**BYLAWS OF**

**INCENTIVE FEDERATION INC.**

**ARTICLE I**

**NAME**

The name of this Corporation is Incentive Federation Inc. (the “Corporation”).

**ARTICLE II**

**PURPOSES**

The purpose of the Corporation, as more fully set forth in its Articles of Incorporation, is to advance the common business interests of incentive marketing trade associations, businesses, and corporations interested in establishing motivation programs to be used for premium and incentive promotion.

# ARTICLE III

**MEMBERSHIP**

Section 1. Qualification for Membership. Any person, firm, association, partnership, limited liability company, or corporation described in subsections (a), (b), (c), or (d) of this Section 1 of this Article III shall be eligible for membership in the Corporation.

(a) Regular Membership shall be open to national incentive marketing trade associations (including, but not limited to, associations the members of which use merchandise, travel, gift cards, promotion marketing, or promotional products in their incentive programs) and professional societies.

(b) Associate Membership shall be open to regional incentive marketing trade associations (including, but not limited to, associations the members of which use merchandise, travel, gift cards, promotion marketing, or promotional products in their incentive programs), trade associations the members of which are composed of representatives interested in incentive marketing, trade associations the members of which advertise incentive and motivational products, trade publications directed to the incentive industry, and trade show managements.

(c) Affiliate Membership shall be open to partnerships, limited liability companies, corporations, or other companies manufacturing, selling, using and servicing products and programs for premium and incentive promotion.

(d) Individual Membership shall be open to individuals and businesses interested in incentive and motivational marketing.

Section 2. Rights and Privileges of Memberships. All members of the Corporation shall be entitled to attend all meetings of the Corporation, except those meetings of the Board of Directors that may be closed to members, and all legislative and other briefings held in Washington, D.C. or elsewhere. All members shall be eligible to receive current information on the activities, policies, and legislative positions of the Corporation.

Section 3. Application of Membership.

(a) Application for Membership. Any individual who believes that he or she is eligible for membership under Section 1 of this Article III may apply for membership.

(b) Eligibility for and Approval of Membership. The Board of Directors will establish a process for review and approval of all membership applications and may change the criteria or process from time to time. A decision regarding eligibility following the process the Board has established will be deemed to be the final decision of the Board.

Section 4. Suspension, Termination, and Resignation of Membership.

(a) Suspension or Cancellation. The membership may, at any meeting where there is a quorum as defined in Section 3 of Article VII, by a two-thirds (2/3) vote of the quorum, or the Board of Directors, by unanimous vote**,** suspend or terminate the membership of any member who has violated the Bylaws or policies of the Corporation, or whose conduct the membership deems detrimental to the best interests of the Corporation, such suspension or termination to be effective immediately. The member will be granted an opportunity to be heard prior to the action of suspension or termination. No refund of dues will be provided for suspended or terminated memberships.

(b) Resignation. A member may resign at any time from membership upon written notice to the Corporation at its office. No refund of dues will be provided to any resigning member.

**ARTICLE IV**

**DUES**

Section 1. Dues. The Board of Directors shall have the power by resolution to fix a schedule of initial dues and of annual dues for each class of membership and to modify such schedule from time to time.

Section 2. Failure to Pay Dues. The failure to pay when due any membership dues or assessment levied by the Corporation on any member shall constitute cause for termination of such membership in the Corporation. The Board of Directors of the Corporation, at any regular or special meeting may terminate the membership of any member in this corporation for such failure by a majority vote of the quorum of the directors at any such meeting.

**ARTICLE V**

**BOARD OF DIRECTORS**

Section 1. Function of Powers. The business of the Corporation shall be managed by a Board of Directors, which shall establish and direct the policies of the Corporation, control its property and operations, be responsible for the expenditure of its funds and exercise all the powers of the Corporation except as otherwise provided by law or by these Bylaws.

Section 2. Size of Board of Directors; Eligibility of Directors. The Board of Directors shall consist of a minimum of four (4) individuals who shall be elected from among the Regular Members, Associate Members, and Affiliate Members of the Corporation by the Regular Members, Associate Members, and Affiliate Members at each Annual Meeting of the Corporation.

Section 3. Nomination and Election of Directors. Nomination and election of the members of the Board of Directors shall be conducted in accordance with the following procedures:

(a) Nominating Committee. Prior to the Annual Meeting, the Chairman shall appoint a Nominating Committee of at least three (3) active members. The Nominating Committee will review the current roster of the Corporation and contact potential candidates. Sixty (60) days prior to the Annual Meeting the Nominating Committee will present a slate to the Board of Directors of at least one nominee for each Director position being vacated. All nominees for the Board of Directors must be members of the Corporation in good standing.

(b) Additional Nominations. At the Annual Meeting, nominations for additional candidates will be accepted from any member.

(c) Self-Nomination. A member who nominates himself or herself shall be required to submit two (2) written seconds by members in good standing prior to the time of the election.

(d) Candidates to Appear on Ballot. With the exception of nominations from the floor, the names of all persons nominated to serve as Directors shall appear on the ballot.

(e) Report of Slate to the Members. The slate proposed by the Nominating Committee and approved by the Board of Directors shall be reported to the membership by mail or electronic means at least thirty (30) days prior to and together with the date, time and place of the annual businessmeeting. This slate will be presented to the membership at the actual businessmeeting, where a vote will be taken. The Directors duly elected shall assume their duties immediately.

(f) Majority Vote. All Directors shall be elected by a simple majority vote of those members present at the Annual Meeting plus those members voting by proxy or absentee ballot.

(g) Proxies of Absentee Ballots. The proxy or absentee ballots may return the voting materials electronically, by facsimile, or by regular mail. Members must return such voting materials by the date specified in the Secretary’s instructions, or their vote will not be counted.

(h) Election. The Director candidate receiving the greatest number of votes cast, whether or not constituting a majority of the votes cast, will be elected to fill the first vacant Board seat. The Director candidate receiving the second greatest number of votes cast will be elected to fill the second vacant Board seat. This process shall continue until all vacant seats for the Board of Directors are filled. Ties that would result in more candidates being elected to the Board of Directors than there are vacancies will be resolved by a run-off election between the tied candidates.

(i) Mandatory Directors of the Corporation. The Chairman, the Vice-Chairman Corporations, and the Vice-Chairmen Associations (all of whom shall be elected from among the Executive Directors, or such other officers with an equivalent position, of the associations that are Regular Members) shall be elected to the Board of Directors. The Secretary and the Treasurer of the Corporation are to be elected members of the Board of Directors.

(j) Directors’ Terms. Except in the case of vacancies as set forth in Section 4 of this Article V, Directors shall be elected for a term of one (1) year or until their successors are elected and qualify, and at each annual Meeting of the Corporation the successors to such Director shall be elected.

Section 4. Vacancies. Any vacancy among the members of the Board of Directors may be filled until the next Annual Meeting of the Corporation by the Board or, if not filled by the Board, by the members of the Corporation entitled to vote thereon at a special meeting. The term “vacancy” as used in this Section shall include any Directorship that is unfilled as the result of the death, resignation, removal, or disqualification of a Director.

Section 5. Meetings. An Annual Meeting of the Board of Directors for the election of officers and the transaction of any other business shall be held at the same place and immediately following the Annual Meeting of the Corporation, and no notice thereof need be given. The Board may fix times and places for regular meetings of the board. Special meetings of the Board shall be held whenever called by the Chairman or pursuant to the written request of at least two (2) members of the Board. Meetings of the Board shall be held at such time and place as the Board may determine, and the Secretary shall give at least ten (10) days’ prior notice of such meeting by oral, written, or electronic means. All Directors may participate in a meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means shall be considered to be present in person at the meeting.

Section 6. Quorum. A majority of the number of Directors shall constitute a quorum, and when a quorum is present, except as otherwise specifically required by law or by these Bylaws, action may be taken by the affirmative vote of a majority of those present.

Section 7. Executive Committee. There shall be an Executive Committee of the Board of Directors that shall include a minimum of six (6) directors, including the Chairman, the Vice-Chairman Corporations, the Vice-Chairmen Associations, and the Executive Director of the Corporation. The Chairman of the Board shall be chairman of the Executive Committee and shall determine its specific composition. The Executive Committee may exercise the powers of the Board during the interim between meetings of the Board, and it shall report its actions at the next meeting of the Board. A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business at its meetings. The Executive Committee shall meet as called by the Chairman of the Board.

Section 6. Compensation of Directors and Officers. Directors and officers of the Corporation shall serve in such capacity(ies) without any compensation. Reasonable and necessary expenses, including travel expenses to attend Board and Committee meetings, may be reimbursed in accordance with policy adopted by the Board of Directors.

**ARTICLE VI**

**OFFICERS**

Section 1. Number and Election. The officers of the Corporation shall consist of a Chairman, a Vice-Chairman Corporations, the Vice-Chairmen Associations, a Treasurer and a Secretary, all of whom shall be elected by the Board of Directors. The Chairman and Vice-Chairmen Associations shall be elected from among the Executive Directors (or such other officers with an equivalent position) of the associations that are Regular Members. The Chairman shall not hold office for more than two (2) successive one-year terms of office. Each of the officers shall hold office until the next Annual Meeting of the Corporation and until his or her respective successors are chosen and qualify. Vacancies among the officers of the Corporation may be filled by the Board of Directors until its next Annual Meeting.

Section 2. The Chairmen. There may be elected as Chairman an individual who shall devote significant amounts of time to the affairs of the Corporation. He or she shall preside at all meetings of the Board of Directors and shall also perform such other duties as are incident to the office of Chairman, or as may be designated by the Board of Directors.

Section 3. The Vice-Chairmen. The Vice-Chairman Corporations and the Vice-Chairmen Associations, shall have such powers and perform such duties as may be delegated to them by the Board of Directors. In the absence or disability of the Chairman, the Vice-Chairman Corporations shall perform the duties and exercise the powers of the Chairman.

Section 4. The Treasurer. The Treasurer shall be elected by the Board of Directors. The Treasurer shall be the chief financial and accounting officer of the Corporation. He shall have charge of all funds of the Corporation and shall cause such funds to be deposited to the credit of the Corporation in one or more banks designated by the Board of Directors. Such funds may be withdrawn only over the signature or signatures of such person or persons as the Board of Directors may authorize. The Treasurer may be required, at the expense of the Corporation, to give a bond for the faithful discharge of his duty in such amount and with such conditions as the Board of Directors may require. The Treasurer shall maintain a proper record of all dues, fees, and contributions received, and shall perform those duties normally performed by the Treasurer and any other such duties as may be delegated to him by the Board of Directors.

Section 5. The Secretary. The Secretary shall be elected by the Board of Directors. The Secretary shall keep a correct roster of all members and shall perform those duties normally performed by the Secretary and any other such duties as may be delegated to him by the Board of Directors. Except as otherwise provided herein, the Secretary shall give notice of and attend all meetings of the Corporation and the Board of Directors and shall keep minutes of such meetings.

Section 6. Additional Officers. In addition to the officers mentioned above, one or more other officers and agents may be elected from time to time by the Board of Directors. Each of the officers elected pursuant to this Section shall have such title, powers and duties as the Board of Directors shall prescribe.

**ARTICLE VII**

**MEETINGS**

Section 1. Annual Meeting. The Annual Meeting of the members of the Corporation for the election of the Corporation’s Directors, and for all other purposes, shall be held each year, at such time and place designated by the Board of Directors. The Secretary shall give at least fourteen (14) but no more than sixty (60) days’ prior notice of the Annual Meeting to each member of the Corporation by written or electronic means.

Section 2. Special Meetings. A Special Meeting of the Corporation may be called by the Board of Directors or the Chairman at any time, and shall be called by the Chairman upon the request of at least ten percent (10%) of the voting members, to transact only such business as shall be specified in the notice thereof. At least ten (10) but no more than sixty (60) days’ prior notice shall be given, by written or electronic means, to each member of the Corporation of any such Special Meeting, and such notice shall state the purpose or purposes for which the meeting is called.

Section 3. Quorum. One-half (½) of the voting members of the Corporation, present together and not as separate classes, at a meeting in person, by duly authorized representatives, or by proxy, shall constitute a quorum for the transaction of business, except as otherwise specifically required by law or these Bylaws.

Section 4. Voting. Each Regular Member shall be entitled to one vote, each Associate Member shall be entitled to one vote, and each Affiliate Member shall be entitled to one vote, at any Annual or Special Meeting of the members of the Corporation, which shall be exercisable either in person, by duly authorized representative, or by proxy.

Section 5. Manner of Meeting. Meetings of members do not need to be held at a geographic location if the meeting is held by means of the Internet or other electronic communications technology in a fashion pursuant to which the members have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members, pose questions, and make comments. A member participating in a meeting by the means set forth in this Section 5 shall be considered to be present in person at the meeting.

**ARTICLE VIII**

**MISCELLANEOUS; CONFLICT OF INTEREST**

Section 1. Fiscal Year; Annual Budget. The fiscal year of the Corporation shall be the calendar year. The Treasurer shall present to the members of the Corporation at the Annual Meeting a budget for the fiscal year of the Corporation.

Section 2. Conflict of Interest. In order to foster the highest ethical standards of honesty, fairness, and candor, no members, Directors, or officers shall use their position for purposes that are or appear to be motivated by desire for private financial gain for themselves, their families, their businesses, or others with whom they have relationships. The Board of Directors shall institute guidelines and procedures to monitor and resolve existing or potential conflicts of interest of members, Directors, and/or officers regarding the performance of their official duties and their personal interests.

**ARTICLE IX**

**AMENDMENTS**

These Bylaws may be amended or repealed, in whole or in part, at any time (a) at any Annual or Special Meeting of the members of the Corporation, by affirmative vote of a majority of the Regular Members, Affiliate Members, and Associate Members present in person, by duly authorized representatives, or by proxy, provided that such proposed amendment or repeal shall have been set forth in the notice of such meeting; or (b) at any meeting of the Board of Directors, by affirmative vote of two-thirds (2/3) of all members of the entire Board then in office, provided that such proposed amendment or repeal shall have been set forth in the notice of such meeting.

**ARTICLE X**

**INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Section 1. Indemnification. To the maximum extent permitted by the District of Columbia Nonprofit Corporation Act as it may be amended or in place from time to time, the Corporation shall indemnify its currently serving and its former Directors, officers, employees, and agents.

Section 2. Insurance. The Corporation shall have the power to purchase and maintain insurance to indemnify the Corporation for any obligation that it incurs as a result of its indemnification of Directors, officers, employees, and agents pursuant to Section 1 of this Article X, or to indemnify such persons in instances in which they may be indemnified pursuant to Section 1 of this Article X**.**

**ARTICLE XI**

**DISSOLUTION**

If the dissolution of this Corporation is authorized pursuant to law, the Board of Directors shall distribute its assets as follows: (1) discharge all liabilities and obligations of the Corporation; (2) return any assets according to the conditions under which they are held in case of dissolution; and (3) distribute all other assets to such other tax-exempt organization, not for profit, as best serves the purposes and objects for which this Corporation is organized. No part of the Corporation’s assets shall be distributed to any private individual or member.