

BY-LAWS OF CLAN CARMICHAEL USA

(Herein referred to as the Clan)

amended 16 June 2004

ARTICLE I - PURPOSE

1. The Clan is organized and shall be operated exclusively for the purposes of (a) promoting public knowledge of and interest in Scottish culture, such as literature, music, poetry and art, (b) encouraging and supporting education and training in piping, dancing and athletic contests, (c) supporting educational programs in Scottish culture and (d) engaging in other charitable ventures as shall preserve Scottish customs, tradition and heritage.

2. The clan shall be exclusively dedicated to charitable and educational purposes, including for such purposes, the making of distributions to organizations under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future Federal tax code.

3. No part of the earnings of the Clan shall inure to the benefit of, or be distributed to its members, directors, officers or any other persons, except that the Clan shall be authorized and empowered to pay a reasonable compensation for service rendered and to make payments and distributions in furtherance of Internal Revenue Code, Section 501(c)(3) purposes.

4. No substantial part of the activities of the Clan shall consist of (a) lobbying or petitioning to influence legislation, (b) participation or intervention in any political campaign, including the publishing or distribution of statements or (c) endorsement or monetary support of any candidate for public office.

5. Notwithstanding any other provision of these bylaws, the Clan shall not carry on any other activities not permitted to be carried on by an organization exempt from Federal Revenue Tax under the provisions of Internal Revenue Code, Section 501(c)(3) or an organization, contributions to which are deductible under Section 170(c)(2) of the Code, or corresponding section of any future Federal tax code.

ARTICLE II - OFFICES

1. The registered office of Clan Carmichael USA shall be at Woodmont North Condominiums F-2, Downingtown, PA 19355.

2. The business office of Clan Carmichael USA shall be the same as the address of the Clan Treasurer. Effective June 2004: 2591 Rocky Springs Road, Marietta, GA 30062.

3. The Clan may also have offices at such other places as the Board of Directors may, from time to time, select or the activities of the Clan may require.

ARTICLE III - SEAL

1. The corporate seal shall have inscribed thereon the name of "Clan Carmichael USA", the year of organization and the words "Corporate Seal, Pennsylvania".

ARTICLE IV - MEMBERSHIP AND MEMBERS

1. Membership shall be open to all persons with the surname of Carmichael or other spellings of the surname, their spouses and children and any persons with ancestral connection to the name of Carmichael.

2. Membership may be opened to interested persons with other surnames, on election by two-thirds vote of the Board of Directors.

3. The Clan shall have two classes of membership, voting membership and honorary membership. For voting members, all voting rights and other rights, interests and privileges of membership shall be equal. For honorary members, all other rights, interests and privileges of membership shall be equal, except voting rights. Honorary membership may be granted upon election by two-thirds vote of the Board of Directors. Honorary members may upgrade their membership to become a voting member upon payment of dues to Clan Carmichael USA.

4. Membership in the Clan may be evidenced by Certificates of Membership, in which case they shall be in such form and style as the Board of Directors may determine. The face of each certificate shall show that Clan Carmichael USA is a non-profit corporation. Certificates shall be signed by the President or a Vice President and the Secretary or Membership Chairman.

5. Membership dues shall be paid annually, by each member, to Clan Carmichael USA. The amount shall be determined by the Board of Directors as equitable and necessary to maintain the Clan programs within the scope of a non-profit operation. Modification of the amount of annual dues shall be announced to the entire membership six months in advance of the date of the modification. The amount of dues, current at the time of the adoption of these By-laws, shall remain in effect until modified as stated herein.

6. The Board of Directors, by affirmative vote of two-thirds of all members of the Board, may suspend or expel a member for actions detrimental to the purposes of the Clan or who, after proper notice and reasonable efforts made to obtain payment, shall be in default of payment of any dues.

7. Upon written request signed by a former member and filed with the Secretary, the Board of Directors may, by affirmative vote of two-thirds of all members of the Board, reinstate such former member to membership.

8. Membership in Clan Carmichael USA is not transferable or assignable.

ARTICLE V - MEETINGS OF MEMBERS

1. Meetings of members shall be held at a place or places, within or without the Commonwealth of Pennsylvania, as may from time to time be fixed by the Board of Directors.

2. The annual meeting of the members shall be held at a place and time as determined by the Board of Directors, where they shall elect members, or a class of members, of the Board of Directors

and transact other business as may properly be brought before the meeting. If the annual meeting shall not be called and held within six months after the designated time, any member may call such a meeting.

3. Special meetings of the members may be called at any time by the President, or the Board of Directors or upon request of any member or group of members having matters to be decided upon which cannot wait until the next annual meeting. The manner of notice of such special meetings shall be as stated in Section 4 of this article.

4. Written notice of every meeting of the members shall be given by the Secretary, stating the time, place and specific object of the meeting to every member of record entitled to vote at the meeting, at least thirty days prior to the meeting date.

5. The notice of meetings of the members may be contained in a Clan publication, provided that such publication is sent by first class or express mail, postage prepaid.

6. At meetings of members, duly called, business shall not be transacted, unless a quorum of ten members, entitled to vote, shall be present at the outset. However, the members at a meeting at which a quorum is initially present, can continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. If a meeting cannot be organized because a quorum is not present, those present may adjourn the meeting to such a time and place as they may determine and at the second meeting, those who attend, although less than a quorum, shall nevertheless constitute a quorum for such second meeting.

7. Any action, which may be taken at a meeting of the members, may be taken without a meeting, if consents in writing, setting forth the action so taken, are signed by a simple majority of the members and filed with the Secretary.

8. Every member of Clan Carmichael USA shall be entitled to one vote. No member shall sell his/her vote for money or anything of value. At the request of a member, the records of the membership shall be produced at any regular or special meeting of the Clan. If the right of a person to vote is challenged, the presiding officer shall require such records to be produced as evidence of the right of the challenged person to vote. All persons who appear by the records to be members entitled to vote, may vote.

9. Voting may be by ballot, mail or any reasonable means, determined by the Board of Directors. Elections for directors need not be by ballot, except on a demand of a member before the voting begins.

10. In advance of a meeting of members, judges of election, who need not be members, may be appointed by the Board of Directors for such a meeting or any adjournment thereof. If not done in advance, the presiding officer may appoint such judges at the meeting. There shall be one or three judges, no one of which may be a candidate for office.

ARTICLE VI - DIRECTORS

1. The business and affairs of the Clan shall be authorized and overseen by the Board of Directors, a minimum of fifteen in number, who shall be natural persons of full age and who need not be residents of Pennsylvania, but who shall be members of the Clan. A slate of one-third of the number of directors shall be elected by the members, at an election, held every two years at the annual meeting of that year. Each director shall serve for a six year term and until his/her successor shall be elected and shall qualify, but no director shall serve more than two consecutive terms. However, he/she shall be eligible to serve again after being off the Board for a period of one year. An exception to a director not serving more than two consecutive terms shall be made for officers in line for the Presidency. When a director is elected to the office of President, First Vice President or Second Vice President, they may continue serving as a director as long as they are reelected to office. Directors responsible for Clan activities within a region or other specific Clan activity may take the title of "Commissioner" and may add to the title his/her particular area of responsibility or activity. The terms of officers and directors will begin and end on November 1 of the year in which they are elected or in which they complete their terms.

2. In addition to the powers and authorities by these By-laws conferred on it, the Board of Directors may exercise all such powers as are not, by statute or by the By-laws, directed to be exercised by members.

3. Meetings of the Board of Directors may be held at such times and places, within this Commonwealth or elsewhere, as a majority of the directors may from time to time designate. Such meetings may also be attended by any Clan member, except that he/she shall not participate, except by invitation of the Board, and shall not vote on any matter being considered in such meeting.

4. Written or personal notice of every meeting of the Board of Directors shall be given each director at least fifteen days prior to the day named for the meeting.

5. A majority of the directors in office shall be necessary to constitute a quorum for the transaction of business and the acts of a majority of directors present at a meeting at which a quorum is present, shall be the acts of the Board of Directors. Any action which may be taken at a meeting of the directors may be taken without a meeting, if all of the directors in office agree by signing consents, and these consents are filed with the Secretary.

6. The Board of Directors shall establish standing committees as set forth in Article VIII. The President shall be empowered to appoint persons to these committees and shall fill vacancies as the need arises.

7. Directors may be removed from office by a majority of votes by members entitled to vote at any annual meeting or regular election of directors. In such case, new directors may be elected at the same meeting.

8. The Board of Directors may declare vacant the office of a director if he/she is unable, for any reason, to actively participate in the activities of the Board.

9. A director of the clan shall stand in a fiduciary relation to the Clan and shall perform his/her duties as a director, including his/her duties as a member of any committee of the board on which he/she may serve, in good faith, in a manner which he/she reasonably believes to be in the best interests of the Clan and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use. In performing his/her duties, a director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements or data prepared by officers, counsel or public accountants or a committee of the Board, which he/she reasonably believes to merit confidence. A director shall not be considered to be acting in good faith if he/she has knowledge concerning the matter in question that would cause his/her reliance to be unwarranted.

10. A director shall not be personally liable for monetary damages for any action taken or any failure to take any action unless he/she has breached or failed to perform his/her duties of office and the breach or failure constitutes self-dealing, willful misconduct or recklessness. This provision does not apply to the liability of a director pursuant to any criminal statute or for payment of taxes pursuant to local, Federal or state law.

11. Directors shall not receive monetary compensation for their services, except that the Board of Directors may fix an amount to be allowed for expenses of attendance at regular or special meetings of the Board. This does not preclude any director from serving the Clan in any other capacity and receiving compensation therefor.

ARTICLE VII - OFFICERS

1. The officers of Clan Carmichael USA shall be chosen by the Board of Directors, from its membership, and shall be a President, a First Vice President, a Second Vice President, a Secretary and a Treasurer and such other officers and assistant officers as may be determined by the Board. The President, Vice Presidents, Secretary and Treasurer shall be natural persons of full age. They shall hold their offices for a term of two years and shall have such authority and shall perform such duties as are here provided by the By-laws and as from time to time prescribed by the Board of Directors. Not more than two offices may be held by the same person. Officers may be reelected to another term of office.

2. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Clan will be served thereby.

3. The President shall be the chief executive officer of the Clan. He/she shall have general and active management of the affairs of the Clan, as provided by statute, shall see that all orders and resolutions of the Board are carried into effect, he/she shall execute all documents requiring a seal, under the seal of the Clan. He/she shall appoint committees and shall be, ex-officio, a member of all committees and shall have the general powers and duties of supervision and management usually invested in the office of President.

4. The First Vice President shall act in all cases for the President in the latter's absence or incapacity and shall perform other duties as he/she may be required by the Board of Directors to do from time to time.

5. The Second Vice President shall act in all cases where both the President and the First Vice President are absent or incapacitated and shall perform other duties as he/she may be required by the Board of Directors to do from time to time.

6. The Secretary shall attend all sessions of the Board and all meetings of the members and act as clerk thereof, and record all votes of the Clan and the minutes of all its transactions in a book to be kept for that purpose and shall perform like duties for all committees of the Board when required by the Board of Directors. He/she shall maintain a current record of names and addresses of all members of the Clan, He/she shall give notice of all meetings of the members and of the Board of Directors and shall perform other duties as may be prescribed by the President. He/she shall keep in safe custody, the corporate seal of the Clan and under the authority of the Board, affix the same to any instrument requiring it. An assistant or assistants to the Secretary may be chosen by the Board of Directors, as required.

7. The Treasurer shall have custody of the Clan funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Clan and shall keep the moneys of the Clan in a separate account to the credit of the Clan. He/she shall disburse the funds of the Clan as required to meet obligations and as may be ordered by the Board, taking proper vouchers for such disbursements. He/she shall render to the President and the directors, at regular meetings of the Board, or when they may require it, an account of his/her transactions as Treasurer and of the financial condition of the Clan. An assistant or assistants to the Treasurer may be chosen by the Board of Directors, as required.

8. The outgoing President shall be titled Immediate Past President and shall hold that position and remain a director until the next change of President. Should the office of Immediate Past President become vacant, it shall be filled by election by the Board of Directors of a Past President who is a director. Should there be no Past President on the Board, the position shall be filled by recalling a member who is a Past President. If there is no one eligible for that position, the duties and responsibilities shall be assumed by the standing President. This officer shall serve as a member of the Executive Committee.

ARTICLE VIII - COMMITTEES

1. Executive Committee: There shall be an Executive Committee, which shall consist of the officers of the Clan, with the President as the Chairperson. The Executive Committee, in conjunction with the President, shall determine and manage the operation of Clan Carmichael USA.

2. Finance Committee: There shall be a Finance Committee which shall consist of the President, the First and Second Vice Presidents, the Treasurer and one or more other persons chosen by the President. The duties of the Finance Committee shall be to (1) develop and manage programs for grants, both received by the Clan or awarded by the Clan for cultural studies, scholarships, sponsorships and prizes and such other programs as the Board of Directors shall specify, (2) oversee the finances of the Clan, (3) prepare a yearly budget and (4) cause audits to be performed as may be required.

3. Nominating Committee: There shall be a Nominating Committee which shall consist of the Immediate Past President, who shall be the chairperson, the Secretary and not more than three other persons chosen by the President. The Nominating Committee shall meet at least once per year and select persons to be elected to the Board of Directors at the annual meeting. The meeting, at which these names are selected, shall be scheduled such that the Secretary can give notice to members as specified in Article V, Section 4.

4. Membership Committee: There shall be a Membership Committee which shall consist of the Secretary and other persons chosen by the President. The President shall appoint the chairperson of the Membership Committee, which shall assist the Secretary in maintaining records and shall establish ways and means of gaining and keeping members of the Clan.

5. Scholarships and Grants Committee: There shall be a Scholarship and Grants Committee which shall consist of the Treasurer and at least three other persons chosen by the President, one of which shall be named as Scholarship Chairperson. The duties of the committee shall be to (1) actively seek contributions and grantors as a source of funds, (2) develop standards of eligibility for applicants for scholarships or grants, (3) receive and evaluate applications and planned use of funds by applicants, (4) monitor progress and results of study programs and grant projects and require recipients to submit progress and final reports of study results and use of funds, (5) maintain records of funds received and funds granted and the purpose of each for tax records and reports and (6) other related activities as required.

6. Games Coordinating Committee: There shall be a Games Coordinating Committee which shall consist of one director who shall be named Chairperson and at least two other persons chosen by the President. The duties of this committee shall be to (1) promote uniformity in exhibits and information presented to the public at the various events at which Clan Carmichael USA is represented, (2) cooperate with the Commissioners in various sections of the country in the selection of games to cover and scheduling of coverage, (3) supply kits of display and educational materials, banners, flags, etc., as needed, and coordinate shipment of these kits to clan representatives at games, (4) maintain a supply of clan goods for sale at games by Clan representatives, (5) keep a record of games and events at which Clan Carmichael USA was represented, including sponsorship which the Clan may have granted and (6) other activities as required.

7. Publicity Committee: There shall be a Publicity Committee which shall consist of one director who shall be named Chairperson and at least two other persons chosen by the President. This committee will coordinate activities with the Secretary to avoid duplication. The duties of this committee shall be to (1) distribute news items of interest about Clan activities to leading Scottish-American publications and local newspapers, (2) provide clan ads and other information to the various periodicals and to games organizations for use in program books, (3) assist the newsletter editor by collecting items of interest to Clan members and (4) other activities as required.

8. Other Committees: Other committees may, from time to time, be established and/or disbanded by the Board of Directors, to serve either continuing or special needs.

ARTICLE IX - VACANCIES

1. If the office of any officer becomes vacant for any reason, the Board of Directors may choose a successor, who shall hold office for the remainder of the unexpired term of that office.
2. Vacancies in the Board of directors, including vacancies resulting from an increase in the number of directors, shall be filled by vote of a majority of the remaining members of the Board, though less than a quorum, and each person so elected shall be a director until he/she, or his/her successor, is elected by the members at the next annual meeting or at a special meeting called for that purpose.
3. Vacancies in committees shall be filled by appointment by the President.

ARTICLE X - BOOKS AND RECORDS

1. The Clan shall keep an original or duplicate record of the proceedings of its members and directors, an original or duplicate copy of its By-laws, including all amendments thereto to date, certified by the Secretary of the Clan, an original or duplicate membership register, giving names, addresses and other details of membership. The Clan shall also keep complete and accurate books or records of account. The records provided herein shall be kept at either the registered office of the Clan or at the place where the Secretary performs his/her duties, wherever situated.
2. Every member shall, upon written demand to the Clan at its registered office in this Commonwealth or to the Secretary's principal place of business, stating the purpose thereof, have a right to examine, at a reasonable time and place, the membership register, books and records of account and records of the proceedings of the members and directors and to make copies or extracts therefrom.
3. All checks issued by the Clan for disbursement of funds for any reason, shall be signed by the Treasurer, except that the amount disbursed over a single signature may be limited by action of the Board of Directors. In the absence of the Treasurer, such other officer or officers, as the Board of Directors may from time to time designate, may also sign checks.

ARTICLE XI - ANNUAL REPORT

1. The Board of Directors shall present annually to the members a report, verified by the President and Treasurer or by a majority of the directors, showing in appropriate detail, for the year immediately preceding the date of the report, (a) the assets and liabilities, including trust funds, if any, of the Clan, (b) the principal changes in assets and liabilities, (c) the revenue or receipts of the Clan, (d) the expenses or disbursements of the Clan, (e) the number of members of the Clan at the date of the report and a statement of increase or decrease in such number and a statement of where names and addresses of members may be found. This report shall be filed with the minutes of the annual meeting of members.

ARTICLE XII - NOTICES

1. Whenever notice is required to be given to any person, it may be given personally, or with charges prepaid, by first class or express mail, by facsimile transmission, by TWX or telex or by telegram and when sent to the person by these means, notice shall be deemed to have been given when it

is deposited with the agency that is to send or dispatch it. A notice of meeting will specify the place, date and hour of the meeting and any other information required by statute or these By-laws.

ARTICLE XIII - MISCELLANEOUS PROVISIONS

1. The fiscal year of the Clan shall begin on the first day of January.
2. ROBERT'S RULES OF ORDER, NEWLY REVISED may apply at all meetings. The President may appoint a Parliamentarian to rule on points of order.
3. One or more persons may participate in a meeting of the Board or of the members by means of conference telephone or similar equipment by means of which all persons participating in the meeting can hear each other. Such participation shall constitute presence at the meeting.
4. So long as the Clan shall continue to be organized on a non-stock basis, the Board of Directors shall have authority to provide for members to make capital contributions in such amounts and on such terms as are fixed by the directors in accordance with the provisions of section 5541 of the Nonprofit Corporation Law of 1988 (PA).
5. The Board of Directors, by resolution, may authorize the Clan to accept grants from members or nonmembers on terms not inconsistent with the provisions of section 5542 of the Nonprofit Corporation Law of 1988 (PA), and to issue certificates therefor.

ARTICLE XIV - INDEMNIFICATION

1. The Clan shall indemnify each of its directors, officers and employees whether or not then in service as such (and his/her executor, administrator and heirs), against all reasonable expenses actually and necessarily incurred by him/her in connection with the defense of any litigation to which the individual may have been a party because he/she is or was a director, officer or employee of the Clan. The right to indemnity for expenses shall also apply to the expenses of suits which are settled, if the court having jurisdiction over the matter shall approve such settlement. The individual, however, shall have no right to reimbursement if he/she has been adjudged liable to the Clan for negligence or misconduct or was derelict in the performance of his/her duty as director, officer or employee by reason of willful misconduct, bad faith, gross negligence or reckless disregard of his/her duties.

The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which a director, officer or employee may be entitled.

ARTICLE XV - AMENDMENTS TO THE BY-LAWS

1. Any provision of these By-laws may be amended or repealed by at least a majority of members entitled to vote at any regular or special meeting, duly convened, after notice to the members of that purpose.
2. Amendments to the By-laws may be proposed by any member. Proposals for amendments shall be submitted in writing to the Secretary at least 60 days before the next scheduled annual meeting. The Secretary shall provide notice to the membership, of the proposed amendments as soon as possible

after receipt, but in no event less than thirty days prior to the annual meeting date. Amendments, submitted as specified herein, shall be voted upon at the next annual meeting following such notice.

3. Any change in the By-laws shall take effect when such change is adopted.

ADOPTION OF BY-LAWS

1. The above document constitutes the By-laws as adopted by the incorporators and amended and approved by vote of the membership at the annual meeting, October 17, 1992.

2. The above document was amended again and approved by vote of the membership at the annual meeting, June 29, 2000 at Carmichael, Scotland.

3. The above document was amended again and approved by vote of the membership at the annual meeting, June 16, 2004 at Carmichael, Scotland.