

**CONSTITUTION AND BYLAWS
NEW YORK STATE JEWELERS ASSOCIATION, INC.**

As Amended:
May 18, 1981
May 19, 1985
April 1, 1999
July 28, 2001
August 15, 2005
November 2, 2007
September 30, 2009

ARTICLE I
Name and Purposes

Section 1. Name.

This organization shall be known and designated as the NEW YORK STATE JEWELERS ASSOCIATION, INC. The organization has been formed as a not-for-profit corporation as prescribed by New York State Statute.

Section 2. Purpose.

This association has been formed to promote and maintain such constructive cooperation between all jewelry related businesses (retail jewelers and other related jewelry businesses) as will advance their mutual interests; inspire thoughtful study of the jewelers economic function; the observance of high business standards as embodied in the *Retail Jewelers Code of Ethics* and the *Rules of Professional Conduct and Business Practice*; to encourage such business methods as will make for efficient and economical operation and adherence to sound business practices; to correct faulty procedures and to eliminate commercial evils; all to the end that jewelry retailing may maintain its place as an essential and efficient service in the distribution of goods and services to the consumer.

Section 3. Code of Ethics.

NYSJA Members are dedicated and committed to maintaining the highest standards of honesty, fairness, professionalism and service. Our Code of Ethics serves to educate, inspire and unite our members and to form the basis for specific Rules of Professional Conduct by which members agree to abide.

- A. Members strive to be good corporate citizens and to contribute to the communities in which they do business.
- B. Members strive to improve their professionalism and expertise, as individuals and as organizations.
- C. Members will conduct their business with honesty, sincerity, truthfulness and integrity.
- D. Members understand the importance of keeping promises and the fulfillment of commitments to all parties.

- E. Members comply with the letter and intent of all laws and will always show respect for the property of others.
- F. Members advise and deal with every customer, in every transaction, as they would wish to be advised and dealt with were they the customer.

Section 4. Rules of Professional Conduct and Business Practice.

- A. Members will strive to protect the industry and inform clients against fraud, misrepresentation and unethical business practices.
- B. Members must adhere to all Federal, State and Local laws, including all Federal Trade Commission guidelines and Bureau of Standards definitions as they apply to the jewelry industry.
- C. Members shall not make statements about a competitor or another member of the industry or about the competitor's or member's reputation, merchandise or business practice which the member knows to be false, misleading, disparaging or defamatory. Nor shall a member make statements with malice or reckless disregard for whether they are false, misleading, disparaging or defamatory. A member may, however, truthfully state his or her opinion, whether asked or not, should fully set forth the basis for this opinion.
- D. Members merchandise may not intentionally be misrepresented as to its nature authenticity and/or origin.
- E. Members will not engage in any illegal, unethical, false, misleading or deceptive business practices designed to come within the letter of the law, but have the effect of deceiving consumers.
- F. Members advertising and selling practices shall be in compliance with the rules and guidelines set forth by the Federal Trade Commission.
- G. Members whose advertising and promotions offer comparative prices or savings will clearly and conspicuously disclose the basis for those claims and will be prepared and willing voluntarily to substantiate their claims to a neutral third party if challenged.
- H. Members will fulfill all conditions of their guaranty or service policies, as represented to their customers.
- I. Members will act in accordance with the spirit and letter of the NYSJA *Code of Ethics and Rules of Professional Conduct and Business Practice* at all times.

ARTICLE II Definitions

Section 1. Business Firm.

The term "business firm" or "firm" as used in these Bylaws, shall be any individual proprietorship, partnership, corporation or other legal entity or part thereof that is conducting business in New York State.

Section 2. Jewelry Industry.

The term "jewelry industry" as herein used, shall be deemed to include all firms principally engaged in the selling; manufacture; design; import; export; findings; gem lab; appraisers; within the industry. Sellers will be firms principally engaged in selling from a permanent, commercial retail jewelry location: selling principally jewelry, diamonds and other gemstones, watches, clocks, silverware and precious and semi-precious metalware to consumers, which will be subject to a New York State sales or use tax where applicable.

ARTICLE III Membership and Dues

Section 1. Membership.

The membership of this association shall consist of a singular type of membership and honorary members. Any business or firm actively engaged in the jewelry industry trade (as described above) in the state of New York shall be eligible for membership provided that it shall have paid dues for the current year and have complied with such other requirements, qualifications and conditions, including the *Code of Ethics and the Rules of Professional Conduct and Business Practice* as the Board of directors may establish. All members will be equal members of NYSJA.

Section 2. Honorary Members.

Honorary members may be elected by the membership or the Board of Directors for some special service rendered to the association or to the jewelry industry. Honorary members shall not be required to pay dues. They cannot vote or hold elected office. Honorary membership is permanent unless revoked by the Board of Directors for cause.

Section 3. Application Process.

Every person or firm desiring to become a member of this Association shall complete and sign a membership application and submit it with payment of the first year's dues for consideration of the Board of Directors. Applications for membership must be accompanied by photographs of the inside and outside of the store/company location.

The signing of the application shall be construed to be a signature on the official role of the Association and an agreement on the part of the applicant to fulfill and perform all requirements herein contained and to conform to all rules, regulations, and the *Code of Ethics and the Rules of Professional Conduct and Business Practice*. In addition all rules and regulations, whether expressed in these Bylaws or not, as may be adopted by the Board of Directors of the Association must be adhered to.

The Board of Directors or the Executive Committee shall have the right by majority vote at any meeting where a quorum is present to refuse any application for any reason they deem to be sufficient.

Section 4. Membership Dues.

The dues schedules for all members will be set by the Board of Directors. Member dues will be invoiced by and paid directly to NYSJA. Dues are billed on a calendar year basis and are due January 1. Members who have not paid by June 1 will be placed on a delinquent list and all services will be suspended. Dues are not prorated for new members. New members joining after October 1 will have their dues applied for the following calendar year.

Section 5. Termination of Membership.

Any member of the Association who wishes to terminate his membership may do so at any time by submitting a letter to the Association office. No refund of dues shall be payable upon termination.

If any member of the Association shall at any time be deemed guilty of any act which is prejudicial to the Association or to the purposes for which it was formed, such member will be notified to appear personally at the next regular or special meeting of the Board of Directors and then will be given a hearing. Any member has the right to appear by or with counsel. A membership may be expelled by a two-thirds vote of the Directors present, provided that there is a quorum. Dues for the current year will not be reimbursed.

ARTICLE IV Board of Directors

Section 1. General.

The Board of Directors shall exercise all corporate powers in managing the business affairs and property of the Association. They shall exercise all powers provided by these Bylaws and those generally part of the management of the association. The Board's powers will be limited by statute, these Bylaws and restrictions placed by the general membership. The Board of Directors shall be comprised of up to eighteen (18) Regional Directors who must be members of the Association.

Section 2. Duties of Regional Directors.

The Director is the official representative of the Association in his/her Region. A Regional Director's duty is to maintain contact with the Association officers and the members of that Region to further that Association's purposes, facilitate communication, build membership and promote programs and activities.

Section 3. Delegation of Power.

The Board of Directors shall have the power from time to time to delegate any of the powers of the Board to any committee, committees or officers of the Association.

Section 4. Nomination and Election.

The Regional Directors shall be elected by the members at either the annual meeting or by mail ballot within 30 days of the annual meeting. The Nominating Committee shall develop a slate of candidates to fill vacant director positions. Nominations may also be submitted by members providing that such nomination is submitted with written acceptance of the nominee, to the Secretary not less than 30 days prior to the election.

Each elected officer and regional director shall be an owner, officer, or manager of a member firm conducting business in New York State, or be affiliated with a jewelry-related business in the New York State Area. Regional Directors are elected for three (3) year terms. No Regional Director may serve more than two (2) consecutive three (3) year terms, except that the President, First Vice President and Second Vice President may be elected to additional terms as long as they hold one of these positions. If there should be two or more Board members, including Past Presidents, from the same firm, they will be permitted only one vote per firm in Board matters.

To assure representation from all areas of the State, five Regions have been established:

Western Region – including the following counties: Allegany, Cattaraugus, Cayuga, Chautauqua, Chemung, Cortland, Erie, Genesee, Livingston, Madison, Monroe, Niagara, Ontario, Onondaga, Orleans, Oswego, Schuyler, Seneca, Steuben, Tioga, Tompkins, Wayne, Wyoming and Yates.

Central Region – including the following counties: Albany, Broome, Chenango, Clinton, Delaware, Essex, Franklin, Fulton, Hamilton, Herkimer, Jefferson, Lewis, Montgomery, Oneida, Oswego, Rensselaer, Saratoga, Schenectady, Schoharie, Saint Lawrence, Warren and Washington.

Hudson Valley Region – including the following counties: Columbia, Dutchess, Greene, Rockland, Orange, Putnam, Sullivan, Ulster and Westchester.

Manhattan and Bronx Region – including the following counties: Bronx and New York.

Downstate Region – including the following counties: Kings, Nassau, Queens, Richmond and Suffolk.

Three (3) Directors shall be elected from each Region, except for the Manhattan and Bronx Region, which shall have six (6) Directors. Director terms within a region should be staggered to provide continuity.

Section 5. Role of Past Presidents.

The immediate past president will continue as a voting member of the Board of Directors and the Executive Committee. Other past presidents, who continue to qualify as retail jewelers or in other related jewelry businesses, shall continue as voting members of the Board of Directors.

Section 6. Vacancies of the Board of Directors.

Vacancies on the Board of Directors, caused by any reason, shall be filled on an interim basis by the President, to be confirmed by a majority of the Board of Directors at its next regular or special meeting.

Section 7. Meetings.

The Board of Directors shall meet regularly on such days and at such times and places the members thereof or the President shall from time to time determine.

Special meetings of the Board of Directors may be called by the President, First Vice President or Second Vice President at any time and must be called at the request of eight (8) Directors. Notice of such meeting must be mailed, faxed or e-mailed to each director at least ten (10) days prior to the meeting date.

Section 8. Quorum.

A majority of the Board of Directors shall be necessary to, and shall constitute a quorum at each regular or special meeting of the Board of Directors. Proxies may be voted if a quorum is present.

Section 9. Removal.

Any director not attending two consecutive meetings of the Board of Directors, may at the discretion of a majority of the Board, be removed as a Director. Any Director may be removed for cause by a two thirds vote of the Board of Directors, in person or by proxy, at any regular meeting of the Board or at a special meeting called for that purpose. The subject Director has the right to be present at such meeting and be represented by council.

Section 10. Election of Officers.

The Nominating Committee will prepare a slate of candidates for all open Officer positions. As soon as practical after the election of Directors, the Board will meet to elect the following officers from among the Regional Directors, if needed: President, First Vice President, and Second Vice President. A Secretary and Treasurer will also be elected but need not be members of the Board. If not already members of the Board, they will become ex-officio members of the Board. Officers are elected for two-year terms and may be re-elected to the same positions at the pleasure of the board.

Section 11. Actions.

All questions will be decided by a majority vote of those present and voting, except for questions which require a larger affirmative vote as set forth in these bylaws.

ARTICLE V Duties of Officers

Section 1. President.

The President shall be the chief executive officer of the Association, shall be the Chair of the Board of Directors and Executive Committee and an ex-officio member of all other standing and special committees. The President shall be the chief spokesperson for the Association.

The President shall appoint all committees not otherwise provided for in these Bylaws. The President will perform all other such duties as usually devolve upon the office of the President.

Section 2. First Vice President.

The First Vice President shall be primarily responsible for membership development and assisting the President as needed, shall understudy the President and will succeed to the presidency upon the death or incapacity of the President.

Section 3. Second Vice President.

The Second Vice President shall act as Chairman of the Annual Meeting and shall perform other duties as assigned by the President. Upon death or incapacity of the First Vice President, the Second Vice President shall succeed to the office of the First Vice President.

Section 4. Treasurer.

The Treasurer shall have general supervision over the care and custody of the funds and securities of the Association, shall keep or cause to be kept full and accurate accounts of all receipts and disbursements of the Association, shall deposit or cause to be deposited all funds and securities of the Association in such depositories as may be designated by the Board of Directors, shall disburse the funds, as outlined in Article IX Section 3 and 4, of the Association as may be ordered by the Board of Directors and shall present periodic financial statements to the Board of Directors at its regular meetings or at the request of the Executive Committee.

Section 5. Secretary.

The Secretary shall keep minutes of all meetings of the Association, the Board of Directors, the Executive Committee and other committees. The Secretary shall send out notices of all meetings and attend all meetings of the Board of Directors and Executive Committee.

Section 6. Executive Director.

The Board of Directors shall appoint such executive officers as they deem necessary. The Executive Director shall serve at the pleasure of the Board of Directors subject to the terms of any contract of employment. The Executive Director shall be an officer ex-officio and shall attend all meetings of the Board of Directors, Executive Committee and other committees. The Executive Director shall perform the administrative work and functions of the Association maintain the office and execute all properly authorized orders and resolutions of the Board of Directors, Executive Committee and Officers and to perform other such duties as may be properly assigned.

Section 7. Salaries and Allowances.

The Executive Committee shall establish such salaries and allowances for its officers as may be deemed advisable and in keeping with the services performed.

The Officers and Executive Committee Members may request reimbursement for transportation expenses for meetings other than the annual meeting/convention.

ARTICLE VI
Committees

Section 1. Executive Committee.

- A. Subject to the control and direction of the Board of Directors, the Executive Committee shall have the general charge of and transact all business between meetings of the Board of Directors. It shall exercise all the powers of the Board of Directors, except where specifically stated in these Bylaws.
- B. The Executive Committee shall consist of: The President, First Vice President, Second Vice President, Secretary, Treasurer, Immediate Past President and three (3) members of the Board, including qualifying Past Presidents, appointed by the President and approved by the Board. Vacancies on the Executive Committee may be filled by a majority vote of the Board of Directors.
- C. The Executive Committee may meet immediately after its appointment and thereafter at such place and time as it shall, from time to time, determine. Meetings of the Executive Committee may be called by the President on not less than ten (10) days notice and shall be called upon written request of a majority of the Executive Committee at any time, provided that twenty (20) days notice is given in writing prior to such meeting.
- D. Each member of the Executive Committee shall be entitled to one vote and all matters shall be decided by majority vote, unless otherwise specified in these Bylaws.
- E. Any number comprising more than 50% of the Executive Committee shall constitute quorum. Proxies may be voted if a quorum is present.

Section 2. Nominating Committee.

There shall be a Nominating Committee consisting of three (3) regular members of the association. This committee shall be appointed by the President with the approval of the Board of Directors not less than 60 days prior to the annual meeting of the Association. If willing and able to serve, the Immediate Past President will chair this committee.

The Committee shall develop a slate of candidates for open regional director positions and officers.

Section 3. Other Committees.

The President, with approval of the Board of Directors, may establish additional committees and task forces to further the work of the organization. These committees may be either standing or ad hoc in nature.

ARTICLE VII
Voting

Section 1. Eligibility.

On all matters coming before the membership, each member firm shall be entitled to one vote regardless of the number of locations or amount of dues paid.

Section 2. Method of Voting.

Members may vote in person or by proxy at meetings of the Association. A proxy shall be in writing and is revocable in writing by the member giving it as long as the revocation occurs before the meeting at which the proxy is to be exercised.

Voting may also be done by mail ballot, at the direction of the Board of Directors. Each member shall receive a mail ballot, with appropriate documentation and supporting materials, and be given thirty (30) days to request additional information, in writing and submit his/her ballot by return mail, facsimile transmission or email.

ARTICLE VIII
Meetings

Section 1. Annual Meeting

The Annual meeting of the Association will be on such days and in such places as the Board of Directors may designate.

Section 2. Special Meetings.

Special meetings of the Association may be called by a majority of the Executive Committee, a majority of the Board of Directors or ten (10) percent of the members.

Section 3. Quorum.

Twenty (20) members of the Association, including seven (7) members of the Board of Directors, shall constitute a quorum for the transaction of all business.

Section 4. Order of Business.

Parliamentary rules as proscribed in *Robert's Rules of Order* shall govern procedure at all meetings of the Association when not in conflict with these Bylaws.

ARTICLE IX Amendments

Section 1. Amendments.

Any and all provisions of these Bylaws may be amended or repealed by a majority vote of the members present or in person or by proxy at any meeting of members or by affirmative vote of three quarters (3/4) of the entire Board of Directors.

Section 2. Notification.

Members of the Association must be given at least thirty (30) days notice of any proposed amendment or repeal of these Bylaws, including a printed copy of any proposed amendments.

Section 3. Funds Disbursement.

Checks disbursed in denominations of \$500.00 or less shall require the signature of the President or Treasurer, unless the disbursement is to the President or Treasurer, at which point any other signer on the Association's accounts may sign. In the event that the President or Treasurer is unavailable, any signer on the Association's accounts may sign, unless the disbursement is to that signer. Checks disbursed in denominations of \$500.01 or more shall receive two signatures from authorized signers on the Association's accounts not to include that of the Payee. In all cases, proper documentation for all disbursements must be accounted for and presented at time of check signing.

In all online banking accounts, the Executive Director may pay any bills/invoices related to the association, provided the amounts to be paid are reviewed by the Treasurer or President prior to disbursement. If and when the disbursement is \$500.01 or more, than the Treasurer and President, or First Vice President must approve the disbursement. The Treasurer, President and First Vice President, must have any and all access codes and passwords for access to the online account. No transfers between accounts can be made without the express consent of the Treasurer and First Vice President or President.

ARTICLE X
Indemnification of Officers and Directors

The Association shall, to the fullest extent allowed by applicable law, indemnify every person who is, was or has agreed, to become an officer, director or committee member of or for the Association who was, is or is threatened to be made a party to any action or proceeding, whether civil or criminal, administrative or investigative, brought or threatened in any court or administrative or legislative body or agency, against all judgments, fines, penalties, amounts paid in settlement and costs, charges and expenses, incurred in connection with such action, proceeding or appeal. No indemnification will be provided to any such person if a judgment or other final adjudication adverse to the director, officer or committee member establishes that the acts were: 1) committed in bad faith or were the result of active and deliberate dishonesty and in either case, were material to the cause of action so adjudicated or 2) such person personally gained a financial profit or other advantage to which he or she was not legally entitled.

ARTICLE XI
Miscellaneous

The fiscal year of the Association shall be the calendar year.