

# **BYLAWS**

**of the**

# **PROFESSIONAL ESCORT VEHICLE OPERATORS ASSOCIATION**

**a non-profit corporation  
of the State of Utah**

**Revised and Amended on March 19, 2008**

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## **ARTICLE 1 - NAME**

The name of the corporation is the Professional Escort Vehicle Operators Association, hereinafter referred to in these Bylaws as the Corporation.

## **ARTICLE 2 - PURPOSE**

The specific and primary purpose for which this Corporation is organized and operated is to promote and further the interests and general welfare of escort car operators. The general purposes for which this Corporation is formed are to promote the general welfare of escort car operators; to insure unified effort towards the solution of the problems of such business and to foster such cohesive action as may be deemed advisable for the welfare of the industry as a whole, and to promote, wherever and whenever possible, improved customer and public relations.

## **ARTICLE 3 - OFFICES OF THE CORPORATION**

The initial office of the Corporation shall be located at 11576 South State Street, Suite 301, Draper, Utah 84020. The Board of Directors may change the principle office of the Corporation.

## **ARTICLE 4 – MEMBERSHIP**

**4.1 CLASS 1 MEMBERS.** Class 1 members, referred to as regular members, may be any individual proprietor, firm, partnership, company, corporation or entity who hold themselves out to serve the public for hire or for compensation as pilot car or escort car operators, including the employees of any such proprietor, firm, partnership, company, corporation or entity, or as a broker of any of the above listed services, who agree to:

1. Support the Corporation financially, through a dues structure established by the Board of Directors, and may be elected to membership by the Board of Directors;
2. Abide by Pilot Car Driver Best Practice Standards as published by the Federal Highway Administration ("FHWA"), the Commercial Vehicle Operators Alliance ("CVSA"), and the Specialized Carriers and Rigging Association ("SC&RA");
3. Require all members to hold a valid state certification except those domiciled in the State of Alaska.
4. Class 1 members shall have the right to vote, as set forth in these Bylaws, on the election of the Directors, on the disposition of all or substantially all of the Corporation's assets, on any merger and its principal terms and amendment of those terms, and on any election to dissolve the Corporation. In addition, those members shall have all rights afforded members under the Utah Revised Nonprofit Corporations Act.

**4.2 CLASS 2 MEMBERS.** Class 2 members, referred to as associate members, may be any individual proprietor, firm, partnership, company, corporation or entity in a related profession who agree to support the Corporation financially, through a dues structure established by the Board of Directors.

1. Class 2 members shall be elected to membership by the Board of Directors.
2. Class 2 members shall have no right to vote on the election of the Directors, on the disposition of all or substantially all of the Corporation's assets, on any merger and its principal terms and amendment of those terms, and on any election to dissolve the Corporation.

**4.3 RETIRED MEMBERS.** Retired members who have retired from the industry and have been members of this association in good standing for a period of five (5) years shall be non-dues paying members and shall have the same rights and privileges as Class 1 members.

**4.4 HONORARY MEMBERS.** Honorary Members shall be non-dues paying members and shall have the same rights and privileges as Class 2 members. Honorary Members shall be admitted by a three-fourths (3/4) majority of the membership.

**4.5 DUES, FEES AND ASSESSMENTS.** Each member must pay, within the time and on the conditions set by the Board of Directors, the dues, fees and assessments in amounts fixed by and adjusted from time to time, by the Board of Directors.

**4.6 GOOD STANDING.** Those members who have paid the required dues, fees, and assessments in accordance with these bylaws and who are not suspended shall be members in good standing

**4.7 CAUSES OF TERMINATION.** A membership shall terminate on occurrence of any of the following events:

**A.** Resignation of the member.

**B.** Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board of Directors.

C. Failure of the member to pay dues, fees, or assessments as set by the Board of Directors within sixty days after they become due and payable.

D. Occurrence of any event that renders the member ineligible for membership, or failure to satisfy membership qualification.

E. Expulsion of the member under the Section 4.8 of this Article based on the good faith determination by the Board of Directors that the member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and serious prejudicial to the purpose and interests of the Corporation, as determined by the Board of Directors.

**4.8 SUSPENSION OF MEMBERSHIP.** A member may be suspended, under this section, based on the good faith determination by the Board of Directors, or a committee authorized by the Board of Directors to make such a determination, that the Corporation's rules of conduct have been violated, or the member has engaged in conduct materially and seriously prejudicial to the purposes and the interests of the Corporation. A person whose membership is suspended shall not be a member during the period of suspension.

**4.9 PROCEDURE FOR TERMINATION OR SUSPENSION.** If grounds appear to exist for termination or suspension of a member under Sections 4.7 or 4.8 of this Article, the procedure set forth below shall be followed:

A. The member shall be given fifteen days prior written notice of the proposed termination or suspension and the reasons for the proposed termination or suspension. Any notice given by mail shall be sent by first-class mail to the member's last address as shown on the Corporation's records.

B. The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed termination or suspension. The hearing shall be held, or the written statements considered, by the Board of Directors, to determine whether the termination or suspension should take place.

C. The Board of Directors, Committee, or person authorized by the Board of Directors, shall decide whether or not the member should be terminated, suspended, or sanctioned in some other way. The decision of the Board of Directors, the committee or person authorized by the Board of Directors, shall be final.

D. Any action challenging the termination of membership, or the suspension of membership, or any sanction imposed by the Board of Directors, or the Committee or person authorized by the Board of Directors, including a claim alleging defective notice, must be commenced within one year after the date of the termination, suspension, or other sanction.

E. The Board of Directors may reinstate any terminated member.

**4.10 TRANSFER OF MEMBERSHIP.** No membership or right arising from membership shall be transferred. All membership rights cease on the member's death or the termination of membership by any cause.

## **ARTICLE 5 – MEETINGS OF MEMBERS**

**5.1 MEETINGS OF MEMBERS.** A meeting of the membership shall take not less than annually at a place and time determined by the Board of Directors.

**5.2 PLACE OF MEETINGS.** Meetings of members shall be held Via-Conference Call or at any place within or outside of Utah designated by the Board of Directors or by written consent or by verbal vote of all the members entitled to vote at the meeting, given before or after the meeting. In absence of any such designation, members' meetings shall be held at the Corporation's principle office.

**5.3 PERCENTAGE REQUIRED FOR A QUORUM.** A quorum will be equal to five percent of the Class 1 membership, including members present by proxy, at any meeting.

**5.4 RECORD DATES.** For the purposes of determining the members entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights with respect to any lawful action, the Board of Directors may, in advance, fix a record date. The record date so fixed for voting shall not be more than sixty days before the date of the meeting. The record date so fixed for voting by written ballot shall not be more than sixty days before the day that the first written ballot is mailed or solicited. The record date so fixed for any other action shall not be more than sixty days before that action.

**5.5 MEMBERS OF RECORD.** For purposes of Section 5.4 of this Article a person holding a membership at the close of business on the record date shall be a member of record.

## **ARTICLE 6 - VOTING**

**6.1 ELIGIBILITY TO VOTE.** Subject to the provisions of the Utah Revised Nonprofit Corporations Act, members entitled to vote at any meeting of the membership shall be active members in good standing as of the record date determined under Article 5, Sections 5.4 and 5.5 of these Bylaws.

**6.2 VOTING.** Each member entitled to vote may cast one vote on each matter submitted to a vote of the membership.

**6.3 MANNER OF CASTING VOTES.** Voting may be by voice or by ballot, except that the election of the Board of Directors must be by written ballot.

**6.4 APPROVAL BY MAJORITY VOTE.** If a quorum is present, the affirmative vote of a majority of the members at the meeting, entitled to vote and voting on any matter shall be the act of the membership, unless the vote of a greater number is required by the Utah Revised Nonprofit Corporations Act.

## **ARTICLE 7 - WRITTEN BALLOTS**

**7.1 ACTION BY WRITTEN BALLOT WITHOUT A MEETING.** Any action, except the election of Directors for the Board of Directors, which may be taken at any meeting of the membership, may be taken without a meeting by complying with Sections 6.1, 6.2, 6.3, and 6.4 of these Bylaws.

**7.2 SOLICITATION OF WRITTEN BALLOTS.** The Corporation shall distribute one written ballot to each member entitled to vote on the matter. Such ballots shall be as noted below. All ballots shall set forth the proposed action, provide the member with an opportunity to specify approval or disapproval of each proposed action, set a reasonable time for the return of the ballot so that it can be counted and state the number of approvals necessary to pass the measure or measures.

### **1. ACCEPTABLE MEANS OF WRITTEN BALLOTS.**

- A. Electronic
- B. Facsimile
- C. Mail

**7.3 NUMBER OF VOTES AND APPROVALS REQUIRED.** Approval by written ballot shall be valid only when the number of votes cast by written ballot, that are returned within the time period specified, equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

**7.4 REVOCATION OF WRITTEN BALLOTS.** Written ballots may not be revoked.

**7.5 FILING.** All written ballots shall be filed with the Secretary of the Corporation and maintained in the Corporation's records for at least three years.

## **ARTICLE 8 – BOARD OF DIRECTORS**

**8.1 GENERAL CORPORATE POWERS.** Subject to the provisions and limitations of the Utah Revised Nonprofit Corporations Act and other applicable laws, and subject to any limitations of the Articles of Incorporation or the Bylaws of the Corporation regarding actions that require approval of the membership, the Corporation's activities and affairs shall be managed, and all Corporate powers shall be exercised, by or under the direction of the Board of Directors.

**8.2 SPECIFIC POWERS.** Without prejudice to the general powers set forth in Section 8.1 of this Article, but subject to the same limitations, the Board of Directors shall have the power to;

**A.** Appoint and remove the Corporation's Officers, agents, and employees; prescribe powers and duties for them that are consistent with the law, with the Articles of Incorporation, and with these Bylaws; and fix their compensation and require from them the faithful performance of their duties.

**B.** Change the principle office or the principle business office in Utah from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country and conduct its activities within or outside of Utah and designate any place within or outside of Utah for the holding of any meeting of the membership.

**C.** Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

**8.3 AUTHORIZED NUMBER AND QUALIFICATIONS.** The Board of Directors shall consist of at least three but not more than eleven Class I members. The qualifications for directors are the same as for a Class 1 membership except that if a partnership they must be one of the partners, or if a corporation they must be a stockholder or an officer of that corporation. The exact number of Directors shall be fixed, within those limits, by a resolution adopted by the Board of Directors. If the total number of members exceeds Five hundred the Board of Directors *may*, in its discretion, break up the organization into one or more regional sub-groups known as Regional Associations. The organizational structure and operation of the

Regional Associations shall be determined by the Board of Directors, provided, however, each such Regional Association shall be treated equally.

**8.4 RESTRICTION OF INTERESTED PERSONS.** No more than forty-nine percent (49%) of the persons serving on the Board of Directors may be interested persons. An interested person is any person who is compensated by the Corporation for services rendered to it within the previous twelve months, whether as a full time or part time employee, independent contractor, or otherwise. However any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the Corporation.

**8.5 ELECTION, DESIGNATION, AND TERM OF OFFICE.** Directors shall be elected by the membership by ballot annually relating to the expiration of the Directors term of office; however, if any such Directors are not elected by the Membership the position may be filled by the Board of Directors by appointment. A Director appointed by the Board of Directors will hold that position until the next election. Each Director shall be elected for a term of four (4) years, except as noted below in item 8.5(A). No more than 50% of the Board of Directors may be replaced in any one annual election, should this event occur, the Board of Directors shall appoint an election committee to review and shall have sole decision making authority. A Director may serve for unlimited terms provided that he or she is elected by the membership at the end of each term, but a Director may not serve in consecutive terms by appointment.

**A.** So as to create a (Staggered) term of office for the Board of Directors, the General Election for the year 2008 and only for this year, the Board of Directors Term of Office shall be limited to:

- a. (2) Directors shall be elected to serve for a period of a 1 year term of Office
- b. (2) Directors shall be elected to serve for a period of a 2 year term of Office
- c. (2) Directors shall be elected to serve for a period of a 3 year term of office
- d. (1) Director shall be elected to serve for a period of a 4 year term of office.

**B.** As the Board of Directors reach the limitation of the Term of Office, as noted above in Section 8.5(A), all subsequent annual elections for all Board of Directors shall be elected for a term of 4 years as noted in 8.5.;

**C.** When a person is appointed to fill an open position on the Board of Directors he/she will be appointed to fill that position until the next election. At which time that Directors position will be open for election with the term length that remains un-served by the previous elected Director.

**8.6 EVENTS CAUSING VACANCIES.** A vacancy or vacancies on the Board of Directors shall exist on the occurrence of the failure to be a member in good standing resignation, incapacity, or death of any Director, or the conviction for any felony, or any conviction for breach of duty under the Utah Revised Nonprofit Corporations Act, or by a vote of the membership, or if the Corporation has less than fifty members, by a vote of the majority all the members qualified to vote, to remove any Director or Directors, or the increase in the number of authorized Directors, or the failure of the membership to elect the number of Directors required to be elected.

**8.7 RESIGNATIONS.** Any Director may resign by giving written notice to the President, or to the Vice President or the Secretary of the Board of Directors, except that no director may resign if the Corporation would be left without a Director the resignation will be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a Director's resignation is effective at a later time, the Board of Directors may appoint a successor before the resignation is effective.

**8.8 FILLING VACANCIES.** Except for a vacancy created by the removal of a Director by the membership, vacancies on the Board of Directors may be filled by a majority vote of the Board of Directors then in office, whether or not less than a quorum, or by a sole remaining Director. The membership may fill any vacancy or vacancies not filled by the Directors.

**8.9 REDUCTION OF THE NUMBER OF DIRECTORS.** No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

**8.10 COMPENSATION AND REIMBURSEMENT.** Directors may receive such compensation, if any, for their services as Directors or Officers, and such reimbursement of expenses, as the Board of Directors determines by resolution to be just and reasonable at the time that the resolution is adopted.

**8.11 GROUNDS FOR REMOVAL OF A DIRECTOR.**

1. A Director may be removed by the membership if, for any reason, it is determined that he/she is not performing his/her duties and/or acting in the best interests of the Association.

2. Should a Board of Director fail to attend more than Two (2) meetings in a Calendar Year, without a significant reason this maybe considered as sufficient grounds for removal as a board of director.

**ARTICLE 9 – DIRECTOR'S MEETINGS**

**9.1 TIME AND PLACE OF MEETINGS.** Meetings of the Board of Directors shall be held at any place within or outside of Utah that has been designated by resolution of the Board of Directors or in the notice of the meeting or, if not so designated, at the principle offices of the Corporation. All members may attend any Board of Directors meeting, however, they need not be heard on any matter unless the President, or whoever is conducting the meeting permits the member to be heard. Notice of the Board of Directors meetings need not be sent to any member unless a specific request is made by the member.

**9.2 MEETINGS BY TELEPHONE.** Any meeting may be held by telephone or similar communication equipment, as long as all Directors participating in the meeting can hear one another. All such Directors shall be deemed to be present at such a meeting.

**9.3 AUTHORITY TO CALL SPECIAL MEETING.** Special meetings of the Board of Directors may be called at any time by the President, or any Vice President, or the Secretary or any two Directors.

**9.4 MANNER OF GIVING NOTICE.** Notice of the time and place of meetings shall be given to each Director by personal delivery of a written notice, or by first-class mail, postage paid, or by telephone, either by direct contact or to a person at the Director's office who would reasonably be expected to communicate that notice to the Director, or by e-mail, charges pre-paid. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Corporation.

**9.5 TIME REQUIREMENTS.** Notices sent by first-class mail shall be deposited in the United States mails at least five days before the time set for the meeting. Notices given by personal delivery, telephone, or e-mail shall be delivered at least forty eight hours, weekends excluded, before the time set for the meeting.

**9.6 NOTICE CONTENTS.** The notice shall state the time of the meeting, and the place if the place is other than the principle offices of the Corporation. The notice need not specify the purpose of the meeting.

**9.7 QUORUM.** A majority of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be the act of the Board of Directors, subject to the more stringent provisions of the Utah Revised Nonprofit Corporations Act, including, without limitation, those provisions relating to approval of contracts or transactions in which a Director has a direct or indirect material financial interest, or approval of certain transactions between corporations having common directorships, or the creation of and appointments to Committees of the Board of Directors, and indemnification of Directors. A meeting of the Board of Directors at which a quorum is present may continue to conduct business, despite the withdrawal of Directors, if any action taken or decision made is approved by at least a majority of the required quorum at that meeting.

**9.8 WAIVER OF NOTICE.** Notice of a meeting need not be given to any Director, either before or after the meeting, who signs a waiver of written notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the Corporation records or made a part of the minutes of the meeting. Notice of a meeting need not be given to any Director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

**9.9 ADJOURNMENT.** A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

**9.10 NOTICE OF ADJOURNED MEETING.** Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than forty-eight hours. If the original meeting is adjourned for more than forty-eight hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the Directors who were not present at the original meeting at the time of the adjournment.

**9.11 ACTION WITHOUT A MEETING.** Any action that the Board of Directors is required or permitted to take may be taken without a Board of Directors meeting if all members of the Board of Directors consent in writing to the action, provided that the consent of any Director who has a material financial interest in a transaction to which the Corporation is a party as defined in the Utah Revised Nonprofit Corporations Act shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other action approved by the Board of Directors. All such consents shall be filed with the minutes of the proceedings.

## **ARTICLE 10 – COMMITTEES**

**10.1 COMMITTEES OF THE BOARD OF DIRECTORS.** The Board of Directors, by resolution adopted by a majority of the Directors then in office, provided a quorum is present, may create one or more committees, each consisting of two or more Directors and one or more Directors as alternate members and no persons who are not Directors, to serve at the pleasure of the Board of Directors. The President is a member of all committees. Any such committee, to the extent provided in the Board of Directors resolution, shall have the authority of the Board of Directors, except that no committee may take final action on any matter.

**10.2 MEETINGS AND ACTIONS OF COMMITTEES.** Meetings and actions of the Committees of the Board of Directors shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings and other Board of Directors actions, except that the time for regular meetings of such Committees and the calling of special meetings of such Committees may be determined either by Board of Directors Resolution or by the Director placed in charge of the Committee. Minutes of each meeting of any Committee of the Board of Directors shall be kept and shall be filed with the Corporation records. The Board of Directors may adopt rules for the governance of any Committee, provided they are consistent with these Bylaws, or, in the absence of rules adopted by the Board of Directors, the Committees may adopt such rules.

## **ARTICLE 11 – OFFICERS**

**11.1 OFFICERS OF THE CORPORATION.** The Officers of the Corporation shall be a President, a Treasurer, and a Secretary. The Corporation may also have, at the Board of Directors discretion, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with Section 11.3 of this Article. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the President nor shall the Secretary serve concurrently as the Treasurer.

**11.2 ELECTION OF OFFICERS.** The Officers of the Corporation, except those appointed under Section 11.3 of this Article, shall be chosen annually by the Board of Directors.

**11.3 OTHER OFFICERS.** The Board of Directors may appoint and may authorize the President to appoint any other officers that the Corporation may require. Each Officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or determined by the Board of Directors resolution.

**11.4 REMOVAL OF OFFICERS.** Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by the Board of Directors and also, if the officer was not chosen by the Board of Directors, by any officer upon whom the Board of Directors may confer that power of removal.

**11.5 RESIGNATION OF OFFICERS.** Any officer may resign at any time by giving written notice to the Corporation. The resignation shall take effect as of the date the notice is given unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

**11.6 VACANCIES IN OFFICES.** A vacancy in any office because of the death, resignation, removal, disqualification, or any other cause may be filled in the manner prescribed in these Bylaws for the regular appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

## **ARTICLE 12 - RESPONSIBILITIES OF OFFICERS**

**12.1 PRESIDENT.** The President shall preside at meetings of the Board of Directors and shall exercise and perform such powers and duties as the Board of Directors assigns.

**12.2 VICE PRESIDENT.** If the President is absent or disabled, the Vice President, if elected, shall perform all the duties of the President.

**12.3 SECRETARY.** The Secretary shall keep, at the Corporation's principle office, a book of minutes of all meetings, proceedings, and actions of the Board of Directors, of the Committees of the Board of Directors, and of the membership meetings. The Secretary shall keep, at the principle office of the Corporation in Utah, a copy of the Articles of Incorporation and the Bylaws, as amended to date. The Secretary shall keep, at the principle office of the Corporation, a record of the Corporation's membership, showing each member's name and address. The Secretary shall give notice of all meetings of members, of all the Board of Directors meetings, and of all the Committee meetings. The Secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board of Directors may prescribe.

**12.4 TREASURER.** The Treasurer shall keep and maintain adequate and correct books and accounts of the Corporation's transactions. The Treasurer shall give to the membership and Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board of Directors. The books of the Corporation shall be open to inspection by any Director at all reasonable times. The Treasurer shall deposit all money and other valuables in the name and to the credit of the Corporation in such depositories as the Board of Directors may designate, shall disburse the Corporation's funds as the Board of Directors may order, shall render to the President, or the Board of Directors, when requested, an account of all transactions and of the financial condition of the Corporation, and shall have such other powers and perform such other duties the Board of Directors or the Bylaws may prescribe. If required by the Board of Directors, the Treasurer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board of Directors for the faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Treasurer on his or her death, resignation, retirement, or removal from office.

## ARTICLE 13 - INDEMNIFICATION

**13.1 RIGHT OF INDEMNIFICATION.** To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Officers, Employees, and other persons described in Section 16-6a-907 of the Utah Revised Nonprofit Corporations Act, including persons formerly occupying such positions, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any proceeding and including an action by or in the right of the Corporation.

**13.2 APPROVAL OF INDEMNITY.** On written request to the Board of Directors by any person seeking indemnification under Section 13.1 above, the Board of Directors shall promptly determine whether the applicable standard of conduct set under the Utah Revised Nonprofit Corporations Act has been met and, if so, the Board of Directors shall authorize indemnification. If the Board of Directors cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board of Directors shall call a meeting of the membership. At that meeting, the membership shall determine whether the applicable standard of conduct set forth in has been met and, if so, the membership present at that meeting shall authorize indemnification.

**13.3 ADVANCEMENT OF EXPENSES.** To the fullest extent permitted by law and except as otherwise determined by the Board of Directors in a specific instance, expenses incurred by a person seeking indemnification under Section 13.1 and 13.2 of this Article in defending any proceeding covered by those paragraphs shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

**13.4 INSURANCE.** The Corporation shall have the right to purchase and maintain insurance to the fullest extent permitted by law on behalf of its Officers, Directors, employees, and other agents, against liability asserted against or incurred by any Officer, Director, employee, or agent in such capacity or arising out of the Officer's, Director's, employee's, or agent's status as such.

## ARTICLE 14 - RECORDS AND REPORTS

**14.1 MAINTENANCE OF CORPORATE RECORDS.** The Corporation shall keep adequate and correct books and records of accounts, written minutes of the proceedings of its members, Board of Directors, and Committees of the Board of Directors, and a record of each member's name, address.

**14.2 ACCESS TO MEMBERSHIP RECORDS.** Subject to provisions of the Utah Revised Nonprofit Corporations Act, any member may obtain from the Secretary a list of names, addresses of members who are entitled to vote as of the most recent record date for which that list has been compiled provided any member requesting such records shall abide by the non-commercial use policy adopted by the Board of Directors.

**14.3 MAINTENANCE AND INSPECTION OF ARTICLES OF INCORPORATION AND BYLAWS.** The Corporation shall keep at its principle office, the original or a copy of the Articles of Incorporation and the Bylaws, as amended to date, which shall be open to inspection by the members at reasonable times during office hours.

**14.4 INSPECTION BY DIRECTORS.** Every Director shall have the absolute right at any reasonable time to inspect the Corporation's books, records, documents of any kind, physical properties, and records of each of its subsidiaries. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

## ARTICLE 15 - AMENDMENT

**15.1 MEMBERSHIP RIGHTS LIMITATION.** Subject to the rights of members under Article 5 of these Bylaws and the limitations set forth below, the Board of Directors may adopt, amend or repeal Bylaws unless the action would materially affect the members' rights as to voting.

**15.2 CHANGING THE NUMBER OF DIRECTORS.** Once members have been admitted to the Corporation, the Board of Directors may not, without the approval of the members, adopt, repeal or change any Bylaw provisions that would change the authorized number of Directors, change the minimum or maximum number of Directors, or change from a fixed number of Directors to a variable number of Directors.

### SECRETARY'S CERTIFICATE

I, Randy Stirrett, Secretary of the Professional Escort Vehicle Operators Association, a Utah Non-Profit Corporation. DO HEREBY CERTIFY that the foregoing is a true and correct copy of the corporation's By-Laws as adopted by the Board of Directors of the corporation on March 19, 2008

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Randy Stirrett, Secretary