



# **AAALAC International**

## **Bylaws**

Updated by Member Organization Delegates-January 1, 2026  
Updated by Member Organization Delegates- November 22, 2024  
Updated by Member Organization Delegates- November 13, 2023  
Updated by Member Organization Delegates- May 16, 2023  
Updated by Member Organization Delegates-April 17, 2023  
Updated by Board of Directors-September 18, 2021  
Updated by Member Organization Delegates-May 2, 2019  
Updated by Member Organization Delegates-May 3, 2018  
Updated by Member Organization Delegates – September 24, 2017  
Updated by BOD-May 21, 2017  
Updated by BOD-February 2017  
Approved by BOT-December 12, 2016

**Bylaws**  
**of**  
**AAALAC International**  
January 2026  
**Table of Contents**

		<b>Page</b>
<b>Article I</b>	<b>Purpose and Name</b>	1
<b>Article II</b>	<b>Offices</b>	1
<b>Article III</b>	<b>Membership</b>	1
	3.1 Member Organizations	1
	3.2 Member Organization Delegates	1
	3.3 Qualifications and Eligibility	2
	3.4 Standing	2
	3.5 Resignation and Removal of Member Organizations	2
	3.6 Resignation and Removal of Member Organization Delegates	2
	3.7 Powers and Rights	2
	3.8 Transferability and Assignability	2
<b>Article IV</b>	<b>Member Meetings and Voting</b>	3
	4.1 Regular Annual Meeting	3
	4.2 Special Meetings	3
	4.3 Notice	3
	4.4 Presence at Meetings by Remote Communication	3
	4.5 Voting at Meetings and by Electronic and Other Ballots	3
	4.6 Quorum and Action at Meetings	4
<b>Article V</b>	<b>Board of Directors</b>	4
	5.1 Authority	4
	5.2 Election and Composition	4
	5.3 Terms of Office	4

	5.4	Meetings	5
	5.5	Quorum and Voting	5
	5.6	Meetings by Remote Communication	5
	5.7	Action Without a Meeting	5
	5.8	Waiver of Notice for Meetings	5
	5.9	Resignation	5
	5.10	Removal	5
	5.11	Vacancies	6
<b>Article VI</b>		<b>Officers</b>	6
	6.1	Officers	6
	6.2	Election and Terms	6
	6.3	Chair	6
	6.4	Vice Chair	6
	6.5	Vice Chair Elect	6
	6.6	Secretary	7
	6.7	Treasurer	7
	6.8	Immediate Past Chair	7
	6.9	Resignation, Removal, and Vacancies	7
<b>Article VII</b>		<b>Committees of the Board of Directors</b>	7
<b>Article VIII</b>		<b>Council on Accreditation</b>	8
	8.1	Purpose	8
	8.2	Membership	8
	8.3	Qualifications	8
	8.4	Terms of Service	8
	8.5	President and Vice President	8
<b>Article IX</b>		<b>Accreditation Program</b>	8
<b>Article X</b>		<b>Chief Executive Officer</b>	8
<b>Article XI</b>		<b>Advisory Groups</b>	9
<b>Article XII</b>		<b>Amendments</b>	9
<b>Article XIII</b>		<b>Miscellaneous</b>	9
	13.1	Fiscal Year	9
	13.2	Indemnification	9
	13.3	Restrictions on Activities	10
	13.4	Gifts	10

# **BYLAWS**

## **AAALAC International**

### **Article I Purpose and Name**

The name of this organization shall be AAALAC International or the “Association.” The Association is organized and operated exclusively for one or more of the purposes specified in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

The primary purpose of AAALAC International, is to improve the welfare of animals produced for or used in science and education, and to enhance the quality of these activities through accreditation of the animal care and use program.

### **Article II Offices**

AAALAC International shall have and maintain continuously in the State of Illinois in the United States a registered office and have a registered agent whose location is at such registered office, and may have other offices, within or without the State of Illinois, as the Board of Directors (members of the Board of Directors may hereafter be referred to as “Directors”) may determine.

### **Article III Membership**

#### **Section 1. Member Organizations**

Members of AAALAC International shall be organizations (hereafter referred to as “Member Organizations”) professionally concerned with the care, study, and use of animals in science and education. Member Organizations must share the values, goals, and philosophy, and support the purpose and objectives of AAALAC International according to Article I. Each Member Organization shall appoint one individual to serve as the appointee of said Member Organization (hereafter referred to as the “Member Organization Delegate” or “Delegate”) at Member meetings, as further described below in the following section.

#### **Section 2. Member Organization Delegates**

Each Member Organization shall appoint a Delegate to serve for a period of three years as its designee at Member Organization Delegate meetings (“Member meetings” or “meeting of the Members”) and for voting by ballot outside of Member meetings and shall provide contact information for such Delegate to the Association. The term of office shall begin on January 1 of the first year of the term and conclude on December 31 of the final year of the term. Delegates may serve more than one consecutive term. If the appointed Member Organization Delegate is absent or unable to participate, Member Organizations may not designate an alternate or substitute designee to serve as a Member Organization Delegate at a Member meeting or to vote by ballot outside of Member meetings for the election of the Board of Directors or any other purpose. However, upon the resignation of a Member Organization Delegate, the Member Organization shall appoint a replacement as stipulated below in Section 6 of this Article. Any action required or permitted to be taken by Member Organizations under these Bylaws shall be taken by vote of the Member Organization Delegates. No more than two Member Organizations may appoint the same individual to serve as their Member Organization Delegate. In such event, in voting at Member meetings and by electronic or other ballot outside Member meetings, said Member Organization Delegate will be entitled to one vote for each Member Organization appointment. Each Member Organization shall be responsible for all costs incurred by the Delegate in attending meetings. A Member Organization Delegate may not concurrently serve on the Council on Accreditation.

### **Section 3. Qualifications and Eligibility**

An organization may be admitted to membership in AAALAC International upon an affirmative vote of two-thirds of the Member Organization Delegates present at a Member Meeting at which there is a quorum or by an electronic vote following the opportunity for a secure online discussion. In order to demonstrate shared values, goals and philosophy, each organization applying for membership shall meet eligibility requirements established by the Board of Directors, and set forth in a member eligibility policy.

### **Section 4. Standing**

A Member Organization shall be in good standing if it meets the eligibility criteria established pursuant to Section 3, appoints a Member Organization Delegate, and supports the purposes and objectives of AAALAC International. A Member Organization that does not appoint a Delegate or does not continue to support the purpose and objectives of AAALAC International shall be deemed not to be in good standing and therefore not entitled to vote.

### **Section 5. Resignation And Removal of Member Organizations**

Any Member Organization may resign by submitting a written resignation statement to AAALAC International at its principal office or to the Chair, Secretary, or Chief Executive Officer of the Association. Such resignation shall be effective sixty days after receipt. Resignation does not relieve a Member Organization from liability for any fiscal obligations accrued and unpaid as of the date of the resignation. The resigned Member Organization shall have no claim upon any assets of AAALAC International.

A Member Organization may be removed from membership upon the affirmative vote of two-thirds of the Member Organization Delegates present at a meeting of the Member Organization Delegates; provided, however, that the Member Organization whose removal is sought shall be provided with written notice of the issue and pending action and given the opportunity to address the concerns. In the event of any such removal, the removed Member Organization shall have no claim upon any assets of AAALAC International. Removed Member Organizations shall nonetheless be obligated to resolve all fiscal obligations to AAALAC International.

### **Section 6. Resignation and Removal of Member Organization Delegates**

Any Member Organization Delegate may resign by delivering a written resignation to AAALAC International at its principal office or to the Chair, Secretary, or Chief Executive Officer. Such resignation shall be effective immediately unless otherwise specified in the resignation letter. Any Member Organization shall have the authority to remove its Member Organization Delegate at any time, with or without cause. In the event of a vacancy in the position of Member Organization Delegate whether caused by resignation or removal, the applicable Member Organization shall have the ability to appoint a replacement Member Organization Delegate, and the three-year term of such Member Organization Delegate shall commence upon such appointment.

### **Section 7. Powers and Rights**

Member Organizations in good standing shall have the powers and rights specified by applicable law and as otherwise set forth in the Association's Articles of Incorporation and these Bylaws.

### **Section 8. Transferability or Assignability**

Membership in AAALAC International shall not be transferable or assignable by Membership Organizations.

## **Article IV Member Meetings and Voting**

### **Section 1. Regular Annual Meeting**

There shall be a regular annual meeting of the Member Organization Delegates. Except as otherwise provided in these Bylaws, meetings shall be conducted in accordance with Robert's Rules of Order. Directors and other Member Organization Delegates wishing to introduce new substantive business should provide written notice of the issue(s) to the Chief Executive Officer at least thirty days prior to the meeting.

### **Section 2. Special Meetings**

Special Meetings of the Member Organization Delegates may be called by the Chair upon due notice, as set forth immediately below in Section 3 of this Article. Alternatively, the Member Organization Delegates may call a Special Meeting of the Member Organization Delegates by submitting the signatures, which may be electronic, of at least one-third of the Member Organization Delegates to the Chair or Secretary.

### **Section 3. Notice**

Written notice for the regular annual Member meeting and special meetings shall be delivered not less than five days nor more than sixty days prior to the proposed meeting date, unless otherwise required by applicable law. Written notice shall be sent to each Member Organization Delegate at the address on file in the records of the Association and will include the place or means (electronic), the date, the hour, and the purpose of the meeting (in the case of a special meeting). Notices required to be "written," to be "in writing," to have "written consent," to have "written approval" and the like by or of Member Organization Delegates, Board of Directors, or committee members shall include any communication transmitted or received by electronic means. Notice of all meetings in which an amendment to these Bylaws or to the Articles of Incorporation is to be considered shall also contain a statement of the wording of the proposed amendment.

### **Section 4. Presence at Meetings by Remote Communication**

Member Organization Delegates may attend any annual or special Member meetings through telephonic, electronic, or other means of communication by which all in attendance have the ability to communicate with each other. Such participation shall constitute presence in person at such meetings.

### **Section 5. Voting at Meetings and by Electronic and Other Ballots**

All matters brought before the Member Organization Delegates must be considered and voted upon at a duly called meeting of the Member Organization Delegates, except for the election of the Board of Directors, approval of amendments to these Bylaws, and admittance of an organization to membership as set forth immediately below. Member Organization Delegates may not assign their votes or ballots to any other person or party nor permit any other person or party to cast their votes or submit ballots on their behalf (i.e., Member Organization Delegates may not vote by proxy). In order to vote at a meeting of the Members, a Member Organization Delegate must be present. Voting may be permitted by voice, electronic, or other means by which votes can be submitted and received during the course of the duly held meeting.

The election of Officers and At-Large Directors (as defined in Article V), the approval of amendments to these Bylaws, and admittance of an organization to membership may occur at a Member Organization Delegate meeting or by separate ballot without a meeting by mail, email, or any other electronic means pursuant to which all Member Organization Delegates entitled to vote thereon are given the opportunity to vote; provided,

however, that 1) the number of Member Organization Delegates casting votes would constitute a quorum if such election or vote had been held at a meeting, and 2) in regard to Board of Directors elections, voting by ballot occurs in a manner sufficient to allow the timely assumption of Officer and Director positions by January 1 of each year that follows the vote; 3) voting remains open for not less than 5 days from the date the ballot is delivered; and 4) such informal action shall become effective only if, at least five (5) days prior to the effective date of such informal action, a notice in writing of the proposed action is delivered to all of the Member Organization Delegates entitled to vote with respect to the subject matter thereof. In the case of the election of At- Large Directors and Officers, the nominees who receive the greatest number of votes cast will be elected to office.

### **Section 6. Quorum and Action at Meetings**

A majority of the Member Organization Delegates shall constitute a quorum for the transaction of business at any meeting of the Member Organization Delegates. At any meeting of the Member Organization Delegates at which a quorum is present, the vote of a majority of those present shall decide any matter unless a different vote is specified by these Bylaws, the Articles of Incorporation, or applicable law.

## **Article V Board of Directors**

### **Section 1. Authority**

The business and affairs of the Association shall be governed by the Board of Directors, which shall have the right to exercise all powers of the Association that are not expressly reserved to the Member Organizations of the Association by these Bylaws, the Articles of Incorporation, or by applicable law.

### **Section 2. Election and Composition**

The Board of Directors shall be comprised of ten to fifteen persons consisting of the following classes of Directors:

- a. The six officers of the Association who are elected by the Member Organizations to their respective offices: Chair, Vice Chair, Vice Chair Elect, Secretary, Treasurer and Immediate Past-Chair (the “Officers”)
- b. The President and Vice President of the Council on Accreditation who serve in an *ex officio* capacity by virtue of position with full voting rights (the “Designated Directors”).
- c. Between two (2) and seven (7) additional at-large directors (the “At-Large Directors”)

A person may serve simultaneously as a Member Organization Delegate and as a member of the Board of Directors. In identifying appropriate nominees for the Director positions that are elected, the Nominating Committee shall strive to maintain a balanced Board of Directors from diverse backgrounds and with unique skillsets, recognizing the range of geographic regions, organizational size, and scientific scope of AAALAC’s constituent organizations. In this regard, the Nominating Committee shall strive to recruit individuals with the select skills and experience needed by the Association at the time of each election.

### **Section 3. Terms of Office**

Designated Directors serve by virtue of position and shall serve for the time in which they hold their respective positions on the Council on Accreditation. The term of office for At-Large Directors is three years and At-Large Directors may serve no more than two three-year terms. The terms for At-Large Directors and the Officers shall begin January 1 of the first year of the term and conclude December 31 of the final year of the term. Officer term limits are set forth in Article VI of these Bylaws. A Director may not serve more than twelve years as a member of the Board of Directors.

#### **Section 4. Meetings**

The Board of Directors shall hold regular and/or special meetings of the Board of Directors. Special Meetings of the Board of Directors may be called by the Chair or a majority of the Directors then in office, by giving notice, of the date, time, place, and purpose of such meeting, to all Directors at least three days in advance of such meeting. Notices required to be "written," to be "in writing," to have "written consent," to have "written approval" and the like by or of Directors or committee members shall include any communication transmitted or received by electronic means. Notice of all meetings in which an amendment to these Bylaws or to the Articles of Incorporation is to be considered shall also contain a statement of the wording of the proposed amendment.

#### **Section 5. Quorum and Voting**

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. At any meeting of the Board of Directors at which a quorum is present, a majority of those Board of Directors present shall decide any matter, unless a different vote is specified by law, the Articles of Incorporation, or these Bylaws.

#### **Section 6. Meetings by Remote Communication**

One or more members of the Board of Directors may attend a meeting of the Board of Directors through telephonic, electronic, or other means of communication by which all Directors have the ability to communicate with one another. Such participation shall constitute presence in person at such a meeting.

#### **Section 7. Action Without a Meeting**

Any action required or permitted to be taken at any Board of Directors meeting may be taken without a meeting if a consent in writing, setting forth the action as taken, shall be signed by all members of the Board of Directors with respect to such subject matter per applicable Illinois state law. Such consent, which may be signed in counterparts, shall have the same force and effect as a vote of the voting members of the Board of Directors.

#### **Section 8. Waiver of Notice for Meetings**

Whenever any notice of a meeting is required to be given to any member of the Board of Directors under these Bylaws, the Articles of Incorporation, or by applicable law, a waiver of notice in writing signed by the member of the Board of Directors, whether before or after the time of the meeting, shall be equivalent to the giving of such notice. Moreover, the attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

#### **Section 9. Resignation**

With the exception of the Designated Directors who serve by virtue of position, any member of the Board of Directors may resign by delivering a written resignation to the Association at its principal office or to the Chair, Secretary, or Chief Executive Officer. Such resignation shall be effective upon receipt unless it is specified to be effective at a later time. Resignation of a Director who is an Officer automatically and simultaneously results in resignation from the Association's Board of Directors and from the Officer position.

#### **Section 10. Removal**

With the exception of the Designated Directors who serve by virtue of position, any member of the Board of

Directors may be removed, with or without assignment of cause, by a vote of two-thirds of the Member Organizations in good standing present and voting at a meeting of the Member Organization Delegates; provided that notice is given in advance of the meeting which specifies that a purpose of the meeting is to vote upon the removal of one or more Directors. Removal of a Director who is an Officer shall automatically and simultaneously result in removal from the Association's Board of Directors and from the Officer position.

**Section 11. Vacancies**

A vacancy occurring in an At Large Director position shall be filled by the Member Organization Delegates subsequent to the next annual meeting or during a special meeting of the Member Organization Delegates. An At Large Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. A vacancy occurring in an Officer position in the interim between elections shall be filled temporarily by majority vote of the Board of Directors. An individual appointed by action of the Board of Directors shall serve until a successor is elected by the Member Organization Delegates following the next annual meeting of the Member Organization Delegates or during a special meeting of the Member Organization Delegates. An Officer elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office.

**Article VI Officers**

**Section 1. Officers**

The Officers of the Association shall be a Chair, a Vice Chair, a Vice Chair Elect, a Secretary, a Treasurer, and an Immediate Past Chair.

**Section 2. Election and Terms**

Except as otherwise provided herein, Officers of the Association shall be elected by the Member Organization Delegates at the same time that the At-Large Directors are elected. The duration of the term of office of each Officer varies by office position and is set forth below under each Officer provision. Each Officer shall hold office until a successor has been elected and qualified.

**Section 3. Chair**

The Chair shall preside at meetings of the Board of Directors and the annual meeting of the Member Organization Delegates. The Chair, or other proper Officer or agent of the Association authorized by the Board of Directors, may sign any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed. The Chair shall perform all duties incident to the office of Chair and such other duties as may be prescribed by the Board of Directors from time to time. The Chair shall have a primary leadership role in overseeing the general conduct and welfare of the Association. The term of office for the Chair shall be one year. Upon completion of the term, the Chair shall automatically become the Immediate Past Chair.

**Section 4. Vice Chair**

The Vice Chair shall perform duties as assigned by the Chair. Upon completion of the Chair's one-year term of office, the Vice Chair shall automatically become the Chair. The Vice Chair shall act as Chair in the absence of the Chair and, when so acting, shall have all the responsibility, powers and authority of the Chair.

**Section 5. Vice Chair Elect**

The Vice Chair Elect shall perform duties as assigned by the Chair and shall assume the position of Vice Chair upon

completion of the one-year term of office of the Vice Chair. The Vice Chair Elect shall act as Vice Chair in the absence of the Vice Chair and, when so acting, shall have all the responsibility, powers and authority of the Vice Chair.

### **Section 6. Secretary**

The Secretary, or other proper Officer or agent of the Association authorized by the Board of Directors, shall keep the minutes of the meetings of the Board of Directors and of the Member Organization Delegates; ensure that all notices are given in accordance with the provisions of these Bylaws; be custodian of the corporate records; keep record of all Member Organizations and their Delegates; and in general perform all such duties as may from time to time be assigned by the Board of Directors, who may delegate the administration of these responsibilities to the Chief Executive Officer and Executive Office staff to perform such duties subject to the direction and oversight of the Secretary. The term of office for the Secretary shall be three years. No person shall be elected to the office of the Secretary for more than two terms.

### **Section 7. Treasurer**

The Treasurer shall oversee maintenance of the financial records of the Association and the Board of Directors may delegate the administration of these responsibilities to the Chief Executive Officer and Executive Office staff, who shall perform such duties subject to the direction and oversight of the Treasurer. The Treasurer will also review business purchases made by the Chief Executive Officer during the conduct of Association business that are not otherwise made in accordance with the Association's reimbursement process and finance policies. The term of office for the Treasurer shall be three years. No person shall be elected to the office of the Treasurer for more than two terms.

### **Section 8. Immediate Past Chair**

The retiring Chair shall automatically serve as the Immediate Past Chair following the conclusion of the term as Chair. The term of the Immediate Past Chair shall be one year.

### **Section 9. Resignation, Removal, and Vacancies**

Provisions related to the resignation, removal, and vacancies of Officers are addressed in Article V, Sections 9, 10, and 11.

## **Article VII Committees of the Board of Directors**

The Board of Directors may create committees as it determines to be in the best interest of the Association. The Board of Directors shall determine the duties, powers, and composition of all committees, except that the Board of Directors shall not delegate to such committees those powers which by law may not be delegated. Any committee created by the Board of Directors may be terminated at any time by the Board of Directors. At the time of the adoption of these Bylaws, the Board of Directors has established the following standing committees, each of which has a charter that addresses its core purpose and function and identifies the composition and membership of such committee:

- a. Audit and Finance Committee
- b. Nominating Committee
- c. Governance and Trusteeship Committee
- d. Member Organization Delegate Program Committee

## **Article VIII Council on Accreditation**

### **Section 1. Purpose**

The Council on Accreditation (hereafter referred to as the “Council”) shall operate a voluntary system of accreditation of animal care and use programs in accordance with these Bylaws and the Rules of Accreditation (hereafter referred to as the “Rules”) established by the Board of Directors under Article IX. The Council President shall report on the activities and status of the accreditation program at each annual meeting of the Member Organization Delegates and as otherwise directed by the Chair.

### **Section 2. Membership**

The President of the Council shall appoint a Council Nominating Committee to identify candidates for election to the Council. The Council shall follow established voting procedures to select members to the Council from those nominated by the Council Nominating Committee. The duties and functions of the Council shall be as provided by Council guidelines.

### **Section 3. Qualifications**

The membership of Council shall include only such persons who have the qualifications, skills, and capacities through education or experience to conduct evaluations of animal care and use programs. An individual may not serve as a Council Member while holding any of the following positions: (i) Member Organization Delegate;(ii) member of the Board of Directors (except for the Council President and Vice President who serve by virtue of position as directors), or (iii) a member of the AAALAC International staff.

### **Section 4. Terms of Service**

Membership on the Council shall be for a period of three years. Terms shall take effect on July 1 and terminate on June 30, except that interim terms shall take effect as determined by action of the Board of Directors. Members of the Council shall be eligible for re-election for a maximum of four terms, and will be limited to twelve years of service, except as may be determined otherwise by the Board of Directors.

### **Section 5. President and Vice President**

The Vice President of the Council shall be elected by the Council membership during each calendar year and shall take office on July 1 for a one-year term. The Vice President shall assume the position of President upon completion of the term of office of the Vice President. The President shall preside at all meetings of the Council and shall be responsible to the Board of Directors for the general conduct and leadership of the Council. The Vice President shall act as President in the absence of the President and, when so acting, shall have all the responsibility, powers and authority of the President. Additional officers may be elected by the Council membership to allow the Council to conduct its business in an orderly manner.

## **Article IX Accreditation Program**

The Board of Directors shall establish and modify Rules concerning the accreditation of animal care and use programs for implementation by the Council.

## **Article X Chief Executive Officer**

The Board of Directors shall employ and dismiss from employ a Chief Executive Officer, also referred to as “CEO,” who shall serve as a full-time employee of the Association, with the overall responsibility of implementing the policies and programs of the Board of Directors as directed by the Board of Directors, including general management of the

Executive Office staff and safekeeping of the Association's assets. Specific responsibilities and duties may be reviewed and modified by a majority vote of the Board of Directors. Salary will be established and approved by the Board of Directors. The Chief Executive Officer shall hire and establish compensation for all other personnel.

## **Article XI Advisory Groups**

The Board of Directors may, as it determines or at the recommendation of the Member Organizations, establish and terminate such Advisory Groups as are determined by the Board of Directors and interest of Member Organizations. The function of the Advisory Groups shall be to advise and make non-binding recommendations to the Board of Directors or the Member Organizations with respect to matters within the areas of their unique knowledge, skill, experience, and expertise and relevant to the core mission of the Association. Advisory Groups shall serve in an honorary capacity. As such, Advisory Groups do not have right to notice of or to attend or vote at a meeting of the Board of Directors, the Members, or the Council on Accreditation. Such Advisory Groups may include, without limitation, groups involved in global standards and the research environment, agricultural animals in research, non-traditional animals (wildlife), industry, use of animals in education, animal welfare oversight, science and technology, and future directions. The area of purview and responsibilities of each Advisory Group shall be determined by the Board of Directors.

## **Article XII Amendments**

These Bylaws may be altered, amended, or repealed. Any such new Bylaws shall be adopted by (i) the approval of the Board of Directors; and (ii) the affirmative vote of two-thirds of the Member Organization Delegates present at an annual or special meeting of the Member Organization Delegates in which a quorum is present. If such vote of the Member Organization Delegates is held by electronic or other ballot outside a meeting, the proposed amendment(s) is/are adopted if a majority of Member Organization Delegates in good standing vote and two-thirds of the votes are affirmative.

## **Article XIII Miscellaneous**

### **Section 1. Fiscal Year**

The fiscal year of AAALAC International shall begin on January 1 and end on December 31 of each calendar year.

### **Section 2. Indemnification**

The Association shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an Officer or Director, member of the Council on Accreditation, employee, or agent of the Association against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the Association; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of the Board of Directors who are not at that time parties to the proceeding.

This Section 2 constitutes a contract between the Association and the indemnified persons. No amendment or repeal of the provisions of this Section which adversely affects the right of an indemnified person under this Section shall apply to such indemnified person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

### **Section 3. Restriction on Activities**

All funds shall be used only for the administration of AAALAC International and in the furtherance of the purposes for which the Association was created. No part of the net earnings of the Association shall inure to the benefit of, or be distributable to its Member Organizations, Directors, Officers, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the Association. Notwithstanding any other provision of these Bylaws, neither the Association nor any Director, Officer, employee, agent, or any other representative of the Association acting on behalf of the Association shall carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Code section 501(c)(3), or (b) by a corporation, contributions to which are deductible under Code section 170(c)(2).

### **Section 4. Gifts**

The Board of Directors or the Chief Executive Officer may accept on behalf of AAALAC International any grant, contribution, gift, bequest or devise for any general or special purpose of AAALAC International, except that no gift of any greater than nominal value for or from any unit seeking or having received accreditation shall be accepted by a member of the Executive Office staff, Council or Board of Directors.