

CODE OF BYLAWS
OF THE
NEVADA TELECOMMUNICATIONS
ASSOCIATION



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ARTICLE I

Name and Type

The name of this corporation shall be Nevada Telecommunications Association, a nonprofit cooperative corporation, hereinafter referred to as “the Association.”

ARTICLE II

Object and Purpose

The object and purpose of the Association is to foster and promote the telecommunications industry in Nevada and the general welfare of the individuals, firms and corporations engaged in this service, and more specifically to:

1. provide mutual assistance and an opportunity to exchange ideas and information pertinent to the industry;
2. unify the industry’s efforts to promote greater effectiveness, mutual interest and benefits from representatives before regulatory, administrative and legislative agencies;
3. collect, assemble and disseminate information about or concerning the industry to its members, interested parties or governmental agencies;
4. foster and cultivate wider personal acquaintance and cordial relations among all persons engaged directly or indirectly in the industry;
5. promote and enhance relations with the public;
6. engage in those practices generally recognized as being legal and proper for trade associations.

Compliance With Law

The Association, its Members and Vendor Affiliates, in the course of Association activities, shall not agree with, participate in or give consideration to any activity, plan, understanding, agreement, or agreements that would constitute a violation of any federal, state or local antitrust law proscribing conduct intended or tending to restrain trade, including, but not limited to, actions that would constitute a violation of any federal, state or local law proscribing conduct intended or tending to restrain trade, including, but not limited to, actions that would (i) fix, raise or stabilize prices, fees, or credit terms and conditions, (ii) boycott or refuse to do business with any third parties (except as permitted by law) or (iii) restrict or interfere with the exercise of free and independent judgment by the Members in the management or operation of

their respective businesses. Furthermore, the Association, its Members and Vendor Affiliates, in the course of Association activities, shall comply with all applicable federal, state or local laws generally. Nothing contained in these Bylaws shall authorize or empower the Association, its Members or its Vendor Affiliates to perform or engage in any acts or practices prohibited by law.

Compliance With Bylaws

Members of the Association and Vendor Affiliates shall conduct all activities in connection with the Association in compliance with these Bylaws.

ARTICLE III

Headquarters

The Association's headquarters shall be at such locations as the Board of Directors may, from time to time, designate.

ARTICLE IV

Powers

The Association shall have the power to gather and distribute industry related information, lease equipment and facilities, to engage the services of experts for reasons compatible to the Objectives and Purposes of the Association, to represent its members before governmental bodies or agencies, either Federal, State or Local, and to join with other associations in promoting or improving or fostering the general welfare of the telephone industry as and when approved by the Association's Board of Directors.

All Association activities or discussions shall be avoided, which might be construed as tending to: (1) raise, lower or stabilize prices; (2) encourage boycotts; (3) foster unfair trade practices; or in any way violate federal or state trade regulations and antitrust laws.

ARTICLE V

Membership Right To Vote and Hold Office

Membership in the Association shall be for four categories, namely Active, Industry, Associate and Past-President/Distinguished/Honorary, as these categories are hereinafter defined. Persons desiring Active, Industry or Associate Memberships shall be required to submit an appropriate application and to pay such initiation fees and dues as established by the Association. Active, Industry and Associate Membership is subject to the termination by the Association as hereinafter set forth.

ACTIVE MEMBERSHIP – Shall be an incumbent local exchange carrier, as set forth in Nevada Revised Statutes (NRS) 704.0135 who is also a telecommunications provider, as set forth in NRS 704.027. Each Active Member shall be entitled to one (1) position on the Board of Directors of the Association and will be entitled to one (1) member vote. Active Member companies owned or controlled by a common party, such as, but not limited to a holding company, shall be entitled to have only one (1) member on the Board of Directors to represent all member companies commonly owned or controlled.

INDUSTRY MEMBERSHIP – Shall be all other telecommunications providers, as set forth in NRS 704.027, other than an incumbent local exchange carrier, as set forth in NRS 704.0135. Industry Members may advise the Board of Directors but do not have voting privileges with the Association.

ASSOCIATE MEMBERSHIP – Shall be persons, firms, associations, companies or corporations engaged in the manufacture, distribution, provision or sale of telecommunications equipment, material or supplies and/or the provision of services to, or on behalf of Active or Industry Members. Associate Members shall be entitled to one (1) Board of Directors' position and one (1) member vote representing all Associate Members.

PAST-PRESIDENT/DISTINGUISHED/HONORARY MEMBERSHIP – An individual becomes a past-president upon completion of office, but this designation does not preclude that individual from running for office again. An individual may be made a Distinguished Member or an Honorary Member upon recommendation and election by the Board of Directors.

Terms used in this paragraph have the meaning ascribed to them by Chapter 704 of the Nevada Administrative Code, as amended. Persons submitting an application for membership shall indicate thereon which one of the foregoing categories their business operations fall within for purposes of determining certain of their rights in the Association.

No application for membership in the Association shall be effective until approved by the Board of Directors at an official Board meeting or by written ballot of a majority of its Board of Directors and (for Industry members) the applicant has been certificated by the Public Utilities Commission of Nevada (PUCN) in accordance with its rules. The Board may terminate any membership for any reason including:

1. Failure to pay dues, assessments or both;
2. Formal resignation;
3. When qualifying conditions for membership cease to exist.

The right to vote shall be restricted to Active and Associate members. Each such member shall be entitled to one vote on such issues as the Board of Directors shall choose to

submit to the membership for approval provided, however, that if any Associate members are under common control, they shall be entitled to one vote as a group with respect to general issues put to the entire membership or one vote within a particular membership category as to issues that are subject to vote within individual membership categories.

Any person employed by or holding evidence of accredited representation of any Active, Industry or Associate member may hold elective office in the Association.

ARTICLE VI

Application For Membership, Initiation Fees, Dues and Special Assessment

Application for membership shall be on appropriate forms addressed to the Secretary of the Association and shall be accompanied by the initiation fees and dues for one year. If an application for membership is rejected, the applicant's initial fee and prepaid dues shall be refunded.

The initiation fee for membership shall be Fifty Dollars (\$50.00).

Annual dues for each Active, Industry and Associate member shall be assessed after review and approval of the annual budget by the Board of Directors. Assessment shall be on the basis of a uniform ratio to each such member's gross operating revenues, access lines or a combination thereof, or on such other applicable basis as the Board may direct. In no case shall an Active or Industry member's annual dues be less than Five Hundred Dollars (\$500.00). Furthermore, no one member's dues shall be more than Thirty-five percent (35%) of the aggregate of all members' dues.

Past-President/Distinguished/Honorary membership shall be exempt from the payment of initiation fees, annual dues or special assessments.

The Board of Directors, at its discretion, in strict compliance with the objectives and purposes of the Association and in the best interest of the members thereof, may levy a special assessment against all Active, Industry and/or Associate members provided that such assessment is applied on a consistent basis within each affected class of membership. No such assessment shall be made except to meet an emergency situation or for such worthy purpose as the Board of Directors may decide upon in full consideration of its responsibility to the Association members in such matters as stated in this paragraph. Any Active, Industry or Associate member may, in open meeting of the Association, challenge the judgment of the Board of Directors with respect to any such special assessment. Such challenge shall be decided by a majority vote of all affected members represented at such meeting and shall be controlling on all members.

Annual dues shall be due and payable upon notice of assessment and shall become delinquent at the expiration of a period of sixty (60) days thereafter.

Special assessments shall be due and payable upon demand and shall become delinquent at the expiration of a period of sixty (60) days from the date of demand.

ARTICLE VII

Operation Year and Meetings

The Association shall maintain its financial records on a calendar year basis even though it shall operate on an operational year in all other respects.

The operational year of the Association shall begin at the close of the annual convention meeting and end at the close of the next annual convention meeting.

A regular meeting of the Board of Directors shall be held within thirty (30) days following the annual convention adjournment. The Board of Directors shall also meet in regular session at the call of the President at times and places mutually agreeable. A majority of the Board must be present at any meeting of the Board to constitute a quorum. Unless otherwise provided in the Bylaws, any action of the Board shall take an affirmative simple majority vote of the Directors present.

Notice of Meeting. Written or printed notice of the date, hour and place of regular or special meetings shall be mailed by the Secretary, or such other person designated by the Board of Directors, by ordinary mail, fax or Internet medium to all members of the Board not less than ten (10) days prior to such meeting. Notice of any regular or special meeting or service of written notice ten (10) days before any meeting may be waived. A director may waive notice in writing before or after the meeting, by attendance in person at the meeting, or by proxy. No irregularity of notice of any meeting shall invalidate the meeting or any of its proceedings.

Upon written demand of at least five (5) members of the Board, the Secretary shall call a special meeting.

ARTICLE VIII

Officers, Election and Appointments Terms of Office

The Directors of the Association shall consist of:

1. one representative from each Active member; and

2. one representative elected from all Associate members.

Each Active member shall designate, in writing to the President, or orally at the annual meeting, one person from its organization as a Director of the Association. If such an Active member has reason to change its Board of Director representative, this may be accomplished by written notice to the President. Each Active member may appoint one alternate representative, such alternative representative to be a full-time employee of such Active member, to act in the absence of the elected Board member. An alternate director shall for all purposes have the same rights and privileges as the elected Director.

Elected representatives of each classification of Associate members shall be elected at each annual meeting by the respective Associate members or by written proxy within thirty (30) days of each annual meeting by one (1) vote of each respective Associate member. Associate members of the Board of Directors shall serve one (1) year terms and shall take office commencing at the close of the annual convention meeting and terminating at the close of the following annual convention meeting. Associate board members shall serve and take office subject to majority approval of the full board. Any vacancy in an Associate board position shall be filled by the respective class members electing a replacement board member, subject to approval by a majority of the full board. Associate board members may succeed themselves.

The Board of Directors shall elect from the Board, or nominated employee of that Board's member company, a President, a First Vice President, and a Second Vice-President. These officers so elected shall serve for a term of one operational year. In electing the President, the Board of Directors may select the First Vice-President of the preceding year, but such selection is not to be construed as automatic or mandatory. Should the officer not be a standing Director of the Board, that officer will not be allowed to vote unless appointed as "alternative representative" as described above, to act in the absence of the elected Board member.

The Board of Directors shall also appoint a Secretary and a Treasurer who may be either from the Board's membership or any other qualified persons. In the event the Secretary, Treasurer or both are not members of the Board, they shall be considered ex officio members of the Board of Directors. They shall serve thereon without vote.

ARTICLE IX

Management

The management of the Association shall be vested in the Board of Directors. When the Board of Directors determines that it is advisable to submit particular issues to the membership for review and approval, the Board may do so under such procedures as the Board determines to be appropriate.

In addition to the requirement for meetings of the Board of Directors, the Board shall have the power to function as follows:

1. Hold such other meetings of the Board, at such times and places as the members thereof may deem proper;

Telephonic Meeting. Any meeting of the Board duly called in the manner prescribed in Article VII of these bylaws may be held telephonically under the following conditions:

- a. Quorum as described in Section 6 of this article must be represented.
 - b. Notice of such telephonic meeting must be provided to each director as described in Article VII of these bylaws.
 - c. Medium to be used for purposes of this section must allow all directors or their representatives to have the opportunity for simultaneous interaction for the duration of the meeting.
2. Admit, suspend or expel members of the Association under the conditions set forth in Article V;
 3. Inspect any and all written ballots or proxies at such time as a vote is conducted;
 4. Employ the services of persons or firms to perform services for the Association;
 5. Authorize expenditure of funds of the Association;
 6. Conduct an accounting review or audit by an independent auditor as directed from time to time at the discretion of the Board but not less than every five (5) years. The cost thereof to be borne by the Association. The review or audit shall be prepared either for the operational year or fiscal year, as directed by the Board.
 7. Take such other actions as may be in the collective judgment of the members of the Board expedient and proper to promote and accomplish the object and purposes of the Association and in the best interest and welfare of the members;
 8. Perform all functions of the Board with a quorum of Board members, provided however, that in all instances the quorum shall include either the President or a Vice-President.
 9. Arrange for and keep in force with an accredited insurance company liability protection for the Association in such amounts as may from time to time be determined to properly indemnify the Association, its officers, directors or employees, and their heirs, executors and administrators against all costs, expenses or judgments reasonably incurred arising in connection with any action, suit or proceeding brought pursuant to or in conjunction with the duties or authorized activities of the Association, its officers, directors or employees. The costs thereof to be borne by the Association; and

10. Authorized payment by the Association to the Secretary and Treasurer for the performance of duties of these offices to the extent that the Board of Directors shall from time to time deem appropriate.

Conflict of Interest

Whenever a director or officer has a financial or personal interest in any matter coming before the board of directors, the affected person shall a) fully disclose the nature of the interest and b) withdraw from discussion, lobbying, and voting on the matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested directors determine that it is in the best interest of the corporation to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.

Removal of Director or Suspension of Voting Rights

At the discretion of the Board of Directors, a director may be removed or the director's voting rights may be suspended for any reason, including:

1. if a Director resigns, dies or becomes incompetent;
2. a Director's actions show cause to:
 - discredit the Association;
 - compromise the Association's work, effectiveness and efficiency;
 - create disharmony; or
 - violate any federal or state laws.
3. if a Director does not attend three consecutive meetings without just cause;
 - suspension of voting rights will be instituted until the Director attends three consecutive meetings as a non-voting member; and/or
 - the Board approves reinstatement of voting rights.

ARTICLE X

Duties of the President, Vice President Secretary and Treasurer

The duties of the President shall be as follows:

1. To preside at all meetings of the Board of Directors and at the annual meeting of the Association membership;
2. To be the general executive officer of the Association for the purpose of formalizing all business transactions of the Association;

3. To be responsible for the execution of all actions decided upon by the Board of Directors or by vote of members of the Association;
4. To create such committees, both standing and temporary, as the Board of Directors may deem necessary to conduct the work and administer the affairs of the Association. Each such standing committee shall consist of a chairperson and committee members as required, all of whom shall be appointed by the President to serve for a period of one operational year of the Association. The President may create, and shall appoint committee members thereof, such temporary committees as from time to time may be deemed necessary to undertake a specific project not ordinarily contemplated as a function of a standing committee. Such temporary committees would be created to serve for the period of time necessary to complete the specific project for which it shall have been created;
5. To conduct all official correspondence for the Association, both within the Association as well as between the Association and others.

The duty of the First Vice-President shall be to act in lieu of the President in respect to all duties of the President in the event the latter is unable for good and sufficient reason to function in an official capacity.

The duty of the 2nd Vice-President shall be the same as the 1st Vice-President if the President and 1st Vice-President are absent.

The duties of the Secretary shall be as follows:

1. To attend the annual convention meeting of the Association and all meetings of the Board of Directors, and to keep adequate records of all such meetings and particularly of important decisions and transactions that transpire at such meetings;
2. To maintain appropriate records of the Association membership to such extent and of such detail as the Board of Directors shall from time to time direct; and
3. To be custodian of the Association records and property and make a report to the members of the Association at the annual convention meeting of financial transactions and accomplishments of the Association, and generally devote the Secretary's best efforts toward the accomplishment of the Objectives and Purposes of the Association.

The duties of the Treasurer shall be as follows:

1. To receive and issue appropriate receipt for all funds of the Association and to deposit all such funds in an appropriate banking account;

2. When supported by proper bills or vouchers, to make all disbursements from such funds, provided however, that the Treasurer shall have on record written evidence of the approval for payment thereof by the Board of Directors as such approval is provided for in Article IX;
3. To make a report of the state of the treasury to members of the Association at each annual convention meeting, and to make such reports at such other times as the Board of Directors may require, all such reports being subject to audit at the discretion of the Board of Directors; and
4. With the prior approval of the Board of Directors, to engage the temporary services of the others to assist in the conduct of the Treasurer's duties as may from time to time be deemed necessary, the cost of such services to be borne by the Association.

ARTICLE XI

Executive Director

The Board of Directors may appoint an Executive Director of the Association. The Executive Director shall have such duties and responsibilities as may be assigned by the Board, including, if so designated, any of the duties specified under Article X as duties of any of the elected or appointed offices. The Executive Director shall receive such compensation as the Board of Directors may approve.

ARTICLE XII

Order of Business

The order of business at any meeting of the Association and the Board of Directors shall be as follows:

1. Meeting called to order
2. Determination and announcement of quorum
3. Reading of minutes of previous appropriately related meeting
4. Report of the officers and committees
5. Announcement of Active and Associate member Directors and the results of the election of officers.
6. Appointments to standing or existing temporary committees
7. Old business

8. Report of the Executive Director
9. New business
10. Other
11. Adjournment

The President or other presiding officer may at his or her discretion change, add to, or delete from this order of business as may be appropriate to the occasion of a meeting.

ARTICLE XIII

Changes in Bylaws

Any changes in these Bylaws may be suggested by an Active, Industry or Associate member in writing to the Secretary, in which event the suggested change shall ordinarily be submitted to the board members for vote at the next following annual convention meeting, or at the discretion of the Board of Directors.

The Board of Directors shall have the full power and authority to amend the Bylaws of the Association. Bylaws changes shall require a majority vote of the entire membership of the Board of Directors then in office rather than a quorum vote of those attending a regular or special meeting of the Board.

ARTICLE XIV

Roberts' Rules of Order

In the government of the Association or its committees, Roberts' Rule of Order shall prevail unless otherwise specifically provided by the Bylaws of the Association.

ARTICLE XV

Dissolution

The Association may be dissolved by two-thirds (2/3) vote of members at any meeting of the Association or the Board of Directors provided written notice of such proposed action has been submitted with the call of this meeting.

ARTICLE XVI

Indemnification of Officers, Directors, Employees and Agents:
Insurance

The Association may indemnify any person (an “indemnitee”) who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, except an action by or in the right of the Association, by reason of the fact that the indemnitee is or was a director, officer, employee- or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another Association, partnership, joint venture, trust or other enterprise, against expenses, including attorneys’ fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by the indemnitee in connection with such action, suit or proceeding if the indemnitee acted in good faith and in a manner which the indemnitee reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the indemnitee’s conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the indemnitee did not act in good faith and in a manner which the indemnitee reasonably believed to be in or not opposed to the best interests of the Association, and that, with respect to any criminal action or proceeding, the indemnitee had reasonable cause to believe that his conduct was unlawful.

The Association may indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that the indemnitee is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another Association, partnership, joint venture, trust or other enterprise against expenses, including attorneys’ fees, actually and reasonably incurred by the indemnitee in connection with the defense or settlement of such action or suit if the indemnitee acted in good faith and in a manner which the indemnitee reasonably believed to be in or not opposed to the best interests of the Association; provided, however, no indemnification shall be made in respect to any claim, issue or matter as to which the indemnitee has been adjudged to be liable for negligence or misconduct in the performance of the indemnitee’s duty to the Association unless and only to the extent that the court in which such action or suit was brought determines upon application that despite the adjudication of liability but in view of all the circumstances of the case, the indemnitee is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

To the extent that an indemnitee has been successful on merits or otherwise in defense of any action, suit or proceeding referred to in Paragraphs 1 and 2 of this Article XVI, or in defense of any claim, issue or matter therein, the indemnitee shall be indemnified by the Association against expenses, including attorneys’ fees, actually and reasonably incurred by him in connection with such defense.

Any indemnification under Paragraphs 1 and 2 of this Article XVI, unless ordered by a court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in Paragraphs 1 and 2 of this Article XVI. Such determination shall be made as follows:

1. By the Board of Directors by majority vote of a quorum consisting of directors who were not parties to such act, suit or proceeding;
2. If a majority vote of such a quorum of disinterested directors so order, by independent legal counsel in a written opinion; or
3. If a majority vote of a quorum of disinterested directors cannot be obtained, by independent legal counsel in a written opinion.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount unless it is ultimately determined that the indemnitee is entitled to be indemnified by the Association in this Article XVI.

The indemnification provided by this Article XVI:

1. Does not exclude any other rights to which a person seeking indemnification may be entitled under any bylaw, agreement, vote of disinterested directors or otherwise, both as to action in the indemnitee's official capacity and as to action in another capacity while holding such office; and
2. Shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such person.

The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another Association, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of this status as such, whether or not the Association would have the power to indemnify such person against such liability under the provisions of this Article XVI.