

**BYLAWS
OF THE LEXINGTON ADVERTISING CLUB, INC.
Adopted December 16, 2009**

**ARTICLE I
Name**

The name of this non-profit corporation is the Lexington Advertising Club, Inc., hereinafter referred to as the LAC, and shall be affiliated with the American Advertising Federation (AAF) and the AAF District 5.

**ARTICLE II
Purposes**

The purposes of the LAC are:

- To strive for the betterment of advertising in all areas affecting the advancement and general welfare of the business and its service to the public.
- To protect advertising from legislation and regulation which could over regulate and unduly restrain advertising and which would be harmful to the advertising industry.
- To establish and promote industry self regulation by the practitioners of advertising.
- To develop a better understanding of the role and benefits of advertising among governmental authorities, the consuming public, and in schools and universities, and to encourage and assist the best students to enter advertising as a career.
- To recognize excellence in advertising.
- To assist and promote public service causes.
- To offer programs to promote fellowship, communication, career enhancement, and education among members of the advertising industry.

**ARTICLE III
Membership**

Section 1: All applicants for membership or any transfer of membership shall be subject to approval by the Board of Directors.

Section 2: Membership shall be open to all persons of good standing who buy, sell, or create advertising, publicity, or public relations; and who support the objectives of the LAC.

Section 3: Categories of membership may be established by the corporation's Board of Directors and may include: Individual, Corporate, Active, Associate, Life, Honorary, and others as the Board may deem appropriate.

ARTICLE IV Dues

Section 1. The official (and fiscal) LAC year shall begin on July 1 and end the following June 30.

Section 2: Dues and affiliation fees for members shall be established annually, not later than June 1, by the Board of Directors. Affiliation fees are determined annually by the AAF and AAF District 5, and are to be included in the LAC's member dues.

Section 3. Life and Honorary members shall not be required to pay dues.

Section 4. Dues for newly accepted members shall be prorated to the first day of the LAC fiscal quarter in which the membership application is approved by the Board of Directors. The entire AAF affiliation fees and AAF District 5 fees shall be included in the prorated dues, unless the new member is a transferee from another AAF club/federation and proof of payment to AAF can be verified. The new member's dues are calculated minus the AAF and/or AAF District 5 fees.

Section 5. The incumbent Treasurer shall prepare membership renewal invoices by June 30. In coordination with the Vice President of Membership, the Treasurer shall mail or email the renewal invoices no later than June 30 to all paid members as of May 30 of the previous LAC year. Payment in full shall be due no later than July 31. Any member of the LAC whose dues are not paid by July 31 shall receive a statement from the Treasurer giving the member an additional 30 days to pay in full. If the Treasurer does not receive the member's dues by that time, membership shall be forfeited and the Treasurer shall notify the Board of Directors at its next regularly scheduled meeting. Only those members whose dues are paid in full shall be considered a member in good standing.

Section 6. Each application for membership must be accompanied by a remittance covering annual membership dues.

ARTICLE V Officers and Board of Directors

Section 1. The management of the affairs of the LAC shall be vested in the Board of Directors. The Board shall be responsible for the policies, activities and assets of the LAC. It shall approve all applications for membership, hear all grievances, authorize and audit all expenditures, and approve all non-elected appointments. They shall not, however, incur any personal liability as a consequence of good faith performance of their office. Grievances shall be submitted to the board in writing.

Section 2. The Board of Directors shall consist of the officers of the LAC and six Directors elected by the LAC members. Four of the Directors positions shall be designated as At Large Directors and each shall represent specific segments of the advertising industry. There shall also be two additional directors as prescribed in Sections 12 and 13 of Article V.

Section 3. Only a LAC member who has served at least one year as a member of the Board of Directors shall be eligible for nomination as President-elect. Any LAC member in good standing shall be eligible for election as a Vice President, Secretary or Treasurer.

Section 4. The President, the Chairperson of the Board, the President-elect, the Vice President for ADDY Awards, the Vice President of Membership, the Secretary and the Treasurer shall be officers. The Chairperson of the Board shall be the immediate past President or the most recent past President willing to serve. The officers elected at the Annual Meeting of the LAC and installed at the July meeting shall consist of the President-elect, the ADDY Vice President, the Membership Vice President, the Secretary and the Treasurer.

Section 5. The term of office for all officers of the LAC shall be one year. The President-elect shall succeed automatically to the office of President. The President shall succeed automatically to the office of Chairperson of the Board. All other officers are nominated and elected annually through the established LAC procedure, as stated in Article XI of the Bylaws.

Section 6. The term of office of Director, except for the Better Business Bureau representative and university/college representative shall be one year with a maximum of three consecutive terms.

Section 7. In the event of the death or resignation of any officer or director except the Chairperson of the Board or President, the Board of Directors shall elect a successor, who shall take office immediately and serve the remainder of the elected term. In the event of the death or resignation of the Chairperson of the Board, the President shall assume the responsibilities for the remainder of the LAC year. In the event of the death or resignation of the President, the President-elect shall accede immediately to the office of President to serve the remainder of the unexpired term for that LAC year, and to serve the following LAC year, as President, to fulfill the order of succession to which he or she was originally elected by the LAC. The LAC shall elect a new President-elect at the next annual meeting.

Section 8. There may be an executive secretary appointed by the President and approved by the Board of Directors. Duties and compensation for any such appointee shall be as defined by the Board of Directors.

Section 9. The Board shall convene for monthly meetings. Special meetings may be called as prescribed in Section 2 of Article X.

Section 10. Three consecutive absences, without prior written notice by mail, email or other electronic communication, by any member of the Board of Directors from the regularly scheduled meetings of the Board of Directors shall constitute that member's resignation from the elected position. At the next regular meeting of the Board of Directors following the third consecutive unexcused absence, the President shall direct the Secretary to notify, in writing, the individual that the board accepts the resignation with regret. A successor shall be elected as provided in Section 7 of this Article.

Section 11. The Board of Directors shall have the authority, by simple majority vote, to remove any officer or director who neglects the duties of the position or who takes any action that is prejudicial to the best interests of the LAC. The provisions of Section 7 of this Article apply in the naming of a successor.

Section 12. The Board of Directors shall include one position to be held by the President of the Better Business Bureau or that President's designee as part of the joint Advertising Standards/Truth in Advertising Committee. This position is reciprocal for a LAC position on the Better Business Bureau Board of Directors.

Section 13. The Board of Directors shall include one position to be held by a Professor of Advertising at an area college or university with a student AAF chapter or that person's designee to represent all area universities and colleges.

Section 14. The Executive Committee of the Board shall be the officers of the LAC.

Section 15. No more than one employee from the same company or organization shall hold a position on the Board of Directors at the same time.

ARTICLE VI

Duties of Officers and Directors

Section 1: The President shall be the chief executive officer of the LAC and as such provide active leadership for the LAC. He/she shall preside over all meetings of the LAC and represent the LAC in all necessary capacities not delegated to the other officers. The President shall be an

ex-officio member of all committees except the Nominating Committee, and shall appoint all committee chairs with the exception of the Nominating Committee, with all such appointments subject to the approval of the Board of Directors. The President will also act as the LAC's primary liaison with the AAF. The President and Treasurer shall sign all written contracts and obligations of the LAC, which must have prior approval of the Board of Directors to be legal and binding.

The President shall represent the LAC at the AAF National Conference and the conferences and meetings of AAF District 5. Reasonable expenses, consisting of registration fee, hotel and round-trip transportation shall be paid by the LAC to the President, or his/her alternate, for these conferences, if that person so requests. In the event of the inability of the President to attend these conferences, his/her alternate shall be appointed by the Board of Directors.

Section 2. The President-elect shall be vested with all the powers and shall perform all the duties of the President in the absence or disability of the President. The President-elect shall serve as the chairperson of the Programs committee.

Section 3. The Vice President for ADDY Awards shall serve as the chairperson of the ADDY Awards committee, and shall be charged with management of this committee and of the ADDY Awards program of the subsequent year.

Section 4. The Vice President of Membership shall serve as the chairperson of the Membership committee and shall be charged with the duties of membership recruitment, retention and involvement. The Membership Vice President shall also be responsible for management of membership data, to include mailing lists, committee rosters, and name badges.

Section 5. The Secretary shall record the minutes of all business meetings of the LAC and of the Board of Directors, keep all LAC records, and perform other duties requested by the President. The Secretary shall also be responsible for handling LAC correspondence and for coordinating and submitting, with the Board of Directors approval, annual AAF Club Achievement Awards entries in concert with the Club Achievement Awards committee.

Section 6. The Treasurer shall receive and deposit all LAC monies, in the name of the LAC, in a bank or trust company selected by the Board of Directors, and shall issue receipts, make all authorized disbursements, and submit a financial report at each regular meeting of the Board of Directors. The Treasurer shall, at the discretion of the Board of Directors, within 90 days of the close of each fiscal year, render an itemized and CPA-attested statement showing receipts and disbursements and reflecting the financial condition of the LAC for the fiscal year just ended. The cost of the statement shall be paid from LAC funds. The Treasurer shall chair the Finance Committee.

Section 7. The Chairperson of the Board shall convene and conduct all regular and called meetings of the Board of Directors. In the absence of the President and President-elect, the Chairperson of the Board shall call to order and preside over any LAC meeting. The Chairperson shall oversee all fundraising activities of the LAC and coordinate sponsorship solicitation activity with the Social Events chairperson.

ARTICLE VII Past Presidents' Council

Section 1. The Past Presidents' Council of the LAC shall serve in an advisory capacity to the Board of Directors, officers and members of the LAC.

Section 2. The Presidents' Council is comprised of all former presidents who are current members of the LAC.

Section 3. The Chairperson of the Board shall serve as Chairperson of the Past Presidents' Council.

Section 4. The Chairperson of the Board, along with four former presidents elected by majority vote from members of this Council, shall comprise the Executive Committee of the Council.

Section 5. The Past Presidents' Council shall meet as necessary.

Section 6. The President of the LAC shall be a member ex-officio of the Past Presidents' Council and its Executive Committee and shall attend all meetings.

ARTICLE VIII LexAd Education Fund

Section 1. The LexAd Education Fund is an independent organization and financial operation from the purview of the Board of Directors of the LAC. However, the LAC financially supports the LexAd Education Fund, the purpose of which is to promote advertising scholarship and education within the Commonwealth of Kentucky.

Section 2. The LexAd Education Fund is used exclusively for students who are matriculating with a major in advertising related fields, and professors or other instructors of advertising teaching in the Schools of Integrated Strategic Communications, Journalism/Business of any four-year accredited college or university within the Commonwealth of Kentucky that has a student chapter of the American Advertising Federation on campus.

Section 3. The LexAd Education Fund is administered by a six (6) member Board of Trustees, comprised of the three most recent former LAC presidents who are members in good standing and willing to serve, plus the LAC Treasurer and two at-large member appointed by the LAC President. The at-large members are eligible for reappointment to successive one-year terms, without limit, at the discretion of the President. From the Board of Trustees members, the Chairperson of the Board of Directors shall appoint the Chairperson of the Board of Trustees, who shall be or shall have been, an officer or member of the Board of Directors.

Section 4. The LexAd Education Fund grant is determined annually by the Board of Trustees with the stipulation that it must satisfy a minimum of \$500.

Section 5. A time deposit, known as the LexAd Education Fund, shall be maintained by the LAC Treasurer. A minimum of \$5,000 (the initial deposit) and principal plus additional contributions to the principal shall be maintained as the permanent amount of the fund. It shall be maintained in an insured instrument with a term commensurate with the highest rate paid, not to exceed five years in maturity. Only the earnings from the investment during the current LAC year may be dispersed as grants. Any current year earned interest not disbursed as grants shall become part of the principal, or permanent fund.

Section 6. By majority vote, the Board of Trustees may create grants to students, teachers and/or organizations described in Section 2 of this Article, during the period of February and March. Grants are to be made on a single-use basis and shall not be construed as continuing on a year-to-year basis.

Section 7. In case of the dissolution of the LAC, all monies remaining in the LexAd Education Fund shall be divided and distributed equally among those colleges and/or universities receiving scholarships within the previous three years.

Article IX Committees

Section 1. The President, with the approval of the Board of Directors, may appoint committees (excluding the Nominating Committee) and a LAC member as the Chairperson of each. These committees may include, but shall not be limited to, the following areas:

a. ADDY[®] Awards: To plan, execute and promote an annual local ADDY Awards competition for the LAC. To recognize creative excellence; to generate the maximum non-dues revenue for the LAC from entry and awards attendance fees, advertising/sponsor income and other sources as may be appropriate; and to advance local ADDY award winners to the AAF District 5 competition. This shall be a standing committee and chaired by the Vice President for ADDY Awards.

b. Advertising Standards/Truth in Advertising: To work toward effective self regulation and higher standards of ethics and good taste in advertising and develop a close working relationship between the LAC and the local Better Business Bureau. The Committee shall be chaired by the President of the local Better Business Bureau or that President's designee/representative on the Board of Directors.

c. Club Achievement Awards: To coordinate documentation of all LAC activities and prepare necessary entries for the annual AAF Club Achievement Awards in concert with the Secretary.

d. Communications: To manage communications via the LAC's web site(s), email, mailings and printed materials; to promote the programs, events and activities of the LAC in concert with the Programs and Social Events committees; to develop policies and utilize resources to ensure effective communication with LAC members, AAF District 5 and the AAF; and to secure positive publicity for the LAC, the community and civic projects. This shall be a standing committee.

e. Digital: To provide Internet and technical expertise to other committees; to host events related to the Internet and other digital technologies for the purposes of educating members and the public; and to gather and disseminate information of interest to other members related to the use of technology in their marketing and advertising practices.

f. Education: To provide continuing advertising education opportunities for practitioners; to assist AAF College Chapters in Kentucky; to provide positive educational opportunities about advertising for the public and government sectors of our economy. This shall be a standing committee.

g. Finance: To prepare an annual LAC budget, to supervise the finances of the LAC, and to prepare all financial statements. This shall be a standing committee chaired by the Treasurer.

h. Government Relations: To study and report to the Board of Directors any proposed national, state or local legislation affecting advertising in any of its forms, and to recommend action by the LAC, if appropriate; to become an active member in advertising industry trade groups whose purposes are to educate elected and appointed government officials about the economic benefits of advertising and to oppose harmful actions to the practice of advertising in business by legislation. This shall be a standing committee.

i. Membership: To retain existing members, to recruit new members, to manage membership data, to process membership applications for Board of Directors approval, to introduce new members to current members and to encourage involvement in LAC committees and activities. This shall be a standing committee chaired by Vice President of Membership.

j. Parliamentary/Bylaws: To ensure all business conducted by the LAC is done in accordance with the Bylaws. To exercise oversight and review of the Bylaws to be certain they are current and accurate. To fulfill the laws and regulations of the state of incorporation, the objectives and needs of the LAC, and to analyze proposed amendments to be certain they are proper and compatible with all provisions of the bylaws and the overall interests of the LAC and the AAF. The Committee membership shall include one member from the Past Presidents' Council, as determined by the Executive Committee of the Council.

k. Programs: To arrange programs and speakers for all LAC meetings. To promote attendance, make facilities arrangements, and handle reservations and reception for LAC meetings and events. This shall be a standing committee chaired by the President-elect.

l. Public Service: To bring professional advertising and promotion assistance to civic, charitable and public service projects as approved by the Board of Directors.

m. Silver Medal Award: To conduct the annual search for a possible deserving candidate and to arrange for presentation of the AAF Silver Medal by the LAC in May each year at the Annual Business Meeting. This committee shall be chaired by the Chairperson of the Board.

n. Social Events: To develop, plan, supervise and promote social activities and special events of the LAC, in concert with the Programs and Communications committees. The chairperson of this committee shall coordinate fundraising and sponsorship solicitations with the Chairperson of the Board. This shall be a standing committee.

Section 2. The President, with the approval of the Board of Directors, shall appoint special committees as needed to carry on the work of the LAC, and shall name the Chairperson of each.

Section 3. No committee shall have the authority to create financial obligations for the LAC or to commit the LAC on matters of policy. All committee plans and actions shall be subject to the approval of the Board of Directors.

ARTICLE X

Meetings

Section 1. The Annual Business Meeting of the LAC shall be held no later than May of each year at the regular LAC meeting. Election of officers and directors of the Board of Directors for the forthcoming LAC year shall be conducted at the Annual Business Meeting.

Section 2. A schedule of regular meetings of the Board of Directors shall be set by the Board within sixty (60) days after the annual election. Special meetings of the Board of Directors may

be called by the President by notice in writing, mailed and/or emailed to each of the members of the Board at least five (5) days before the called meeting.

Special meetings of the Board of Directors may also be called by the Secretary upon written notices to him/her, signed by at least four (4) board members. The requirement of a five (5) day notice may be waved upon consent of a majority of the Board members, expressed in writing or by attendance at the called meeting.

Section 3. Special meetings of the LAC may be called by the President, by the Board of Directors, or by written request from ten percent (10%) of the members in good standing.

Section 4. Notice of the Annual Business Meeting and of each special meeting shall be sent by the Secretary to every member of the LAC at his/her last known address at least two weeks prior to the date of such meeting giving the date, hour, place and purpose of the meeting.

ARTICLE XI Nominations and Elections

Section 1. Elections shall be held at the Annual Business Meeting. The vote shall be conducted by acclamation unless more than one candidate has been nominated for an officer position or more than four candidates have been nominated for an open director position. In the event of multiple candidates, the election of applicable positions shall be conducted by secret ballot. Only members in good standing may be nominated for office or be allowed to vote.

Section 2. The Board of Directors shall appoint, at least ninety (90) days before the Annual Business Meeting, a Nominating Committee comprised of the current President-elect and five (5) members in good standing, a majority of whom must not be members of the Board of Directors. The President-elect shall serve as the chairperson of the Nominating Committee. Of the remaining five committee members, one shall be a member from the Past Presidents' Council, as determined by the Executive Committee of the Council.

Section 3. The Nominating Committee shall prepare a slate of nominees. No candidate shall be proposed for office by the Nominating Committee unless his/her consent to serve has been secured. The Secretary shall communicate the committee's nominations to all members at least thirty (30) days prior to the elections and shall inform them that they may nominate alternate choices if they so desire.

Section 4. Nominations from the membership must be presented to the LAC Secretary at least fifteen (15) days prior to the Annual Business Meeting. The Secretary shall tally all nominations from the membership and only names which have been presented for nomination by ten

percent (10%) or more of the members shall be placed on the ballot along with the Nominating Committee's choices for each office open for election.

Section 5. Not later than ten (10) days before the elections, the Secretary, on behalf of the Nominating Committee, shall communicate the final slate in writing to all voting members in good standing, incorporating any additional candidates who have been properly endorsed. The Secretary shall prepare voting ballots of the final slate for use at the Annual Business Meeting.

Section 6. At the Annual Business Meeting, the Chairperson of the Board shall preside over the elections. He/she shall be assisted by two (2) tellers, appointed by the Board of Directors. The tellers shall be LAC members and may not be members of the Board of Directors or candidates for elections. Voting ballots, if needed, shall be distributed for use in the election process and then collected by the tellers. The Chairperson shall be present when the tellers tally the votes. The ballots shall be reviewed by the tellers and the votes tallied. The results shall be given immediately to the President, who shall announce the results of the elections and declare the officers and directors elected.

Section 7. Election of officers and directors of the Board of Directors shall be by a simple majority of the LAC members present, providing there is a quorum.

ARTICLE XII

Quorums

Section 1. A combined 25% of the current LAC members shall constitute a quorum for the transaction of business at any meeting of the LAC.

Section 2. Seven (7) members of the Board Directors shall constitute a quorum.

Section 3. A majority of the membership of any committee shall constitute its quorum.

ARTICLE XIII

Amendments

Section 1. The Bylaws may be amended by two-thirds vote of the members present at any LAC meeting. A quorum must be present.

Section 2. Amendments must be proposed in writing, signed by at least ten percent (10%) of the LAC members in good standing; and a copy thereof must be presented to the Board of Directors for review and discussion at least two (2) weeks before the meeting at which it is moved for adoption.

Section 3. Notice of any proposed amendment, following the Board's review, shall be mailed or emailed by the Secretary to the members of the LAC no more than one (1) week after it has been presented to the Board.

ARTICLE XIV
Dissolution of LAC

Section 1. Upon dissolution of the corporation, whether voluntary, involuntary, or by operation of law, all of the net assets of the corporation shall be transferred to the LexAd Education Fund. All funds remaining in the LexAd Education Fund shall be divided and distributed equally among those colleges and/or universities receiving scholarships within the previous three years. None of the property, proceeds or other assets of the corporation shall be distributed among any of the members of the corporation.

ARTICLE XV
Parliamentary Authority

Section 1. Robert's Rules of Order, Newly Revised, shall govern in the conduct of all LAC business, except where otherwise specifically stipulated in the Bylaws of the LAC.

ARTICLE XVI
Adoption of Bylaws

Section 1. These Bylaws shall become the Bylaws of the Lexington Advertising Club, Inc. by a two-thirds vote of the members present, if a quorum, at any regular or special meeting, providing members have been given written notice at least two (2) weeks in advance.

ARTICLE XVII
Effective Dates

The Bylaws of the Lexington Advertising Club, Inc., as amended, are effective October 16, 1991, March 16, 1994, June 12, 1996, September 9, 1998, November 10, 1999, June 13, 2007, December 16, 2009.