

BY-LAWS  
OF  
AMERICAN AUSTRALIAN ASSOCIATION, INC.  
(As amended through [June 8, 2015])

ARTICLE I.

Members

Section 1.1. Members. The American Australian Association, Inc. (the "Association") shall have one or more classes of members as shall be determined from time to time by resolution of the Association's board of directors (the "Board of Directors" or the "Board") or by amendment to the By-Laws.

Unless determined otherwise by a majority of the entire Board, the persons serving on the Board of Directors shall be a class of members of the Association and shall be the only class of members of the Association that has voting rights. Members with voting rights are referred to as "Voting Members". As used in these By-Laws, the term "entire Board" shall mean a majority of the members of the Board of Directors. If the Association has two or more classes of members that differ from those set forth in this paragraph, the designation and characteristics of each such class and the qualifications and rights of, and limitations upon, the members of each such class shall be set forth in a resolution of the Board of Directors.

The manner of admission into membership shall be as prescribed by the Board of Directors.

As used in these By-Laws, the term "member" refers to a member of record and in good standing. Unless otherwise determined by the Board of Directors, a member delinquent in the payment of fees, dues, assessments or other charges is not in good standing.

Section 1.2. Membership Fees, Dues and Assessments. The Association may levy such initiation fees, dues and assessments upon its members, other than honorary members, as the Board of Directors may determine from time to time. If the Association shall have two or more classes of members, initiation fees, dues and assessments may be levied on all classes of members alike or, alternatively, in different amounts or proportions for different classes of members, as the Board of Directors may determine, but in all cases the fees, dues and assessments payable by members of one class shall be determined upon the same basis.

The Board of Directors may suspend or terminate the membership of any member for non-payment of initiation fees, dues or assessments.

Section 1.3. Term of Membership. Any member may resign at any time when not in default in the payment of fees, dues, assessments or other charges by written notice to the Secretary of the Association (any resignation to take effect as specified therein or, if not specified, upon receipt by the Secretary) and any member may be removed at any time, with or without cause, by the Board of Directors.

Section 1.4. Annual Meeting. A meeting of members shall be held annually for the election of directors by Voting Members and the transaction of such other business as may properly come before the meeting on such day as shall be determined by the Chairman, the President or the Board of Directors. The agenda of matters to be discussed at any annual meeting of the members shall be determined by the Chairman, the President or the Board of Directors and each member shall receive a copy thereof with the notice of the meeting. Any additional matters to be raised on the floor of the meeting by any member shall be submitted to the Secretary of the Association in writing by that member not later than the fifth day prior to the date of the meeting.

Section 1.5. Special Meetings. Special meetings of the members or any class thereof may be called by the Chairman, the President or the Board of Directors. A special meeting may also be convened by Voting Members entitled to cast at least a majority of the total number of votes entitled to be cast at such meeting, who may, in writing addressed to the Secretary of the Association, demand the call of a special meeting, specifying the date and month thereof, which shall not be less than two or more than three months from the date of such written demand. The Secretary of the Association upon receiving the written demand shall promptly give notice of the meeting.

Section 1.6. Place of Meetings. Meetings of the members or any class thereof shall be held at such place, within or without the State of New York, as may be fixed by the Chairman, the President or the Board of Directors. If no place is so fixed for any such meeting, the meeting shall be held at the principal office of the Association in The City of New York.

Section 1.7. Notice of Meetings. Notice of each meeting of members or any class thereof shall be given in writing by the Secretary and shall state the place, date and hour of the meeting and, unless it is an annual meeting, indicate that it is being issued by or at the direction of the person or persons calling the meeting. Notice of an annual meeting of members shall include a copy of the agenda of matters to be discussed, as determined by the Chairman, the President or the Board of Directors. Notice of a special meeting of members or any class thereof shall also state the purpose or purposes for which the meeting is called. A copy of the notice of any meeting of members shall be given, personally, by e-mail or by first class mail, not less than the fifth business day before the date of the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed given when deposited in the United States mail (with postage thereon prepaid) and directed to the member at the last address of that member as it appears on the record of members or, if the member shall have filed with the Secretary of the Association a written or e-mail request to that member be mailed or e-mailed to some other address, then directed to the member at such other address. If e-mailed, such notice shall be deemed given when sent to the member at the e-mail address of that member as it appears in the record of members of the Association or, if the Secretary of the Association shall have received an e-mail with a request that notices to that member be sent to some other e-mail address, then directed to the member at such other e-mail address.

Section 1.8. Waiver of Notice. A notice of meeting need not be given to any member who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of any member at a meeting, in person or by proxy, without

protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by that member.

Section 1.9. Quorum of Members. Voting Members entitled to cast a majority of the total number of votes entitled to be cast at a meeting of members shall constitute a quorum for the transaction of any business. There shall be no quorum of non-voting members required for the transaction of any business.

Section 1.10. Proxies. Every Voting Member entitled to vote at a meeting of members or to express consent or dissent without a meeting may authorize another person or persons to act for that Voting Member by proxy.

Section 1.11. Vote of Voting Members. In any case in which a Voting Member is entitled to vote, the Voting Member shall have one vote unless otherwise determined by the Board of Directors.

Except as otherwise required by law or by the certificate of incorporation of the Association (the "Certificate of Incorporation") or these By-Laws, directors shall be elected by a plurality of the votes cast at a meeting of members or Voting Members by the Voting Members entitled to vote at such meeting.

Whenever any corporate action, other than the election of directors, is to be taken by vote of the Voting Members it shall, except as otherwise required by law or by the Certificate of Incorporation or these By-Laws, be authorized by a majority of the votes cast at a meeting of Voting Members by the Voting Members entitled to vote thereon.

Section 1.12. Action Without a Meeting. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, any action required or permitted to be taken by the Voting Members may be taken without a meeting if all the Voting Members consent in writing to the adoption of a resolution authorizing the action. Such consent may be written or electronic. If the consent is written, it must be signed by the Voting Member. If electronic, it must be able to be reasonably determined to be sent by the Voting Member. The resolution and written consents thereto by the Voting Members shall be filed with the minutes of the proceedings of the members.

Section 1.13. Meeting by Conference Telephone. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, the Voting Members may participate in a meeting of the Voting Members by means of conference telephone or similar communications equipment or by electronic video screen communication allowing all persons participating in the meeting to hear each other at the same time, and participation by such means shall constitute presence in person at the meeting.

Section 1.14. Record Date. The record date for the determination of Voting Members entitled to vote at a meeting of Voting Members shall be at the close of business on the day next preceding the day on which notice of the meeting is given in accordance with these By-Laws, or, if no notice is so given, the day on which the meeting is held, and the record date for determining Voting Members for any other purpose shall be at the close of business on the day on which their vote is cast.

Section 1.15. Patrons. Eminent persons who have performed distinguished service in the cause of relations between the United States of America and Australia or New Zealand may be invited, by a two-thirds vote of the entire Board, to be Patrons of the Association and each Patron shall remain a Patron of the Association until such person resigns or is terminated by a two-thirds vote of the entire Board as a Patron of the Association.

All Patrons shall be, by virtue of their status as Patrons, honorary members of the Association.

## ARTICLE II.

### Board of Directors

Section 2.1. Power and Duties. The Association shall be managed by the Board of Directors. The Board of Directors shall have general power to control and manage the affairs and property of the Association subject to applicable law and in accordance with the purposes and limitations set forth in the Certificate of Incorporation and herein.

Section 2.2. Number, Qualifications, Election, Term of Office and Classification of Directors.

A. The number of directors constituting the entire Board (including the President as ex-officio director) shall be not less than three and no more than 30. Subject to such minimum, the number of Directors may be increased or decreased from time to time, by resolution of a majority of the entire Board. No decrease shall shorten the term of any incumbent director.

B. Each director shall be at least 18 years of age.

C. The directors elected at large shall be divided into three classes for the purpose of staggering their terms of office. All classes shall be as nearly equal in number as possible. The terms of office of each class of directors shall be three years. Each director shall hold office until the expiration of the term for which he or she is elected and his or her successor has been elected and qualified. If the number of directors elected at large is changed by action of the Board of Directors, any newly created directorships or any decrease in directorships shall be so apportioned among the classes as to make all classes as nearly equal in number as possible. If newly created directorships are filled by the Board of Directors, there shall be no classification of the additional directors until the next annual meeting of members.

Section 2.3. Newly Created Directorships and Vacancies. Newly created directorships resulting from an increase in the number of directors selected at large, and vacancies among such directors occurring for any reason, may be filled by vote of a majority of the entire Board. A director elected to fill a vacancy (whether resulting from death, resignation, or removal or created by an increase in the number of directors) shall hold office until the next annual meeting at which the election of directors is in the regular order of business and his or her successor is elected or appointed and qualified.

Section 2.4. Resignations. Any director may resign at any time by giving written notice to the Chairman, the Secretary or the Board of Directors. The resignation shall take effect at the time specified therein, and unless otherwise specified therein no acceptance of the resignation shall be necessary to make it effective.

Section 2.5. Removal. Any director may be removed at any time, with cause, at any meeting by a majority of the entire Board or by action in writing signed by all of the other directors. Removal for “cause” shall include (but not be limited to) breach of duties arising under these By-Laws, conduct detrimental to the best interest of the Association, acts or omissions giving rise to a cause of action at law or in equity against the Association, or violation of any ordinance or statute or Association policy adopted by the Board. Missing four consecutive meetings of the Board of Directors, unless a majority of the entire Board has excused such director from attendance, shall be cause for removal.

Section 2.6. Compensation of Directors. The Association shall not pay compensation to directors for services rendered to the Association in their capacity as directors, except that directors may be reimbursed for reasonable expenses incurred in the performance of their duties to the Association. This shall not in any way limit reimbursement of or payment for services provided to the Association by the President or any other director in any capacity separate from his or her responsibilities as a director, provided that there is full disclosure of the terms of such compensation and the arrangement has been determined to be fair and reasonable and approved by the Compensation Committee. The provisions of this section shall not in any way limit reimbursement of or payment for services provided to the Association by any organization with which a director is affiliated, subject to the conflict of interest policy adopted by the Association (the current form of which is annexed to these By-Laws as Annex A, and is referred to as the “Conflict of Interest Policy”).

Section 2.7. Quorum of Directors. Unless a greater proportion is required by law or the Certificate of Incorporation, one-third of the entire Board shall constitute a quorum for the transaction of business or of any specified item of business. If a quorum is not present at any meeting of the Board of Directors, a majority of the directors present may adjourn the meeting from time to time without notice other than by announcement at the meeting, until such a quorum is present.

Section 2.8. Action by the Board of Directors. Except where otherwise provided by law, the Certificate of Incorporation or these By-Laws, the vote of a majority of the directors present at any meeting of the Board of Directors at the time of such vote, if a quorum is then present, shall be the act of the Board of Directors.

Section 2.9. Action Without a Meeting. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or the committee, as the case may be, consent in writing to the adoption of a resolution authorizing the action. Such consent may be written or electronic. If the consent is written, it must be signed by the director. If electronic, it must be able to be reasonably determined to be sent by the director. The resolution and written consents thereto by the

members of the Board of Directors or such committee, as the case may be, shall filed be with the minutes of the proceedings of the Board of Directors or such committee, as the case may be.

Section 2.10. Meeting by Conference Telephone. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, the directors or any committee designated by the Board of Directors may participate in a meeting of the Board of Directors or of any committee, as the case may be, by means of conference telephone or similar communications equipment or by electronic video screen communication allowing all persons participating in the meeting to hear each other at the same time, and participation by such means shall constitute presence in person at the meeting.

Section 2.11. Meetings of the Board of Directors. An annual meeting of the Board of Directors shall be held in each year as soon as practicable after the annual meeting of members.

A. Regular meetings of the Board of Directors shall be held at such times as may be fixed by the Board of Directors.

B. Special meetings of the Board of Directors may be held at any time upon call by the Chairman or the President or, upon demand of not less than one-third of the entire Board, by the Secretary.

C. Meetings of the Board of Directors shall be held at such places within or without the State of New York as may be fixed by the Chairman, the President or the Board of Directors for annual and regular meetings and in the notice of meeting for special meetings.

D. No notice need be given of annual or regular meetings of the Board of Directors. Notice of each special meeting of the Board of Directors shall be (i) given to each director either by e-mail or facsimile at the e-mail address or facsimile number designated by that director for that purpose or (ii) mailed to each director, postage prepaid, addressed to him or her at the address designated by that director for that purpose, or, if none of the foregoing has been so designated, at that director's last known e-mail address, facsimile number, or residence or business address, in each case, not later than the fifth business day prior to the meeting. To discuss matters requiring prompt action, notice of special meetings may be sent to each director by e-mail, facsimile or telephone or given personally not later than the second business day prior to the meeting. Notices shall be deemed to have been given by e-mail or facsimile when sent as set forth above or by mail when directed as set forth above and deposited in the United States mail.

E. Notice of a meeting of the Board of Directors need not be given to any director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, either prior to or at the commencement of such meeting, the lack of notice to that director. Waivers of notice sent by e-mail or facsimile must be able to be reasonably determined to be sent by the director.

## ARTICLE III.

### Committees

Section 3.1. Standing Committees of the Board of Directors. The Board of Directors, by resolution adopted by a majority of the entire Board, may designate from among its members standing committees of the Board of Directors, each consisting of three or more directors, and each of which, to the extent provided in the resolution or in these By-Laws, shall have all the authority of the Board of Directors, except that no such committee shall have authority as to the following matters: (a) the submission to Voting Members of any action requiring Voting Members' approval under the Not-for-Profit Corporation Law; (b) the filling of vacancies in the Board of Directors or in any committee; (c) the amendment or repeal of these By-Laws or the adoption of new By-Laws; (d) the amendment or repeal of any resolution of the Board of Directors which by its terms shall not be so amendable or repealable; or (e) any other matter which by law may not be delegated to a committee of the Board of Directors.

Except as otherwise provided in these By-Laws or determined by the Board of Directors, the Board of Directors shall elect the members of each standing committee of the Board of Directors at the annual meeting of the Board of Directors. All committee members shall serve at the pleasure of the Board of Directors.

The Board of Directors may designate one or more directors as alternate members of any standing committee of the Board of Directors, who may replace any absent member or members at any meeting of such committee.

The standing committees of the Board of Directors shall be as follows (subject to the authority of the Board of Directors to create additional committees):

A. Executive Committee. There shall be, as a standing committee of the Board of Directors, an Executive Committee. The Chairman, any Vice Chairman, the President and such other directors as the Board of Directors may determine shall be members of the Executive Committee. The Executive Committee shall have all of the powers of the Board of Directors between meetings of the Board of Directors that lawfully may be delegated to such a committee.

B. Investments Committee. There shall be, as a standing committee of the Board of Directors, an Investments Committee. The Investments Committee shall implement, in conjunction with the Chairman and the President, the financial policies of the Association, including decisions regarding the various investments of the Association.

C. Audit and Risk Committee. There shall be, as a standing committee of the Board of Directors, an Audit and Risk Committee and each member of the Committee shall be an Independent Director (which term, as used herein, shall have the meaning given to it under the Not-for-Profit Corporation Law, the current version of which is set forth in Annex B hereto). The members of the Audit and Risk Committee shall be appointed by the Chairman, subject to the approval of the Board of Directors. The Audit Committee shall:

- (a) retain the independent auditor;

(b) review with the independent auditor the scope and planning of the audit prior to the audit's commencement;

(c) upon completion of the audit, review and discuss with the independent auditor: (i) any material risks and weaknesses in internal controls identified by the auditor; (ii) any restrictions placed on the scope of the auditor's activities or access to requested information; (iii) any significant disagreements between the auditor and management; (iv) the adequacy of the Association's accounting and financing reporting processes; (v) any related management letter; and (vi) any other items as may be required by law.

(d) annually consider the performance and independence of the auditor; and

(e) report on the Committee's activities at least annually to the Board of Directors.

D. Nominating and Governance Committee. There shall be, as a standing committee of the Board of Directors, a Nominating and Governance Committee and each member of the Committee shall be an Independent Director. The Nominating and Governance Committee shall recommend nominees for election to the Board of Directors and for the positions of Chairman, Vice Chairman and President, and such other positions as may be required to be nominated or elected by the Board of Directors. The Nominating and Governance Committee shall establish, with the approval of the Board of Directors, performance diversification and other criteria for its nomination processes and take these into account in making its nomination decisions. The Nominating and Governance Committee may also nominate and make recommendations with respect to additional members of the Advisory Council not already qualified to be a member of the Advisory Council pursuant to Section 3.3 (A) of these By-Laws.

E. Compensation Committee. There shall be, as a standing committee of the Board of Directors, a Compensation Committee and each member of the Committee shall be an Independent Director. The Compensation Committee shall recommend to Board the compensation of the Association's President, officers and staff.

F. Development Committee. There shall be, as a standing committee of the Board of Directors, a Development Committee. The Development Committee shall oversee the fundraising activities of the Association.

Section 3.2. Special Committees of the Board of Directors. The Board of Directors may create such special committees as it deems desirable. Except as provided in these By-Laws, the members of such committees shall be appointed by the Chairman, with the consent of the Board of Directors. Special committees shall have only the powers specifically delegated to them by the Board of Directors and in no case shall have powers that are not authorized for standing committees.

Section 3.3. Committees Other than Standing or Special Committees of the Board of Directors. Committees, other than standing or special committees of the Board of



Directors, shall be committees of the Association. Members of such committees shall be selected in the same manner as members of standing committees of the Board of Directors. Provisions of these By-Laws and of the Not-for-Profit Corporation Law applicable to Standing Committees generally shall apply to members of such committees. Committees of the Association shall not have the power of a committee of the Board of Directors but shall be able to advise the Board on such matters as may be entrusted to them. Committees of the Association may include members of the Association who are not directors.

The designated committees of the Association shall be as follows (subject to the authority of the Board of Directors to create additional committees):

A. Advisory Council. The Advisory Council shall provide advice to the Board of Directors and support the work of the Association. The Board of Directors shall be required to consult with the Advisory Council from time to time on significant Association matters. The Advisory Council shall meet annually with Board of Directors to receive an update on the Association's activities and provide feedback to the Board of Directors on Association activities. The membership of the Advisory Council shall include the Patrons of the Association and corporate and other members of the Association selected by, or pursuant to guidelines established by, the Board of Directors.

B. Business Council. The Business Council shall identify, coordinate and implement in conjunction with the President the program of the Association of particular interest to its corporate members.

C. Social and Cultural Committee. The Social and Cultural Committee shall identify, coordinate and implement in conjunction with the President the social and cultural programs of the Association, including the activities of the Australian Women in New York.

D. Australian Women in New York Committee. The Australian Women in New York Committee shall identify, coordinate and implement in conjunction with the President social, cultural and other programs of the Association to benefit women living in and around New York who have a connection to Australia.

E. Education Committee. The Education Committee shall identify, coordinate and implement in conjunction with the President the education program of the Association, including the provision of grants from the Association's Education Fund.

F. New England Committee. The New England Committee, with the President, shall (i) cultivate the goals of the Association in the States of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont ("New England"), and (ii) identify, coordinate and implement the corporate, economic, educational, cultural and social programs of the Association in New England.

G. California Committee. The California Committee, with the President, shall (i) cultivate the goals of the Association in the State of California, and (ii) identify, coordinate and implement the corporate, economic, educational, cultural and social programs of the Association in the State of California.

Section 3.4. Committee Rules. Each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of a contrary provision in rules adopted by such committee, a majority of the members of each committee shall constitute a quorum for the transaction of business, the vote of a majority of the members present at a meeting at the time of such vote, if a quorum is then present, or the unanimous written consent of all members thereof, shall be the act of such committee, and each committee shall otherwise conduct its business in the same manner as the Board of Directors conducts its business under Article II of these By-Laws.

Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, any action required or permitted to be taken by a committee may be taken without a meeting if all members of the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the committee shall be filed with the minutes of proceedings of the committee.

#### ARTICLE IV.

##### Officers

Section 4.1. Officers. As soon as practicable after the annual meeting of members in each year, the Board of Directors shall elect, from among the members of the Board of Directors, a Chairman and one or more Vice Chairmen, and shall also elect a President, a Secretary and a Treasurer and may elect one or more Vice Presidents and such other officers as it may from time to time appoint. Any two or more offices may be held by the same person except the offices of Chairman, President and Secretary. The President shall be an ex-officio member of the Board of Directors. Officers (other than the Chairman, any Vice Chairman and the President) may, but need not, be members of the Board of Directors. No instrument required to be signed by more than one officer may be signed by one person in more than one capacity. A general objective is that over the long term there should be an appropriate balance in the leadership of the Association between Americans and Australians.

Section 4.2. Term of Office. Except as otherwise provided in the resolution of the Board of Directors electing an officer, each officer shall be elected to hold office until the next annual meeting of the Board of Directors and his or her successor has been elected and qualified. No person shall serve as Chairman for longer than six years.

Section 4.3. Resignations. Any officer elected or appointed by the Board of Directors may resign at any time by giving at least five days written notice to the Chairman, the President or the Board of Directors. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein no acceptance of such resignation shall be necessary to make it effective.

Section 4.4. Removal. Any officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, at any meeting of the Board of Directors at which a quorum is present, by a vote of the majority of the entire Board, or by action in writing signed by all directors.

Section 4.5. Vacancies. A vacancy in any office arising from any cause shall be filled for the unexpired portion of the term in the manner prescribed in these By-Laws for regular appointment to such office.

Section 4.6. Powers and Duties of Officers. The officers of the Association shall have such authority and perform such duties in the management of the Association as may be prescribed by the Board of Directors and, to the extent not so prescribed, as generally pertain to their respective offices, subject to the control of the Board of Directors, provided, however, that the President shall be the Chief Executive Officer and that no person shall serve as both Chairman and President.

Section 4.7. Salaries of Officers. The President and any officer (other than the President) who is not a director but is an employee or agent of the Association is authorized to receive a reasonable salary or other reasonable compensation for services rendered to the Association as an employee or agent. The Compensation Committee shall have authority to recommend to the Board the salaries of the salaries of officers and the Board or an authorized committee thereof (which may include the Compensation Committee) shall have authority to fix those salaries.

Section 4.8. Conflicts of Interest. Any potential conflict of interest which could result in a direct or indirect financial or personal benefit to a director, officer or staff member must be disclosed in good faith or known to the Board of Directors, and must be resolved pursuant to the Conflict of Interest Policy.

Section 4.9. Loans to Directors and Officers. No loans, other than through the purchase of bonds, debentures or similar obligations of the type customarily sold in public offerings, or through ordinary deposit of funds in a bank, shall be made by the Association to its directors or officers, or to any other corporation, firm, association or other entity in which one or more of its directors or officers are directors or officers or hold a substantial financial interest, except, in each case, in accordance with these By-Laws.

Section 4.10. Conditions for Loans or Other Transactions. This Article shall, in no event, be construed to authorize any act of self-dealing within the meaning of Section 4941 of the Internal Revenue Code of 1986, as amended (the "Code"), or any other act expressly prohibited by the Code, the New York Not-for-Profit Corporation Law or any other applicable law.

## ARTICLE V.

### Miscellaneous

Section 5.1. Fiscal Year. The fiscal year of the Association shall be the calendar year or such other period as may be fixed by the Board of Directors.

Section 5.2. Corporate Seal. The seal of the Association shall be circular in form and contain the name of the Association, the year of its organization and the words "Corporate Seal, New York."

Section 5.3. Books and Records to be Kept. The Association shall keep at its principal office in the State of New York, (a) correct and complete books and records of account, (b) minutes of the proceedings of it members, Board of Directors, Executive Committee and any other committees of the Board of Directors or the Association and (c) a list or record containing the names and addresses of all members, which shall include in the case of Voting Members their designation as such. Any of the books, minutes and records of the Association may be in written form or in any other form capable of being converted into written form within a reasonable time.

Section 5.4. Annual Report. The Board of Directors shall present at the annual meeting of members a report, certified by an independent public or certified public accountant or a firm of such accountants selected by the Audit and Risk Committee, showing in appropriate detail the following:

- (a) the assets and liabilities, including the trust funds, of the Association as of the end of a 12-month fiscal period terminating not more than six months prior to the meeting;
- (b) the principal changes in assets and liabilities, including trust funds, during that fiscal period;
- (c) the revenues or receipts of the Association, both unrestricted and restricted to particular purposes, during that fiscal period.
- (d) the expenses or disbursements of the Association, for both general and restricted purposes, during that fiscal period; and
- (e) the number of members of the Association as of the date of the report, together with a statement of increase or decrease in that number during that fiscal period, and a statement of the place where the names and places of residence of the current members may be found.

The annual report shall be filed with the records of the Association and a copy or abstract thereof entered in the minutes of the proceedings of the annual meeting.

Section 5.5. Amendment of By-Laws. The By-Laws of the Association may be adopted, amended or repealed by a majority vote of the Voting Members at the time entitled to vote in the election of directors or by the majority vote of the entire Board.

Any By-Law adopted by the Board of Directors may be amended or repealed by the Voting Members and any By-Law adopted by the Voting Members may be amended or repealed by the Board of Directors.

If any By-Law regulating an impending election of directors is adopted, amended or repealed by the Board of Directors, there shall be set forth in the notice of the next meeting of the members for the election of directors the By-Law so adopted, amended or repealed, together with a concise statement of the changes made.

Section 5.6. Indemnification. The Association shall indemnify each person made, or threatened to be made, a party to any action or proceeding, whether civil or criminal, by reason of the fact that such person or such person's testator or intestate is or was a director or officer of the Association, or serves or served at the request of the Association any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, penalties, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, provided that such officer or director acted in good faith for a purpose which he or she reasonably believed to be in (or in the case of service to any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to) the best interests of the Association, and, in criminal actions or proceedings, had no reasonable cause to believe that his conduct was unlawful; and provided further that no such indemnification shall be required with respect to any settlement or other nonadjudicated disposition of any threatened or pending action or proceeding unless the Association has given its prior consent to such settlement or other disposition.

The Association shall indemnify any person, as above provided, in connection with an action by or in right of the Association to procure a judgment in its favor, except that no indemnification shall be made in respect of a threatened action, or any claim, issue or matter as to otherwise disposed of, or any claim, issue or matter as to which such person shall have been adjudged liable to the Association, unless, and only to the extent that, the court in which the action was brought, or, if no action was brought, any court of competent jurisdiction, determines upon application that, in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such portion of the settlement amount and expenses as the court deems proper.

The Association shall advance or promptly reimburse, upon request, any person entitled to indemnification hereunder for all expenses, including attorneys' fees, reasonably incurred in defending any action or proceeding in advance of the final disposition thereof upon receipt of an undertaking by or on behalf of such person to repay such amount if such person is ultimately found not to be entitled to indemnification or, where indemnification is granted, to the extent the expenses so advanced or reimbursed exceed the amount to which such person is entitled, provided, however, that such person shall cooperate in good faith with any request by the Association that common counsel be utilized by the parties to an action or proceeding who are similarly situated unless to do so would be inappropriate due to actual or potential differing interests between or among such parties.

Nothing herein shall limit or affect any right of any person otherwise than hereunder to indemnification or expenses, including attorneys' fees, under any statute, rule, regulation, certificate of incorporation, by-law, insurance policy, contract or otherwise.

In case any provision in this By-Law shall be determined at any time to be unenforceable in any respect, the other provisions shall not in any way be affected or impaired thereby, and the affected provision shall be given the fullest possible enforcement in the circumstances, it being the intention of the Association to afford indemnifications and advancement of expenses to its directors and officers, acting in such capacities or in the other capacities mentioned herein, to the fullest extent permitted by law.

A person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in the first paragraph of this By-Law shall be entitled to indemnification as authorized in such paragraph. Except as provided in the preceding sentence and unless ordered by a court, any indemnification under this By-Law shall be made by the Association if, and only if, authorized in the specific case:

(1) By the Board of Directors acting by a quorum consisting of directors who are not parties to such action or proceeding upon a finding that the director or officer has met the standard of conduct set forth in the first paragraph of this By-Law, or,

(2) If such a quorum is not obtainable or, even if obtainable, a quorum of disinterested directors so directs:

(a) By the Board of Directors upon the opinion in writing of independent legal counsel that indemnification is proper in the circumstances because the standard of conduct set forth in the first paragraph of this By-Law has been met by such director or officer, or

(b) By the Directors upon a finding that the director or officer has met the applicable standard of conduct set forth in such paragraph.

Section 5.7. Insurance. The Association shall have the power to purchase and maintain insurance to indemnify the Association for any obligation which it incurs as a result of the indemnification of directors and officers under the provisions of Section 5.6, to indemnify directors and officers in instances in which they may be indemnified by the Association under the provisions of Section 5.6, and to indemnify directors and officers in instances in which they may not otherwise be indemnified by the Association under the provisions of Section 5.6, provided that, in this latter case, all legal requirements be met with regard to the contract of insurance.

Section 5.8. Conditions for Indemnification and Insurance. This Article shall, in no event, be construed to authorize any act of self-dealing within the meaning of § 4941 of the Internal Revenue Code of 1986, as amended (the "Code"), or any other act expressly prohibited by the Code, the New York Not-for-Profit Corporation Law, or any other applicable law.

**American Australian Association, Inc.  
Conflict of Interest Policy**

**Article I**  
**Purpose**

The purpose of this conflict of interest policy is to protect the interest of the American Australian Association (“AAA”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the organization or might result in a possible “excess benefit” transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

**Article II**  
**Definitions**

**1. Interested Person**

Any director or principal officer who has a direct or indirect financial interest, as defined below, is an interested person.

**2. Financial Interest**

A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

- a. An ownership or investment interest in any entity with which AAA has a transaction or arrangement,
- b. A compensation arrangement with AAA or with any entity of individual with which AAA has a transaction of arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which AAA is negotiating a transaction.
- d. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the board or appropriate committee decides that a conflict of interest exists.

## **Article III** **Procedures**

### **1. Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors or members of the committee with board delegated powers considering the proposed transaction or arrangement.

### **2. Determining Whether a Conflict of Interest Exists**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she will leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members will decide if a conflict of interest exists.

### **3. Procedure for Addressing the Conflict of Interest**

a. An interested person may make a presentation at a board or committee meeting but, after the presentation, he or she will leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the board or committee will, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. The board or committee will determine whether AAA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the board or committee will determine by a majority vote of the disinterested directors whether the transaction or arrangement is in AAA's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it will make its decision as to whether to enter into the transaction or arrangement and document the reasoning for its decision.

### **4. Violations of the Conflicts of Interest Policy**

a. If the board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it will inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the board or committee determines the member has failed to



disclose an actual or possible conflict of interest, it will take appropriate disciplinary and corrective action.

#### **Article IV** **Records of Proceedings**

The minutes of the board and all committees with board delegated powers will contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

#### **Article V** **Compensation**

a. A voting member of the board who receives compensation, directly or indirectly, from AAA for services is precluded from voting on matters pertaining to that member's compensation.

b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from AAA for services is precluded from voting on matters as to that member's compensation.

#### **Article VI** **Annual Statements**

Each director, principal officer and member of a committee with board delegated powers will annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands AAA is a not for profit entity and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

**Article VII**  
**Periodic Reviews**

To ensure AAA operates in a manner consistent with its tax-exempt purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews will be conducted. The periodic reviews will, at a minimum, include the following subjects:

a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arms' length bargaining.

b. Whether partnerships, joint ventures and arrangements with other organizations conform to AAA's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further AAA's not for profit purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

**Article VIII**  
**Use of Outside Experts**

When conducting the periodic reviews as provided for in Article VII, AAA may, but need not, use outside advisors. If outside experts are used, their use will not relieve the board of its responsibility for ensuring periodic reviews are conducted.

**DEFINITION OF INDEPENT DIRECTOR  
UNDER NOT-FOR-PROFIT CORPORATION LAW**

“Independent Director” means a director who: (i) is not, and has not been within the last three years, an employee of the corporation or an affiliate of the corporation, and does not have a relative who is, or has been within the last three years, a key employee of the corporation or an affiliate of the corporation; (ii) has not received, and does not have a relative who has received, in any of the last three fiscal years, more than ten thousand dollars in direct compensation from the corporation or an affiliate of the corporation (other than reimbursement for expenses reasonably incurred as a director or reasonable compensation for service as a director as permitted by paragraph (a) of section 202 (General and special powers)); and (iii) is not a current employee of or does not have a substantial financial interest in, and does not have a relative who is a current officer of or has a substantial financial interest in, any entity that has made payments to, or received payments from, the corporation or an affiliate of the corporation for property or services in an amount which, in any of the last three fiscal years, exceeds the lesser of twenty-five thousand dollars or two percent of such entity’s consolidated grow revenues. For purposes of this subparagraph, “payment” does not include charitable contributions.