

COSMOPOLITAN INTERNATIONAL BYLAWS

(Current as of July, 2009)

ARTICLE I

ORGANIZATION

SECTION 1. Cosmopolitan International, Inc. shall consist of Cosmopolitan International clubs, which have been accepted by the board and chartered in the manner provided in the bylaws and which continue to comply with the Restated Articles of Incorporation and Bylaws as adopted or amended.

SECTION 2. Any club, federation or auxiliary unit, and any elective or appointive officer may have its charter or membership suspended or revoked as provided in the bylaws.

ARTICLE II

OBJECTS, AIMS AND PURPOSES

The primary objects, aims and purposes of Cosmopolitan International, Inc. shall be:

SECTION 1. The building of a better, more intelligent and serviceable citizenship, by precept and example, and in the business and social welfare of the citizens of any community where units or subdivisions of Cosmopolitan International, Inc., are established.

SECTION 2. The development and application of high social, business and professional standards by the encouragement and practice of the Golden Rule in all human and business relations, and by a united, earnest effort in social, charitable, fraternal, civic, educational and patriotic enterprises; also, encouragement in the study and development of science, literature, art, commerce and political economy, to the end that the proper application thereof and an active interest therein may awaken the public conscience to a higher idealism in life and to a better understanding of human values and human fellowship; also a fuller appreciation of spiritual values and especially an honest, wholehearted practice of tolerance, good will, justice and fair play, not only towards fellow members, but toward all men; mutual aid and encouragement to sick, injured and distressed members, and, in general, the performance of any and all acts of good will and cooperation that will materially and effectively add to progress, success, comfort, pleasure and enduring mutual friendship of all members of Cosmopolitan International, Inc. and will tend to establish its local units and subdivisions as a vital, driving force for public good in their respective communities.

SECTION 3. Cosmopolitan International, Inc. does declare itself devoted to the cause of good citizenship and education of the youth of the world; to fostering and nurturing the cause of youth, that they may reach the age of citizenship fully capable and responsible of fulfilling the duties and obligations incumbent upon them, desiring that this will be a better world in which to live because they are ready to serve.

SECTION 4. The mission of Cosmopolitan International is to contribute to community well-being through charitable donations and volunteer service with special emphasis on supporting efforts to prevent and find a cure for diabetes.

ARTICLE III

OFFICIAL EMBLEM AND COLORS

The official emblem of this organization shall be a triangle with angles all equal and whose three sides shall bear the inscription "Unity-Service-Action" projected through a double circle on which appear the words "Cosmopolitan International", with a background showing the outline of a pilot wheel and surmounting the word "Think". The official colors of this organization shall be purple and gold.

ARTICLE IV

COSMOPOLITAN PLEDGE

SECTION 1. The Cosmopolitan pledge shall be the moral guide for every Cosmopolitan in his/her relations with his/her fellow members, his/her club and its officers, and in his/her general conduct as a citizen of his/her country and of his/her community. Any member of the association who violates that pledge subjects his/her membership to forfeiture. The pledge shall be administered to all new members of the association, and is as follows:

"I hereby pledge my loyalty and friendship to every Cosmopolitan, I agree to abide by the rules of Cosmopolitan International, the _____ Federation and the _____ Cosmopolitan Club. I promise to incorporate the aims and objectives of Cosmopolitan International into my daily life, so that I may bring credit to my club, my community and Cosmopolitans everywhere."

ARTICLE V

ADMINISTRATION

The affairs of Cosmopolitan International, Inc. shall be directed and administered according to the Cosmopolitan International, Inc. bylaws and board policies as adopted at the time these bylaws are adopted and the additions and deletions that may be made therein.

ARTICLE VI

EXEMPTION STATUS

SECTION 1. Notwithstanding any other provision of these bylaws, no member, director, officer, employee or representative of this corporation shall take any action or carry on any activity by or

on behalf of the corporation prohibited from being conducted or carried on by an organization exempt under Section 501(c)(4) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended, or by an organization's contributions which are deductible under Section 170(c)(2) of such Code and Regulations as they now exist or as they may hereafter be amended.

ARTICLE VII

CLUBS

SECTION 1. Clubs may be organized and admitted to membership in Cosmopolitan International, Inc. in any city, town, village or borough approved by the board.

SECTION 2. A charter shall be granted to clubs meeting all requirements and obligations; provided, however, that by the acceptance of the charter the club agrees to be bound by the Restated Articles of Incorporation and Bylaws of Cosmopolitan International, Inc. then and thereafter in force. All new clubs chartered after August 1, 1991 must send a copy of their bylaws to Headquarters prior to receiving their charter and the new club's bylaws must coincide with this section.

SECTION 3. Every club shall be governed by bylaws adopted by the club, and not inconsistent or in conflict with the Restated Articles of Incorporation and Bylaws of Cosmopolitan International, Inc., provided that the bylaws may prescribe the manner of securing approval by submission to the judge advocate or other officer designated and such local Restated Articles of Incorporation and Bylaws shall be presumed to comply, unless challenged.

SECTION 4. The International Board (hereinafter in these bylaws called "the board") shall have power to prescribe membership requirements for the admission of new clubs to Cosmopolitan International, Inc; any group of men/women having complied with the Restated Articles of Incorporation and Bylaws, and the requirements of the board, may make application to the president of Cosmopolitan International, Inc.; for membership therein; the president shall inquire into the qualifications of such group and if he/she finds that such group has met the requirements, he/she shall instruct the executive director to forward a charter to such group.

SECTION 5. Every club shall adopt bylaws for the government of such clubs not inconsistent with the Restated Articles of Incorporation and Bylaws of Cosmopolitan International, Inc. A copy of each club's most up to date bylaws shall be on file at headquarters.

SECTION 6. Any club, federation or auxiliary unit may have its charter suspended or revoked by the board for failure to obey the Restated Articles of Incorporation and Bylaws of Cosmopolitan International, Inc., or for conduct unbecoming a civic service club; provided, that any such club, federation, or auxiliary unit whose charter has been suspended or revoked, shall have the right to appeal to the next annual convention whose action, whether affirming or reversing the board, shall be final.

ARTICLE VIII

MEMBERS

SECTION 1. Membership in clubs shall be classified as:

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|--------------|---------------------|
| (a) Active | (d) Life |
| (b) Sponsor | (e) Member Emeritus |
| (c) Honorary | (f) At-Large |

SECTION 2. Membership in a club shall be only of those persons as set forth in these bylaws. The individual member may hold such membership or he/she may hold membership as a representative of a firm or business. Each new member taken into a club shall specify on his/her application whether his/her membership is individual or firm owned, and this shall not be changed without the consent of the local board of managers; provided, however, that any successor firm member must be accepted and approved by the club within the ninety (90) days after a change occurs.

SECTION 3. Active, Sponsor, Honorary, Life, Member Emeritus and At-Large members in any club shall be men/women of good repute, engaged in or experienced in recognized lines of business, agriculture, professional, educational, institutional, social, vocational, governmental, or organizational, within the territorial limits of said club.

SECTION 4. Any member in good standing who becomes a member of the armed forces and who is deployed or on extended temporary duty shall be relieved of the payment of all dues until such time as such deployment or extended duty ceases.

SECTION 5. Sponsor members, who have prepaid International dues for life, are relieved of further such payments of International dues and in all things otherwise to be considered as Active members, and governed by all rules and regulations stipulated in the foregoing sections. No additional or new Sponsor memberships beyond those enrolled as of July 1, 1978 shall be offered or accepted by Cosmopolitan International, Inc.

SECTION 6. Honorary membership may be conferred by any club upon an outstanding person. He/she shall not pay dues, but sponsoring club shall be responsible for paying International dues and initiation fees on behalf of all Honorary memberships created after July 1, 1972. All Honorary members shall have the privileges of an active member and shall be governed by all other rules and regulations pertaining thereto. Individual clubs may otherwise honor outstanding or distinguished citizens other than Cosmopolitan members, but shall do so in a manner that shall not conflict with the membership privileges granted within this classification.

SECTION 7. Life membership shall be conferred upon each past International president, and he/she shall pay no dues, but shall have the right to vote and hold office. This same practice shall apply should the past International president belong to more than one local club. He/she shall be admitted to membership in any club wherever his/her residence may be. Immediately upon retirement from office of any International president, the executive director shall present to him/her such a certificate of life membership in Cosmopolitan International, Inc. The dues referred to hereina-

bove shall mean dues in Cosmopolitan International, Inc. but such Life member shall pay such dues as may be required by any club and federation.

SECTION 8. Member Emeritus may be conferred by any club upon an outstanding, longtime active member who is incapacitated to the degree he/she is unable to regularly attend meetings. A Member Emeritus shall have the privileges of an active member. However, he/she need not pay International, federation nor club dues, need not receive International or Federation publications, and need not comply with local attendance and other club rules.

SECTION 9. Individual at-large membership will be conferred upon all Cosmopolitans who reside in or move to an area where there is no Cosmopolitan Club or an area where the existing clubs will not accept them as a member.

Individual at-large members shall have the privileges of active members, and pay only International dues including *CosmoTopics* fees. They shall be encouraged, and assisted in starting a new Cosmopolitan club in their area.

Individual at-large members shall be members of a "Headquarters Club", their status shall be reviewed quarterly, and copies of the review shall be available to the International Board Members.

SECTION 10. Cosmopolitan membership is open by invitation to all persons regardless of race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law. This policy of non-discrimination applies to all programs and activities including employment conducted by Cosmopolitan International and its clubs and subordinate bodies.

SECTION 11. Every member of a club, federation, and any auxiliary unit of Cosmopolitan International, Inc. by the acceptance of these bylaws, and any future member taken into this organization, does so upon the express condition that in the event he/she ceases to be a member of any such organization, he/she shall at that time cease to have any interest whatsoever in any property and funds belonging to said club, federation, Cosmopolitan International, Inc., and any affiliated organization thereof. In the event any club, federation or auxiliary unit shall cease to be in good standing with Cosmopolitan International, Inc., or shall disband its membership, then Cosmopolitan International, Inc. shall have a lien upon any funds and property of such clubs as of the date such club becomes not in good standing or announces its intention of disbanding for such amount as then due to Cosmopolitan International, Inc.; Cosmopolitan International, Inc. shall not become liable for any debts or obligations of any club, federation or any other auxiliary or affiliated unit.

SECTION 12. Any member of a club shall forfeit his/her membership and rights in the organization:

- (a) Who fails, neglects, or refuses to pay any dues, fines, assessments, or comply with any other legal demand or regulation of his/her club for thirty (30) days from the date when requested to do so, unless the board of managers grants a further extension; or,
- (b) Who, after his/her election to membership, engages in an immoral, disreputable, or unlawful occupation, or conduct; or,
- (c) Who, after being elected, is convicted of a felony by a court of competent authority.

SECTION 13. Any member who fails to attend fifty (50) percent of all meetings, without legitimate excuse, and who fails to make up his/her attendance by one of the prescribed methods, may be dropped from membership in the club. A member can make up a missed meeting in accordance with provisions of his/her local club bylaws.

ARTICLE IX

FEDERATIONS

SECTION 1. Every club of Cosmopolitan International, Inc. shall belong to a federation of Cosmopolitan Clubs; provided, however, that in some cases a club may be located too far distant from any federation to make such affiliations practical, in which event a Club At-Large may be formed, upon application to and approval by the International Board. Such application shall be in a form approved from time to time by the International Board. Clubs At-Large shall pay only International dues, *CosmoTopics* fees, and insurance. Clubs At-Large shall not be entitled to any of the benefits of federation status.

SECTION 2. The board shall have the power to set up geographical areas within which clubs may be located, and every club within that area shall join the federation designated by the board.

SECTION 3. Each federation, upon being formed and chartered by Cosmopolitan International, Inc. shall hold an annual convention at a time and place designated by the board of trustees of such federation.

SECTION 4. Each federation shall adopt bylaws not inconsistent with the Restated Articles of Incorporation and Bylaws of Cosmopolitan International, Inc. and shall incorporate therein a section dealing with the removal of any federation officer for misconduct as set forth in Article XI, Section 11. Enforcement of said section will be the responsibility of the federation.

SECTION 5. Each federation shall be entitled to one delegate at the annual convention of Cosmopolitan International, Inc.

SECTION 6. Within thirty (30) days of the close of any convention or of any meeting of the board of trustees of the federation, the secretary thereof shall make a report of the proceedings of said meeting and forward same to Cosmopolitan International, Inc.

SECTION 7. Each federation shall have the power to levy dues upon its membership, but no federation dues shall be due Cosmopolitan International, Inc.

SECTION 8. The chief executive officer of each federation shall be the federation governor. Federation Governors are expected to attend all International Board meetings and to assist the International Board to communicate, promote and accomplish the goals of Cosmopolitan International. Each Federation Governor, in coordination with the Director of Membership Development, is expected to have at least one new club building project in progress at all times. He/she is also to provide assistance to the Executive Director in coordinating and planning any International Board meetings held within his/her Federation.

Federation Governors will incorporate all Cosmopolitan International goals and projects into the federation's goals and projects, and they will encourage all officers and members within their federation to participate in all activities of the federation and Cosmopolitan International. Federation Governors are the primary link for communication and accountability between the International Board and the members of their federation and therefore are expected to communicate no less frequently than on a monthly basis with both the presidents of federation clubs and the appropriate members of the International Board.

SECTION 9. All federation officers including but not limited to a Governor, Governor-Elect and an appropriate number of lieutenant governors, shall be elected for a one (1) year term at the annual federation convention as established by federation by-laws. The term of office of each federation officer shall begin on the last day of the International convention following his/her election and he/she shall serve until the last day of the next International convention or until his/her successor shall have been elected or appointed and shall have taken office. The term of office of all International, federation and club officers shall coincide with this Section.

ARTICLE X

AUXILIARY UNITS

The board shall have the power to create and supervise any and all auxiliary units of Cosmopolitan International, Inc. The Board shall have the power to charter and make all rules and regulations for the governing of such auxiliary units.

ARTICLE XI

INTERNATIONAL OFFICERS

SECTION 1. The International officers shall be as follows:

- (a) President
- (b) President-elect
- (c) Vice President for Membership and New Clubs
- (d) Vice President for Finance
- (e) Vice President for Marketing
- (f) Judge Advocate

The President-Elect shall be elected annually at the International convention from among those members in good standing in Cosmopolitan International who have previously held as a minimum the office of Federation Governor. The President-Elect shall assume the office of President at the next occurring International convention following his/her election. The Vice President for Membership and New Clubs shall be elected annually at the International convention from among those members in good standing in Cosmopolitan International who have previously held as a minimum the office of Federation Governor. The Vice President for Finance shall be elected annually at the International Convention from among those members in good standing in Cosmopolitan Interna-

tional who have previously held as a minimum the office of International Treasurer, Federation Governor or Federation Treasurer. The Vice President for Marketing shall be elected annually at the International Convention from among those members in good standing in Cosmopolitan International who have been a Club President. Candidates who lose an election may drop down to the next office and run again at the same delegate's meeting.

International Officers shall serve in their respective offices for a term of one (1) year or until their successors are elected or appointed at an International convention. International Officers shall be installed during the International convention at which they are elected or appointed. The Vice President for Membership and New Clubs, the Vice President for Finance and the Vice President for Marketing shall serve no more than three (3) consecutive terms in each respective office. No more than two (2) members of any one Federation may serve as elected International Officers at the same time.

SECTION 2. President – The president shall be chief executive officer of Cosmopolitan International and is directly and ultimately accountable for and to the entire organization for all plans, programs and projects of Cosmopolitan International and to ensure the future of Cosmopolitan International. He/she shall be responsible for, communicate with, and supervise the work and activities of the President-Elect, the Vice President for Membership and New Clubs, the Vice President for Finance and the Vice President for Marketing, the Executive Director, and the Director of Membership Development. He/she shall be responsible for ensuring that the duties of each of these offices and positions are fulfilled as required under these bylaws, applicable policies of the International Board, manuals or plans of Cosmopolitan International. He/she will represent Cosmopolitan International at, or designate his/her representative for, any Federation convention or annual meeting. He/she will endeavor to visit thirty (30) clubs each year as set forth in the appropriate plans of Cosmopolitan International.

SECTION 3. President-Elect – The President-Elect shall assist the president as directed by the President. In the event of the death, resignation or disqualification of the President, the President-Elect shall assume all duties of the President. He/she shall be responsible for the communication of aims, objectives, plans, and projects of Cosmopolitan International to the membership. The President-Elect is responsible for training Governors-Elect during the Board's Winter Meeting. He/she shall be responsible for ensuring that the President's Manual and Annual Plan are prepared prior to the Governor-Elect training. The President-Elect shall be responsible for ensuring that all Federation and Club officers are trained and informed of their duties and responsibilities to the organization. He/she shall be responsible for and oversee the Federation Governors. He/she shall communicate with Federation Governors and the President not less than monthly.

SECTION 4. Vice President for Membership and New Clubs – The Vice President for Membership and New Clubs, in coordination with the Director of Membership Development, shall be responsible for increasing the membership of Cosmopolitan International by retention, recruitment and planned club building. He/she shall be responsible for planning and positive reinforcement that will enhance efforts by the Director of Membership Development, Federation Governors, Club Presidents and other Cosmopolitans (who desire to develop new clubs) in the development and implementation of the membership and new club building. He/she shall be responsible for coordination and follow-up with the Director of Membership Development. He/she shall be responsible for assisting the Vice President for Finance and Marketing in accounting for membership and new

club building figures affecting the commission for the Director of Membership Development. The Vice President for Membership and New Clubs shall communicate with the Federation Governors and President not less than monthly.

SECTION 5. Vice President for Finance – The Vice President for Finance shall be the chief financial officer of this organization and shall be chairman of the finance committee. He/she shall be responsible for ensuring that budgets are prepared and executed in accordance with the bylaws and board policies of Cosmopolitan International. He/she shall review the budget with the Executive Director and the International President not less than monthly. The Vice President for Finance shall be responsible for developing and communicating alternate revenue sources. He/she shall account (in coordination with the Executive Director and the Vice President of Membership and New Clubs) for qualifying commission reimbursement for the Director of Membership Development. He/she shall communicate with the Federation Governors and President not less than monthly.

SECTION 6. Vice President for Marketing - The Vice President for Marketing shall be responsible for the marketing arm of this organization and shall be chair of the marketing committee. He/she shall report to the International President. He/she's main focus is to build awareness of Cosmopolitan International. He/she shall be responsible for all forms of communication to the public and is responsible for developing, coordinating, directing, and administering policies relating to all phases of public relations and marketing in accordance with the bylaws and board policies of Cosmopolitan International. He/she shall communicate with the Federation Governors and Club Presidents on a regular basis.

Prerequisite - the desired candidate would have background experience in marketing in the business, public sector or nonprofits.

SECTION 7. The Immediate Past International President shall assist the President in such duties as directed by the President and shall serve as Nominating Committee Chairman.

SECTION 8. The judge advocate shall be the chief legal officer of the organization. He/she shall be a lawyer in good standing at the time of his/her election. He/she shall pass on such questions as presented by Cosmopolitan International, Inc., its officers, board members, federations, clubs and members. His/her decisions shall be final and of legal authority unless revised by a two-thirds (2/3rds) vote of the International board upon proper written appeal to that body.

The judge advocate shall have no vote at any meeting of the International board or Cosmopolitan International convention. The judge advocate must be nominated by the president-elect and elected by the International board.

SECTION 9. All officers shall serve without compensation. Officers shall be reimbursed for travel expenses incurred so long as such expenses are in accordance with the Board Policies and do not exceed the amount set forth in the annual budget.

SECTION 10. In any election for International officers, a majority vote of the convention shall be required for their election. Nominations shall be made through a nominating committee and from the floor; however, no person shall be nominated by the nominating committee or from the floor if

he/she holds an elected office in any other civic club. If the president-elect shall have held his/her office for the full Cosmopolitan year, by virtue of his/her election at the preceding International convention, no nominations other than his/hers shall be received for the office of president unless the nominating committee shall specifically recommend otherwise, in which event nominations may be made the same as for other officers.

SECTION 11. In the event of death, resignation or disqualification of an International officer other than the president, the International president may appoint a qualified member to serve the unexpired term.

SECTION 12. Any International officer may be removed from his/her International position for conduct that tends to injure the good name of the organization, disturb its well being or hamper it in its work. Allegations of misconduct shall be brought to the attention of the International president. The International president shall appoint a committee of three to make a confidential investigation of the charges. If such allegations are against the International president the same shall be brought to the attention of the International president-elect, who shall appoint the committee of three to make a confidential investigation of the charges. This committee whether appointed by the International president or the International president-elect shall consist of the judge advocate, as chairman, and two governors that are from federations other than that of the accused. If this committee deems further action is necessary, it shall prefer charges against the accused and a formal hearing shall be held before the full International board sitting in executive session. The accused shall be formally notified of the charges against him/her at least ten days before the formal hearing. The accused shall be permitted to present witnesses and to confront the witnesses against him/her. After hearing all the evidence, the International board may remove the accused from his/her International position by a 2/3rds vote of the full board.

ARTICLE XII

INTERNATIONAL STAFF

SECTION 1. Executive Director – The Executive Director shall be the general agent and secretary of Cosmopolitan International, Inc. under the direction and supervision of the International President and the Board and shall serve at their pleasure. The Executive Director shall facilitate the successful accomplishment of the aims, objectives, plans, and projects of Cosmopolitan International as directed by the President and the Board, through the President. He/she shall serve as an advisor to the President and President-Elect to ensure the continuity of Cosmopolitan International and shall assist in the preparation of the Annual Plan and the President's Manual. Under the supervision of the President, he/she shall be responsible for the day-to-day operation of headquarters and the work of the International Staff. Under the direction of the President-Elect, he/she shall provide assistance for all training. Under the direction of the Vice President for Membership and New Clubs, he/she shall assist in the development and implementation of all retention, recruitment and club building plans. Under the direction of the Vice President for Finance and Marketing, he/she shall prepare the annual budget in accordance with the bylaws and board policies. Under the direction of the Vice President for Finance and Marketing, he/she shall maintain current accounts as provided for in the budget as approved by the Board. The Executive Director shall be responsible for organizing and coordinating all International Conventions and Board Meetings.

The Executive Director shall serve as an ex-officio member of all International Committees. He/she shall perform such other duties as directed from time-to-time by the President and the Board. The Executive Director's compensation shall be set by the board.

SECTION 2. The Director of Membership Development- The primary responsibility of the Director of Membership Development shall be for developing and implementing a comprehensive plan to market Cosmopolitan in today's world on an individual, corporate or community basis. The Director of Membership Development shall, under the direction and supervision of the International Vice-President of Membership and Club Building, and through that vice president, report to the Cosmopolitan International Board and serve at their pleasure. The Director of Membership Development will work in partnership with the Executive Director to facilitate the successful accomplishment of the aims, objectives, plans and projects of Cosmopolitan International as directed by the President and the Board, through the Vice-President of Membership and New Club Building. Under the direction of the Vice-President of Membership, the Director of Membership Development shall be responsible for developing strategies for the development and implementation of all retention, recruitment and club building plans. He/she shall be the liaison for Clubs, Federations and International Officers. He/she shall develop new clubs and assist with logistical issues arising in the formation of a new club.

The Director of Membership of Development will be responsible for developing and implementing a comprehensive member and officer training program for membership. He/she will also monitor and assist clubs below charter strength or clubs that are having identified membership difficulties. With the input of the Executive Director, he/she shall develop materials to market Cosmopolitan International. The Director of Membership Development shall serve as an ex-officio member of all International Committees. He/she shall perform such other duties as directed from time-to-time by the President and the Board.

SECTION 3. All disbursements shall be made solely by vouchers approved by the Vice President for Finance and Marketing and Executive Director, which shall show the payee, the items or service rendered, material purchased, or expenses advanced and the amount of payment. All checks shall be signed by the Executive Director or any other bonded employee approved by the Board. The board shall have the power to authorize, in its discretion, other officer or officers to execute and countersign the vouchers and checks and perform other acts to carry out the objects, aims, and purposes of these provisions.

SECTION 4. The Executive Director, the Director of Membership Development, and all International staff shall furnish bond to Cosmopolitan International, Inc. as required by the board. The Board may, at least thirty (30) days before the International convention or, in its discretion at more frequent periods, provide for the full and complete audit of the books and accounts of the executive director by a licensed or certified public accountant or a competent auditor. The Executive Director shall perform other duties and exercise powers that may be assigned to him/her by the board and the Restated Articles of Incorporation and Bylaws.

SECTION 5. The executive director shall employ, to work under his/her sole direction, such other persons as shall be authorized by the International board who shall likewise be bonded under a blanket surety bond for the entire staff in such amount as determined by the board.

ARTICLE XIII

INTERNATIONAL BOARD

SECTION 1. The International Board shall consist of all International Officers and all Federation Governors.

SECTION 2. The Executive Director shall serve as the secretary of the International Board, keep a proper record of all proceedings thereof, and preserve those records in a place designated by the International Board.

SECTION 3. The International Board shall have the duty and authority for the administration of Cosmopolitan International, Inc. when the organization is not in convention.

SECTION 4. The policies of the International Board shall have the force and effect of the bylaws of the organization. Each club shall receive a copy of each new approved board policy within sixty (60) days after its approval, and a complete set of board policies shall be distributed to each delegate attending the International convention. Delegates to the convention may have the right to challenge any existing board policy and such board policy shall be eliminated upon such challenge being sustained by two-thirds (2/3rds) vote of the delegates at the convention.

SECTION 5. In the absence of any Federation Governor from a regular or special meeting of the International Board, the Governor-Elect for that federation may appear in his/her place as a voting member of the board.

SECTION 6. The International Board shall not overrule any bylaw change or decision made on the International convention floor that has been passed by delegates.

ARTICLE XIV

PAST PRESIDENTS' COUNCIL

SECTION 1. The Past Presidents' Council shall be made up of all living past presidents of Cosmopolitan International, Inc.

SECTION 2. The Past Presidents' Council shall meet at each convention and shall be an advising body making recommendations to the International board on such matters as requested by the International board and such other matters brought before the Past Presidents' Council by its members or other members of the organization.

SECTION 3. The Past Presidents' Council shall have such other duties as suggested by the International board for the benefit of Cosmopolitan International, Inc.

ARTICLE XV

CONVENTIONS

SECTION 1. Every club in good standing shall be entitled at any convention of Cosmopolitan International Inc. to one delegate for every ten and major fraction thereof of its members, Honorary members included, based upon the membership of the club sixty (60) days prior to the date of the annual convention of Cosmopolitan International, Inc. provided, that only delegates present may be allowed to vote.

SECTION 2. No club shall be entitled to have delegates or other representatives vote or have the floor in any convention of Cosmopolitan International, Inc. or federation unless such club shall have paid all dues, all other obligations due to Cosmopolitan International, Inc., or federations prior to the convening of conventions; provided, however, that representatives of such clubs shall be allowed the floor of any convention to present an appeal to the convention on behalf of the club from any ruling made by the board affecting the rights of the club.

SECTION 3. Every federation shall be entitled to one delegate, elected at the annual convention of said federation held prior to the International convention.

SECTION 4. All elective officers and past presidents of Cosmopolitan International, Inc. and federation governors shall be delegates-at-large, in addition to other delegates, to all conventions, and shall be entitled to one vote; provided, however, that none of the above designated persons shall be a delegate from any club or federation.

SECTION 5. Registration fees shall be uniform for all Cosmopolitans at every convention of Cosmopolitan International, Inc., and shall be payable before the opening of the convention. Convention charges per person, other than delegate registration fees, shall be prorated so that any person who may wish to attend any portion of the convention may do so.

Convention charges per person shall be submitted to the International Mid-Year Board Meeting for approval.

SECTION 6. "*Robert's Rules of Order*", as revised, shall govern all proceedings of the annual conventions or extraordinary sessions of Cosmopolitan International, Inc. and federations, and shall be used to decide all points of order when not otherwise provided in the Restated Articles of Incorporation and Bylaws.

SECTION 7. The Cosmopolitan International convention may resolve itself into a "Committee of the Whole" upon a majority vote of the delegates present and voting.

SECTION 8. The Executive Director shall serve as the secretary of the convention, keep a proper record of all proceedings there, and preserve those records in a place designated by the International Board.

ARTICLE XVI

REVENUE

SECTION 1. Effective July 1, 2006 quarterly membership dues for each member, except Life members, Sponsor members and Members Emeritus, shall be \$20.50 U.S. Dues shall be paid to Cosmopolitan International, Inc. quarterly, in advance, on July 1, October 1, January 1, April 1, and shall be remitted by the club to Cosmopolitan International, Inc. within 30 days, based on the membership of record at Cosmopolitan International, Inc. as of the due date, including membership reports and other information required by the official report blanks provided by Cosmopolitan International, Inc.

SECTION 2. Each club shall remit \$2.25 per quarter for each member to Cosmopolitan International for the official publication. Upon notifying Headquarters, Cosmos in a two-member household may choose to receive only one issue per publication, and the club will be billed accordingly. Payment shall be due and payable with membership dues.

SECTION 3. The initial charge for every applicant for membership in a proposed club in process of formation and building shall be an amount equal to the quarterly membership dues as set forth in Section 1 above. This initial charge shall be credited toward the new member's first quarter's dues. All applicants for membership in a newly chartered club that are received and approved by the club within 30 days after the official date of chartering will be considered as charter members of that club.

SECTION 4. There shall be no admission or initiation fee for membership in Cosmopolitan International, Inc. New members shall pay only those amounts as provided in Sections 1 and 2 above

SECTION 5. There shall not be a fee charged by Cosmopolitan International, Inc., when a member transfers to another club.

SECTION 6. There shall not be a fee charged by Cosmopolitan International, Inc., when a former member is reinstated. This shall include all former members of the club who have resigned, been suspended, or dropped from the roster for any reason.

SECTION 7. Should any club, federation, or auxiliary unit fail to render an official report, or fail to transmit the dues or membership fees; or any other monies due from the club to Cosmopolitan International, Inc. within a period of six (6) months after such date when same is due and payable, then, in the event, the club, federation, or auxiliary unit may be suspended from Cosmopolitan International, Inc. by action of the board and its charter may be annulled and it shall thereafter be prohibited from using the name "Cosmopolitan International, Inc." in any manner, or from meeting as a Cosmopolitan International club and shall remain suspended until and unless the board shall reinstate the club and restore its charter upon terms and conditions as the board may prescribe.

SECTION 8. The International Board shall restrict \$40,000 of the current reserve account and designate it as a "Restricted Reserve Account". The Board shall only have the authority to authorize expenditures from this Restricted Reserve Account unless such expenditures are approved by a 2/3 vote of all Board members at a properly called Board Meeting or by a conference call, or by a 2/3 vote of the delegates at a properly called Delegates Meeting.

SECTION 9. The annual budget shall be prepared by the Executive Director and submitted to the Vice President for Finance and Marketing and the Finance Committee for review and/or revision. In preparing the budget, per capita dues and CosmoTopics figures shall not exceed the average membership statistics from the previous three full years. The Vice President for Finance and Marketing and the Finance Committee shall submit the proposed annual budget to the International Board for its consideration, revision, and approval at the First International Board Meeting during the International Convention. No budget may project expenditures greater than projected revenues. The Executive Committee shall, by majority vote, have the authority at any properly called Executive Committee meeting, or by phone conference with vote confirmed in writing by the Executive Committee to International, to make adjustments to the budget which circumstances may require so long as total projected expenditures do not exceed total projected revenues.

SECTION 10. The International Board shall, by majority vote, have the authority at any properly called Board meeting, or by phone conference with vote confirmed in writing by the Executive Committee to International, to authorize expenditure of unrestricted (reserved) excess operating cash.

ARTICLE XVII

FOUNDATION

The board of directors of Cosmopolitan International, Inc. shall be empowered to establish a foundation which qualifies as a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code and its regulations.

ARTICLE XVIII

AMENDMENTS TO BYLAWS

Amendments to these bylaws shall be made only at a convention of Cosmopolitan International, Inc. by a majority vote of the delegates and delegates-at-large present and voting. Any proposed amendment must be received by the executive director not less than sixty (60) days prior to the date of the convention. The executive director shall send a copy of all proposed amendments to the secretary of each club not later than thirty (30) days prior to the date of the convention; provided, however, that by a vote of not less than ninety percent (90%) of all delegates and delegates-at-large present and voting, any amendment may be adopted without compliance with the foregoing provision.