

BYLAWS
of the
ALLIANCE OF RESTON CLUSTERS AND HOMEOWNERS

ARTICLE I
NAME

The name of the corporation is the Alliance of Reston Clusters and Homeowners, hereinafter referred to as the "Alliance".

ARTICLE II
DEFINITIONS

Definitions: As used in these Bylaws, unless the context requires a different meaning, the words initially capitalized in these Bylaws shall be defined as follows:

Act – shall mean and refer to the Commonwealth of Virginia Nonstock Corporation Act.

Alliance – shall mean and refer to the Alliance of Reston Clusters and Homeowners.

Alliance Documents – shall mean and refer to the Alliance's Articles of Incorporation recorded with the Clerk's office of Fairfax County, the Alliance's Bylaws, and all other corporate records required by the Act.

Membership Fee – shall mean and refer to the membership fee (if any) set by the Board of Directors.

Articles of Incorporation – shall mean and refer to the document that gives the Alliance all the powers, duties, privileges, and obligations of a Virginia Nonstock Corporation.

Associate Member – shall mean and refer to the classification of Member as defined in Article IV of these Bylaws.

Association – shall mean and refer to any legally constituted homeowners or condominium association located in Reston and registered with the Commonwealth of Virginia.

Board of Directors – shall mean and refer to a group of persons vested with the management of the business of the Alliance as detailed in Article VII of these Bylaws.

Bylaws – shall mean and refer to the Bylaws adopted or amended by the Board of Directors that provide for the regulation or management of the business of the Alliance, with such provisions being subordinate to the Articles of Incorporation and all provisions of the Act.

Director – shall mean and refer to a member of the Alliance's Board of Directors.

General Member – shall mean and refer to the classification of Member as defined in Article IV of these Bylaws.

Member Representative – shall mean and refer to an individual officially designated by an Alliance General Member to represent the General Member in all Alliance affairs, as directed by the General Member.

Members (or Membership) – shall mean and refer to one (or the group) having membership rights in the Alliance as defined in Article IV of these Bylaws.

Nonstock Corporation Act – shall mean and refer to the Commonwealth of Virginia Nonstock Corporation Act.

Officer – shall mean and refer to a Member Representative elected by the Alliance’s Board of Directors to one of the positions detailed in Article VIII of these Bylaws.

Reston – shall mean the area within Fairfax County commonly referred to as “Reston,” as that may change from time to time (including any residences within Fairfax County’s Small Tax District #5 or the document known as the Reston Master Plan on file with Fairfax County).

ARTICLE III GENERAL RECITALS

1. Consistent with the purposes of the Alliance set forth in the Articles of Incorporation, it shall be the policy of the Alliance to:
 - (a) Serve as a resource for the General Members and their leadership in connection with the management of those associations.
 - (b) Facilitate the gathering and exchange of information relative to the management of Reston’s homeowner associations, or on matters of concern or affecting the broader Reston community of which they are a part.
 - (c) Ensure the Members are aware of local issues affecting them and that they have a full and fair opportunity to participate in the decision process related to those issues.
 - (d) To collaborate with and, as appropriate, participate in other local not-for-profit ventures or organizations that support or promote the interests of the Alliance's Members.
2. These Bylaws are subject to the laws of the Commonwealth of Virginia and shall be read/interpreted as consistent with those laws.
3. The principal office of the Alliance shall be located in Reston, Virginia. The Alliance may also have offices at such other places as the Board of Directors may from time to time appoint or as the business of the Alliance may require.
4. The principal mailing address of the Alliance shall be P.O. Box 3723, Reston, Virginia, 20195.

**ARTICLE IV
MEMBERSHIP**

1. General Members. A General Member in the Alliance shall be defined as:
 - (a) Any legally-constituted homeowners or condominium association located in Reston and registered with the Commonwealth of Virginia whose board of directors has elected to participate in the Alliance and has agreed to be bound by the Alliance's Governing Documents and conditions of membership; or
 - (b) Any informal homeowners group comprised of at least ten individual homeowners located in a recognizable neighborhood within Reston, provided:
 - i. such group may not be located within an existing homeowners association described in Article III.1(a) above;
 - ii. such group has submitted a valid petition consistent with the criteria set forth by the Board of Directors; and
 - iii. the Alliance's Board of Directors has approved such petition for membership.
 - (c) Each General Member shall designate one or more Member Representatives to represent the General Member in all Alliance affairs. Only one Member Representative per General Member shall be entitled to vote within the Alliance. Therefore, in the event more than one Member Representative is designated by a General Member, the General Member shall indicate which of those Member Representatives is empowered to cast votes on behalf of the General Member.
2. Associate Members. An Associate Member in the Alliance shall be defined as an individual homeowner within Reston who:
 - (a) does not reside within a group that has been accepted for General Membership pursuant to Article III.1 above;
 - (b) has submitted an application for membership consistent with the criteria set forth by the Board of Directors; and
 - (c) the Alliance's Board of Directors has approved such Application.

Associate Membership is not intended, and may not be used, as a means of receiving the benefits of General Membership at a reduced Membership Fee. Consequently, while Associate Members may serve as Board members, officers, and on Alliance committees, Associate Members may not be provided full access to all Alliance work product as the Board may deem appropriate.

3. Application for Membership. The Board of Directors shall be responsible for developing an application to be used for the General Members defined in Article IV.1(b) above and Associate Members as defined in Article IV.2 above.

**ARTICLE V
MEETINGS OF MEMBERS**

1. Annual Meeting. The annual meeting of Members shall be held at least thirty days before the beginning of each fiscal year and at least ten months but not more than fourteen months after the preceding annual meeting at such place, date and time as may be fixed from time to time by resolutions of the Board of Directors. The purposes of the annual meeting are to:

- (a) hear reports on the state of the Alliance,
 - (b) vote on the election of Directors,
 - (c) permit questions and comments from the Members, and
 - (d) act on such other matters as may have appropriately been put before the meeting pursuant to these Bylaws.
2. Regular Membership Meetings. In addition to the Annual Meeting, the Board of Directors is encouraged to hold additional regular Membership meetings each year that are open to all Members of the Alliance. The Board of Directors shall actively solicit and encourage Member participation in these meetings. Meeting notice will be given as specified below. The Annual or any Regular Meeting is sometimes referred to hereafter as a General Meeting(s).
3. Special Meetings.
- (a) At the request of the President or the Board of Directors, a Special Meeting of the Membership can be held to address one or more specified topics.
 - (b) General Members can also petition the Board of Directors to hold a Special Meeting to address one or more specified topics. Petition must be signed by General Members representing at least twenty percent of the Members entitled to vote. The signatures on a petition requesting a special meeting shall be valid for a period of ninety days after the date of the first such signature.
 - (c) Upon adoption of a resolution by the Board of Directors, or presentation of a valid request or petition to the Board, the Board will promptly set the time and place at which the Special Meeting will be held and provide the required notice to the Membership. In the event a valid petition is received by the Board of Directors from the General Members, the Board of Directors shall respond to the petitioners within twenty-one calendar days of receipt of such valid petition with a date for the Special Meeting, such date to be no later than 60 days following receipt of the valid petition. No business other than that stated in such resolution, request or petition shall be transacted at such Special Meeting.
4. Notice of Meetings. Written notice stating the place, the date and time of the meeting and the purposes for which the meeting is called, shall be given to each Member entitled to vote at such meeting at least fourteen days before any annual or regularly scheduled meeting and at least ten days before any other meeting, but not more than sixty days before such meeting. Notice shall be given pursuant to the requirements of the Virginia Nonstock Corporation Act Section 13.1-810
5. Quorum.
- (a) At any meeting of the Alliance at which General Members are scheduled to vote, a quorum shall exist if at least twenty percent of the General Members are represented, in person or by proxy, at the beginning of such meeting. Once a Member is deemed present at a meeting, such Member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting.

- (b) If at any meeting of the Alliance a quorum is not present, a majority of the Members who are present at such meeting in person or by proxy may:
 - i. recess the meeting to a time not more than forty-eight hours after the time the original meeting was called at such place, date and time as such Members may agree; or
 - ii. adjourn the meeting to a time not less than forty-eight hours nor more than thirty days after the time the original meeting was called at such date and place as such Members may agree. In either event, the Secretary shall announce the place, date and time at the meeting and make other reasonable efforts to notify all Members of such date, time and place.
- 6. Conduct of Meetings. The President shall preside over all meetings of the Alliance and the Secretary shall keep the minutes of the meetings and record all resolutions adopted at the meetings and proceedings occurring at such meetings.
- 7. Administration. The Board of Directors may make such regulations as it deems advisable for any voting by Members, in regard to proof of membership in the Alliance, evidence of the right to vote, and such other rules as it deems fit.

ARTICLE VI VOTING

- 1. Voting Rights. The voting rights of the Members of the Alliance shall be as follows:
 - (a) Only one Member Representative of each General Member shall have the right to vote for the election and removal of Directors and on other Alliance matters. Where a General Member has designated multiple Member Representatives, the General Member must notify the Board of Directors which Member Representative is empowered to vote on Alliance matters. Eligibility shall be determined by the Board of Directors as of the date of the relevant meeting.
 - (b) Associate Members shall have a single, collective vote for the election and removal of Directors and on other Alliance matters put to a general vote of the membership. On any such vote, the votes of individual Associate Members participating in that vote shall be separately tallied, with a plurality vote among that group determining how the Associated Members' single collective vote shall be recorded. In the event of a tie vote among Associate Members casting votes on a particular item, no single, collective vote shall be recorded. Voting by individual Associate Members may not be by proxy.
 - (c) Individuals serving on the Board or on committees shall have one vote on all Board or committee matters unless the Board determines otherwise.
- 2. Delinquency. No Member may vote at any meeting of the Alliance or be elected to serve on the Board of Directors if payment by such Member of any financial obligation to the Alliance is delinquent more than sixty days unless the amount necessary to bring the account current has been paid at the time of such meeting or election, or other arrangements have been made to the satisfaction the Board of Directors (to be expressed in writing).
- 3. At any General or Special Meeting of the Members, no vote can be taken on any matter unless there is a quorum present at the meeting as outlined above in Section V.5.
- 4. Manner of Voting.
 - (a) At a Meeting. Voting by Members at a meeting shall be by voice vote unless the presiding officer determines otherwise or any Member Representative present at the meeting requests, and a majority vote of the Member Representatives present consent to, a vote by written ballot.

- (b) By Referendum. In the sole discretion of the Board of Directors, elections of Directors (or other matters permitted by law) requiring a vote of the Members may be submitted to a referendum of the Members on a ballot, by mail, by electronic means, or at a polling place(s). Ballots shall be returned to the Secretary of the Alliance by the date specified on the ballot. The Board of Directors shall determine the method of voting, the form of all ballots, the deadline for return of ballots and the location of polling place(s), if any.
- 5. Unless otherwise required by law or the Alliance Documents, a simple majority of those present or participating, as applicable, will decide all votes.
- 6. Proxies.
 - (a) A vote by a General Member may be cast in person by its Member Representative or by proxy. A proxy may be instructed (directing the proxy holder how to vote) or uninstructed (leaving how to vote to the proxy holder's discretion). If uninstructed, the proxy form or instructions shall contain a brief explanation of the effect of leaving the proxy uninstructed.
 - (b) Proxies shall be in a format the Board approves, shall be signed (or otherwise verified) by the authorized Member Representative, shall be valid only for the meeting or vote(s) specifically identified, and shall be presented to the Secretary prior to the taking of the specified vote(s). Such proxy shall be revoked only upon the Secretary's receipt of written or electronic notice from the person authorizing the proxy.
 - (c) A proxy may be cast by any one of the following:
 - i. The Board of Directors (collectively), or
 - ii. The designee of a General Member.

**ARTICLE VII
BOARD OF DIRECTORS**

- 1. **General Powers.** The management of the Alliance's affairs shall be vested in the Board of Directors. The Directors may delegate such powers of authority to other persons or committees as it deems appropriate for the proper management of the Alliance.
- 2. **Qualification for Directors.** Any Member shall be eligible to serve as a Director of the Corporation, provided only one person per General Member may serve as a Director at the same time and only one Associate Member may serve on the Board at the same time. Directors must maintain a principal residence within Reston throughout their term in office.
- 3. **Number and Composition.** The Board of Directors shall consist of at least five and not more than seven elected Directors.
- 4. **Term.**
 - (a) For Directors elected at the Annual Meeting to be held in 2005:
 - i. Three Directors shall be elected to one-year terms.
 - ii. Two Directors shall be elected to two-year terms.
 - iii. Two Directors shall be elected to three-year terms.

- (b) Subsequent Directors shall serve three-year terms or until their respective successors are elected.
- 5. Method of Nomination. Candidates for election shall file a petition of candidacy with the Secretary, by the date set by the Board of Directors.
- 6. Election of Directors. Each Director shall be elected by a plurality vote of the Members voting in such election.
- 7. Removal of a Director. In accordance with the Articles of Incorporation, Members shall have the right to vote for the removal of a Director. A Director may be removed with or without cause only at a General Meeting or at a Special Meeting of the Members called (in whole or in part) for the purpose of removing the Director. The meeting notice shall state that the purpose or one of the purposes of the meeting is removal of a Director. Removal of a Director requires an affirmative vote of a majority of the Members voting at such meeting at which a quorum is present.
- 8. Vacancies. Any vacancy occurring in the Board of Directors may be filled by a two-thirds vote of the remaining Directors at a Board of Directors meeting at which a quorum is present. Any Director elected to fill a vacancy shall serve out the remainder of the term of the Director being replaced.
- 9. Meetings of the Board of Directors.
 - (a) The annual meeting of the Board of Directors shall be held within four weeks preceding the Annual Meeting of the Members.
 - (b) Special meetings of the Board of Directors may be called by the President or at the request of any two Directors. Notice of special meetings shall be provided to the Directors at least two days in advance, by mail, e-mail, telegram, telephone or hand delivery, unless waived by a Director by attendance at the meeting or by written waiver signed before or after the meeting. The Board may also convene informally in meetings where no substantive decisions are made.
 - (c) All meetings of the Board of Directors shall be open to the Members, except the Board may meet in executive session on personnel and legal matters and on contract negotiations, as determined by a majority of the Board. No meeting shall be improper or invalid by reason that such meeting or changes to the proposed agenda could not reasonably be publicized to the membership in advance.
- 10. Quorum. Except as otherwise provided by law, by the Articles of Incorporation, or by these Bylaws, the presence of four Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. A quorum of Directors must be present at any time during a meeting when any formal action is taken. If less than a quorum is present a majority of those present may adjourn the meeting from time to time without further notice.
- 11. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be an act of the Board of Directors, unless a greater number is required by law. Any action which may be or is required to be taken at a meeting may be taken without a meeting if consented to in a writing, setting forth the action so taken, signed by those Directors constituting the majority on such action. Directors may also participate in meetings via teleconference or other manner allowing their direct participation, provided such alternative means do not require any unreasonable Alliance expense and such participation is subject to approval of a majority of the Board of Directors present, in person, at such meeting.
- 12. Compensation. Directors shall not receive any compensation for their services as such, but they may, by Board resolution, be reimbursed for expenses related to such service.

ARTICLE VIII OFFICERS

1. Enumeration. The Officers of the Alliance shall be a President, Vice President, Secretary and Treasurer. The Board of Directors may elect such other officers as it deems desirable. Any two or more offices may be held by the same person, except the offices of President and Secretary. The President and Vice President shall be elected Directors. The remaining officers need not be Directors, but shall be Members.
2. Election and Term. Officers shall be elected annually by the Board of Directors at its annual meeting and serve until their successors are duly elected.
3. Removal. Any Officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Alliance will be served thereby. When a Director is removed as an Officer, the Director continues to serve as a Director.
4. Vacancies. A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term. The Vice President shall not automatically become President should a vacancy in that office occur.
5. Powers and Duties. Except as otherwise provided by law, the officers of the Alliance each shall have such powers and duties as generally pertain to their respective offices, and such powers and duties as may be conferred from time to time by the Board, subject to the following:
 - (a) The President shall be an elected Director, shall serve as chairman of the Board of Directors, shall preside at all meetings of Members, and shall *ex officio* be a member of all Alliance committees. The President shall have the authority to execute all contracts or other documents on behalf of the Alliance.
 - (b) The Vice President shall be an elected Director and shall perform the duties of the President in the absence of the President or in the event of his/her death, inability or refusal to act. When so acting, the Vice President shall have all the powers of and be subject to all the restrictions upon the President.
 - (c) The Secretary shall keep the minutes, shall have charge of the Alliance's records, and maintain the governing documents. The Secretary shall also maintain bids, contracts, financial data, membership lists, and correspondence. The Secretary shall sign with the President such instruments as require such signature, and shall make such reports and perform such other duties as are incident to the office or are properly required of the office by the Board of Directors.
 - (d) The Treasurer shall have the custody of all funds and securities of the Alliance and deposit the same in the name of the Alliance in such bank or banks as the Directors may elect. The Treasurer shall maintain all financial records for the Alliance, file all income tax returns in a timely manner, and ensure safeguards are in place to protect the Alliance's assets. The Treasurer serves on the Finance Committee. The Treasurer shall sign with the President such instruments as require such signature. The Treasurer shall at all reasonable times exhibit the books and accounts to any Director or Member of the Alliance upon application to the President of the Alliance.

ARTICLE IX COMMITTEES

1. The Board of Directors shall establish the following standing committees:

(a) Member Support Committee(s).

- i. The committee(s) shall be responsible for developing and delivering practical resources to the Alliance's General Members looking for guidance or assistance with managing the day-to-day operations of a homeowners association. These resources will supplement or complement the information available from other groups providing information on association management such as the Community Association Institute, Fairfax County, or the Reston Association.
- ii. The committee(s) shall be comprised of at least one Alliance Director or Officer and other Alliance Members appointed by the Board of Directors. Each committee member should have expertise, experience, or interest in the subject matter of the committee(s) and be willing to share that knowledge with and generally assist the Alliance's General Members. The Chair of the committee(s) shall be elected by the committee from its members.
- iii. No publication the committee(s) proposes for dissemination to Alliance Members or the public shall be disseminated except pursuant to Board approval or approved Board policy.

(b) Issues Committee.

- i. An Issues Committee shall be responsible for assessing whether particular community and/or policy issues are relevant to the Alliance's General Members and making recommendations to the Board as to how, if at all, the Alliance should treat those issues. The Issues Committee shall consist of at least one Director and other interested Members of the Alliance appointed by the Board, provided that the total number of participants is an odd number. The Board shall endeavor to ensure the Issues Committee is broadly representative of the community and is capable of addressing issues in a politically nonpartisan, fair-minded, and balanced way. The Chair of the Issues Committee shall be elected by the committee from amongst its members.
- ii. These Bylaws and the operating procedures and guidelines to be adopted for the Issues Committee set forth the process to be followed by the Alliance when determining what, if any, position the Alliance should take on issues. This process is specifically intended to ensure that the interests of the Alliance Membership are fully evaluated in a fair and open manner. Therefore, no Board Member, officer, or committee member shall portend to speak for the Alliance publicly on any issue, orally or in writing, unless and until the review and assessment procedures adopted for the Issues Committee have been applied.
- iii. Following adoption of these Bylaws, the Board of Directors shall adopt a set of operating procedures and guidelines for the Issues Committee. Subsequent amendments to these operating procedures and guidelines must be approved by the Members.

(c) Finance Committee. The Finance Committee shall be responsible for budget, insurance, and investment recommendations and generally assisting the Board with fiscal matters. The Finance Committee shall consist of the Treasurer and other interested Members of the Alliance appointed by the Board, provided however that the total number of participants is an odd number. Participation on the Finance Committee shall be limited to Members of the Alliance. The Treasurer shall serve as the chair of the Finance Committee.

2. The Board of Directors may create and abolish from time to time such other committees consisting of two or more Members, as the Board may deem appropriate, to aid in the administration of the affairs of the Alliance. Such committees shall have the powers and duties fixed by resolution of the Board.

**ARTICLE X
CONDUCT OF DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS**

1. Conduct. All Alliance Directors, Officers and members of Alliance committees are expected to conduct themselves in a professional, fair, and courteous manner when dealing with other Alliance Members, in public forums, and in all Alliance business.
2. Conflict of Interest and Recusal.
 - (a) Directors/Officers. On any matter on which a Director/Officer has a conflict of interest with the interests of the Alliance (including without limitation because he/she, members of his/her immediate family, or his/her employer or his/her immediate family's employer may have a material personal or economic interest in the matter under consideration) such Director/Officer shall declare such possible conflict and shall abstain from voting on the matter. Such Director/Officer, however, may participate in the discussion on the matter and shall be counted toward the quorum for the meeting.
 - (b) Committee Members. A committee member may, at his/her sole discretion, recuse himself/herself from participating in the discussion or vote on any matter before a committee, whether due to conflict of interest, to avoid the perception of bias, or any other reason or no reason.

**ARTICLE XI
INDEMNIFICATION**

Subject to conditions and qualifications set forth in Title 13 of the Commonwealth of Virginia Nonstock Corporation Act, the Alliance shall indemnify and hold harmless any Director or Officer, or former Director or Officer, or any person serving or who has served on any committee of the Corporation (standing, ad hoc, temporary, permanent, or otherwise), from and against any and all actions, causes of action, suits, debts, liabilities, obligations, costs, expenses, sums of money, controversies, accounts, reckonings, liens, bonds, damages, judgments, executions, claims, and demands of any kind whatsoever, at law or in equity, direct or indirect, known or unknown, discovered or undiscovered, including without limitation attorney's fees, judgments, and amounts paid in settlement, that may arise or be asserted in connection with any such individual's service, whether through action or inaction, on behalf of the Alliance. The provisions of this section shall not apply to the actions or inactions of any Director, Officer, or appointee that are the product of willful misconduct or a knowing violation of law.

**ARTICLE XII
FINANCIAL**

1. General. The Board of Directors, with the assistance of the Finance Committee, shall be responsible for managing the financial affairs of the Alliance. The Board of Directors shall approve agreements, contracts, deeds, leases, or other instruments obligating the Alliance.
2. Fiscal Year. The fiscal year of the Alliance shall be from July 1 to June 30.
3. Budget.
 - (a) The Board of Directors, on recommendation of the Finance Committee, shall prepare and adopt an annual budget covering the Alliance's revenue and expenses.

- (b) The Board shall then present the adopted budget to the Membership for review and approval by a majority of the Members participating in such vote. At the sole discretion of the Board of Directors, voting may take place at the Annual Meeting, Special Meeting, or by referendum, but must take place no later than 30 days prior to the conclusion of the Alliance's fiscal year. The budget presentation shall include updated financial statements and supporting documentation subject to examination by the Membership, and detail the recommended Membership Fee for the upcoming fiscal year. If the Membership does not approve the budget the Board recommends, the Board shall submit a revised recommendation for Member approval as quickly as possible. In no event shall any adjustment to the Membership Fee be made unless and until the Members have approved a budget for the applicable fiscal year.
 - (c) The Board shall use every reasonable effort to manage the affairs of the Alliance within the adopted budget. While the budget serves as a framework, the Board shall have full authority to reallocate funds, without Membership notice or approval, as required for the proper management of the Alliance.
4. Membership Fee.
- (a) Each Member shall be assessed a Membership Fee to pay the Alliance's expenses.
 - (b) The initial Membership fee structure will be set by the Board of Directors, and thereafter by the Board consistent with the budget the Membership approves.
 - (c) Unless other payment options are adopted by the Board of Directors, a Member shall pay the Membership Fee in full within sixty days of the start of the Alliance's fiscal year. Payments shall be sent to the Treasurer at the Alliance's official postal address.
 - (d) In circumstances that serve the best interests of the Alliance, the Board may adjust the annual Membership Fee for any Member. If any Membership Fee is so waived, such shall be reported, with supported reasoning, in the next scheduled budget presentation to the Members.
5. Insurance. The Board of Directors shall maintain reasonable Directors' and Officers' insurance at all times. At least annually, it shall review the adequacy of coverage in its insurance policies.
6. Authorization of Expenditures. The Board of Directors shall establish and approve an Authorization of Expenditures resolution.
7. Signature Authority. The Board of Directors shall establish and approve a Signature Authority resolution.
8. Audits.
- (a) All books and records shall be kept in accordance with generally accepted accounting principles.
 - (b) At its discretion, the Board of Directors may arrange for an audit of the accounts of the Alliance. Alternatively, Members can petition the Board of Directors to call a Special Meeting of the Membership to request an audit and approve the funds required to perform the audit.
 - (c) All formal audits shall be performed by an individual who shall not be a Member of the Alliance.
 - (d) The Board of Directors shall present the audit report to the Membership within 60 days following its receipt.

**ARTICLE XIII
AMENDMENT**

1. An amendment to these Bylaws can be proposed in one of the following manners:
 - (a) A resolution of the Board of Directors, or
 - (b) A petition from the Members signed by at least twenty percent of the General Members entitled to vote. The Board of Directors shall determine the validity of the signatures.
2. Once an amendment has been proposed, the Board of Directors shall provide notice to the Members of the intent to amend the Bylaws, provide the Membership with a written draft of the proposed amendment, and provide reasonable opportunity for the Membership to comment on the amendment prior to any vote.
3. Where a proposed amendment will require the expenditure of Alliance funds or have a financial impact on the Alliance, the Board of Directors shall clearly disclose such impacts to the Members prior to any vote of the Members.
4. Following appropriate due diligence, the Board of Directors shall submit the proposed amendment to the Members for a vote. The call for vote shall include a recommendation from the Board of Directors, a summary of the argument in support of the amendment, a summary of the argument against the amendment (if any), and any appropriate legal or financial reviews or disclosures.
6. An affirmative vote of a majority of the eligible General Members voting at a meeting is required to adopt any amendment.

IN WITNESS WHEREOF, these Bylaws are hereby adopted on the 16th day of July, 2004.

Robert Goudie

George Kain

Marcia McDevitt

Frank Pfeilmeier

Steve Roberts