



**AMERICAN BOAT BUILDERS & REPAIRERS ASSOCIATION, INC.
ARTICLES OF ASSOCIATION AND BYLAWS**

**Adopted November 16, 1979
Amended November 13, 1982
Amended November 12, 1983
As amended November 10, 1984
As amended December 7, 1985
As amended January 10, 1997
As amended February 8, 2001
As amended January 28, 2010
As amended July 17, 2011**

ARTICLE I NAME, SEAL, LOCATION

**SECTION 1
NAME**

The name of this organization shall be American Boat Builders & Repairers Association (ABBRA).

**SECTION 2
SEAL**

The organization shall have a corporate seal, which shall have subscribed thereon the name of the Association and the words "corporate seal," and the words "incorporated in New York 1943."

**SECTION 3
LOCATION**

The State of Maryland shall be the principal location of the headquarters of the Association. The board of directors may determine other locations as seen fit.

ARTICLE II OBJECTIVES

The objectives of this Association, in all lawful ways, are

- to develop and encourage high standards of service and conduct within the industry;
- to foster and promote the common business and professional interests of members without deriving benefit for itself or any member;
- to provide an instrument through which members may coordinate their efforts in handling matters of common concern;
- to provide a forum for the discussion of problems relating to the industry;
- to provide an opportunity for the exchange of experience and ideas through discussion, publications, and training seminars.

ARTICLE III MEMBERSHIP

SECTION 1 ACTIVE MEMBERSHIP

Active membership shall be open to any person, firm, or corporation engaged in building, refit, repairing and/or servicing boats in the United States, or elsewhere, provided that it is engaged in the building, refit, repairing, and/or servicing of boats not exceeding 200 feet in length, and provided that at least fifty percent (50%) of the gross sales of the entity, or \$250,000, shall be derived primarily from the building, refit, repairing and/or servicing boats.

SECTION 2 ASSOCIATE MEMBERSHIP

Associate membership shall be open to firms who provide at least fifty percent (50%) of their products or services to the marine industry, or to any other firms who may not otherwise qualify for active membership subject to the approval of the membership committee.

SECTION 3 AFFILIATE MEMBERSHIP

Affiliate membership shall be open to those marine trade organizations, international, national, regional, state or local whose interests are allied with, or similar to, those of ABBRA's. One person designated by the organization shall represent such affiliated organizations within in ABBRA. They shall have no vote, and shall not be eligible for ABBRA insurance or other benefits.

SECTION 4 PROFESSIONAL MEMBERSHIP

Professional membership shall be open to those individuals whose businesses as sole practitioners are in a related marine field, and who provide at least fifty percent (50%) of their services to the marine industry.

SECTION 5 LIFE AND HONORARY MEMBERSHIP

Life and honorary membership rights may be conferred upon members of the Association and other persons who have served the organization a minimum of fifteen years. The board of directors may determine other qualifications for conferring life or honorary membership at its discretion.

SECTION 6 APPLICATION FOR MEMBERSHIP

A member in good standing shall sponsor all applications for membership. Applications for membership shall be addressed to the Association office on a form approved by the membership committee. Each applicant shall agree to comply with these bylaws as amended from time to time, and to abide by such rules and regulations as are duly adopted by the Association or the board of directors.

SECTION 7 REMOVAL

Members of any classification of membership may be removed by the board of directors for cause by a two-thirds (2/3) vote. For any cause other than non-payment of dues, removal shall occur only after the member complained against has been advised of the complaint against him, and has been given reasonable opportunity for defense. Such member, if removed, may appeal from the decision of the board at the annual

meeting of the Association, provided that intent to appeal is submitted in writing to the Association president at least ten (10) days in advance of the meeting.

SECTION 8
REINSTATEMENT

A member may be reinstated on showing proof of qualification and paying the current year's dues.

SECTION 9
RESIGNATION

A member may resign by filing a written resignation with the Association president, and by paying any dues or other charges outstanding.

ARTICLE IV DUES AND FEES

SECTION 1
ESTABLISHMENT OF DUES AND FEES

The board of directors shall establish dues and initiation fees for all classes of members.

SECTION 2
PAYMENT

Dues shall be paid upon application for any class of membership, and annually or quarterly thereafter. Any member of the Association shall be deemed delinquent if dues are not paid within sixty (60) days from the time they are due, and shall be notified of the delinquency. If payment is not received within one hundred and eighty (180) days, then the member shall be dropped from the rolls, and shall forfeit all rights and privileges of membership. The board of directors may waive such suspension if it deems it justified.

SECTION 3
REFUNDS

Dues shall not be refunded to a member whose membership has been terminated.

ARTICLE V MEETINGS

SECTION 1
ANNUAL MEETING

The annual meeting of the Association for the election of the board of directors, the receiving of annual reports, and transaction of other business shall be held at such time and place as the board of directors may determine.

SECTION 2
SPECIAL MEETINGS

Special meetings of the Association may be called by the president of the board upon written request of ten (10) voting members of the Association. The notice of the meeting shall specify its purpose.

SECTION 3
NOTICE

At least thirty (30) days written notice of each annual or special meeting shall be given to each member of the Association.

SECTION 4
MEETINGS OF THE BOARD OF DIRECTORS

The board of directors shall meet at such time and place as it may determine, or at the call of the president. A minimum of ten (10) business days notice shall be given to all board members. The president may call special meetings of the board at the request of three (3) members of the board. Meetings may be held in person or by phone.

SECTION 5
VOTING

At all meetings of the Association each member shall have only one vote in person or by proxy. Unless otherwise specifically provided by these bylaws, a majority vote of those voting shall govern.

SECTION 6
PROXY

Members of the Association entitled to vote at any meeting may vote by proxy. Proxies shall be in writing, and shall be revocable by the member executing it. The proxy shall be valid only for the meeting/issue it was given for, and its efficacy will expire after the meeting/issue is over.

SECTION 7
QUORUM

At all annual or special meetings of members, a quorum shall consist of fifty percent (50 %) of those members registered for the meeting, providing that no less than twenty (20) members are present. A majority of the members of the board of directors shall constitute a quorum at its meetings.

ARTICLE VI OFFICERS, BOARD OF DIRECTORS, AND EMPLOYEES

SECTION 1
BOARD OF DIRECTORS

The activities and property of the Association shall be managed and supervised by a board of directors that shall consist of a minimum of Five (5) and a maximum of twenty-two (22) of the association members. The board will consist of the officers and members, such that a minimum of 70% of the board members shall be Active Members. Each board member is expected to perform the following duties:

- Attend all ABBRA meetings;
- Serve on one standing committee;
- Be supportive of all ABBRA programs;
- Recruit new members;
- Participate in idea sharing sessions that may benefit Association;
- Assume duties with enthusiasm, and work towards their completion in a timely fashion;
- Follow decisions made by directors of ABBRA;
- Adhere to ABBRA's Code Of Ethics.

SECTION 2
ELECTION

The board of directors shall be elected in accordance with ARTICLE VII, SECTION I on a staggered basis. Terms shall be for three (3) years. Members may be elected to succeed themselves, but may not serve more than six (6) consecutive terms, and a member who is also an officer will remain a member of the board of directors during his/her terms of office. The board of directors shall elect from the board membership the president, vice-president, treasurer, and secretary, which officers shall serve for a period of one (1) year, and such officers may be re-elected for one additional term, with the exception of the treasurer and secretary who may serve for a total of six years. The immediate past-president shall automatically serve on the board.

SECTION 3
PRESIDENT

The president shall be the executive officer of the Association, and shall be a member ex-officio of all committees, and shall exercise such powers as the board of directors may vest in him/her.

SECTION 4
VICE-PRESIDENT

In the absence of the president, the vice-president shall preside at meetings of the Association.

SECTION 5
TREASURER

The treasurer shall discharge those duties as ordinarily are included in the office of the treasurer, and shall make a report of the financial condition of the Association at the annual meeting. The day-to-day collection and depositing of funds, paying of ordinary bills, and preparation of checks shall be the sole responsibility of the administrator, executive director, or managing director.

SECTION 6
SECRETARY

The secretary shall keep a complete record of all proceedings and correspondence of the Association. The secretary shall send notices of meetings to members of the association as required. The secretary shall keep a membership book containing the names and addresses of each member of the association and the date and manner of termination of any such membership, and shall perform all other duties usually appertaining to the office of secretary.

SECTION 7
EMPLOYEES

The direction and management of the day-to-day affairs of the Association may be vested in a professional association management firm, or in an individual selected by the board of directors, for such a period of time, and under such conditions, as the board of directors shall determine.

SECTION 8
CHECK SIGNING AUTHORITY

The Association president or treasurer shall co-sign all checks exceeding one thousand and five hundred dollars (\$1500,00). The Association president or treasurer shall review all monthly credit card statements.

SECTION 9
BOND

The board of directors may require a bond for officers and employees, if deemed necessary. The Association shall pay for the cost of the bond.

SECTION 10
VACANCIES AND REMOVAL

Any vacancy occurring on the board of directors shall be filled by appointment, and confirmed by a majority vote, of the board of directors. A director so elected to fill a vacancy shall complete the unexpired term of his predecessor. The board of directors may, at its discretion, by affirmative vote of two-thirds (2/3) of its members, remove any director for cause. A member of the board of directors may resign at any time, for any reason, by filing a written resignation with the president, and by paying any dues or other charges outstanding.

SECTION 11
COMPENSATION

Directors and elected officers shall not receive any compensation for their services, but shall be reimbursed for legitimate expenses to the extent authorized by the board.

ARTICLE VII – STANDING COMMITTEES

SECTION 1
NOMINATING COMMITTEE
FOR THE BOARD OF DIRECTORS

The President, with the approval of the board of directors, shall appoint a nominating committee that shall consist of at least three (3) active members, one of whom shall have served on the nominating committee for the previous election. The committee shall solicit names as it deems necessary to achieve the proper balance of qualifications. The committee shall nominate the same number persons to equal the number of available board positions to be filled. Nominations shall be announced to the membership in writing not less than three (3) months prior to the annual meeting. Thirty days shall be allowed for additional nominations from the membership. Any additional Association members nominated for a board position by a petition of ten (10%) percent of the voting membership shall be placed on a ballot along with the nominees proposed by the nominating committee.

If a member is nominated by petition, then the nominating committee will conduct an election within 30 days of closing the nominations. A ballot will be sent in which each active member will have one vote to cast for each number of available board directorship vacancies. The final slate shall be announced at the annual meeting, and, absent any new names placed in nomination, and subject to the ballot under the provisions of this article and section, this slate shall be accepted by proposal of the secretary. Results of the election shall be announced at the annual meeting.

SECTION 2
PROGRAM COMMITTEE

The program committee shall make recommendations of speakers and topics for, and locations of, Association programs, and shall submit these to the board of directors for its approval.

SECTION 3
MEMBERSHIP COMMITTEE

The membership committee shall recruit, solicit, and welcome new members.

SECTION 4
MARKETING COMMITTEE

The marketing committee shall develop ways of promoting ABBRA.

SECTION 5
CAPSTAN COMMITTEE

The *Capstan* committee shall provide general editorial oversight of the Association newsletter.

SECTION 6
SPECIAL COMMITTEES

The president, with the approval of the board of directors, shall appoint such other committees or task groups as are necessary, and that are not in conflict with other provisions of these bylaws. The duties of any such committees shall be prescribed by the board of directors upon their appointment.

SECTION 7
LIMITATION

No committee or individual shall represent the Association in advocacy of, or in opposition to, any project without the specific authorization of the board of directors, or without authorization as may have been clearly granted under powers delegated to that committee or persons by the board of directors.

ARTICLE VIII EXECUTIVE COMMITTEE

SECTION 1
AUTHORITY AND RESPONSIBILITY

Pursuant to delegation of authority to such committee by the board of directors, the executive committee (XCOM) may act in the place and stead of the board of directors between board meetings on all matters, except those specifically reserved to the board by these bylaws. Actions of the XCOM shall be reported to the board of directors by mail or in person.

SECTION 2
COMPOSITION AND ELECTION

The XCOM shall consist of no more than seven (7), and no less than five (5), members of the board of directors, to include the president, vice-president, treasurer, secretary, and up to three (3) directors who shall be appointed by the president. The XCOM shall notify board members of its intent to meet. Notice shall be made at least 48 hours, and that the meeting is open to all board members.

SECTION 3
QUORUM CALL OF MEETINGS

A majority of the executive committee shall constitute a quorum at any duly called meeting of the committee. The president shall call such meetings of the executive committee as the business of the

association may require, or a meeting shall be called by the president upon request of three (3) members of the executive committee.

ARTICLE IX RULES OF ORDER

SECTION 1

The meetings and proceedings of this Association shall be regulated and controlled to *Roberts Rules Of Order* for parliamentary procedure, unless otherwise provided by these bylaws.

ARTICLE X LEGAL COUNSEL

SECTION 1

Legal counsel may be retained as approved by board of directors.

ARTICLE XI FISCAL YEAR

SECTION 1

The fiscal year of the Association shall be January 1 to December 31.

ARTICLE XII DISSOLUTION

SECTION 1

The Association shall use its funds solely to accomplish the objectives and purposes specified in these bylaws. No part of the funds shall inure, or be distributed, to the members of the Association. On dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific, or philanthropic organizations to be selected by the board of directors.

ARTICLE XIII AMENDMENTS

SECTION 1

These bylaws may be amended or repealed in whole or in part by a two-thirds (2/3) vote of the members present at any annual meeting of the Association duly called and regularly held, notice of such proposed changes having been sent in writing to the members thirty (30) days before such meeting, or by a two-thirds vote of the active members voting on thirty (30) day letter ballot. Amendments may also be proposed by the board of directors on its own initiative, or upon a petition of twenty (20) active members addressed to the board.

ARTICLE XIV INDEMNIFICATION

SECTION 1

Every director, officer, or employee of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees reasonably incurred or imposed upon him in connection with any proceeding to which he may be made a party of, or in which a director, officer, or employee of the Association, or any settlement thereof, whether or not he is a director, officer, or employee at the time such expenses are incurred, except in such cases wherein the director, officer or employee is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties. Provided, however, that in the event of a settlement, the indemnification herein shall apply only when the board of directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right to

indemnification shall be in addition to, and not inclusive of, all other rights to which such director, officer or employee may be entitled.

BYLAW ANNEX 1:

CONFLICT OF INTEREST POLICY

ARTICLE I – PURPOSE

The purpose of the conflict of interest policy is to protect the American Boat Builders and Repairers Association (ABBRA) tax-exempt interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, Member of the Board of Directors (Board), management team (management), ABBRA member, employee, or contactor, of ABBRA or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

ARTICLE II - DEFINITIONS

1. Interested Person: Any Board member, officer, member, management, employee, or contractor, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

An ownership or investment interest in any entity with which ABBRA has a transaction or arrangement, A compensation arrangement with ABBRA or with any entity or individual with which ABBRA has a transaction or arrangement, or

A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which ABBRA is negotiating a transaction or arrangement.

3. Compensation: Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate officer or committee decides that a conflict of interest exists.

ARTICLE III – PROCEDURES

Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Directors and members of committees considering the proposed transaction or arrangement.

Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Directors or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

Procedures for Addressing the Conflict of Interest

An interested person may make a presentation at a Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The President shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the President or committee shall determine whether ABBRA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors, under advisement of the President and the committee of disinterested persons, shall determine by a majority vote whether the transaction or arrangement is in ABBRA's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

Violations of the Conflicts of Interest Policy

- a. If the Board of Directors or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the individual of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Directors or committee determines the individual has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

ARTICLE IV - RECORDS OF PROCEEDINGS

The minutes of the Board of Directors and all committees shall contain:

The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors or committee's decision as to whether a conflict of interest in fact existed.

The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE V – COMPENSATION

A voting member of the Board of Directors who receives compensation, directly or indirectly, from ABBRA for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from ABBRA for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from ABBRA either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE VI - ANNUAL STATEMENTS

Each Board Member, officer, Executive Director, management, and member of a committee shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands ABBRA is nonprofit and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE VII - PERIODIC REVIEWS

To ensure ABBRA operates in a manner consistent with nonprofit purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

Whether partnerships, joint ventures, and arrangements with management organizations conform to ABBRA's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further nonprofit purposes and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

ARTICLE VIII - USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Article VII, ABBRA may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

FRAUD POLICY

ARTICLE I – PURPOSE

This fraud policy is established to facilitate the development of controls which will aid in the detection and prevention of fraud against ABBRA. It is the intent of ABBRA to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

ARTICLE II – SCOPE

This policy applies to any fraud, or suspected fraud, involving Board members, officers, members, management team, or employees, as well as contractors and staff, consultants, vendors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with ABBRA. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to ABBRA.

ARTICLE III – POLICY

All Board of Directors members, officers, and management are responsible for the detection and prevention of fraud, misappropriations, and other inappropriate conduct. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Each member of the Board of Directors and management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any fraud that is detected or suspected must be reported immediately to the President, who coordinates all investigations, both internal and external.

1. Actions Constituting Fraud

The terms defalcation, misappropriation, and other fiscal wrongdoings refer to, but are not limited to:

- Any dishonest or fraudulent act
- Forgery or alteration of any document or account belonging to ABBRA

- Forgery or alteration of a check, bank draft, or any other financial document
- Misappropriation of funds, securities, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of ABBRA activities
- Disclosing confidential and proprietary information to outside parties
- Disclosing to other persons securities activities engaged in or contemplated by ABBRA
- Accepting or seeking anything of material value from contractors, vendors or persons providing services/materials to ABBRA. Exception: Gifts less than \$50 in value.
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment; and/or
- Any similar or related inappropriate conduct.

2. Other Inappropriate Conduct

Suspected improprieties concerning a moral, ethical, or behavioral conduct, should be resolved by the President. If there is any question as to whether an action constitutes fraud, contact the President for guidance.

3. Investigation Responsibilities

The President has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy and can assign a compliance committee to assist with the investigation. If the investigation substantiates that fraudulent activities have occurred, the President will issue reports to appropriate designated personnel and, if appropriate, to the Board of Directors.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with legal counsel and the Board of Directors, as will final decisions on disposition of the case.

4. Confidentiality

The President and Compliance Committee members assigned to assist and treat all information received *confidentially*. Anyone who suspects dishonest or fraudulent activity will notify the President immediately, and *should not attempt to personally conduct investigations or interviews/interrogations* related to any suspected fraudulent act.

Investigation results *will not be disclosed or discussed* with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect ABBRA from potential civil liability.

5. Authorization for Investigating Suspected Fraud

The Board of Directors shall determine upon receiving the initial report of the President, if a separate Investigative Officer or Committee is necessary and if so its composition.

The Investigative Officer or Committee shall have:

- Free and unrestricted access to all ABBRA records and premises, whether owned or rented; AND
- The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who may use or have custody of any such items or facilities when it is within the scope of their investigation.

6. Reporting Procedures

Great care must be taken in the investigation of suspected improprieties or wrongdoings so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way. Any individual who discovers or suspects fraudulent activity will *contact the President immediately*. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to

the Investigation Officer/Committee or Legal Counsel. No information concerning the status of an investigation will be given out. The proper response to any inquiries is: "I am not at liberty to discuss this matter." *Under no circumstances* should any reference be made to "the allegation," "the crime," "the fraud," "the forgery," "the misappropriation," or any other specific reference.

The reporting individual should be informed of the following:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Do not discuss the case, facts, suspicions, or allegations with *anyone* unless specifically asked to do so by the President or Investigative Officer/Committee.

7. Termination

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the designated representatives from the Board of Directors and, if necessary, by outside counsel, before any such action is taken. The President, does not have the authority to terminate an employee alone.

The decision to terminate an employee is made by ABBRA's Executive Committee or Board of Directors. Should the President, Investigative Officer/Committee believe the Executive Committees decision inappropriate for the facts presented, the facts will be presented to the Board of Directors for a decision.

8. Administration

The President is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed annually by the President and/or assigned Committee and revised as needed.

DOCUMENT RETENTION AND DESTRUCTION POLICY

ARTICLE I – PURPOSE

The following are the minimum retention requirements of the described records of ABBRA. The accidental destruction of business records and documents can be detrimental to the operation of ABBRA and intentional document destruction is a process that must be carefully monitored. In addition, it is important for administrative personnel to know the length of time records should be retained to be in compliance.

ARTICLE II – PROCEDURE

1. Retention and Destruction of Documents

Annually the Executive Committee or its appointee shall devise a specific list of documents that are no longer required to be retained per the following table. Such list shall be presented to the Board of Directors for authorization prior to destruction of any documents.

Type of Document	Minimum Requirement
Accounts payable ledgers and schedules	7 years
Audit reports	Permanently
Bank Reconciliations	2 years
Bank statements	3 years
Checks (for important payments and purchases)	Permanently
Contracts, mortgages, notes and leases (expired)	7 years
Contracts (still in effect)	Permanently
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	2 years
Deeds, mortgages, and bills of sale	Permanently
Depreciation Schedules	Permanently

Duplicate deposit slips	2 years
Employment applications	3 years
Expense Analyses/expense distribution schedules	7 years
Year End Financial Statements	Permanently
Insurance Policies (expired)	3 years
Insurance records, current accident reports, claims, policies, etc.	Permanently
Internal audit reports	3 years
Inventories of products, materials, and supplies	7 years
Invoices (to customers, from vendors)	7 years
Minute books, bylaws and charter	Permanently
Patents and related Papers	Permanently
Payroll records and summaries	7 years
Personnel files (terminated employees)	7 years
Retirement and pension records	Permanently
Tax returns and worksheets	Permanently
Timesheets	7 years
Trademark registrations and copyrights	Permanently
Withholding tax statements	7 years

2. AUDIT Committee

- a. The Audit Committee may be appointed by the President to assist the Board of Directors in fulfilling its oversight responsibilities. Duties of the committee include:
 - overseeing the integrity of the ABBRA's financial accounting process and systems of internal controls regarding finance, accounting and use of assets;
 - overseeing the independence and performance of the independent auditors and staff with finance responsibilities;
 - overseeing the operation of the policies on conflicts of interest and the ABBRA's Council-staff communications;
 - providing an avenue of communication among ABBRA's independent auditors, management, staff, and the ABBRA Board Members.
- b. The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to anyone in the organization. The Audit Committee has the authority to retain, at the ABBRA's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties.
- c. The Audit Committee shall be comprised of five qualified members. All members of the Audit Committee shall be non-staff Board Members, free from any relationship that would interfere with the exercise of his or her independent judgment.
- d. Specific activities of the Audit Committee are outlined in an "Audit Committee Activity Checklist" below and should include the following:

Chairperson

____ Review with the audit committee and any outside auditors the methods used to establish and monitor ABBRA's policies with respect to unethical or illegal activities by organization employees that may have a material impact on the financial statements.

____ As part of the review of annual financial statements, receive an oral report (at least annually) from ABBRA's accountant or general counsel regarding legal and regulatory matters that may have a material impact on financial statements.

Audit Committee Actions

- ___ Recommend to ABBRA’s Board of Directors the selection, retention, or termination of outside auditors.
- ___ Reassess the adequacy of the committee charter and recommend any proposed changes to the Board of Directors for approval.
- ___ Discuss with any outside auditors the quality of the ABBRA’s financial and accounting personnel and their responsiveness to ABBRA’s needs.
- ___ Develop a policy and process for grievances associated with organizational financial practices.

WHISTLEBLOWER POLICY

ARTICLE I – PURPOSE

The American Boatbuilders and Repairers Association (ABBRA) Code of Ethics and Conduct (“Code”) of its Board of Directors (Board) and Management requires Board members, officers, management, and employees, to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As representatives or employees of ABBRA, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

ARTICLE II PROCEDURES

1. Reporting Responsibility

It is the responsibility of all ABBRA Board Members, officers, management team, and employees to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy.

2. No Retaliation

No ABBRA Board member, officer, management team member, or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. An ABBRA officer, Board member, management team member, or employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable ABBRA officers, Board members, management team members, and employees, to raise serious concerns within the Organization prior to seeking resolution outside the Organization.

3. Reporting Violations

The Code addresses the ABBRA’s open door policy and suggests that Board members, officers, management team, and employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, the President is in the best position to address an area of concern. However, if you are not comfortable speaking with President, or you are not satisfied with their response, you are encouraged to speak with anyone on the Executive Committee with whom you are comfortable in approaching. Board members and managers are required to report suspected violations of the Code of Conduct to the President or committee who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when you are not satisfied or uncomfortable with following the ABBRA’s open door policy, individuals should contact the President directly.

4. Compliance

The President is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and, at his discretion, shall advise the Executive Committee, or committee assigned by the President to investigate the complaint. The President is required to report to audit committee at least annually on compliance activity. The President is the chair of the audit committee.

5. Accounting and Auditing Matters

The Executive Committee shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The President shall immediately notify the Executive committee of any such complaint and work with the committee until the matter is resolved.

6. Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

7. Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

8. Handling of Reported Violations

The President will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.