

**LONE STAR REGIONAL
SERVICE OFFICE, INC.**

**EMPLOYEE
HANDBOOK**

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**ARTICLE I
GENERAL INFORMATION**

Section 1.1 Requirements for Employment

The following are requirements governing all employees of LSRSO, Inc.

- (1) An executed (finished) copy of the "Conditions of Employment" is required prior to commencement of employment.
- (2) Any member of Narcotics Anonymous seeking employment of the LSRSO must have two years of continuous abstinence from all drugs, such as defined by Narcotics Anonymous (at the Board of Directors' discretion, some positions may require a greater number of years of continuous abstinence).
- (3) All employees must have an understanding of the 12 Steps, 12 Traditions, and 12 Concepts of Narcotics Anonymous.

All employees must be bondable.

- (5) Specific requirements for all positions are determined by the Board of Directors and/or Office manager as necessary.

Section 1.2 Job Description/Duties

OFFICE MANAGER

Supervises employee(s) and direction of office business.

Attend and work at quarterly BOD meetings.

- (3) Accounts Payable (pay bills, filing, writing checks, credit card purchases).
- (4) Accounts Receivable (bank deposits, collection of past due invoices, filing).

Order from vendors.

Prepare and present report(s) to the BOD and for the Chair to present at the RSC.

- (7) Keeps record of vacation, personal leave, funeral leave, holidays, sick leave and leave of absence.

Work with CPA and attorney(s).

- (9) Continuous training of office worker(s).

Attend 6 off-site sales events annually (4 Texas Unity Conventions and 2 other events).

(11) Obtain bids, order, price and inventory Convention merchandise, prepare forms (sales, accounting, registration), Typeset layout and bids for program, print tickets, Registration lists, ticket packets, inventory, pricing signs, transport and setup at convention, Financial management of convention (enter registrations, sales, deposits and budget balance reports. Assist JAC with inquiries, Mailing of preregistration flyers, H & I letters, HCC minutes to HCC mailing list and minutes and reports of HCC to BOD. Scrutinize hotel bill. Aid in financial accountability on site. Keep inventory of supplies on hand from year to year. Pay dj's, signers, etc. on site. walkie talkie contract as well as pick up and/or return of these, constant contact with LSRCAC Chair and LSRCAC Sub-Committee Coordinator, document hours and chain of events.

Other duties as assigned by the BOD.

Special Worker(s)

- (1) Assists Office Manager and runs office in Manager's absence.
- (2) Answering the phone.
- (3) Updating Records/Filing (maintaining records for Region, Areas, etc.)
- (4) Billing and Invoicing (maintain sales journal).
- (5) Shipping and Receiving orders (filling orders, packaging, filling UPS logs, typing labels, checking in orders, maintain inventory).
- (6) Typing forms.
- (7) Errands.
- (8) Copying and mailing of minutes and reports for various bodies.
- (9) Usual Cleaning. Individuals are responsible at BOD meetings

Other duties as assigned by the Office Manager.

Section 1.3

Conditions of Employment

The following are conditions of employment with LSRSO. While some may seem obvious, we feel it is important that all employees fully understand them as they commence working with us. The employee's supervisor can answer any questions concerning these conditions. These conditions have been established to protect all employees:

- (1) All employees must be absolutely free of any chemical substances with the exception of medication prescribed by a physician.
- (2) An employee shall not release or discuss any information concerning any NA member or potential NA member in accordance with the 12 traditions of Narcotics Anonymous.

Section 1.3 Conditions of Employment

- (3) All employees have the right to be free of undue harassment and abuse from other employees.
- (4) All employees shall conduct themselves at all times in a professional manner.
- (5) All employees shall report to work in neat, clean, appropriate apparel as outlined in the Dress Code.
- (6) Each employee shall read and familiarize herself/himself with the LSRSO Employee Handbook. Her/his supervisor can answer any questions. All employees must adhere to these guidelines.
- (7) All recovering persons working for the LSRSO are expected to be active participants in their recovery program.
- (8) All employees must have an understanding of the 12 Steps, 12 Traditions, and 12 Concepts of Narcotics Anonymous.
- (9) If an employee feels that she/he has a grievance with or about her/his employment, they have the right to follow the grievance procedures as outlined in the LSRSO Employee Handbook.
- (10) The Board of Directors recognizes the rights of all employees to protect their personal lives as they choose, and in no way wishes to dictate "official policies" in these matters. The nature of a Regional Service Office, however, is such that an employee's personal file, and their recovery program, if an NA member, does reflect on the office. Therefore, the BOD wishes to inform employees of the BOD's philosophy on these matters. Due to the interactive nature of the NA Service Structure and Fellowship itself, relationships which might be deemed as conflict of interest are discouraged.
- (11) In compliance with Tradition Nine's directive that service boards are directly responsible to those they serve, this office shall serve all areas equally. In order that no one area shall be additionally enhanced, an LSRSO employee shall not serve as its trusted servant, further, acceptance of Regional or World service positions is unacceptable.

ARTICLE II

WORKING HOURS AND OTHER CONDITIONS OF EMPLOYMENT

Section 2.1 Hours of Operation

The regular hours of the Lone Star Regional Service Office shall be:

Monday thru Thursday	9:00 a.m. to 4:30 p.m.
Friday	9:00 a.m. to 4:00 p.m.

At the last BOD meeting of one calendar year, the BOD shall set the holidays the office shall be closed or any changes in the hours of operation in regard to the following calendar year.

Section 2.2 Work Schedules

Definitions:

Exempt - not eligible for overtime.

Non-Exempt - Eligible for overtime.

Exempt: (Management) Office Manager will be expected to work a minimum per week as determined by the BOD. Employee must notify BOD Chair at least three working days prior to taking a half day or more off from work, except in the case of emergency or dire need.

Non-Exempt: (Non-Management) Employees who are classified as "full-time" employees shall work a standard work week of forty (35) hours to be determined by the office management.

Exempt: (Non-Management) Employees who are classified as "part-time" employees shall work less than forty (40) hours per week on a regular basis. The workday or shift for part-time employees will be scheduled by the Office Manager.

Section 2.3 Meal and Rest Periods

In any work period or minimal of seven (7) and employee shall be given two (2) designated breaks of fifteen (15) minutes. One in the morning and one in the afternoon and a 1/2 hour lunch break.

Section 2.4 Overtime Pay

Exempt (Management) Employees shall not be eligible to receive overtime pay. Hours for off site events above and beyond regular work hours will be paid in 1/2 comp time and 1/2 pay.

Non-exempt (Non-Management) Employees shall be paid one and a half times their salary for any hours worked in a given week which total more than forty (35) hours. Overtime should be discouraged unless absolutely necessary.

Section 2.5 Sick Pay

Full Time employees shall be eligible for paid sick time off according to the following schedule:

0-6 months employment	0 days
6 months to 1 year employment	2 days
1 year to 4 years employment	4 days
5 Years of employment	5 days

Sick days not taken by the end of each calendar year shall be rolled over to the next year with a maximum accumulation of twenty (20) days. In no event shall there be payment for unused sick days. Sick time may be taken in a minimum of two (2) hour increments.

The Office Manager shall maintain a log or record of sick time accumulation and usage. This record shall be shown to the Chair of the BOD at each BOD meeting for his or her approval. At the first BOD meeting of each calendar year the Office Manager in his or her report will submit a record of the previous years sick time activity. Part time employees are not eligible for sick days

Section 2.6 Dress Code

All employees, while on LSRSO premises or on duty outside of the LSRSO must adhere to the following dress code:

- (1) All attire must be clean and appropriate.

(2) No clothing may be worn that would conflict with the Sixth Tradition of Narcotics Anonymous such as shirts or buttons which affiliate the LSRSO with or promise treatment centers, other 12-Step programs, businesses engaged in the addiction or recovery field, etc.

(3) No clothing which contains profanity or obscenities.

The LSRSO Board of Directors and/or Office Manager reserve the right to implement any other restrictions as deemed necessary.

Section 2.7 Education

Both management and nonmanagement employees are eligible for and encouraged to further their education along lines that are deemed beneficial to the operation of the office. This includes but is not restricted to: college courses both for credit and C.E.U.'s, workshops put on by the WSO or other entities both within and without the Fellowship of N.A., seminars, and training courses.

In the case of semester long courses, the employee will be reimbursed fees, books and lab fees upon successful completion of the course with a 'C' or better average. No travel or meal expenses will be provided.

The same shall be true for continuing education classes or other short courses. The fees for workshops, seminars and training courses will be paid in advance of same by LSRSO, Inc. If the employee does not successfully complete the workshop, etc. the BOD would be reluctant to fund the employee to any other workshop, etc.

Travel, lodging and meal expenses to such workshops, seminars or training courses will be in accordance with the travel policy of LSRSO, Inc.

Approval for funding for any education for employees shall come from the full BOD by vote at a regular board meeting. If time does not permit this then the Chair shall get approval from the Executive Committee of the BOD via phone or other means. All those voting shall record their vote and turn this over to the secretary to be included in the minutes of the next board meeting.

Section 2.8 Travel to Off Site Sales

Travel, lodging and meal expense to off site sales (away from the office or counties of Dallas and Tarrant) incurred by an employee of the office shall be paid in accordance with the travel policy of LSRSO, Inc.

ARTICLE III WAGES

Section 3.1 Salary Schedule/Raises

Exempt Employees (Management) shall be salaried and will be paid on the 1st and the 15th of the month. Starting salary shall be determined by the BOD. Raises may be given and shall be based upon

employee's performance which will be evaluated by the BOD after six (6) months, and yearly anniversaries thereafter.

Non-Exempt Employees (Non-Management) shall be paid based upon an hourly rate to be determined by the BOD. Salaries will be paid on the 1st and the fifteenth of the month. Raises may be given and shall be based upon employee's performance which will be evaluated by the BOD after six (6) months, and annually in December.

Section 3.2 Employee Evaluations

Annual employee evaluations are to be conducted by the BOD Chair, Vice-Chair, Convention Administrative Committee Chair and the BOD Treasurer. A review of this meeting is to be reported to the BOD in closed session for (dis) approval.

Evaluation forms should be sent out one week in advance of review to BOD Chair, Vice-Chair, Convention Administrative Committee Chair and the BOD Treasurer. The Office Manager should also evaluate the Office Assistant. However, other input will be accepted prior to review. Completed evaluations are to be reviewed, discussed and applied to pay structure.

Section 3.3 Pay Structure

- A. 0-4% merit raise based on evaluation
- B. Cost of living adjustment

Section 3.4 Business and Travel Expenses

Section 3.4 Business and Travel Expenses

Covered by LSRSO Travel Program.

ARTICLE IV VACATIONS, HOLIDAYS AND ABSENCE LEAVES

Section 4.1 Vacation

The Office Manager must have his or her vacation time approved by the Chair of the BOD at least two (2) weeks in advance except in case of an emergency. Other employees must have their vacation time approved by the Office Manager at least two (2) weeks in advance except in case of emergency. Five (5) days of vacation time can be rolled over into the next year.

FULL TIME NON-EXEMFT and EXEMPT EMPLOYEES

- After 1 year of employment 5 days paid
- After 5 years of employment 10 days paid

PART-TIME EMPLOYEES

Part-time employees are not eligible for paid vacation days.
No monetary compensation will be given in lieu of vacation time.

Section 4.2 Personal Days

After six (6) months employment, five (5) days of personal privilege time annually allowed. Time sheet must reflect this time off and it must be approved by Supervisor.

Section 4.3 Holiday

Exempt (Management) employees will be paid for ten (10) holidays per calendar year. These holidays will be defined by the BOD for each year at the last quarterly meeting of the previous year. Seven (7) standard holidays will be:

Christmas, Thanksgiving and the day after, New Years Day, Labor Day, Memorial Day, 4th of July, and three (3) floating holidays.

In order to be eligible to be paid for holidays, unless previously approved, all employees must work the day before the holiday and the day after the holiday.

Part time employees are not eligible for Holiday Pay.

Section 4.4 Jury Duty

As Narcotics Anonymous defines one of the goals of recovery to become an acceptable, responsible and productive member of society, the BOD wishes to help the employee achieve this goal. Therefore, full pay will be granted to an employee on jury duty. This will be restricted to five (5) days for any one occurrence. Exception to this limit can be granted by the BOD.

Section 4.5 Funeral Leave

Full-time and part-time employees who complete 30 days of employment are eligible to receive up to a maximum of three (3) days with pay for time lost as result of a death in the immediate family.

Immediate family is defined as mother, father, stepmother, stepfather, mother-in-law, father-in-law, spouse, sister, sister-in-law, brother, brother-in-law, child, stepchild, grandmother or grandfather of the employee.

Arrangements needed due to extenuating circumstances may be arrived at through discussion with BOD.

Section 4.6 Leave of Absence

A full time employee who has been employed at least one (1) year may be granted medical leave of absence, without pay , up to one (1) calendar month, offset by sick days, provided, however, that he/she request such leave of absence in advance and also provided he/she intends to return to his/her previous job classification and shift, in accordance with availability of such positions, upon return to work, without loss of previously earned benefits. In granting or denying such a leave of absence request, the Board of Directors shall be guided by the employee's length of employment, performance record and operational needs. Part time employees are not eligible for leaves of absence.

**ARTICLE V
OTHER BENEFITS**

Section 5.1 Health Care Plan

There is a health care plan provided for the Office Manager which shall pay the full amount of the cost of insurance only. Additional family members can be added at employees expense. Part time employees are not eligible for health insurance.

**ARTICLE VI
LSRSO - EMPLOYEE RELATIONS**

Section 6.1 Disciplinary Measures

The LSRSO Board of Directors views disciplinary action as an opportunity to correct a performance deficiency. There are, however, certain severe cases which may warrant immediate termination. Such cases would include, but not limited to, gross insubordination, professional negligence, breach of confidentiality, falsification of records, misappropriation of funds or mishandling of funds (regardless of value), intoxication or illegal substance abuse, relapse (if an NA member, conviction of a felony while employed by the LSRSO, or abusive or discourteous treatment of visitors or personnel.

Theft of any amount from the RSO may be grounds for immediate dismissal. Theft is defined as the willful taking of money (in any form), inventory, equipment (office and otherwise) or anything else of value from the RSO, another employee, a customer or a board member.

At the minimum, theft will result in suspension of the employee for a minimum of three (3) days. A legal agreement of restitution will be drawn up and signed by the person committing the theft (with witnesses) calling for regular monthly or weekly payments until the theft is repaid. In the event the employee fails to adhere to the repayment terms the BOD retains the options to terminate employment and/or prosecute.

Theft of an amount as to constitute a felony will, in any event, be prosecuted.

For all disciplinary problems that do not warrant immediate termination, the following process shall normally be followed:

First Occurrences: Verbal warning with a written comment filed in the employee's personnel record.

Second Occurrences: Formal corrective action, with a formal written statement to the employee and filed in the employee's personnel record.

Third Occurrence: Termination or suspension.

The above lists are not all - inclusive, and an employee may be terminated for any conduct not listed above if, in the opinion of the employee's supervisor and /or BOD, such conduct warrants discharge.

Section 6.2 Grievance Procedure

The LRSO Board of Directors encourages mutual understanding and amicable cooperation among all employees. Occasionally, however difference and complaints may grow out of working relationships or conditions. Day-to-day contacts ordinarily should provide ample opportunity for discussion and resolving such matters. When these normal contacts fail, however, an employee may seek relief under the grievance procedures. It is the right of each and every employee to receive full and serious consideration of a grievance; opportunity to take the grievance through all the steps of the procedure without prejudice; and a prompt reply to a grievance at each step.

The LRSO BOD's policy is that a grievance begins at the lowest management level, ascending each step to the next highest level. It is management's responsibility and obligation to give full and serious consideration to the grievance; develop a fair and reasonable reply to the grievance without delay and reply to the employee promptly and outline the next higher step in the grievance procedure to the employee if and when the reply is appealed by the employee.

The grievance procedure is formally structured and requires written notice of and replies to a grievance. Timeliness is of the essence.

Note: A grievance is a complaint about any condition of employment that an employee thinks or feels is unjust or inequitable, by which the employee is directly and personally affected. A grievance exists technically when he preliminary step fails to provide a reply satisfactory to the employee.

Preliminary Step: An employee with a complaint about any condition of employment should inform his/her supervisor or a member of the Executive Committee as soon as possible.

The Supervisor or a member of the Executive Committee should meet with the employee to discuss and resolve the complaint as soon as possible after the matter is brought to the supervisor's attention. The supervisor should at this stage make every effort to resolve the complaint. If the supervisor cannot reply to the complaint at the time, she/he should reply as soon as possible thereafter.

Formal Grievance Procedure Step: if the reply to the complaint does not satisfy the employee, the employee may submit a written report to the BOD. The BOD shall make the final decision in the case and shall deliver a final reply to the employee as soon as possible. This decision shall be made at the next BOD meeting if that meeting is scheduled to be held within 30 days of the filing of the grievance. if the next BOD meeting is scheduled more than 30 days from receipt of the written grievance, then the BOD Chair shall poll the complete BOD via phone or other venues and take a binding vote on the grievance. All BOD members will record their vote and the time and date of same and at the next BOD meeting turn such record over to the Secretary to be a permanent part of the BOD minutes.

In either event, each member of the BOD shall have a copy of the written grievance, any determinations already made on the grievance and any other germane information available to them in writing prior to their having to arrive at a decision.

Section 6.3 Discrimination

The LSRSO Board of Directors is an equal opportunity employer. We are dedicated to equality for employees and applicants for employment regardless of race, color, creed, sex, age, religion or lack of religion, national origin or disability.

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LSRSO TRAVEL PROGRAM

The purpose of this program will be to align RSO and its related committees travel activity and costs to support the objective of obtaining the highest possible return to the Region for each dollar spent. In achieving this objective we find that consolidation of travel arrangements is a most important element of a controlled program. Consolidation provides the opportunity for consistent adherence to travel reservations and arrangements with a single employee and a single travel agency.

GENERAL POLICY

The policy of the LRSO is to provide employees and other authorized persons to travel on behalf of the LRSO with adequate levels of transportation , lodging, meals, and other services necessary to conduct the business of the LRSO. While we believe that employees should travel in reasonable comfort when away from home on business, the accommodation, meals, transportation, and other services used should be in keeping to those in which the individual is accustomed in normal circumstances as a member of the Fellowship and should never be lavish or extravagant. Travel funds should be expended as though they were coming out of the employee's or board members' own pocket.

Before undertaking any travel it will be necessary for the employee or board member to complete a "Request for Travel" form. The pre-trip authorization for includes space for the purpose of travels, dates, cities, and approximate budget required to complete the trip.

The Internal Revenue Service imposes specific requirements for employee business expense deductions. It insure the reimbursement of incurred expenses, the following must be documented in the space provided on the Travel Expense Report.

- a. The business purpose of the trip.
- b. The dates and amounts of each items of expense

Receipts for any expenses are required for IRS purposes. In the case of hotel bills, the folio account from the hotel is necessary. Credit card slips alone are not adequate documentation. All purchases of gasoline or other supplies for rental cars should be documented with a receipt. For any necessary business expense, indicate in the appropriate space the names and affiliation of those for whom expenses are incurred as well as when the business discussion took place.

AIR TRANSPORTATION

Air transportation should be reserved and ticketed through the authorized vendor whenever possible. All tickets from home base must be arranged through the Office. Tickets obtained away from home base should be purchased from the most convenient travel agent or airline ticket office. If Director or Employee requires LRSO to acquire and pay for airline tickets to attend regularly scheduled meetings, such as BOD, HCC, or RSC meetings, requests must be in LRSO forty-five (45) days before date of travel. Travel request for events considered emergency may be exempt from this if approved by the Executive Committee in advance.

All domestic travel must be booked in coach class or business class. Any exceptions from the above will be debited to the traveler.

Air travel arrangements should be reserved as far in advance of travel date as possible as reduced fares usually require advance bookings. To be a cost efficient traveler you should plan early.

It is the RSO policy that no more than five members of the Board or staff fly on the same plane. Be certain how many other member may already be reserved on the flight of which you plan to depart. If the above number has already been reached, do not add your name to their flight.

GROUND TRANSPORTATION

FELLOWSHIP ASSISTANCE: Because much of the RSO travel is specifically related to interaction with the Fellowship, it is frequently possible to avoid some transportation costs because members of the local Fellowship may willingly assist with ground transportation. Whenever possible, this should be exercised with the limits of common sense. Such arrangements should always be arranged in advance. The local Fellowship is not expected to be the RSO ground travel service. If members of the Fellowship provide this assistance they should not be inconvenienced by our business travel needs and certainly not for personal or sight-seeing ventures. Be sure to express our appreciation for their help.

AIRPORT TRANSFERS: Whenever practical the airport to downtown limousine or bus service should be the preferred method of transportation to hotel or meeting site. Taxis and private limousine should be used as a last resort and only when they represent a more reasonable alternative.

TAXIS: In many cities good public transportation systems provide excellent service and should be considered when appropriate. When unavailable or inadequate for local travel, then taxis may be used.

CAR RENTALS: Separate authorization for car rental is required in advance of departure.

PERSONAL CARS: Reimbursement for the use of personal automobiles will be based on the following:

The current authorization will be consistent with that of the Internal Revenue Service, which as of now is .32¢ per mile minus (-) .10¢ per mile. In cases where reimbursement exceeds the permissible amount, the employee should account for the difference at tax time by adding to the personal tax return the greater expense in operating the automobile.

If an employee is authorized to use a personal automobile then reimbursement will be based on the plan in effect, plus tools, parking, etc. If an employee chooses to use a personal automobile in lieu of air, bus or rail transportation, reimbursement should be based on the less costly of the normal public transportation or the automobile allowance. Should two or more employees travel together in one personal automobile, reimbursement will be made only to the employee whose vehicle is used.

HOTEL ACCOMMODATIONS

It is the policy of the RSO to use commercial grade hotel facilities.

When travel arrangements are such that arrival is later than 6:00 p.m. (as sometimes as early as 4:30 p.m.) it may be necessary to guarantee late arrival. This guarantee is the hotel's assurance that you will arrive and use the accommodations reserved on your behalf. If you change your travel plans and neglect to cancel your room reservations, either you or the RSO will be billed a "no show" charge. As it is contrary to RSO policy to assume the liability in such instances, the travelers will be responsible for payment of the charge. Avoid incurring such costs by canceling on a timely basis. Be certain to record the cancellation number assigned when the room is released. A good idea is to place the cancellation information into your diary on the date you were scheduled.

2. Many of the hotels provide identification numbers to participants in Corporate Rate Programs. Be certain that you have the numbers for the hotels you plan to stop at during your travels.
3. Should there be no participating hotel in a city you intend visiting, then accommodations should be secured in a property that is similar in quality to those listed in this policy.
4. Any additional charges incurred as a result of spouse accompaniment should be deducted before submitting your Travel Expense Report.

MEALS:

It is the RSO policy to provide meals that are commensurate with the traveler's normal eating practices. It is not the intent of the RSO to provide meals that are lavish or otherwise extravagant. As meal costs vary widely depending where in the country or the world they are taken, the RSO depends on its agents to exercise prudence in the selection of restaurants.

Breakfast will be allowed whenever you are out of town the night before. Also, breakfast reimbursement is permitted if your travel begins earlier than normal breakfast hour and no meal is served on transportation used.

2. Lunch will be reimbursed on all out of town assignments.
3. Dinner reimbursement will be made when the traveler is away from home base for the evening meal or does not return home until after the normal dinner hour and no meal was provided by the transportation company in route.

BUSINESS MEALS AND ENTERTAINMENT

RSO Policy does not permit one employee to entertain another or anyone else at a business meal, but require each one to pay a share of the bill and submit for reimbursement.

TIPS:

Tipping should be reasonable and follow these guidelines:

- 1 Waiters: (15%) of the check and should be included with the meal charges on your expense account.
2. Taxis: (10%) of the fare and should be included with the Taxi charges on your expense report.
3. Bellhops/Porters: (75) cents per bag is acceptable and should be identified in the miscellaneous expense column in the expense report..

PERSONAL SERVICE

Laundry, cleaning and pressing charges are not allowed unless a traveler will be away from home base more than (five) days. Receipts for all such expenditures must be included to be reimbursed.

TELEPHONE CALLS

As has been the practice when making telephone calls and charging them to your room from overseas locations, domestic hotels are now beginning to charge increasing mounts for both local and long distance calls that charged to the room. This should be avoided whenever possible.

Personal long distance calls at RSO expense to spouse or other family member are limited to one call for every day away from home.

SPOUSE ACCOMPANIMENT

The RSO dos not reimburse for spousal accompaniment. The I.R.S. requires that an accompanying spouse fulfill a necessary business function in order that such expenses be deductible. Should your spouse accompany you for personal purposes, please be sure to deduct the difference in hotel charges for the double room before submitting your expense report. If breakfast or other meals are charged to your hotel account, again be certain to expense only the net amount of your meals.

ADVANCES

When appropriate an advance payment may be obtained for expenses anticipated on a trip. Advances should be arranged at lease ten days prior to the actual departure date. Advance checks will be made to the individual, not to "cash". For record keeping purposes an advance will be treated in the same manner as for reporting expenses on a trip. A final report must be completed within ten working days of return from a trip. When carrying large amounts of funds employees should obtain travelers checks. A record of the travelers check number should be kept at the office. After the trip is over the balance remaining from the advance should be returned to the accounting department within five working days.

FINES

The Office expects that employees will properly schedule their time so as to avoid being late. However, the Office does recognize that this will not always be the case. When we are late, we usually attempt to make up for lost time by driving faster, parking in places that might not be authorized or similar short cuts. The Office will not condone or encourage such behavior. Any fines or tickets will be paid by the employee not by the Office. Costs for towing of vehicles or of release from impound as a result of an employee driving, improper parking, accidents or arrest will initially be paid by the Office but reclaimed from the employee in subsequent pay.

THEFT

Employees should be especially careful of valuable items of the Office and their personal belongings on trips. The Office desires to minimize and if possible never experience loss of either office or personal items when our employees are on trips. Such loss however, is going to occur. Employees taking office equipment should leave at the Office and inventory lists of such items taken including serial or identification numbers and other information that may be necessary in making sufficient reports to police or transportation companies. Employees are also encouraged to minimize the value of personal items taken and also keep proper lists of personal items in case reports have to be made on their personal items. The Office will not assume any financial responsibility for the loss of personal items while employees are on trips, unless the loss is the result of actions beyond the control of the employee; loss caused by transportation company personnel (loss by misdirection, theft or fire, for example). Claim for such loss that the employee intends to recover from the Office should be made in writing within 30 days of the loss and include a detailed report of the items lost and their value. The employee should immediately, upon learning of the loss of Office equipment determine what course of action is appropriate to report or recover such material. The loss of Office equipment should be reported no later than the next working day.

TRAVEL TO BOD MEETING

Travel: Travel expense will be paid based on the lesser amount between mileage for driving vs. airfare (at 21 day advance price).

Meals: \$30.00 maximum allowance for the meeting.

Lodging: When unable to arrange free alternative local lodging, provisions will be made for a hotel by contacting the Office Manager in advance of the meeting.

TRAVEL TO RSC'S

Designated members to the RSC shall use the same travel expenditures as allowed to RSC Officers by LSRSCNA.

FINANCIAL MANAGEMENT POLICY

The Board of Directors of the Lone Star Regional Service Office, Inc. (hereafter referred to as LSRSO) hereby adopts and enacts this policy as the Financial Management Policy for the Corporation to guide the management of financial affairs of the Corporation. Policies contained here in are specific and mandatory. Violation of these policies shall result in such disciplinary action as the Board may determine, including dismissal of employees and removal from office of Directors. In such circumstances that may arise that are not specifically covered by these policies, the Board of Directors shall be empowered to make or adjust such policies as are deemed necessary to the situation. Such decision shall be reported at the next regular meeting as part of the Treasurer Report.

The Board of Directors of the LSRSO shall retain final and absolute authority and control of the financial affairs of the Corporation shall select a Treasurer who shall have authority and responsibility to oversee the financial matters of the Corporation between meetings and powers specified in the By-Laws or in his absence, the Chairman shall be empowered to perform these duties and responsibilities.

The Board of Directors by adoption of these policies and by special memorandum of the Board may authorize other persons, employees and agents of the Corporation under contract to perform specific duties that are outlined herein or other duties that are omitted.

The LSRSO Chair is single point of decision and accountability for the corporation as defined by the By-Laws. Upon competent review of the data at hand, the Chair of this corporation can effectively conduct its daily operations, with some monetary constraints as a safety net: \$1,000.00 ceiling per decision, with not more than 5 decisions exceeding \$2,500.00 per quarter. All decisions reviewable by the body at quarterly for effectiveness with redress as necessary for future decisions. This monetary constraint does not apply to the direction and supervision of the office's special workers.

REPORTS

The Office Manager/Treasurer together shall issue reports quarterly to the Board of Directors on the financial condition of the Corporation. The report shall include a summary of income, expenditures, inventory and a reconciliation of general financial condition. Excessive expenditures or imbalance spending shall be fully explained. The Treasurer shall make a diligent effort to assure the Corporation and its Directors, employees and agents do not obligate the Corporation for more funds than are actually received.

The Corporation shall require the staff to prepare monthly, quarterly, and yearly reports for the appropriate state and federal agencies (Sales Taxes=Monthly, Payroll Taxes, 941=Quarterly). These reports must be signed by the manager and other staff or consultants as appropriate who were responsible for the preparation of the reports. The Corporation must have its financial records maintained accurately and completely at all times and be prepared to allow unannounced audit of the Books and records at any time requested or directed by the Treasurer, the Board or any member of the Board. The Board may, at its option require reports to be audited or reviewed by outside contract accountants or auditors.

BUDGET

The Officer Manager and the Treasurer shall be responsible for the compilation of the proposed annual budget. The proposed budget is to be presented to the Board of Directors within 15 days prior to the 4th quarterly meeting. The budget will be a standing item of the new business agenda at that meeting.

BANK ACCOUNTS

The Corporation shall maintain any number of checking and or savings accounts as may from time to time be necessary. Each account established shall be authorized by Corporate resolution in substantial form as shown herein, but may include such additional detail as the respective bank or other institution may require. Each resolution shall be attached to these policies and be shown in the minutes of the meeting at which it is adopted. The resolution shall read as follows:

The Board of Directors of the LSRSO hereby directs and authorizes the following individuals to establish and manage on behalf of the LSRSO, a checking account known as the "Principal" "Account" at Compass Bank: Chair of Board, Vice Chair of the Board, the Office Manager, and the Treasurer of the Board of Directors. For the operation of the principal account, two signatures representing the act of two individuals acting together, shall be required for the disbursement of funds from the account. Payee may not be a signer of a check. No married or common law individuals will both be signers on any bank account.

For the protection of the Corporation and the trust held by the Directors and employees cited above, insurance shall be obtained for the Corporation for: a fidelity bond covering all persons handling funds or having authority to obligate the Corporation or for the expenditure of funds. The cost of this bond shall be responsibility of the Corporation.

ACCOUNTING SYSTEM

An accounting bookkeeping system satisfactory to meet the needs of the Corporation shall be developed under the direction of the Office Manager and CPA. The system shall include recording of the budget approved by the Corporation. The system shall provide for adequately explained and supported journal of day to day transaction. This system will be backed up bi-weekly to an external hard drive as well as a Zip Drive cartridge, as per CPA's recommendation and transported to a safety deposit box by the Office Manager. Two Zip Drive cartridges will be in the box, the oldest being switched for a newer one at the exchange so that the only copy will not be being transported. The Office Manager, BOD Chair, BOD Secretary and BOD Treasurer will have access to the safety deposit box. Office Manager will perform duties as described above. A daily backup is kept as well.

PAYROLL

A comprehensive personnel pay record system shall be maintained to provide all details relating to personnel actions, pay rates and salaries or other compensation paid. A record shall be maintained on each employee that reflects; administrative actions including date of hire, promotions, raises, demotions, reduction in salary or other compensation, hours worked, overtime, sick time, vacations and personal leave or other items that impact or change payments made to employees or contract consultants . A

complete employee folder shall be initiated on date of hire and contain the information shown above. Changes in status of employees that impact salary or other compensation must be in writing and a copy of the memorandum must be included in the personnel file. The effective date and new rates must be shown in the memorandum.

A payroll schedule shall be developed by the Office Manager indicating pay date and holidays for the calendar year. The normal pay day will be each 1st and 15th except in the case of a designated holiday where upon the employee will be paid the day before.

Employees shall normally receive overtime pay at the rate of time plus one half for all hours worked in excess of forty (40) in a work week. A work week is defined as the seven day period starting with Saturday and ending with Friday. All overtime to be paid must be approved by the Manager in advance. Overtime worked must be recorded as to time started and time ceased. A notation must be recorded on the time card as to the purpose of overtime.

Payroll checks shall be completed only after receipt of time and attendance reports that have been properly signed by the employee. Payroll computations may be completed by any employees assigned this duty, but the Office Manager must either approve the time cards prior to computations or must verify all computations related to deductions, employee contributions and pay rate/hours worked are imperative. When the Corporation has more than ten employees, a staff member other than the Office Manager may be authorized to verify time cards prior to computing and preparing checks, but may not authorize paid overtime. The Office Manager must, even in this circumstance, verify computations of each pay request.

REIMBURSEMENT OF EXPENSES

The Corporation shall reimburse employees and when appropriate other individuals the costs related to travel in the performance of work of the office. The Office Manager is authorized to make determinations of appropriateness of such reimbursements, within the limits of the authorized rates approved by the Board. All air travel must be authorized by the Board in advance. Authority to provide reimbursement for lodging shall be obtained in advance by the Board of Directors.

Reimbursement for periodic mileage or reimbursement for meals shall not exceed amounts established by the Board each year as a general policy. Checks shall not be signed by the person they are made out to.

The policy of the Corporation shall be that minimum expense shall be incurred for expenditures for supplies and equipment consistent with the needs of the Corporation. Funds shall not simply be expended because there is money authorized in the budget for that field of expense. The staff is admonished to be frugal with expendable supplies within limitations imposed by other sections of this policy. When acknowledging receipt of items purchased, all invoices, statements, bills of lading or purchase orders will be checked for accuracy. The Office Manager shall not be related by blood or marriage to an owner or employee of any vendor from whom the Corporation makes purchases, nor may the Office Manager be also employed by a vendor unless previously authorized by the Board.

CONTRACTS

The Board of Directors may from time to time authorize the Office Manager and/or Directors to prepare contract proposals and enter negotiations for contracts with other individuals, companies and corporations. Unless otherwise specified, the Board of Directors must approve any contract with one company, individual or corporation, except as shown below for authorized budget items and for printing services.

EQUIPMENT PURCHASES

For equipment that will cost more than \$200.00 the Office Manager must obtain approval from the immediate Supervisor. All equipment purchased new must be covered by service contracts for a period of not less than one year. Items listed on the P.O., bill, statement or such document is lost, another shall be requested and obtained from the vendor.

Items either returned or backordered shall be noted on the P.O., invoice, statement or bill. The supporting paperwork may then be used for the basis of issuance of checks for the material. The copy of such invoice, purchase order, bill or statement that is to be retained by the Corporation shall be annotated to include the date received, the date payment was made, the number of the check and name of the individual acknowledging receipt of the item or material. All bills, receipts or other supporting documents for which reimbursements are made must be marked in order to avoid possible use to cause duplicate payments. If the invoice, P.O., bill, statement or such document is lost, another shall be requested and obtained from the vendor.

A yearly physical inventory of all equipment owned, leased or loaned to the Corporation shall be made by the office personnel. The inventory shall include detailed information on all office furniture and equipment. The inventory shall be made prior to the first of January of each year. A copy of the report shall be presented to the Board of Directors within thirty days. The inventory shall include: description, date acquired, condition at time of acquisition, cost or estimate of value (if used) and date of last inventory. A separate report shall be prepared for the Board for their Quarterly meeting which shall reflect all service expenditures related to all equipment. Equipment shall not be removed from or loaned from the office unless approval is granted by the Office Manager, except equipment loaned to the office which is removed by the owner. Removal of all equipment must be recorded.

The Office Manager shall keep expenditures for supplies and equipment within the amounts described in the budget. The Office Manager shall maintain sufficient records on all equipment to permit proper recording of assets in the general ledger of the Corporation and to be reported on appropriate tax reports.

PETTY CASH GUIDELINES

A Petty Cash fund is hereby authorized in order to provide readily accessible money for the purpose of paying small charges which are impractical to paid by check for reasons of timeliness, expense, or inconvenience. Petty Cash funds can be replenished at appropriate intervals. Accountability for Petty Cash fund must be maintained at all times. It must be stressed that this is a money fund which must be

accounted for in the exact manner of money in checking accounts. Payments from or reimbursement from the Petty Cash fund must be made according to these policies:

A. A Petty Cash Custodian is appointed by the LRSO Manager and that individual is directly responsible for all funds entrusted to the Petty Cash fund. If the Petty Cash Custodian leaves employment of the Corporation, begins vacation or an extended sick leave, the account will be audited , and a new or

check made to 'Petty Cash Account" and given to the Custodian for their control. The check may not be written for the amount that exceeds \$200.00. Exception: Prior to an off site sales event, petty cash may be increased to a level of \$400.00 and then depleted back to \$200.00 after the event.

B. When a cash payment is made from the Petty Cash fund, a receipt and/or supporting document is placed in the Petty Cash box. Therefore, the total of cash remaining in the box, plus the total amount of receipts therein will equal the amount authorized in the fund at all times.

C. The Petty Cash fund shall not be used to obtain an individual item that has a cost in excess of \$100.00. When approximately 75% of the fund allotment has been expended the fund may be replenished. An exact accounting must be made before a check may be issued replenishing the fund. All receipts, bills, etc. that form the evidence of petty cash expenditures must be kept and the information included in required financial reports.

LSRSO BOD POLICY FOR RSC MONETARY REQUESTS PURSUANT TO TRAVEL

Request for financial assistance must meet the following criteria:

1. Requests must be made to the RSO Office Manager by the RSC Treasurer only. This will ensure that the travel plans are properly budgeted items already approved at the RSC. It will also indicate the traveler is cleared to make the request.
2. Requests must be made by the RSC Treasurer to the Office Manager 45 days prior to scheduled travel. This time is necessary to ensure all other criteria have been met and still allow reasonably priced travel options.
3. Travel arrangements will be made by RSO office staff. Once the RSC Treasurer has made the official request, proper arrangements will be made after consulting with the traveler.
4. Office Manager will invoice RSC Treasurer for reimbursement
5. The RSO Office Manager may consult with BOD Treasurer on any of these procedures
6. The BOD Treasurer will notify the RSC Treasurer in a timely fashion if the BOD is unable to accommodate a legitimate request for travel funds.

- (e) Exhibit at all reasonable times the books of account and financial records to any Director of the Corporation, or to his agent or attorney, on request therefor.
- (f) Render to the Chairman and Directors, whenever he or they request it an account of any or all of his transactions as Treasurer and of the financial condition of the Corporation.
- (g) Prepare, or cause to be prepared, and certify (i) the financial statements to be included in an annual report and (ii) file appropriate tax returns.
- (h) If required by the Board of Directors, give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.
- (i) In general, perform all duties incident to the Treasurer and such other duties as may be required by law, by the Articles of Incorporation of this Corporation, or these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

5.010 COMPENSATION. Officers of the Corporation shall serve without compensation.

ARTICLE 6. COMMITTEES

6.01 EXECUTIVE COMMITTEE. The Board of Directors, by majority vote of its members, may designate three (3) or more of its number to constitute an Executive Committee and delegate to such committee any of the powers and authority of the Board in the management of the business and affairs of the Corporation except the power to adopt, amend, or repeal the Bylaws, and provided that the designation of such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director, or any responsibility imposed on it or him by law, by the Articles of Incorporation of this Corporation, or these Bylaws.

By a majority vote of its members, the Board may at any time modify or revoke any or all the authority so delegated, increase or decrease but not below three (3) the number of its members, and fill vacancies there in from the members of the Board. The committee shall establish rules and regulations for its meetings that not inconsistent with the provisions of Section 3.04,3.05,3.06,3.08,3.10,3.11, and 3.12, of these Bylaws and meet at such times and places as it deems appropriate, provided that a reasonable notice of all meetings of the committee shall be valid unless approved by the vote or written consent of a majority of its members. The committee shall keep regular minutes of its procedures and report the same to the Board from time to time as the Board may require.

6.02 AD HOC COMMITTEES. An Ad Hoc Committee for each specific purpose or purposes may be designated from time to time by the Board. Such Committees shall be chaired by a Director. Members of each such committee shall be appointed either from the Directors or from the General Fellowship of the Lone Star Region of Narcotics Anonymous determined by the Chair unless otherwise determined by the Board, in such number as the Chair deems advisable unless specified by the Board when such committee is created.

6.03 TERMS OF OFFICE, VACANCIES, QUORUM AND RULES. All members of each committee, including the Chairman thereof shall serve until the next election of Directors or until

otherwise removed or the need for the committee is deemed by the Board terminated. Vacancies on any committee may be filled for the unexpired portion of the term in the same manner as provided in the case of original appointments. A majority of the whole of each committee shall constitute a quorum at a meeting shall be the act of the committee. Each committee may adopt rules for its own government and procedure not inconsistent with law, these Bylaws, the Articles or rules and regulations adopted by the Board.

ARTICLE 7. EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

7.01 EXECUTION OF INSTRUMENTS. The Board, except as otherwise provided in these Bylaws, may adopt by resolution authorize any officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and behalf of the Corporation and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent or employee shall have the power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable pecuniarily for any purpose or, in any sum.

7.02 CHECKS AND DUTIES. Except as otherwise specifically determined by the Board, as provided in Section 7.0 1 or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money and other evidence of indebtedness of the Corporation shall be signed by the Treasurer and/or two other agents designated by the Board of Directors.

7.03 DEPOSITS. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select and direct.

7.04 GIFTS. The Board may accept any contribution, gift, bequest, or devise on behalf of the Corporation for general purposes or for any special purpose of the Corporation.

ARTICLE 8. CORPORATE RECORDS, REPORTS, AND SEAL

8.01 MINUTES OF MEETINGS. The Corporation shall keep at its principal offices or at such other places as the Board may order, a book of minutes of all meetings of the Board, with the time and place of holding, whether regular or special and, if special, how authorized, the notice given, the names of those present at Director's meetings, and the proceedings thereof.

8.02 BOOKS OF ACCOUNT. The Corporation shall keep and maintain adequate and correct accounts of its properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

8.03 INSPECTION OF THE RECORDS. All Corporation records shall at all reasonable times be open to inspection by any Director. Every Director shall have the absolute right to inspect all books, records, documents or every kind and physical properties of the Corporation at any reasonable time. Such inspection may be made in person or by agent or attorney and the right of inspection includes the right to make copies.

8.04 ANNUAL REPORT AND FINANCIAL STATEMENT. An Agent (who may also be a Director) so designated by the Board will provide for preparation and submission of a written annual

report, including a financial statement prepared under the auspices of the Treasurer. Such report shall summarize the Corporation's activities for the preceding year and activities projected for the forthcoming year; the financial statement shall consist of a balance sheet as of the close of the business of the Corporation's fiscal year, contain a summary of receipts and disbursements, be prepared in such manner and form as is sanctioned by sound accounting practices as provided in Section 5.09(g) of these Bylaws.

8.05 CORPORATE SEAL. The Board may adopt, use, and at will alter, a Corporate seal. Such seal shall be affixed to all Corporate instruments, but failure to so affix it shall not affect the validity of any such instrument.

ARTICLE 9. FISCAL YEAR

9.01 The fiscal year of the Corporation shall be the calendar year.

ARTICLE 10. BYLAWS

10.01 EFFECTIVE DATE OF THESE BYLAWS. These Bylaws shall become effective upon their adoption. Amendments hereto shall become effective immediately on their adoption unless the Board in adopting them, provide that they are to become effective at some other date.

10.02 AMENDMENT. Subject to any provisions of law applicable to amendment of Bylaws of nonprofit Corporations, these Bylaws, or any of them, may be altered, amended or repealed and new Bylaws adopted as follows: Subject to the power of the member to change or repeal them, by vote of a majority of Directors at which a quorum is present, provided that written notice of such meetings and of the intention to change the Bylaws is delivered to each Director at least ten (10) days prior to the date of such meeting as provided in Section 3.04, or by written consent of all Directors without a meeting as provided in Section 3.12, provided that a By Law fixing or changing the number of Directors may not be adopted, amended or repealed except as provided in the succeeding paragraph.

10.03 CERTIFICATION AND INSPECTION. The original, or a copy of the Bylaws as amended, or otherwise altered to date, certified by the Secretary of the Corporation, shall be recorded and kept in a book which shall be kept in the principal office of the Corporation.

ARTICLE 11. AMENDMENT OF ARTICLES

11.01 The Corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest funds held by it according to the judgement of the Board, provided however, that no action shall be taken by or on behalf of the Corporation if such action is prohibited under Section 4941 through 4945 of the Code.

ARTICLE 12. DISTRIBUTION OF INCOME AND PROHIBITED TRANSACTIONS

12.01 Notwithstanding any other provision in these Bylaws, the Corporation shall be subject to the following limitations and restrictions: The Corporation shall distribute its income for each taxable year at such time and in such manner as to not become subject to the tax on undistributed income imposed by Section 4942 of the Code, or of such subsequent enactment dealing with this subject. The Corporation shall not engage in any act of self dealing as defined in Section 4941(d) of the Code. The Corporation

shall not retain any excess business holdings as defined in Section 4943 of the Code.

12.02 PROHIBITION AGAINST SHARING PROFITS OR ASSETS. No member, Director, Officer, employee or other person connected with this Corporation, or any other private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the Corporation, provided that this provision shall not prevent payment to any such person of reasonable compensation for services rendered to or for the Corporation as shall be fixed by resolution of the Board. The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code. The Corporation shall not make any taxable expenditures as defined in Section 4945 of the Code.

ARTICLE 13. AFFILIATION WITH OTHER ORGANIZATIONS

13.01 This Corporation is a service which serves a function within the totality of an organization know as Narcotics Anonymous Society. In so doing, it endorses that aims, goals and purposes of that organization, and in fact, by specials endorsement per Section 13.02, it operates under the guidelines of the “Twelve Traditions” as espoused by the Narcotics Anonymous Society.

13.02 All members, Directors and Officers of this Corporation shall be, and are, subject to, and will abide by, the principles of the “TWELVE TRADITIONS” of Narcotics Anonymous Society as set forth in the book identified and entitled as “Narcotics Anonymous” and shall further abide by motions adopted at each Regional Service Committee meeting and implement decisions reached by the Regional Service Committee as they pertain to operation of Regional Service Office. It is herein specifically acknowledged by the Lone Star Regional Service Committee and the Fellowship of Narcotics Anonymous that the net proceeds resulting from the sale and distribution of any literature and/or other materials for Regional Service Committee and the Fellowship shall be received by the Lone Star Regional Service Committee.

ARTICLE 14. CONSTRUCTION

14.01 As used in these Bylaws:

- (a) The present tense includes the past and future tenses, and the future tense include the present.
- (b) The masculine gender includes the feminine and neuter genders.
- (c) The singular number includes the plural, and the plural number includes the singular.
- (d) The word “shall” is mandatory and the work “may” is permissive.
- (e) The words “Directors” and “Board”, except in context specifically and expressly made otherwise applicable, shall mean Directors of the Board of Directors of this Corporation and the Board of Directors of this Corporation and none other.
- (f) The word “Code” shall mean the Internal Revenue Code of 1986, as amended.

Revised 6/90 .02
Revised 3/92 1.02, 5.02
Revised 9/92 4.05 4.06
Revised 6/94 4.04
Revised 3/96 4.04, 4.05 4.06
Revised 2/97 2.01 4.09, 4.1

LONE STAR REGIONAL SERVICE OFFICE, INC.

LITERATURE SALES POLICY

One of the primary purposes for the existence of the Lone Star Regional Service Office, Inc. (hereafter referred to as LSRSO) is to distribute literature so that it is available to existing and future members. The literature sales policies presented in this publication are the result of experience of the office accumulated over a number of years in our efforts to fulfill that responsibility. These policies are generally developed as a result of need and are adopted by the Board of Directors of the office before they are permanently included as part of the Literature Sales Policy.

GENERAL POLICY ON LITERATURE SALES

This section contains policy statements covering the general policy for LSRSO literature sales.

The prices listed on the current LSRSO Order Form will be used to calculate the amount of any order.

2. All orders for literature sales must be placed by written order accompanied by payment, unless prior arrangements have been made with the LSRSO Manager.
3. The form of payment for an order may be check, money order, credit card charge or cashier's check; however if the customer has previously submitted a check which was returned by the bank, a money order or cashier's check may be required. (See returned check policy)
4. For non-fellowship customers, a standard net 30-day invoice for all orders may be available. Failure to comply with these terms and conditions will result in the loss of discount on delinquent orders. Past due invoices will be subject to 1 1/2% charge per month on outstanding balances after 45 days past due.
5. For Incorporated Fellowship customers a net 30 day invoice for all orders may be available. Failure to comply with these terms and conditions will result in the loss of discount on delinquent orders. Past due invoices will be subject to 1 1/2% charge per month on outstanding balances after 45 days past due.

TEXAS SALES TAX

Texas State law requires that on all retail sales conducted with residents of Texas and visitors who purchase while in Texas, that a sales tax be collected. The sales tax amount is determined according to Texas law and at the time of the adoption of this policy is 8.25% for sales conducted in the city of Dallas.

Texas customers who purchase from LSRSO for the purpose of commercial resale within Texas should present to the LSRSO a copy of their Franchise Tax Re-Sale form in order to avoid having the LSRSO incorrectly collect Texas Sales Tax.

1510 RANDOLPH, SUITE 205 • CARROLLTON, TX 75006
972-245-8972 • 800-747-8972 • FAX 972-466-2268
WEBSITE: lsrna.com E-MAIL: office@lsrna.com

SHIPPING & HANDLING FEE POLICY

This shipping and handling fee policy is effective upon publication and dissolves the existing policy:

For orders with a total of less than twenty-five dollars (\$25.00) a flat fee of \$4.00 will be added to the order.

For orders with a total purchase price of more than twenty-five dollars (\$25.00) but less than fifty (\$50.00), a flat fee of \$5.00 will be added to the order.

For orders with a total purchase price of more than fifty dollars (\$50.00) but less than one hundred fifty dollars (\$150.00), an eleven percent (11%) shipping and handling fee shall be charged.

For orders with a total purchase price of more than one hundred fifty dollars (\$150.00) but less than five hundred dollars (\$500.00), a ten percent (10%) shipping and handling fee shall be charged.

For orders with a total purchase price of more than five hundred dollars (\$500.00) but less than one thousand dollars (\$1,000.00), a nine percent (9%) shipping and handling fee shall be charged.

For orders with a total purchase price of more than one thousand dollars (\$1,000.00), a five percent (5%) shipping and handling fee shall be charged.

Walk-In Sales - - 3% handling fee.

DISCOUNTS

The LRSO Sales Policy for discounts shall be 2% more than the single purchase discount offered by the World Service Office. (Example: If they give 7%, we will offer 5%)

For orders in excess of five hundred dollars (\$500.00), a 5 percent (5%) discount will be given.

For orders in excess of two thousand four hundred ninety nine dollars (\$2499.00), a 6.5 percent (6.5%) discount will be given.

Other discounts may be given with the Office Manager's approval.

DELINQUENCY NOTICES AND COLLECTION

Failure to comply with the terms and conditions of your account will result in the loss of discount on delinquent orders. Past due invoices will be subject to 1 1/2% charge per month on outstanding balances after 45 days past due.

A second notice will be mailed to all outstanding accounts at the end of the following month. If necessary, a third billing will be mailed to all outstanding accounts at the end of the next month following the second notice. All second and third billing notices will have a duplicate copy sent to another person or addressee of the purchaser that should have knowledge of or responsibility for the

order. Duplicate notices to non-fellowship accounts will be addressed to CEO's or other administrative personnel. After this, a certified letter will be mailed.

Any non-fellowship account that reaches the 45 day date in the Aging Analysis Report will be referred to the LRSO Manager for informational purposes and the Office Manager will make direct phone calls to the ordering party. Any order delinquent more than 75 days will be referred to the LRSO attorney for subsequent collection notices and possible legal action as the situation may warrant.

RETURN CHECK POLICY

The return of a check to the LRSO by the customer's bank for any reason will cause this policy to take effect.

1. The returned check will be redeposited one time after the initial return. A service charge of \$15.00 will be assessed the customer for each redeposit. It should be noted here that no orders will be filled on a cash basis or otherwise until the returned check and related service charge(s), if any, have been paid.
2. If the check is returned a second time, a copy of the check and certified letter will be mailed to the chairperson of the appropriate committee, or CEO if the customer is a non-fellowship buyer. If payment by money order or cashier's check is not received within 15 days of this notice, subsequent collection efforts will be turned over to a LRSO attorney.
3. In the event that check are returned due to insufficient funds on two subsequent orders, certified funds will be required on the next three subsequent orders before another check will be honored.
4. In the event that the check(s) that are returned are due to insufficient funds from an ASC, notice of the NSF check will be mailed certified to the maker of the check, with a copy of the notice to the Chairperson of the ASC.

RETURN MERCHANDISE

On all returned merchandise, pending the discretion of the Office Manager, said returns are subject to a 20% restocking fee.

REVIEW OF THIS POLICY

Review of this policy should take place before December 31, 1999 to prevent expiration. This would be precluded by prior action by the LRSO Board of Directors.

Revised 9/19/98
Effective 1/1/99

Lone Star Regional Services Theft of Office Funds

The following policy is written to address the sad but true fact that there are those who would steal NA's money. Where it applies, we have borrowed a great deal of this document from the World Service Board of Trustees Bulletin #30, Theft of NA Funds. This document appears on the Web site for Narcotics Anonymous. We appreciate all the work the Board of Trustees put in this document and wish to thank them for sharing with us the experience of NA.

"Theft can be avoided by consistently and diligently following responsible financial principles and practices. The pain and conflict caused when one of our members steals from us, as well as the loss of funds that might have gone to help the still-suffering addict, point to our responsibility to prevent theft from happening in the first place." To that end we have established the following policy for the Lone Star Regional Office. We believe that the best safeguard against theft is to remove the opportunity to steal.

Safeguarding funds:

Daily sales conducted with cash will be done in a cash register in open view. The sound of a cash drawer opening draws the attention of the special worker charged with the office on a daily basis.

All checks received in the mail will be logged in an incoming cash log as they are opened, and the back of the checks or money order will be stamped "For deposit only".

All receipts, cash and checks will be deposited in the RSO bank on the day they are received, no matter how small the deposit.

All sales done off site will be entered as sales on the first business day following the event and the funds deposited to the RSO bank that day.

Petty cash held at the office will be minimal and kept locked in either the cash register or a locked drawer. The petty cash account shall be reconciled on a bi-weekly basis. The account shall be replenished as needed to keep the fund current. Any shortages in the account will be reported as losses to the Board of Directors.

Trusted Servants of Narcotics Anonymous are not employees of the RSO, they should not be selling merchandise or taking money from customers when they are in the office on other NA business.

All RSO merchandise, literature, convention merchandise and office equipment should be counted and treated as carefully as money. We must remember that these are assets of the RSO and thereby assets of the fellowship we serve.

The RSO has adopted standardized accounting and auditing principles. An outside accounting firm reviews and reconciles all bank accounts monthly. Monthly financial statements are sent to the Chairperson of the Board and all members of the Board review financial statements and office operations on a quarterly basis or as requested.

The theft of funds are usually not because there are no policies to cover handling funds. Theft occurs when we fail to adhere to these policies. It is the responsibility of each employee to review this policy and abide by it. Failure to follow the RSO policy on handling office funds may result in disciplinary action or the loss of employment. Theft will not be tolerated.

When safeguards fail.

If we adhere to our policy the opportunity for theft is substantially reduced. If a theft happens, we must review our procedures and see if we need to change or adapt our policies. If our procedures are in place and the employees have adhered to policies and theft has occurred anyway, we will not take the loss of RSO or NA funds lightly. We will take these steps:

A thorough review of all books and financial records will be conducted by the Office Manager and one member of the Board. The exact or approximate amount of the loss is to be determined. A report shall be generated to the Chairman and members of the Board on how much and what procedures failed to protect the funds.

A list of all with access to the funds will be prepared. The list together with the above list will be reviewed by the Board of Directors on a conference call.

If the funds have been taken by an employee or other known Trusted Servant, a meeting with the Chairman of the Board, the Office Manager and other Board members available shall be conducted and an opportunity to resolve the loss will be attempted. (The spiritual principles outlined in the WSO Bulletin #30 shall guide this meeting.)

If the individual does not appear at the meeting, every effort will be made to contact the person by phone or by letter explaining that an internal audit has been conducted and that facts show the individuals responsible for the missing money. This letter should explain what steps the RSO will follow in recovering the loss.

The Chairman of the Board along with the Office Manager will contact the local police department within 24 hours following the internal investigation. The RSO will cooperate with local authorities in conducting an investigation of the loss. The anonymity of members and Board members should be considered in turning over the list of suspects to the police department. If a NA member's name is given to the police as a suspect, the Office Manager or the Chairperson should contact that member and advise him of the loss and the investigation.

The Chairman of the Board will report to the Regional Service Committee the loss and the results of the internal and legal investigation. The decision to prosecute will be thoroughly explored with the RSO Board and RSC Administrative Committee.

Because of the nature of our program and because we support amends and forgiveness, if the funds are returned and they are taken by a member who comes forward to make restitution and change their behavior, we will work with the local authorities in dropping charges.

The loss or theft of NA money will never be an easy resolution. Feelings will be hurt, members will be angry and services will suffer. It is therefore the purpose of these safeguards to keep such things from happening. We need to remember that our disease will surface if we are not diligent, and diligence in maintaining good financial principles is just as important as we conduct the business of Narcotics Anonymous in the Lone Star Region.

Revised 9/99

BYLAWS OF LONE STAR REGIONAL SERVICE OFFICE

ARTICLE 1. OFFICES

1.01 PRINCIPAL OFFICE. The principal office of the Corporation for the transaction of business is located at: 1510 Randolph, Suite 205, Carrollton, Texas 75006.

1.02 CHANGE OF ADDRESS. The State of the Corporation's principal office can be changed only by amendment of the Articles of Incorporation of the Corporation and not otherwise. The Board of Directors may, however, change the principal office from one location to another within the named State by noting the changed address and effective date below and such change of address shall not be deemed an amendment of these Bylaws:

DATE	LOCATION
3/1/92	1510 Randolph, Suite 205 Carrollton, Texas 75006

1.03 OTHER OFFICES. The Corporation may also have offices at such other places, within or without the State of Texas where it is qualified to do business, as its business may require and as the Board of Directors may be from time to time designate.

ARTICLE 2. PURPOSE

OBJECTIVES AND PURPOSES. The objectives and purposes of the Corporation shall be:

- (a) to carry the message of recovery to addicts who still suffer from addiction, to provide support to the Fellowship of Narcotics Anonymous in their efforts to provide opportunity to recover from addiction, and to provide information to the general public concerning recovery from addiction through the program of Narcotics Anonymous;
- (b) to host, sponsor, provide administrative, organizational, logistical and financial services to the Lone Star Regional Service Conference ("LSRSC") of Narcotics Anonymous and in such other capacities as the conference may desire or direct all to further recovery in meetings, workshops and other activities;
- (c) to provide service to individual addicts seeking recovery from addiction or groups of individual addicts seeking recovery from addiction and to assist the general public in understanding addiction and the Narcotics Anonymous program for recovery from addiction. Such assistance may include direct and indirect communication with addicts, organizations, agencies, governments and the public at large;
- (d) to hold and manage in a fiduciary capacity the income produced by any of the activities described above in such manner that the other purposes outlined or assumed or as may be later assigned are satisfactorily accomplished when such is done within the spirit of the Twelve Steps and Twelve Traditions of Narcotics Anonymous;

(e) to operate and maintain telephone helplines and fund raising activities to finance the operation of the principal office and any other office or offices of the Corporation; and

(f) to do all matters necessary, convenient or helpful to carry out the foregoing objectives and purposes of the Corporation.

2.02 No substantial part of the activities of this Corporation shall consist of carry on propaganda, or otherwise attempt to influence legislation, nor shall the Corporation participate, endorse, or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

ARTICLE 3. MEETINGS

3.01 PLACE. Meetings shall be held at the principal office of the Corporation unless otherwise provided by the Board. Regular meetings shall be held at such time as may be designated by resolution of the Board. Special meetings of the Board may be called by the Chairman, or if he is absent or unable, or refuses to act, by the Vice-Chairman or by any two Directors, and such meetings shall be held at the place within or without the State of Texas, designated by the person or persons calling the meetings and in the absence of such designation at the principal office of the Corporation.

3.02 QUARTERLY MEETING OF THE BOARD OF DIRECTORS. The Quarterly meeting of the Board of Directors of the Corporation shall be held at the principal office of the Corporation within forty-five (45) days prior to the quarterly meeting of the Regional Service Committee of Narcotics Anonymous.

3.03 SPECIAL MEETING. Special meetings of the Board of Directors may be called by any two (2) Directors and held at such times and places within or without the State of Texas as may be ordered by resolution of the Board. Notice of such special meetings must comply with the requirements of Sections 3.04, 3.05, 3.06, 3.07 and 3.08 of the Bylaws.

3.04 NOTICE OF MEETINGS. Notice of any meetings of the Board of Directors shall be given at least ten days previously thereto by written notice delivered personally or sent by mail, telegram, or telecopy to each Director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed with postage thereon prepaid. If notice be given by telegram or telecopy, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company or telecopy operator. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except when 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.

3.05 CONTENTS OF NOTICE. Notice of meetings of the Board of Directors shall specify the place, the day, and the hour of the meeting and, in the case of special meetings, the general nature of the business to be transacted.

3.06 QUORUM. A quorum shall consist of 1/2 of all Directors plus 1 of the Board of Directors.

3.07 ADJOURNMENT FOR LACK OF QUORUM. In the absence of a quorum any meeting of the Board of Directors may be adjourned from time to time by the vote of a majority of the Board of Directors present but no other business shall be transacted.

3.08 NOTICE OF ADJOURNED MEETING. When a meeting becomes, by action of the Board of Directors present, adjourned to another date, notice requirements in Section 3.04 or 3.05 shall be followed.

3.09 LOSS OF QUORUM. The Board of Directors present, duly called at a meeting at which a quorum was present when roll was taken, may continue to do business until adjournment notwithstanding the withdrawal of sufficient number of Directors to leave less than a quorum.

3.010 VOTING AT MEETINGS. Each Director is entitled to one (1) vote on each matter submitted to a vote of the Board of Directors, voting at duly held meetings of the Directors. Votes shall be by voice vote, except as otherwise expressly provided in these Bylaws. No single vote shall be split into fractional votes. Cumulative voting for the election of Directors or otherwise shall not be authorized. The candidates receiving the highest number of votes up to the number of Directors to be elected are elected. Members entitled to vote shall have to right to vote in person. No Director may utilize a proxy to fulfill his/her participation as a member of the Board of Directors, including the determination of a quorum.

3.011 CONDUCT OF MEETINGS. Meetings of the Board shall be conducted by the Chairman of the Corporation, or in his absence, by the Vice Chairman, or, in the absence of both, by a Chairman chosen by a majority of the Board present. The Secretary of the Corporation shall act as Secretary of all meetings of the Board provided that in his or her absence the presiding Director shall appoint another person to act as Secretary of the meeting.

Meetings shall be governed by ROBERT'S RULES OF ORDER, (newly revised), insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this Corporation, or with the laws of the State of Texas or of the United States.

3.12 ACTION WITHOUT MEETING. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if authorized in writing signed by all the Directors who would be entitled to vote on such action at a meeting and filed with the Secretary of the Corporation, except as otherwise expressly provided in these Bylaws.

ARTICLE 4. DIRECTORS

4.01 NUMBERS. The corporation shall have ten (10) Directors and collectively they shall be known as the Board of Directors. When there are two or more members of the Board from outside the Lone Star Region, the number of Board of Directors shall be increased to eleven (11) in order to cover and accommodate the Lone Star Regional Convention Administrative Committee. Such members must have experience as per the Convention Guidelines.

When the Chairperson of the Lone Star Regional Convention Administrative Committee is elected from the Lone Star Regional Service Conference appointee, said Chairperson will become a member

of the Board of Directors, therefore expanding the number of Board of Directors by one (1). In the event that the Chair of the Convention resigns or is removed, that seat will not be vacant anymore unless the next Chair selected was also from the LSRSC. The number may be changed only by amendment of these Bylaws.

4.02 POWERS. The Directors shall exercise the powers of the Corporation, control its property, and conduct its affairs, except as otherwise provided by law and subject to the limitations contained in the Articles of Incorporation and these Bylaws.

4.03 DUTIES. It shall be the duty of the Directors to: (a) perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation, or these Bylaws; (b) appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the Corporation; (c) supervise all officers, agents, and employees of the Corporation to assure that their duties are properly performed; (d) meet at such time and place as required by these Bylaws; (e) require that special meetings of the Board be called whenever and as often as they deem necessary and whenever demanded by the required number of Directors as set forth in these Bylaws; and (f) register their addresses with the secretary of the Corporation, and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

4.04 QUALIFICATIONS. Any person who would qualify for Regular Membership in any of the NA Regions whose boundaries include any part of the State of Texas pursuant to applicable requirements set forth in these Bylaws is eligible to be elected a Director of this Corporation. These requirements are: (a) 5 years of continuous "clean" time; (b) a minimum of 2 years prior service experience on an area or regional level; (c) an understanding of 12 Steps and 12 Traditions and 12 Concepts of Narcotics Anonymous by application; (d) time and resources necessary to fulfill requirements of the office as set forth herein these Bylaws; (e) the presence of any nominee to the Board of Directors at the annual election meeting is required.

4.05 ELECTION. Nine (9) of the ten (10) authorized Directors shall be elected by majority vote of the existing Board of Directors in the manner set out hereinafter. Each area in the Lone Star Region may nominate at least two (2) members who meet the requirements of Sec. 4.04 to a pool of nominees from which the Board may draw in electing directors to the Board. Elections for these nine (9) seats will be held in June of each year.

One (1) OF THE TEN (10) Directors's positions shall be specifically reserved in continuum for appointments by the Regional Service Committee, to be filled by designation as follows:

(a) The Lone Star Regional Service Committee, at its annual election meeting, shall elect one (1) individual who shall then be a member of the Board of Directors heretofore described and provided for, for a two (2) year term and (b) The Regional Service Committee shall determine its own procedure for electing said Director and said procedure shall not thereafter be altered except by proper motion majority vote at the quarterly meeting of the Lone Star Regional Service Committee. The Regional Service Committee is responsible for filling said designated seat whenever the following occurs: said Regional appointed Director is removed, refuses, or fails to serve in such capacity or the term of appointment has expired. The Regional Service Committee has the right to reappoint any Director to serve, consecutive or additional terms, provided each such Director shall continue to qualify under Section 4.04 hereof.

4.06 TERMS OF OFFICE. Each of the Nine (9) Directors who are to be elected by the Board pursuant to applicable sections set forth herein, shall serve for two (2) years from the date of his or her election to the Board of Directors.

The Director elected by the Regional Service Committee shall each serve for Two (2) years from the Board Meeting following that Regional Service Committee election pursuant to applicable sections set forth herein.

Any Director elected or designated under the provisions of these Bylaws shall be eligible for reelection or appointment, not to exceed three (3) consecutive terms, provided such Director continues to meet the qualifications required by Section 4.04 of these Bylaws.

COMPENSATION. Directors shall serve without compensation.

4.08 ACTION BY THE BOARD OF DIRECTORS. Every action or decision by the Board majority present at a meeting duly held by a quorum is the act of three Board unless the law, Articles of these Bylaws require a greater number. Any action to be taken by the Board may be taken without a meeting if all members shall individually or collectively consent in writing to such action, where such writing is filed with the Corporation minutes and shall have the same force and effect as the unanimous vote or the Directors and certificate or other documentation thereof shall be prima facie evidence of the authority therefor.

REMOVAL AND RESIGNATION OF DIRECTORS.

(a) **BY THE BOARD WITHOUT CAUSE:** The Board of Directors may declare vacant the office of any incumbent Director who has been (1) declared of unsound mind in a final order of the court; (2) convicted of a felony while serving on the Board; (3) found by a final order of judgement of any court to have breached statutory duties relating to a Director's standard of conduct; (4) if found after investigation by the Board, that he has been using as defined by Narcotics Anonymous; or, (5) found by the Board to have failed to attend or participate in any other manner as provided for herein, two (2) or more consecutive meetings, or four (4) meetings in total, of the Board of Directors.

PROVIDED: That the removal of the Director heretofore elected by the Regional Service Committee shall be removed pursuant to this Section ONLY in conjunction with written consent of such individual as the Regional Service Committee may designate for this purpose.

(b) **BY THE BOARD WITHOUT CAUSE:** No Director shall be removed without cause.

The vote necessary to remove any Director on any of the foregoing causes shall be a majority of the Directors present at a duly held meeting at which a quorum is present.

(c) **PERIOD TO CHALLENGE REMOVAL:** An action challenging the validity of any removal of a Director must be commenced within thirty (30) days after the removal. After the thirty (30) day period, the removal is conclusively presumed valid, in the absence of fraud.

(d) **RESIGNATION:** A Director may resign by giving written notice to the Chairman of the Board, the Vice Chairman, or the Secretary of the Corporation. Resignation is effective upon giving of the

notice unless the notice specifies a later time. If the resignation is effective at a later time, a successor may be elected pursuant to provisions herein, immediately, to take office when the resignation becomes effective.

4.010 VACANCIES. Vacancies in the Board shall exist: (1) on the death, resignation, or removal of any Director; (2) any other event which is specified in Section 4.09 of these Bylaws; or (3) if after notice of election he does not accept the office in writing within thirty (30) days or by attending the next scheduled meeting of the Board. Any reductions of authorized Directors does not operate to remove any Director prior to the expiration of his term office.

4.011 NON-LIABILITY OF DIRECTORS. No Director shall be personally liable for the debts, liabilities or obligations of the Corporation, and any lawsuit against any Director arising from his activities as a Director of the Corporation shall be defended at the cost to the Corporation, including reasonable expenses and attorney's fees, provided that the court finds that the conduct of such sued Director was such to merit such indemnity, and such sums as the court finds to be reasonable. Directors shall be indemnified to the extent permitted by Article 2.22A of the Texas Non-Profit Corporation Act or any superseding law.

ARTICLE 5. OFFICERS

5.01 NUMBERS AND TITLES. The officers of the Corporation shall be a Chairman, Vice Chairman, Secretary and Treasurer. One person may hold multiple offices except those of Chairman and Secretary.

5.02 QUALIFICATIONS, ELECTION AND TERM OF OFFICE. Any individual who would qualify under the terms and provisions of these Bylaws to be a Director of the Corporation is qualified to be an Officer of the Corporation. Officers other than as appointed per Section 5.03 or 5.05 shall be elected annually by the Board at the second quarterly Board meeting.

Each officer will enter office beginning at the third quarterly meeting, having served an apprenticeship during the preceding quarter, and each officer shall hold office until he resigns, is removed, or until his successor shall be elected and enters office.

5.03 SUBORDINATE OFFICERS. The Board may appoint or employ such other officers or agents as it may deem desirable and such officer; shall serve such terms and have Authority to perform such services and duties as may be prescribed from time to time by the Board.

5.04 REMOVAL AND RESIGNATION. Any officer may be removed by a majority vote of the Board, or as the Board may be qualified to act as otherwise provided in these Bylaws, and such officer shall be removed forthwith or under such terms as the Board may so decide. Any officer may resign by giving notice to the Board, to the Chairman or to the Secretary of the Corporation. Any such resignation shall take effect at the date of receipt of the notice, or at such time as specified therein, or upon such date as may be determined by the Board, but in no event later than the date stated in said notice.

5.05 VACANCIES. Any vacancy caused by death, resignation, removal, disqualification or otherwise, of any officer, shall be filled by the Board for the unexpired portion of the term. Vacancies

occurring in offices appointed or employed at the discretion of the Board, may or may not be filled as the Board shall determine to continuing need for such service.

5.06 DUTIES OF THE CHAIRMAN. The Chairman shall be the chief executive officer of the Corporation and shall in general, subject to the control of the Board, supervise and control the affairs of the Corporation. He shall perform all duties incident to his office and such other duties as may be required by law, the Articles of these Bylaws, or which may be from time to time prescribed by the Board. He shall preside at all meetings of the Board, except as otherwise expressly provided by law, by the Articles of Incorporation or these Bylaws. He shall, in the name of the Corporation, execute such deeds, mortgages, bonds, contracts, checks or other instruments which from time to time be authorized by the Board.

5.07 DUTIES OF THE VICE CHAIRMAN. In the absence of the Chairman or in the event of his or her inability or refusal to act, the Vice Chairman shall perform all the duties of the Chairman, and when so acting shall have all the powers of, and by subject to all the powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

5.08 DUTIES OF THE SECRETARY. Subject to the provisions of Articles seven (7) and eight (8) of these Bylaws, the Secretary shall certify and keep at the principal office of the Corporation, or at such other place as the Board may authorize, a book of minutes of all meetings of the Directors, recording therein the time and place of holding, whether regular or special, and if special, however authorized, notice given thereof, the names of those present at meetings of Directors. He or she shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law or the Articles. He shall be the custodian of the records of the Corporation, which shall be kept as herein above provided. He shall exhibit at all reasonable times to any Director or to his agent or attorney, on request therefor, the Bylaws, and the minutes of proceedings of the Board.

In general, the Secretary shall perform all duties incident to the office of the Secretary and such other duties as may be required by law, by the Articles of Incorporation of this Corporation, or by these Bylaws, or which may be assigned to him from time to time by the Board of Directors.

5.09 DUTIES OF THE TREASURER. Subject to the provisions of Article 7 of these Bylaws, the Treasurer shall:

- (a) Have charge and custody of, and be responsible for, all funds and securities of the Corporation, and deposit all such funds in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.
- (b) Receive, and give receipt for, money due and payable to the Corporation from any source whatever.
- (c) Disburse or cause to be disbursed the funds of the Corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursement.
- d) Keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.