior to a regular meeting and at least 5 days prior to a special meeting.

Such amendment of these By-laws, if approved by the Board, shall become effective immediately after the next meeting of the general membership, but only upon the following conditions:

1. That a written copy of such amendment shall have been included in the notice of the next meeting of the general membership delivered by mail or email not less than 30 days prior to that meeting.

2. That such amendment shall have been approved by a vote of the majority of the members present at the next meeting of the general membership.

3. That unless otherwise specifically provided herein, no amendment or revision of the By-laws, or any part thereof, by the Board of Directors shall affect or change the terms of the office, the power of authority of any officer, or any board member of this Association previously elected or appointed.

Section 2. By the General Membership

By-laws may also be amended by a vote of a majority of the members present at any meeting of members, upon 30 days written notice to the membership delivered by mail or email through the Executive Director.

ARTICLE XI - FISCAL YEAR

The fiscal year of this Association shall be the calendar year and its books shall be closed as of December 31st of each year. The financial report of the Executive Director at the Annual Convention shall be as of the last day of the month preceding the month in which such convention is held.

ARTICLE XII - NON-DISCRIMINATION

Wherever the words "he" or "his" appears written in these By-laws, the words "she" or "her" may be freely substituted.

Wisconsin Land Title Association does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations. These activities include, but are not limited to, hiring and firing of staff, selection of volunteers and vendors, and provision of services.

WLTA is committed to providing an inclusive and welcoming environment for all members, staff, clients, volunteers, subcontractors, vendors and clients.

Wisconsin Land Title Association is an equal opportunity employer. WLTA will not discriminate and will take affirmative action measures to ensure against discrimination in employment, recruitment, advertisement for employment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the bases of race, color, gender, national origin, age, religion, creed, disability, veteran's status, sexual orientation, gender identity or gender expression.

ARTICLE XIII - OFFICERS AND DIRECTORS INDEMNIFICATION

This Association shall indemnify the officers, employees and directors or former officers, employees and directors of the Association against any recovery he or she becomes obligated to pay, and reasonable expenses, including attorney's fees, actually and necessarily incurred by him or her, in connection with the defense of any civil, criminal or administration action, suit or proceedings in which he or she is made a part or which is threatened by reason of being or having been or because of any act as such officer or director, within the course of his or her duties or employment, except in relation to matters as to which he or she shall be adjudged in such action, suit or proceeding to be liable for misconduct in the performance of his or her duties, and also except any action brought by this Association against any officer or director. In the event the question of misconduct is not decided in said action, then the indemnity shall be in effect unless it shall be found by a majority of a committee composed of the directors not involved in the matter or controversy (whether or not a quorum) that it is the best interests of the Association that the indemnity be provided, and that the party or parties involved acted in the scope of their authority as such officers or directors, and were not guilty of misconduct in the performance of his or her duties as such officer or director.

This Association may also reimburse any officer, employee and director for the reasonable costs of settlement of any such action, suit, or proceedings, if it shall be found by a majority of a committee composed of the directors not involved in the matter (whether or not a quorum) that it would be to the interests of the Association that such settlement be made and that such officers and directors were not guilty of misconduct. The Association may take out liability insurance to cover some or all of the obligations placed on the Association by the above provision, and if such insurance is in force, the individual and the Association shall first look to the insurance carrier under their coverage.

The right of indemnification herein provided shall extend to the estate, personal representative, administrator, guardian and conservator or any deceased of former officer of director who himself would have been entitled to indemnification. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such officers, employees, and directors may be entitled.

Amended September 24, 2026