

**BYLAWS OF THE
ARIZONA PETROLEUM MARKETERS ASSOCIATION**
(Last amended August 2013)

Section 1. Scope

1. **Name.** The name of the Association is the Arizona Petroleum Marketers Association, a nonprofit corporation incorporated in the State of Arizona.
2. **Location.** The principal office of the Association is located in the City of Phoenix in the State of Arizona.
3. **Purposes.** The purposes of the Association include:
 - a) To advocate and encourage the adoption of practices, customs, and legislations affecting the marketing of petroleum products to the end of maintaining fair trade practices and a system of free, competitive enterprise, as well as to oppose customs, practices, regulations, and legislation contrary to such purposes;
 - b) To represent petroleum marketers and distributors in their contact with local, state, and federal governments, and appear for and on behalf of the membership before legislative and administrative bodies of local, state, and federal governments;
 - c) To provide information, so far as it is possible, of the trends, changes, regulations and laws that affect, or may affect, the petroleum industry and/or marketing practices of Association members;
 - d) To provide other services, as they are approved by the Association board, that may benefit Association members; and,
 - e) To at all times conduct its affairs so that it is qualified for exemption under Section 501(c) of the federal Internal Revenue Code and regulations promulgated thereunder.
4. **Restrictions.** All policies and activities of the Association shall be consistent with:
 - a) Applicable federal, state, and local antitrust, trade regulation, and other legal requirements; and,
 - b) Applicable tax-exemption requirements including the requirements that the Association not be organized for profit and that no part of its net earnings inure to the benefit of any private individual.

Section 2. Membership

1. **Membership Qualifications.** This Association shall have four general classifications for members.
 - a) **REGULAR MEMBERS:** Any adult person or business entity engaged in the business of marketing petroleum products in the State of Arizona is eligible for a regular membership in this Association, provided such potential member agrees to pay Association dues. All regular membership applications must receive approval of the Board of Directors. Each regular member shall have one (1) vote only on the election of members of the Board of Directors and amendments to these Bylaws. One person from each regular member may hold any office in this Association. Each regular member may participate in Association benefit programs.
 - b) **ASSOCIATE MEMBERS:** Any adult person or business entity engaged in a business directly connected or affiliated with the petroleum marketing industry, may become an associate member of this Association. All associate membership applications must receive approval of the Board of Directors. Associate members shall pay Association dues. Each associate member shall have one (1) vote only on the election of members of the Board of Directors. One person from each associate member may serve as a voting Director on the Board of Directors. Each associate member may participate in Association benefit programs.
 - c) **HONORARY MEMBERS:** Any adult person or business entity may be recommended or nominated to be a member of the Association, subject to approval of the Board of Directors. Honorary members will not be responsible for the payment of Association dues and shall have no vote. Each honorary member may participate in Association benefit programs.
 - d) **SPECIAL MEMBERS:** Special members are limited to persons who have retired from business entities that are current or former regular or associate members of the Association. All applications for special membership must receive approval of the Board of Directors. Special members shall pay Association dues. A special member formerly affiliated with a regular member may hold any office in this Association. A special member formerly affiliated with an associate member may serve as a voting Director on the Board of Directors. Each special member may participate in Association benefit programs.
2. **Membership Voting.** The presence of twenty percent of voting membership constitutes a quorum. A majority of members where a

quorum is present is necessary to make decisions except where some other number is required by law or by these Bylaws. Proxy voting is not permitted. Voting by mail is permitted.

3. ***Other. The title "member" as may be provided to any person under these Bylaws grants only those rights specifically provided in Section 2 and does not in any way confer upon such person any rights under the Arizona Nonprofit Corporation Act.***

Section 3. Suspension and Termination of Membership

1. A membership shall terminate on occurrence of any of the following events:
 - a) Resignation of a member;
 - b) Failure of a member to pay dues, fees, or assessments as set by the Board after they become due and payable, consistent with the provisions of Section 4 below;
 - c) Occurrence of any event that renders a member ineligible for membership, or failure to satisfy membership qualifications; or,
 - d) Expulsion of the member under this section, based on the good faith determination of the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the Association's purpose or has engaged in conduct materially prejudicial to the purposes and interests of the Association.
2. A membership may be suspended based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material degree to observe the Association's purpose or has engaged in a conduct materially prejudicial to the purposes and interests of the Association.
3. A member whose membership is suspended shall not be a member of the Association during the period of suspension.
4. A member shall be given thirty (30) days prior notice of the proposed expulsion or suspension of membership and the reasons for the proposed expulsion or suspension of membership.
5. A member shall be given an opportunity to be heard, either orally or in writing, at least seven (7) days before the effective date of the suspension or expulsion of membership. The Board, or a committee or person authorized by the Board, shall hold a hearing or consider the

written statement to determine whether the suspension or expulsion of membership should take place.

6. The Board, or a committee or person authorized by the Board, shall decide whether a member should be suspended or expelled, or sanctioned in another way. The decision of the Board, or a committee or person authorized by the Board, shall be final.

Section 4. Membership Dues

1. **Dues.** The Board of Directors establishes dues.
2. **Delinquency.** Any member of the Association who is delinquent in dues for a period of ninety (90) days is notified of the delinquency and suspended from membership. If dues are not paid within the succeeding thirty (30) days, the delinquent member forfeits all rights and privileges of membership and is automatically expelled from the Association.
3. **Refunds.** No dues will be refunded.

Section 5. Board of Directors

1. **Elections and Term of Office.** Members of the Board of Directors are nominated by the Nominating Committee and ratified by the regular Association membership. Candidates for Board of Director positions will be presented by the Nominating Committee with additional nominations from the Board. Elected Directors will take office effective July 1 and will serve for either one-(1) or two-(2) year terms.

Section 6. Executive Officers and Directors

1. **Officers.** The officers of the Association are the President, the Vice President, the Second Vice President, the Treasurer, the Immediate Past President, and the Executive Director. Officers, with the exception of the Executive Director, are considered members of the Board of Directors. The PMAA Director may be an officer or may be a regular member who reports to the Board of Directors. If the PMAA Director is an officer, he or she will also be considered a member of the Board of Directors.
2. **Election and Term of Office.** Officers, except the Executive Director, are elected by the Board of Directors to take office effective July 1. The Nominating Committee will present candidates for office with additional nominations from the Board. Each officer, except the Executive Director, will serve for either one-(1) or two-(2) year terms.

Section 7. Vacancies

1. If a vacancy occurs during the term of office of any Association officer or Director, the President, upon approval of the Board of Directors, may appoint a replacement for the balance of that term of office.

Section 8. Duties of Association Executive Officers and Directors

1. **Meetings.** The Board of Directors will meet at least twice annually. The Association President and Executive Director will establish the time and place for these meetings. One meeting of the Board of Directors will be a budget session to establish and approve the budget for the coming year.
2. **Special Meetings.** The Board of Directors may call special meetings of the Association regular membership at any time.
3. **Notice.** The Board of Directors must give Association members reasonable notice of all annual and special meetings. The notice must include a description of the business to be discussed.
4. **Voting.** A majority of Directors is necessary to make decisions except where some other number is required by law or by these Bylaws. Voting by electronic mail is permitted. The failure of a Director to vote by email after a reasonable period will be considered an abstention from the vote.

Section 9. Committees

1. An Executive Committee consists of the officers of the Association and may act in the place of the Board of Directors when authority is designated by the Board or in emergency matters where Executive Committee action is temporary and subject to subsequent approval by the Board at its next meeting. The President appoints whatever committees are necessary.
2. Other committees include the Nomination Committee which consists of the existing officers and three past presidents. The Association will also have a Budget Committee consisting of at least one officer in addition to the Executive Director.

Section 10. Powers and General Procedure

1. **Powers.** Subject to the limitations of the Articles of Incorporation and these Bylaws as to actions which shall be authorized or approved by

the members, and subject to the duties of the Board of Directors prescribed by these Bylaws, all powers shall be exercised by or under the authority of and the business and affairs of the Association shall be controlled by the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board of Directors shall have the powers to:

- a) To select and remove all officers, agents, and employees of the Association, prescribe such powers and duties for the new directors, officers, agents, and employees consistent with law.
- b) To conduct, manage, and control the affairs and business of the Association and to make such rules and regulations therefore not inconsistent with law, or with the Articles of Incorporation and/or these Bylaws as they may deem best.
- c) To change the principal office for the transaction of business of the Association from one location to another as provided in these Bylaws under Section 1; to designate any place within or without the State of Arizona for the holding of Board of Directors meetings.
- d) The Executive Committee shall be composed of the President, the Vice President, the Second Vice President, the PMAA Director, the Treasurer, and the Immediate Past President. The Executive Committee may accommodate any of the powers and authority granted by the Board of Directors in the management of the business and the affairs of the Association, except for those powers reserved solely for the Board under the Arizona Nonprofit Corporation Act.

2. **Rules.** The Board of Directors may establish rules that are consistent with these Bylaws for the policies, procedures, and programs of the Association.
3. **Amendments.** Amendments to these Bylaws may be made without prior notice at an annual meeting of the Association by a two-thirds vote of the regular membership. Emergency amendments may be made at any time by a two-thirds vote of the Board of Directors, but emergency amendments are temporary and subject to subsequent approval by a two-thirds vote of the regular membership at the next meeting of the Association's regular membership.
4. **Non-Specificity.** Matters not addressed in these Bylaws are governed by the Arizona Nonprofit Corporation Act (A.R.S. 10-3101 et seq.; Title 10, Chapters 24-40).