

BYLAWS OF
NEW MEXICO SOCIETY FOR RESPIRATORY CARE, INC.

ARTICLE I

NAME

The organization shall be known as the New Mexico Society for Respiratory Care, Inc., herein referred to as the Society, which is incorporated under the General Not for Profit Corporation Act of the State of New Mexico, and which is a chartered affiliate of the American Association for Respiratory Care, herein referred to as the AARC. The AARC is organized exclusively as a professional association as described in Internal Revenue Code §501(c)(6).

ARTICLE II

PURPOSES

The Society is organized exclusively as a professional association as described in Internal Revenue Code §501(c)(6) for the purposes outlined below.

1. To encourage, assist, develop, and provide on a regional basis educational programs that allow opportunity to acquire continuing education credit toward professional licensure and education and training in the American Association for Respiratory Care C.R.C.E. Program for those persons interested in respiratory therapy and diagnostics, hereinafter referred to as Respiratory Care.
2. To advance the science, technology, ethics, and art of Respiratory Care through institutes, regional meetings, lectures, and the preparation and distribution of a newsletter and other materials.
3. To facilitate cooperation and understanding among Respiratory Care personnel and the medical profession, allied health professions, hospitals, service companies, industry, governmental organizations, and other agencies interested in Respiratory Care.
4. To provide education of the general public in pulmonary health promotion and disease prevention.

The corporation shall at all times perform such acts which are consistent with the purposes stated herein and permitted by §501(c)(6) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code.

ARTICLE III

MEMBERSHIP

A. CLASSES OF MEMBERSHIP.

The Society shall have members. The membership of this Society shall include three classes: Active Member, Associate Member, and Special Member.

1. ACTIVE MEMBER.

Individuals are eligible for active membership if they are employed in the State of New Mexico, and meet one of the following criteria: (1) is legally credentialed as a respiratory care professional or (2) Is a graduate of an educational program in Respiratory Care Accredited by an AARC-recognized agency, or (3) Hold a credential issued by an AARC-recognized agency. An individual who was an AARC active member in good standing on December 8, 1994, will continue as such provided his/her membership remains in good standing. Active Members in good standing shall be entitled to all the rights and privileges of membership of the Association including: the right to hold office, hold committee chairs, and vote.

2. ASSOCIATE MEMBER.

Individuals will be classified as associate members if they hold a position related to Respiratory Care and do not meet the requirements to become active members. Associate members shall have all of the rights and privileges of the Society except that they shall not be entitled to hold office, vote, or serve as chair of any standing committee of the Society. There shall be the following subclasses of associate membership:

- a. *Student Member:* Individuals will be classified as student members if they meet all of the requirements for associate membership and are enrolled in an educational program in Respiratory Care Accredited by, or in the process of seeking accreditation from an AARC-recognized agency.
- b. *Physician Member:* Individuals will be classified as physician members if they meet all of the requirements for associate membership and are duly licensed as doctors of medicine or osteopathy.
- c. *Industrial Member:* Individuals will be classified as industrial members if they meet all of the requirements for associate membership and their primary occupation or business or a majority of their business time is directly or indirectly devoted to the manufacture, sale, or distribution of equipment or product which is directly or indirectly used in the area of Respiratory Care.

3. SPECIAL MEMBER.

There shall be the following subclasses of Special Membership:

- a. *NMSRC Life Member:* Life members shall be members who have rendered outstanding service to the Society as active members. Life membership may be conferred by a majority affirmative vote of the Board of Directors. Life members shall have all the rights and privileges of membership of the Society, including the right to hold office, hold committee chairs, and vote.
- b. *NMSRC Honorary Member:* Honorary members shall be persons who have rendered distinguished service to the field of Respiratory Care. Honorary membership may be conferred by a majority affirmative vote of the Board of Directors. Honorary members shall have all the rights and privileges of associate membership of the Society.
- c. *General Member:* General members shall be individuals who have an interest in Respiratory Care and who do not qualify for other membership classifications. General members shall have all the rights and privileges of associate membership in the Society.

B. PREREQUISITES FOR MEMBERSHIP.

Membership in the Society is contingent upon membership in the AARC.

1. Applicants for membership in the Society shall be members in good standing in the AARC.
2. Members of the Society shall pay annual dues to the AARC in such amounts and such manner as may be established on an annual basis by the AARC Board of Directors.
3. Applicants for membership in the Society shall meet all of the qualifications of the class of membership for which they apply.
4. Members of the Society shall be bound by the Articles of Incorporation, Bylaws, standing rules, code of ethics, and other rules, regulations, policies, and procedures adopted from time to time by the Society.

C. MEMBERSHIP MEETINGS.

Meetings of the membership of the Society shall be held at least one time annually and at such times and places as established by the Board of Directors of the Society. An annual meeting of the membership shall be held in the Summer of each year. One of the purposes of the meeting shall be the installation of the Officers and the Board of Directors of the Society.

ARTICLE IV

BOARD OF DIRECTORS

A. NUMBER AND TERM OF DIRECTORS.

The business, property, and affairs of the Society shall be managed by its Board of Directors. The initial Board of Directors shall be comprised of twelve (12) Directors. Each Director may serve no more than two (2) consecutive terms in the same office.

B. COMPOSITION OF THE BOARD OF DIRECTORS.

The Board of Directors shall be comprised of the following:

1. The President serving a two-year term, alternating in even years. Term will begin in August, but will only sit on the board as a non-voting member until January when their term begins. Past president will remain on the board one year past their term and president elect will sit on the board thereafter.
2. The President-Elect, serving a one-year term.
3. The Immediate Past President, serving a one-year term.
4. The Vice President, serving a one-year term.
5. The Secretary, serving a two-year term, in alternating odd years.
6. The Treasurer, serving a two-year term, in alternating odd years.
7. Senior delegate to the AARC House of Delegates
8. One (1) Director will be elected from each of the five regions within the Society's boundaries, serving a two-year term. The regions shall be:
 - a. The Central Region, which will include Bernalillo County and the City of Belen;
 - b. The Northwest Region, which will include San Juan, McKinley and Cibola Counties;
 - c. The Southwest Region, which will include Catron, Socorro, Grant, Hidalgo, Luna, Dona Ana, Sierra and Otero Counties;
 - d. The Southeast Region, which will include Eddy, Lea, Lincoln, Chaves, Curry, Roosevelt, DeBaca, Torrance and Guadalupe Counties
 - e. The Northeast Region, which will include Quay, San Miguel, Santa Fe, Harding, Union, Colfax, and Rio Arriba Counties.

The Central, Southwest, and Northeast Regions shall elect Directors on even numbered years. The Northwest and Southeast Regions will elect Directors on odd-numbered years.

C. INCREASING OR DECREASING THE NUMBER OF DIRECTORS.

By a two-thirds (2/3) vote of the entire Board of Directors, the Board may increase or decrease the number of Directors at its discretion. However, no action by the Board of Directors in decreasing the number of Directors shall have the effect of shortening any Director's term of office. Notwithstanding this provision, the Board may not decrease the number of Directors to less than three (3).

D. REMOVAL OF DIRECTORS.

Any Director may be removed from the Board of Directors whenever, in the judgment of the Board, the interests of the corporation will be served thereby. Such removal shall require that two-thirds (2/3) of the entire Board of Directors vote in favor of such removal.

E. VACANCIES.

Vacancies on the Board of Directors shall be filled by election by the remaining

Directors: Each person so elected to fill a vacancy shall remain a Director for the unexpired term of the Director he or she has replaced. For a vacancy in the office of Junior Delegate the Board of Directors may appoint a person to attend the HOD meeting until the next election is held and a new Junior Delegate can be elected.

F. ACTION BY UNANIMOUS WRITTEN CONSENT.

If and when the Directors shall unanimously consent in writing or electronically to any action to be taken by the Society, such action shall be a valid corporate action as though it had been authorized at a meeting of the Board of Directors.

G. POWER TO MAKE BYLAWS.

By two-thirds (2/3) vote of the entire Board of Directors, the Board of Directors shall have power to make and alter any bylaw or bylaws, including the fixing and altering of the number of Directors, provided, that the Board shall not make or alter any bylaw or bylaws fixing the qualifications, classifications, or term of office of any Director of the then existing Board.

H. POWER TO ELECT OTHER OFFICERS AND APPOINT AGENTS.

The Board of Directors shall have power to elect such other Officers and appoint Agents as the Board may deem necessary for transactions of the business of the Society.

I. REMOVAL OF OFFICERS AND AGENTS.

By a two-thirds (2/3) vote of the entire Board of Directors, any Officer or Agent may be removed by the Board of Directors whenever in the judgment of the Board the business interests of the Society will be serviced thereby.

J. POWER TO FILL VACANCIES.

The Board, by a two-thirds (2/3) vote, shall have power to fill any vacancy, except

President, Immediate Past President, and Delegate in any office occurring for any reason whatsoever.

K. DELEGATION OF POWERS.

For any reason deemed sufficient by a two-thirds (2/3) vote of the entire Board of Directors, whether occasioned by absence or otherwise, the Board may delegate all or any of the powers and duties of any office to any other Officer or Director, but no Officer or Director shall execute, acknowledge, or verify any instrument in more than one capacity.

L. POWER TO APPOINT OTHER COMMITTEES.

The Board of Directors shall have the power to appoint by a two-thirds (2/3) vote of the entire Board of Directors any other committees from the membership at large, which may include members of the Board of Directors, as it deems appropriate. Such appointment shall provide for the purpose, duties, and powers of such committee.

M. POWER TO REQUIRE BONDS.

The Board of Directors may require any Officer or Agent to file with the Society a satisfactory bond conditioned for faithful performance of his or her duties.

N. EXECUTIVE COMMITTEE.

The Executive Committee of the Board of Directors shall consist of the President of the Society, President-Elect of the Society, Immediate Past-President of the Society, Vice President of the Society, Secretary of the Society, and Treasurer of the Society. By a two-thirds (2/3) vote of the entire Executive Committee, they shall have the power to act for the Board of Directors between meetings of the Board of Directors and such action shall be subject to ratification by the Board at its next meeting. The Chair of the Executive Committee shall be the President of the Society. The Executive Committee shall also function as the Finance Committee. The chair of the Finance Committee shall be the President of the Society.

O. COMPENSATION.

Directors shall not receive compensation for their services as Directors.

ARTICLE V

BOARD OF DIRECTORS MEETINGS

A. ANNUAL MEETING.

The Board of Directors shall have one annual meeting, which shall be held in the Summer of the year. Additional business meetings shall be for the purpose of receiving reports and other business properly brought before the board.

B. NOTICE OF ANNUAL MEETING.

At least ninety (90) days prior to the date of the annual meeting of the Board of Directors, written notice of the time and place of such meeting shall be mailed, as herein provided, to each Director.

C. DELAYED ANNUAL MEETING.

If, for any reason, the annual meeting of the Board of Directors shall not be held during the Summer, such meeting may be called and held as a special meeting, and the same proceedings may be had there as at an annual meeting, provided that the notice of such meeting shall be the same as herein required for the annual meeting, namely, not less than a ninety (90) day notice.

D. REGULAR MEETINGS OF BOARD.

Regular meetings of the Board of Directors shall be not less than once every calendar quarter at such time and place as the Board of Directors shall determine. At least 30 days prior to the date of the regular meeting of the Board of Directors, written and/or electronic notice of the time and place of such meeting shall be mailed, as herein provided, to each Director.

E. SPECIAL MEETING OF BOARD.

Special meeting of the Board of Directors may be called by the President or upon written request of four (4) members of the Board of Directors at any time by means of such written notice by mail of the time, place, and purpose thereof to each Director as the President in his or her discretion shall deem sufficient, but action taken at any such meeting shall not be invalidated for want of notice if such notice shall be waived as herein provided.

F. NOTICES AND MAILINGS.

All notices required to be given by any provision of these Bylaws shall state the authority pursuant to which they are issued (such as "by order of the chairman," or "by order of the Board of Directors" as the case may be) and shall bear the written, stamped, typewritten, printed or electronic signature of the secretary. Every notice shall be deemed duly served when the same has been deposited in the United States mail, with postage fully prepaid, or electronically plainly addressed to the addressee at his or her last address or e-mail appearing upon the records of the corporation.

G. WAIVER OF NOTICE.

Notice of the time, place and purpose of any meeting of the Board of Directors may be waived in writing, either before or after such meeting has been held, as described in Section F above.

ARTICLE VI

QUORUMS

A. QUORUM OF MEMBERS.

Twenty-five percent (25%) of the Active and Life members shall constitute a quorum at any meeting of the membership.

B. QUORUM OF DIRECTORS.

A majority of the Directors, exclusive of proxies, shall constitute a quorum.

ARTICLE VII

NOMINATIONS

A. NOMINATIONS COMMITTEE

The Board of Directors shall elect a Nominations Committee (herein referred to as the Nominations Committee) each year at least one hundred and eighty (180) days before the annual membership meeting to present a slate of nominees for the following year. The Nominations Committee shall consist of six (6) individuals who are Active or Life Members of the Society. The Chairman of the Nominations Committee shall report the slate of nominees to the Board of Directors at least ninety (90) prior to the annual membership meeting.

B. NOMINATIONS

1. The Nominations Committee may place in nomination the names of more than one (1) person for the office of President-Elect, Vice President, Secretary, Treasurer, Delegate and Junior Delegate to the House of Delegates to the AARC, and shall place in nomination for each of the Board of Directors to be elected the names of two (2) or more persons.
2. Only Active or Life Members in good standing in the Society and AARC for a minimum of three years shall be eligible for nomination, with the exception of Regional Directors.

3. The Nominations Committee shall provide a pertinent biographical sketch of each nominee's professional activities and services to the organization, all of which shall be part of the ballot.
4. On written petition of eight (8) or more active members filed at any office of the Society not less than ninety (90) days prior to the annual membership meeting, any other member or members may be nominated. If a nominating petition is so filed, such further nominations shall be placed on the ballot.

C. **BALLOT.**

1. The Nomination Committee's state and biological sketches shall be mailed or electronically available to every Active Member and Life Member in good standing and eligible to vote prior to the annual membership meeting.
2. If the Society's Board of Directors specifies that the vote shall be by mail, the list of nominees shall be so designed as to be a secret mail ballot with provisions for write-in votes for each office. Ballots, to be acceptable, must be postmarked at least thirty (30) days before the annual membership meeting. The deadline date shall be clearly indicated on the ballot.
3. Electronic voting will be done at least yearly thirty days prior to the annual membership meeting. Provisions shall be made for absentee ballots to allow all eligible members the opportunity to vote.

D. **TALLYING BALLOTS.**

1. The Nominations Committee shall check the eligibility of each ballot and tally the votes thirty (30) days before the annual membership meeting. The results of the election shall be announced at the annual membership meeting.

ARTICLE VIII

VOTING AND PROXIES

A. **WHO IS ENTITLED TO VOTE.**

Each Director shall, at every meeting of the Board of Directors, be entitled to one vote in person or by proxy upon each item of business properly submitted to a vote.

B. **PROXIES.**

A Director may authorize any other Director to exercise his or her vote by proxy if he or she is unable to attend any given meeting of the Board. A proxy shall be operative only for the meeting specified and only if it is signed by and/ or electronically submitted by the absent Director and filed with the Secretary prior to the Board meeting for which it is designated. Unless otherwise limited by the absent Director, the proxy shall apply to all

items of business properly presented at the meeting. No Director in attendance shall be permitted to represent more than one other Director by proxy at any meeting of the Board of Directors.

C. MAIL VOTE.

Whenever, in the judgment of the Board of Directors, it is necessary to present any business to the membership prior to the next annual membership meeting, the Board of Directors may, unless otherwise required by these Bylaws, instruct the Nominations Committee to conduct a vote of the membership by mail. The question thus presented shall be determined according to a majority of the valid votes received by mail within thirty (30) days after such a submission except in case of changes in the Bylaws when a two-thirds (2/3) majority of the valid votes is required. Any and all actions approved by the members, in accordance with the requirements of this Article, shall be binding upon each member thereof. Any amendment to the Bylaws of this Society shall be presented to the membership at least sixty (60) days prior to a mail vote, as provided in Article XVII of these Bylaws concerning amendments.

ARTICLE IX

OFFICERS OF THE SOCIETY

A. OFFICERS.

The Officers of the Society shall be a President, a president-elect (who automatically succeeds to the presidency when the President's term expires), a Vice President, an Immediate Past President, a Secretary, a Treasurer,

B. TERM OF OFFICE

The term of office for Society Officers shall be for one (1) year for Vice President and Past President and two (2) years for President, Treasurer and Secretary. The term shall begin January 1st following the annual membership meeting. The President, president-elect and immediate Past President shall not serve more than one (1) consecutive term in the same office. The Vice President, Secretary, and Treasurer shall not serve more than two (2) consecutive terms in the same office.

C. VACANCIES IN OFFICE.

1. In the event of a vacancy in the office of President, the president-elect shall become acting President to serve the unexpired term and shall also serve his or her own term as President.
2. In the event of a vacancy in the office of president-elect, the Vice President shall assume the duties, but not the office, of the president-elect and shall also continue to service his or her own office until the next scheduled meeting of the Board of Directors at which time the Board will elect a qualified member to fill the vacancy.

3. In the event of a vacancy in the office of Vice President, Secretary, or Treasurer elect, the Board of Directors shall, at its next scheduled meeting, elect a qualified member to service the unexpired term of the vacant office.
4. In the event of a vacancy in the office of Treasurer, the Treasurer elect shall become acting Treasurer to serve the unexpired term and shall also serve his or her own term as Treasurer.
5. In the event of a vacancy in the office of Senior Delegate, the Junior Delegate shall assume the office of Senior Delegate.

D. DUTIES OF OFFICERS.

1. PRESIDENT.

The President shall succeed from the office of President-Elect and be from the Active or Life membership of the Society. He or she shall be the chief executive officer of the Society, and shall have general and active management of the business of the Society and shall see that all orders and resolutions of the Board are carried into effect. He or she shall be an ex officio member of all standing committees and shall have the general powers and duties of supervision and management usually vested in the office of president of a New Mexico Non-Profit corporation.

2. PRESIDENT-ELECT

The President-Elect shall become acting President in the event of the President's absence, resignation, or disability. The president-elect shall act as the Society's Liaison to the Chartered Affiliates Committee of the AARC, submitting necessary reports on a timely basis. He or she shall perform such other duties as shall be assigned by the President of the Society.

3. VICE PRESIDENT.

The Vice President shall perform the duties and exercise the powers of the president-elect during the absence or disability of the president-elect.

4. IMMEDIATE PAST PRESIDENT.

The Immediate Past President shall service as a resource and historical perspective regarding financial and legislative business on the Board of Directors for the Society.

5. SECRETARY.

The Secretary shall attend all meetings of the Board of Directors, and of the Executive Committee, and shall preserve in books of the Society true minutes of the proceedings of all such meetings. He or she shall safely keep in his or her custody the corporate Seal of the Society and shall have authority to affix the same

to all instruments where its use is required. He or she shall give all notices required by statute, bylaw, or resolution, and shall perform such other duties as may be delegated to him or her by the Board of Directors or by the Executive Committee.

6. **TREASURER.**

The Treasurer shall be elected by and from the Active and Life membership. The Treasurer shall have custody of all Society funds and securities, shall keep in books belonging to the Society full and accurate accounts of all receipts and disbursements, and shall deposit all monies, securities, and other valuable effects in the name of the Society in such depositories as may be designated for that purpose by the Board of Directors. The treasurer shall disburse the funds of the Society as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors at the regular meetings of the Board, and whenever requested by them, an account of all his or her transactions as Treasurer and of the financial condition of the Society.

ARTICLE X

SOCIETY DELEGATES TO THE AARC HOUSE OF DELEGATES

The Delegation of this Society to the House of Delegates of the AARC shall be elected as specified in the Bylaws of the AARC, Article VII, Section 5, and as provided for by the Society's Board of Directors. The duties of the Delegates shall be those specified in the Bylaws of the AARC, Article VII, Section 3. The Delegation of the Society shall consist of a Senior Delegate and a Junior Delegate who shall serve staggered four year terms. At the expiration of the Senior Delegates term the Junior Delegate will assume the title and duties of the Senior Delegate.

ARTICLE XI

COMMITTEES

A. **STANDING COMMITTEES.**

The members and Chairs of the following standing committees shall be appointed by the President of the Society, subject to the approval of the Board of Directors, to serve for a term of one (1) year, subject to reappointment.

1. Membership
2. Nominations
3. Judicial
4. Communications

5. Program and Education
 - 6 Bylaws
- B. SPECIAL COMMITTEES AND OTHER APPOINTMENTS.

Special committees may be appointed by the Executive Committee.

ARTICLE XII

DUTIES OF COMMITTEES

A. MEMBERSHIP COMMITTEE.

1. This committee, through networking, shall encourage and promote membership in the AARC and in the Society in such a manner as approved by the Board of Directors.

B. FINANCE COMMITTEE.

1. This Committee shall be composed of the Executive Committee and the Medical Advisor or his or her designee.

C. ELECTIONS

1. It shall be the duty of this Committee to make the final critical appraisal of candidates to see that the nominations are in the best interests of the AARC and the Society through a consideration of personal qualifications and geographic representations, as applicable.
2. This Committee shall prepare, receive, verify, and count ballots for all elections held during the calendar year.

D. JUDICIAL.

1. This Committee shall review formal written complaints against any individual Society member charged with any violation of the Society Bylaws or otherwise with any conduct deemed detrimental to the Society or the AARC. Complaints or inquiries may be referred to this Committee by the Judicial Committee of the AARC.
2. If the Committee determines that the complaint justifies an investigation, a written copy of the charges shall be prepared for the Medical Advisor(s) or his or her designee with the benefit of legal counsel, if deemed advisable.
3. A statement of charges shall then be served upon the member and an opportunity given that member to be heard before the Committee.

4. After careful review of the results of the hearing conducted with the benefit of legal counsel, when the Chair of the Committee deems counsel necessary or desirable, the Committee shall make recommendations for action to the Board of Directors and shall forward a complete report including copies of all documents to the Chair of the Judicial Committee of the AARC.

E. COMMUNICATIONS

1. The Committee shall concern itself with the Society's public image with hospitals, government agencies, other allied health associations, and the public through dissemination of information regarding Respiratory Care and the activities, positions, and perspectives of the Society.
2. This Committee shall concern itself with the execution of a Society newsletter and all other publications of this Society with the public, hospitals, and other organizations through dissemination of information concerning Respiratory Care.
3. This Committee shall maintain such a liaison as has been established by the Board of Directors with other organizations whose activities may be of interest to the members of this Society. This shall include the preparation of publications, programs, and items to bring the message of Respiratory Care and the AARC to medical, nursing, and hospital groups as well as educational facilities where use of such material can be expected to recruit new people to the field of Respiratory Care. Such material shall be subject to the approval of the Medical Advisor(s).

F. PROGRAM AND EDUCATION COMMITTEE.

1. This Committee shall consist of at least five (5) members and be so constructed as to provide experienced members for program and education planning.
2. The Medical Advisor(s) or his or her designee will be a consultant member of this Committee.

G. BYLAWS COMMITTEE.

1. This Committee shall receive and prepare all amendments to the Bylaws for submission to the Board of Directors. This Committee may also initiate such amendments for submissions to the Board of Directors.

ARTICLE XIII

SOCIETY MEDICAL ADVISORS

The Society shall have at least one (1) Medical Advisor.

ARTICLE XIV

FISCAL YEAR

The fiscal year of this Society shall be from January 1 through December 31.

ARTICLE XV

ETHICS

If the conduct of any Society member shall appear, as reported by the Society or by the AARC Judicial Committee, to be willful violation of the Bylaws or standing rules of this Society or the AARC or prejudicial to this Society's interests as defined by the AARC's Code of Ethics, the Board of Directors may, by two-thirds (2/3) vote of its entire membership, suspend, expel, or censure such a member. A motion to recommend the suspension or expulsion of such a member may be made at the next regular meeting of the Board of Directors. All suspension or expulsion actions shall be reported to the AARC Judicial Committee.

ARTICLE XVI

PARLIAMENTARY PROCEDURES

The rules contained in Robert's Rules of Order Revised shall govern whenever they are not in conflict with the Bylaws of this Society of the AARC.

ARTICLE XVII

AMENDMENTS TO THE BYLAWS

These Bylaws may be amended at any regular or called meeting or by mail vote of the New Mexico Society for Respiratory Care Board of Directors by a two-thirds (2/3) majority of those members voting, provided that the amendment has been presented to the membership in writing at least sixty (60) days prior to vote. All amendments must be approved by the AARC Bylaws Committee, and ratified by the AARC Board of Directors. Upon approval by a two-thirds (2/3) majority vote of the NMSRC, the proposed amendment shall become part of the Bylaws.

ARTICLE XVIII

INDEMNIFICATION

A. INDEMNIFICATION OF OFFICERS AND DIRECTORS.

Except as otherwise provided in Section B of this Article, the Society shall indemnify an individual made a party to a proceeding because he or she is or was an Officer or Director against liability incurred in the proceeding if:

- (1) he or she conducted himself or herself in good faith; and
- (2) he or she reasonably believed:
 - (a) in the case of conduct in his or her official capacity with the Society, that his or her conduct was in its best interest; and
 - (b) in all other cases, that his or her conduct was at least not opposed to the Society's best interest; and
- (3) in the case of any criminal proceeding he or she had no reasonable cause to believe his or her conduct was unlawful.

The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the Officer or Director did not meet the standard of conduct described in this section.

B. INDEMNIFICATION PROHIBITED.

The Society may not indemnify an Officer or Director under this Article:

- (1) in connection with a proceeding by or in the right of the Society in which the Officer or Director was adjudged liable to the Society: or
- (2) in connection with any other proceeding charging improper personal benefit to him or her, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.

C. LIMIT ON INDEMNIFICATION.

Indemnification permitted under this Article in connection with a proceeding by or in the right of the Society is limited to reasonable expenses, costs, and attorney's fees in connection with the proceeding.

D. REASONABLE EXPENSES COVERED.

The Society shall indemnify an Officer or Director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was an Officer or Director of the Society against reasonable expenses incurred by him or her in connection with the proceeding.

E. **ADVANCE PAYMENT AVAILABLE.**

The Society shall pay for or reimburse the reasonable expenses incurred by an Officer or a Director who is a party to a proceeding in advance of final disposition of the proceeding if:

- (1) the Officers or Director furnishes the Society a written affirmation of his good faith belief that he or she has met the standard of conduct described in Section A of this Article;
- (2) the Officer or Director furnishes the Society a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he or she did not meet the standard of conduct; and
- (3) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article.

F. **MAXIMUM BENEFIT INTENDED.**

The Society intends this Article to be construed to give the maximum indemnification permitted under N.M.S.A. §53-8-26 to the Officers and Directors of the Society.

ARTICLE XIX

CORPORATE SEAL

A. **SEAL.**

The Board of Directors shall provide an appropriate seal bearing the name of the Society, which shall be the corporate seal. It shall be in the custody of the Secretary and shall be affixed to documents as authorized by these Bylaws or by the Board of Directors.

B. **FAILURE TO AFFIX SEAL.**

The failure to affix the corporate seal shall not have any effect on the validity of any document.

ARTICLE XX

EXECUTION OF INSTRUMENTS

A. CHECKS AND DRAFTS.

All checks, drafts, and orders for payment of money shall be signed in the name of the Society and shall be countersigned by such Officers or Agents as the Board of Directors shall from time to time designate for that purpose.

B. CONTRACTS, CONVEYANCES, OR OTHER INSTRUMENTS.

When the execution of any contract, conveyance, or other instrument has been authorized without specification of the executing Officers, the President, or any Vice-President, and the Secretary, may execute the same on behalf of this Society and may affix the corporate seal thereto. The Board of Directors shall have power to designate the Officers and Agents who shall have authority to execute any instrument on behalf of this Society.

Submitted to AARC By-laws committee Nov 2010

Approved AARC BOD: Mar 2005