

BYLAWS

COUNCIL OF STATE RESTAURANT ASSOCIATIONS

(As amended on September 22, 2015)

ARTICLE I

Name

The name of this organization shall be the Council of State Restaurant Associations (Council).

ARTICLE II

Purposes

The purpose of the Council shall be to foster and promote the best interests of the state restaurant associations and organizations, and to undertake such programs and services as are lawful and consistent with this purpose. Activities to accomplish this purpose include, but are not limited to:

SECTION 1

Providing a medium for the exchange of experiences and opinion through discussion, study, and publications of the following aspects and functions of restaurant trade associations: (a) the proper objectives, functions, and activities of associations; (b) the basic principles of association organization; (c) the legal aspects of association activity; (d) policies relating to association management; and (e) the responsibilities and professional standards of association executives.

SECTION 2

Broadening the restaurant industry understanding of the importance of association and promote the purposes and effectiveness of restaurant associations through means consistent with the interest of the public and industry.

SECTION 3

Providing a network of cooperation among restaurant association executives and establish and maintain good working relationships with professional and business organizations, governmental officials for the purpose of promoting our industry, our member associations, and the public interest.

SECTION 4

Ensuring that state restaurant associations continue to benefit from cooperative and coordinated efforts in membership, education, governmental affairs, and other services and relationships with the National Restaurant Association, the National Restaurant Association Educational Foundation and their affiliated organizations.

SECTION 5

Ensuring that membership, educational and other services as well as financial arrangements with the National Restaurant Association, the National Restaurant Association Educational Foundation and their affiliated organizations are beneficial to Council members' associations and their restaurant members.

SECTION 6

Seeking solutions from its stakeholders and develop initiatives to ensure that dual membership agreements and/or any other agreements with the National Restaurant Association, the National Restaurant Association Educational Foundation and their affiliated organizations are beneficial to Council members' associations.

SECTION 7

Facilitating cooperation amongst chief executive officers from state restaurant associations, and the chief executive officers of the National Restaurant Association, the National Restaurant Association Educational Foundation and their affiliated organizations.

SECTION 8

Facilitating initiatives to benefit state restaurant associations, the District of Columbia and U. S. Territories.

SECTION 9

Investigating and promulgating such other functions consistent with these bylaws as will advance the efficiency and professional standing of the Council's members.

ARTICLE III

Membership

SECTION 1 - MEMBERSHIP

The membership of the Council of State Restaurant Associations shall be composed of state restaurant trade associations as represented by their professional executives. "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico and any territory or possession of the United States. A state restaurant association shall not include the National Restaurant Association, the National Restaurant Association Educational Foundation and their affiliated organizations.

SECTION 2 – CLASSES OF MEMBERSHIP

- A. Regular Member. A Regular member shall be the State Restaurant Association recognized by the State, as represented by its chief executive officer.
- B. Associate Member. Associate membership is a non-voting membership available to other designated staff representatives whose chief executive is a Regular member.

- C. Honorary Member. An honorary member is a non-voting membership granted to an individual whose contribution to the restaurant industry is recognized by the Board of Directors in accordance with criteria adopted by the Board of Directors. An honorary member may participate in Council programs and activities as determined by the Board of Directors.

- D. Associations. Non-voting membership is available on a non-dues basis to a restaurant related association (other than the National Restaurant Association, the National Restaurant Association Educational Foundation and their affiliated organizations) that offers reciprocal membership rights to this Council. Such members may participate in Council activities as determined by the Board of Directors.

SECTION 3 - ELECTION TO MEMBERSHIP

Written application for membership accompanied by the first year's dues payable in advance shall be submitted to the Executive Vice President. The application shall then be submitted to the Board of Directors for evaluation and recommendation which may approve the application by a majority vote at any regular or special meeting at which a quorum is present or by mail or email ballot.

SECTION 4 - VOTING

A Regular member is entitled to one (1) vote on all matters coming before the Council. The NRA CEO-designated board member shall also be a voting member.

SECTION 5 - TERMINATION OF MEMBERSHIP

The membership of any member may be terminated by the Board of Directors by any of the following methods:

- A. Written resignation sent to the Executive Vice President giving at least ten days' advance notice of the resignation and upon payment of any delinquent dues, assessments or other obligations to the Council.

- B. Non-payment of dues, assessments or other obligations to the Council for a period of ninety days from the date upon which payment was due.

- C. Termination of a member by the vote of two-thirds of the entire membership of the Board of Directors at a regular or special meeting. Such termination shall be based on the member's action which is detrimental to the Council. A full statement of the charges shall be served on the member by the Executive Vice President. The member shall be given the opportunity to appear before the Board of Directors at the meeting and shall be given the opportunity to answer the charges made. A written report will be made by the Executive Vice President and approved by the Board of Directors.

No member shall, upon termination of membership by any of the foregoing methods, have any further right or privilege in the affairs or property of the Council.

ARTICLE IV

Limitation

This Council shall refrain from taking any position or recommending any action on such issues as clearly fall solely within the purview of individual associations. Any actions taken shall be in the context of a consensus of individual professional opinions and is in no way binding upon the associations which the members represent.

ARTICLE V

Board of Directors

SECTION 1 - AUTHORITY

The Board of Directors shall have supervision, control and direction of the affairs of the Council.

SECTION 2 - COMPOSITION

The Board of Directors shall consist of fifteen (15) people: thirteen (13) elected members, including the four (4) elected officers, one (1) member appointed by the CEO of the National Restaurant Association, and one (1) CSRA Executive Vice President who will serve as a non-voting member. Once elected as an officer, the elected officers will proceed through the officer chairs without having to stand for election to the next officer position or for reelection as a board member. The directors shall be Regular members, except for the member appointed by the CEO of the National Restaurant Association and the CSRA Executive Vice President. The election of Regular members to the Board of Directors shall be for annual terms not to exceed three (3) years. The immediate past president shall be a voting member of the Board of Directors.

SECTION 3 - MEETINGS

The Board of Directors shall have a meeting at the time of the annual meeting, upon the call of the President at such times and places as he or she designates, and shall be called to meet upon the request of a majority of its members.

SECTION 4 - QUORUM

A majority of the members of the Board of Directors who are entitled to vote and are present at a meeting shall constitute a quorum, and the vote of at least a majority of those present shall constitute action by the Board of Directors except as otherwise may be required by law.

SECTION 5 - ELECTION

Elections shall be held by mail or electronic mail. All Regular members shall be entitled to vote. Those nominees receiving the largest number of votes for the vacancies to be filled shall be declared elected. Ties shall be decided by lot.

SECTION 6 – TERM OF OFFICE

The term of service for a Regular member elected to the Board of Directors, unless filling an unexpired term, shall be three (3) years. The term of service for the NRA Representative shall be one (1) year, or until such time as that individual is replaced by the National Restaurant Association CEO.

SECTION 7 - RE-ELECTION

A director may be re-elected to one (1) additional three (3) year term. The National Restaurant Association Representative may be reappointed by the National Restaurant Association CEO an unlimited number of times.

SECTION 8 - RESIGNATION

A Director may resign at any time by giving written notice to the President or the Executive Vice President. A Director may be removed from office at any time for good cause by a vote at a meeting of at least two-thirds of the Directors then in office.

SECTION 9 - VACANCIES

Any vacancies that may occur on the Board by reason of death, resignation, or otherwise may be filled by a successor director who shall serve out the unexpired term and shall be elected by the Board at any meeting of the Board, or by email or mail ballot. A vacancy for the director position of the National Restaurant Association Representative which occurs by the death, resignation, or otherwise shall be filled by the National Restaurant Association CEO.

ARTICLE VI

Officers

SECTION 1 - ELECTIVE OFFICERS

The officers of the Council shall be the immediate past president, president, vice president, and a secretary-treasurer. The officers shall be Regular members, the President having been a Regular member of the Council, for at least three (3) consecutive years prior to assuming that office. The elected officers shall be called the “Executive Committee.” Officers who resign during their term as an Officer, or who proceed through all of the four officer levels, shall not be eligible to serve on the Council Board of Directors until one (1) calendar year has elapsed after their service.

SECTION 2 -TERM OF OFFICE

Each officer shall be elected to a one-year term for the next immediate officer level by the Board of Directors at a meeting of the Board of Directors if such officer is qualified to continue to serve as an officer in every other respect. The order of progression is: Secretary-Treasurer to Vice President; Vice President to President; and President to Immediate Past President.

SECTION 3 - VACANCIES

Vacancies on the Executive Committee shall be filled for the balance of the term according to the order of progression in Section 2 of Article VI. In the case of a vacancy for the Secretary-Treasurer

position, the vacancy shall be filled by a vote of the Board of Directors via mail or electronic mail or at any regular or special meeting.

SECTION 4 – IMMEDIATE PAST PRESIDENT

The immediate past president shall be allowed to vote as a board member and as an Executive Committee member, and shall act as an advisor to the Executive Committee and Board of Directors.

SECTION 4 - PRESIDENT

The president shall be the principal officer and shall preside at meetings of the Council and of the Board of Directors, and shall be ex-officio, non-voting member of all committees. He or she shall also, at the annual meeting of the Council and at such other times as he or she shall deem proper, communicate to the Council or the Board of Directors such matters and make such suggestions as may in his or her opinion tend to promote the welfare and increase the usefulness of the Council, and shall perform such other duties as are necessarily incident to the office or as may be prescribed by the Board of Directors.

SECTION 5 – VICE PRESIDENT

The vice president is empowered to perform the duties of the president, in the event of the president’s temporary disability or absence from meetings, and shall have such other duties as the president or the Board may assign.

SECTION 6 - SECRETARY-TREASURER

The secretary-treasurer shall perform the duties in accordance with the duties and responsibilities usually incumbent upon the office.

SECTION 7 - RE-ELECTION

The immediate past president, president, vice president, or the secretary-treasurer, having served a full calendar year term, shall not be eligible for re-election to the same office until at least one calendar year shall have elapsed. However, in the case of a vacancy in an Officer position, a former immediate past president may be selected and shall be eligible to serve in that same capacity.

SECTION 8 - ASSUMPTION OF OFFICE

Elected officers shall assume office on the January 1st following their election, or at the conclusion of the mail or electronic mail meeting of the Board of Directors at which such elections are held in the case of a vacancy election.

ARTICLE VII

Committees

SECTION 1 - EXECUTIVE COMMITTEE

The Executive Committee shall consist of the immediate past president, president, vice president, and secretary-treasurer of the Council, and may exercise all the powers of the Board of Directors

between meetings thereof as permitted by law. The president shall chair the Executive Committee and a majority of the members of the Executive Committee shall constitute a quorum for the transaction of business. The act of a majority of the members of the Executive Committee then in office shall be the act of the Board of Directors of the Council. The membership shall be notified of any actions taken by the Executive Committee on behalf of the Board of Directors within thirty (30) days.

SECTION 2 - COMMITTEES

The Board of Directors shall annually appoint such special or subcommittees as may be required by the bylaws or as may be necessary. These committees may be called “Task Force” or “Workgroup.”

SECTION 3 - FINANCE COMMITTEE

The Finance Committee shall consist of the president, vice president, secretary-treasurer, and two (2) other members appointed by the president and approved by the Board of Directors. The vice president shall serve as chairman of the finance committee. The committee shall counsel with the Executive Vice President on the annual budget of the Council and prepare a proposed annual budget for the submission to and approval by the Board of Directors. A report of the financial statements and the receipts and disbursements of the Council shall be prepared annually by a certified public accountant engaged by the Board of Directors and at such other times that may be directed by the Executive Committee or Board of Directors at the expense of the Council. The committee may perform such other duties in connection with the finances of the Council as the Executive Committee or Board of Directors may determine from time to time.

SECTION 4 – NOMINATING COMMITTEE

A Nominating Committee of up to five (5) Regular members shall be appointed by the President and shall be announced to the membership at least thirty (30) days prior to the date on which elections will be held. The Nominating Committee shall invite suggestions from the membership for the office of secretary-treasurer, for any vacancies, and for board positions for individuals whose terms are expiring. The report of the Nominating Committee shall present a slate of qualified candidates to the Council membership at least ten (10) days before the date on which elections will be held. The Nominating Committee will set a deadline for ballots to be returned for the election. The Nominating Committee may meet in person or via electronic mail.

ARTICLE VIII

Executive Vice President

SECTION 1 – SELECTION, HIRE AND TERMINATION

The Executive Vice President shall be selected and hired by the Board of Directors. The Executive Vice President shall not be a member of the Council and will be compensated for services by the Council in such a manner and in such amounts as the Board of Directors may determine. The Board of Directors shall have the ability to terminate the employment of the Executive Vice President.

SECTION 2 - DUTIES

The Executive Vice President shall be responsible for the conduct, control and direction of the headquarters of the Council, performing duties as may be assigned by the Executive Committee or Board of Directors, and shall report to them. The Council President, in consultation with the Executive Committee, shall have direct supervision of the Executive Vice President. The Executive Vice President shall comply with the duties contained in the Executive Vice President Position Description approved by the Council Board of Directors.

SECTION 3 - FINANCIAL

The Executive Vice President shall receive all monies paid or payable to the Council, including membership dues and assessments, and shall deposit the monies of the Council in such bank accounts, and may make disbursements therefrom for the Council purposes, as may be authorized by the Board of Directors.

SECTION 4 - RECORDS

All books, documents and papers of the Council shall be in the custody and control of the Executive Vice President.

ARTICLE IX

Meetings

SECTION 1 -ANNUAL MEETING

The Annual Meeting of the Council shall be held at a place and date designated by the Board of Directors.

SECTION 2 - OTHER MEETINGS

Other meetings may be held at such time and place as shall be designated by the Board of Directors. The business to be transacted at such meeting shall be stated in the notice thereof and no other business may be considered at that time.

SECTION 3 - QUORUM

Ten percent of the Regular members in good standing shall constitute a quorum at all membership meetings for the transaction of business. If a quorum is not present at any meeting, then a majority of the members may adjourn the meeting from time to time as may be necessary.

SECTION 4 - RULES OF ORDER

Including meetings of the Board of Directors and the Executive Committee, all meetings shall be governed by Robert’s Rules of Order, revised edition.

SECTION 5 – ELECTRONIC MAIL OR TELEPHONE CONFERENCE MEETINGS

Any meeting of the Council, the Board of Directors, the Executive Committee or any committee may be held and action taken through the use of electronic mail or telephone conference or other communication equipment by means of which all persons participating in

the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

ARTICLE X

Notice of Meetings and Waiver

The Executive Vice President shall send written notice of all meetings of the Council within a reasonable time in advance of the meeting to the members entitled to attend such meeting. Whenever any notice is required to be given, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting by a person shall constitute a waiver of notice, except where attendance is solely to object to a lack of notice of the meeting.

ARTICLE XI

Dues and Assessments

Annual dues shall be determined by the Board of Directors from time to time. Special assessments necessary to carry out the purpose of the Council shall be approved by the Board of Directors. Notice of any change in the annual dues or assessments shall be sent to the members of the Board of Directors by the Executive Vice President in advance of the next scheduled meeting of the Board of Directors.

ARTICLE XIII

Indemnification of Officers and Directors

SECTION 1. INDEMNIFICATION – GOOD FAITH

The Council shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Council) by reason of the fact that such person is or was a director, officer, employee or agent of the Council, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interest of the Council, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment or settlement, conviction or upon a plea of nolo contendere or is equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Council, and with respect to any

criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

SECTION 2. NEGLIGENCE AND MISCONDUCT

The Council shall indemnify any person who was or is party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Council to procure a judgment in its favor by reason of the fact that such person is or was a director, officer, employee or agent of the Council, or is or was serving at the request of the Council, as a director, officer, employee or agent of another Association, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Council and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Council unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which the court shall deem proper.

SECTION 3. ACTUAL EXPENSES

To the extent that a director, officer, employee or agent of a Council, has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in sections 1 and 2, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses actually and reasonably incurred by such person in connection therewith.

SECTION 4. STANDARD OF CONDUCT

Any indemnification under section 1 and 2 shall be made by the Council only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in sections 1 and 2. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the shareholders.

SECTION 5. ADVANCE EXPENSES

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Council in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Council as authorized in this article.

SECTION 6. EXCLUSIVITY

The indemnification provided by this article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement vote of shareholders or disinterested directors or otherwise, both as to action in his or her official

capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 7. INSURANCE

The Council shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Council or is or was serving at the request of another Association, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in an such capacity, or arising out of his or her status as such, whether or not the Council would have the power to indemnify such person against such liability under the provisions of these sections.

ARTICLE XIV

Fiscal Year

The fiscal year shall commence on the first day of January and shall end on the last day of December.

ARTICLE XV

Dissolution

The Council shall use its funds only to accomplish the objectives and purposes specified in these bylaws, and no part of said funds shall inure, or be distributed, to the members of the Council. On dissolution of the Council any funds remaining shall be contributed to an exempt purpose which is consistent with the purpose of the Council.

ARTICLE XVI

Amendments

These bylaws may be amended, repealed, or altered, in whole or in part by majority vote of the Board of Directors via mail or electronic mail or at any regular or special meeting of the Board, provided written notice of such proposed alteration, amendment, or repeal shall have been sent to members of the Board of Directors at least thirty (30) days in advance of the amendments being adopted.