

CHAPTER XV
LEGAL

A. LIONS CLUBS INTERNATIONAL TRADEMARK POLICIES

1. **GENERAL TRADEMARK POLICIES.** As a matter of legal protection to the International Association of Lions Clubs and its members, clubs and districts (single, sub and multiple, hereinafter referred as “districts”), the association name and emblem (and variations thereof) are registered as trademarks in countries around the world. The association has a legal obligation to be alert to infringements of its trademarks, and to take all necessary steps to prevent, and to provide against legal risks, which may flow from any unauthorized use.

a. **Definition of “TRADEMARKS.”** Any existing and future association names, emblems, logos, seals, registered trademarks and other trademark interests, including but not limited to Lions, Lioness, Leo, Lions Clubs, Lions International or Lions Clubs International.

b. **Emblem Of Association.** The emblem of this association and each chartered club shall be of a design as set forth below. Each club shall only use the official emblem of the association.



e. **Trademark Registrations.** The association’s trademarks are registered and managed by the Legal Division of Lions Clubs International. No Lions district (single, sub or multiple), club or member may register Lions trademarks without prior written authorization from the Legal Division.

d. **LEO, LIONESS or Other Official Association Programs:** Lions clubs and districts are automatically granted permission and license to use the association trademarks in connection with sponsorship of Leo Clubs, Lioness Clubs, Official Contests, Youth Camps or other official association programs in accordance with the policies governing such programs, so long as said trademarks are not used on any item to be sold or otherwise available from the Club Supplies and Distribution Division or official licensees.

e. **Duty to Enforce and Report Unauthorized Use.** All association officers, board appointees, council chairpersons and vice district governors have a duty to agree to abide by and encourage enforcement of the association trademark policies, report any and all unauthorized use of the association trademarks to the Legal Division, and acknowledge such duty in writing annually to the Legal Division.

f. **General Standards of Quality and Content.** In order to maintain general quality and content standards in the use of the association trademarks, said trademarks shall

not be used in connection with pornography, nudity, alcohol, and other content, which may be offensive in the relevant Lions community.

2. OPERATIONS OF ASSOCIATION. The association, its officers, directors and authorized staff may use the association trademarks in the promotion and furtherance of the association's purposes and general operations, so long as such use is done in accordance with the policies adopted from time to time by the International Board of Directors. General operations shall include but are not limited to the International Convention, club supplies, Lion Magazine, corporate sponsorships, cooperative alliances, and all other association programs and publications. The expenses for all new trademark registrations must be budgeted by the respective division, department or program. The expenses for all trademark renewals will be the responsibility of the Legal Division.

3. AUTOMATIC LICENSE TO MEMBERS, CLUBS AND DISTRICTS. Lions members, clubs and districts are automatically granted permission and license to use the association trademarks in the promotion and furtherance of the association's purposes and club or district operations, such as sponsored programs, projects, community service and other events, so long as such use is done in accordance with the policies adopted from time to time by the International Board of Directors and the trademarks are not used on any item to be sold or otherwise available from the Club Supplies and Distribution Division and official licensees.

a. Printed Material. Lions members, clubs and districts are automatically granted permission and license to use the association trademarks on printed material reasonably related to club and district operations and promotion, (such as letterhead, business cards, envelopes and brochures), so long as such items are not to be sold.

b. Web Page Authorization. Lions clubs and districts may use the name of their club and/or district along with the association trademarks on their respective web page. The page must clearly identify the club or district to ensure that Lions Clubs International is not identified as the source.

c. Downloaded Emblems. Any reproduction of the association trademarks may be downloaded by Lions members from the official formats provided on the association's Worldwide Web (www) site. These are the only trademarks that may be reproduced electronically or otherwise, including sites on the worldwide web and other areas on the Internet.

4. AUTHORIZED USE BY LIONS MEMBERS, CLUBS AND DISTRICTS. In addition to the automatic permission and license as provided in this policy, Lions members, clubs and districts are authorized to use the association trademarks as provided below:

a. Use of Items Bearing the Association Trademarks. Lions members, clubs and districts are authorized to use, purchase and sell items bearing the association trademarks obtained through the Club Supplies and Distribution Division and official licensees. For items not available through the Club Supplies and Distribution Division and official licensees, Lions clubs and districts are authorized to use, purchase, manufacture, distribute or sell items bearing the association trademarks as provided below:

(1) Automatic Permission and License For Apparel Items (Excluding Vests): For all apparel items excluding vests, Lions members and districts are automatically granted permission and license to use, purchase, sell, manufacture or distribute items bearing the association trademarks when the total number of each individual item does not exceed thirty (30) in one fiscal year, and clubs are automatically granted permission and license to use, purchase, sell, manufacture or distribute items bearing the association trademarks when the total number of each individual item does not exceed thirty (30) or a total of one (1) per club member, whichever is greater, in one fiscal year. For purposes of this section, apparel items are defined as clothing such as caps, shirts and ties that one would wear to cover, protect or decorate your body.

(2) All Other Items Requiring Approval: For all vests, apparel items exceeding thirty (30) in one fiscal year, and all other items not otherwise identified, Lions members, clubs and districts which desire to use, purchase, sell, manufacture or distribute items bearing the association trademarks, must obtain approval from and pay such license fees and/or royalty payments royalties as determined by the Club Supplies and Distribution Division or the Legal Division.

b. Sponsors of Club or District Projects. Lions clubs and districts are authorized to use the association trademarks in connection with the name and/or emblem of a sponsor of a club and/or district project as provided below, so long as the club or district name is clearly identified in all such use and such use does not conflict with the purposes of the association, compete with the activities, programs or existence of the association or Lions Clubs International Foundation, and:

(1) If the project is a club(s) and/or one district (single or sub) project, then approval to use the association trademarks in connection with such project is automatically granted to said club(s) and/or district.

(2) If the project involves more than one sub-district and/or one multiple district, then the sponsor shall be approved by the respective multiple district council of governors.

(3) If the project involves more than one multiple district, then the sponsor shall be approved by each respective multiple district council of governors and the Legal Division

c. Non-Dues Revenue Programs. The association, from time to time, will offer special non-dues revenue programs and services to all members, wherever feasible. Royalty income derived from the use of the association trademarks on such offerings will accrue to the general fund. Lions clubs, districts, Lions sponsored foundations, or other Lions sponsored entities (hereinafter referred to as "sponsors") may offer non-dues revenue programs and services within its defined boundaries, as provided below:

(1) The non-dues revenue programs or services shall not compete or otherwise conflict with an existing program, sponsored by the association, except as authorized by the International Board of Directors. Permission will be granted to

use the association trademarks in connection with the sponsorship of said programs only where a similar program is not currently in existence.

(2) Sponsors of a non-dues revenue program or service shall be required to apply for use of the association trademarks. The application shall include a resolution of support by the sponsoring district cabinet or multiple district council of governors as applicable. The association may require such other documentation as it deems necessary to consider the application.

(3) In order to receive authorization to use the association trademarks, the sponsor must agree to review all solicitation materials, including any Internet web site content, to ensure that the same are consistent with general standards of quality and content and the applicable trade mark policies of the International Board of Directors. Before solicitation begins, all material including proposed web site design, must be submitted to the Legal Division for approval.

(4) The sponsor must be clearly identified on the proposed solicitation materials and any other item on which the association trademarks will be printed or otherwise affixed, including, if applicable, credit cards.

(5) The sponsor and the non-dues revenue program vendor agree to pay a royalty of 10% of the lesser of the gross revenue or net profit received by the sponsor from the vendor as a royalty for use of the association trademarks. The Finance Division will communicate with each licensed sponsor at least annually to determine royalty owing to the association. Each sponsor is encouraged to reserve the right to inspect all relevant records and documentation of the vendor to verify the accuracy of the royalty.

(6) The International Board of Directors reserves the right to revoke the license to use the association trademarks upon giving notification to the sponsor and, if known, any vendor. If appropriate and feasible, any such revocation would take into consideration sponsor and vendor contract obligations. In the event the license is revoked, the vendor is required to immediately cease and desist from using the association trademarks.

(7) The sponsor and the non-dues revenue vendor shall use the mailing lists provided by the association for program solicitation purposes only and shall not duplicate or use such mailing lists, for any other purpose whatsoever. If the sponsor and/or non-dues revenue vendor use or make available the association mailing lists for any purpose other than the program, the association reserves the right to immediately revoke authorization to use the association trademarks. Such revocation will be effective immediately upon issuance of the notification to the offending party. A penalty of US\$5000.00 shall be assessed against the sponsor and/or non-dues revenue vendor who uses or makes available the mailing lists for any improper purposes or duplicates such lists without authorization.

d. District Endorsement of International Convention Tour Coordinator. A district is authorized to endorse a tour coordinator to coordinate travel and/or tours related to the International Convention. An application for endorsement of a tour coordinator must be submitted to the Convention Division. If an endorsed tour coordinator wishes

to use the association trademarks in connection with a travel brochure or similar related literature, the tour coordinator must submit to the Legal Division the following:

- (1) A sample of the brochure or similar literature, which must include the following disclaimer: "The International Association of Lions Clubs as well as the Lions district (single, sub and multiple) shall not be responsible for losses incurred."
- (2) Payment of US\$25.00 as a royalty for use of the association trademarks.

5. **FOUNDATIONS.** The International Board of Directors or its designee, the General Counsel, may grant license to use the association trademarks to any legal entity other than Lions clubs or districts (hereinafter referred to as "foundation"), provided that such entity complete an application in the form attached hereto as Exhibit A. Prior to authorization, the foundation must submit sufficient documentation demonstrating that the proposed activities of the foundation meet the criteria set forth herein.

a. **Governing Document Requirements.** The Articles of Incorporation By laws, and/or other governing documents (hereinafter referred to as "governing documents") of the proposed foundation must contain provisions which provide:

- (1) At least a majority of its board of directors are Lions club members in good standing;
- (2) Amendments to its governing documents shall be approved by the general membership of the foundation at a district convention or regular annual meeting;
- (3) Membership consists of Lions clubs or club members in good standing;
- (4) Proxy voting is not permitted; and
- (5) Mandatory dues are not assessed against members of the foundation.

b. **Purposes.** The purposes of the applying foundation must further the purposes and enhance the image of the association. The applying foundation shall not engage in activities that may conflict with the activities, programs or existence of the association or Lions Clubs International Foundation. Other factors deemed relevant may be considered.

c. **Sponsoring Lions.** The applying foundation must submit a list of its sponsors and evidence that the sponsoring Lions have approved the project.

d. **Revocable License.** Foundations meeting the criteria established herein may be issued a revocable license to use the association trademarks. Such use shall continue only if the foundation continues to meet all the criteria set forth herein. The foundation must annually submit its current governing documents along with the list of sponsors to the Legal Division. Failure to submit the foundation's governing documents may result in revocation of its license.

e. **Use of Association Trademarks.** Approved foundations must use the Lions name and emblem prominently in its name and operations, including literature, promotional materials and activities. Use of the association trademarks must be in accordance with

the policies adopted from time to time by the International Board of Directors. The trademarks shall not be used on any item to be sold or otherwise available from the Club Supplies and Distribution Division and official licensees.

6. OFFICIAL LICENSEES. The Club Supplies and Distribution Division may initiate agreements with manufacturers or other vendors throughout the world to provide Lions members, Lions clubs and districts with items bearing the association trademarks. The terms under such license agreements shall be determined by the Club Supplies and Distribution Division and shall include license fees and/or royalty payments on all items sold.

7. CONVENTION TRADING PINS. The association trademarks may be used on convention trading pins as follows:

a. Definition of a Convention Trading Pin. A convention trading pin is a pin bearing the association's registered trademarks which:

(1) Is ordered from an authorized licensee;

(2) Is used solely for trading or gift purposes at Lions conventions or similar functions;

(3) Is in conformance with the association's trademark policies adopted by the International Board of Directors;

(4) Contains the permanent marking of © as required by trademark law;

(5) Is fitted on the back side with a single clutch, multiple clutch, safety pin, straight pin, stick pin or screw back attachment.

(6) Does not designate or relate to any office of any Lions entity;

(7) Is not manufactured for the purpose of recognition, special achievements, training, awards or support of any Lions entity or partners;

(8) Is not manufactured to indicate attendance at, or participation in Lions meetings or special events; and

(9) Is not a jewelry item or piece that is in the same class as an item available in the Lions Official Supply Catalog or special sales promotion brochures or flyers published from time to time by the association's Club Supplies and Distribution Division.

b. The official membership lapel pin shall not be considered a Convention Trading Pin.

c. Lions Convention Trading Pins may be obtained solely from Club Supplies and/or an official licensee authorized to manufacture, sell and distribute trading pins.

d. Convention Trading Pins may be purchased for trading or gift purposes only and may not be purchased for resale except after a period of three (3) years from date of manufacture at which time the pin may be sold as a "collectible."

8. CONVENTION HOST COMMITTEE. The International Convention Host Committee shall be permitted to use the association trademarks in promotion of the International Convention, including the sale of items before and during the International Convention, provided the Host Committee obtains approval from and pays such royalties as determined by the Convention Division and the Legal Division.

9. ENFORCEMENT OF TRADEMARK POLICIES. As the owner of the association trademarks referenced herein, the association has a legal obligation to be alert to

infringements of its trademarks, and to take all necessary steps to prevent, and to provide against legal risks, which may flow from any unauthorized use.

a. **Unauthorized Use by Lions Members, Clubs and/or Districts.** In the event the association receives sufficient evidence that a Lions member, club or district is engaged in the unauthorized use, sale, purchase, manufacture and/or distribution of items bearing the association trademarks, such individual or entity may be notified to immediately cease and desist any such unauthorized use, may be assessed a fee equal to the royalty that the association would have otherwise received in accordance with the policies set forth herein, or may be subject to other appropriate action as determined by the International Board of Directors or the Legal Division.

b. **Continued Violation by Lions Members, Clubs and/or Districts.** In the event that the association receives sufficient evidence that a Lions member, club or district continues to violate the association trademark policies after receiving proper notice, the association may take any or all of the following actions:

(1) A Lions club may be directed by the International Board of Directors to discontinue membership of the offending Lion member. If the club fails to take such action, then the Lions club may be placed in “status quo” and/or the club charter may be cancelled by the International Board of Directors.

(2) Additional sanctions as may be assessed by the International Board of Directors.

(3) Appropriate legal action may be taken to enforce the association’s trademark interests.

A. LIONS CLUBS INTERNATIONAL TRADEMARK POLICIES

1. **GENERAL TRADEMARK POLICIES.** As a matter of legal protection to the International Association of Lions Clubs and its members, clubs and districts (single, sub- and multiple, hereinafter referred as “districts”), the association name and emblem (and variations thereof) are registered as trademarks in countries around the world. The association has a legal obligation to be alert to infringements of its trademarks, and to take all necessary steps to prevent, and to provide against legal risks, which may flow from any unauthorized use.

a. **Definition of “TRADEMARKS.”** Any existing and future association names, emblems, logos, seals, registered trademarks and other trademark interests, including but not limited to Lions, Lioness, Leo, Lions Clubs, Lions International or Lions Clubs International.

b. **Emblem Of Association.** The emblem of this association and each chartered club shall be of a design as set forth below. Each club shall only use the official emblem of the association.



c. **Trademark Registrations.** The association's trademarks are registered and managed by the Legal Division of Lions Clubs International. No Lions district (single, sub- or multiple), club or member may register Lions trademarks without prior written authorization from the Legal Division.

d. **LEO, LIONESS or Other Official Association Programs:** Lions clubs and districts are automatically granted permission and license to use the association trademarks in connection with sponsorship of Leo Clubs, Lioness Clubs, Official Contests, Youth Camps or other official association programs in accordance with the policies governing such programs, so long as said trademarks are not used on any item to be sold or otherwise available from the Club Supplies and Distribution Division or official licensees.

e. **Duty to Enforce and Report Unauthorized Use.** All association officers, board appointees, council chairpersons and vice district governors have a duty to agree to abide by and encourage enforcement of the association trademark policies, report any and all unauthorized use of the association trademarks to the Legal Division, and acknowledge such duty in writing annually to the Legal Division.

f. **General Standards of Quality and Content.** In order to maintain general quality and content standards in the use of the association trademarks, said trademarks shall not be used in connection with pornography, nudity, alcohol, and other content, which may be offensive in the relevant Lions community.

2. **OPERATIONS OF ASSOCIATION.** The association, its officers, directors and authorized staff may use the association trademarks in the promotion and furtherance of the association's purposes and general operations, so long as such use is done in accordance with the policies adopted from time to time by the International Board of Directors. General operations shall include but are not limited to the International Convention, club supplies, The LION Magazine, corporate sponsorships, cooperative alliances, and all other association programs and publications. The expenses for all new trademark registrations must be budgeted by the respective division, department or program. The expenses for all trademark renewals will be the responsibility of the Legal Division

3. **AUTOMATIC LICENSE TO MEMBERS, CLUBS AND DISTRICTS.** Lions members, clubs and districts are automatically granted permission and license to use the association trademarks in the promotion and furtherance of the association's purposes and club or district operations, such as sponsored

programs, projects, community service and other events, so long as such use is done in accordance with the policies adopted from time to time by the International Board of Directors and the trademarks are not used on any goods or services ~~item~~ to be sold or items otherwise available from the Club Supplies and Distribution Division and official licensees.

a. Printed Material. Lions members, clubs and districts are automatically granted permission and license to use the association trademarks on printed material reasonably related to club and district operations and promotion, (such as letterhead, business cards, envelopes and brochures), so long as such items are not to be sold.

b. Website Page/Domain Name Authorization. Lions clubs and districts may use the name of their club and/or district along with the association trademarks on their respective ~~websites page~~ and as part of domain names. ~~The All websitespage~~ must clearly identify the club or district to ensure that Lions Clubs International is not identified as the source.

c. Downloaded Emblems. Any reproduction of the association trademarks may be downloaded by Lions members from the official formats provided on the association's ~~website Worldwide Web (www) site.~~ These are the only trademarks that may be reproduced electronically or otherwise, ~~including sites on the worldwide web and other areas on the Internet.~~

4. AUTHORIZED USE BY LIONS MEMBERS, CLUBS AND DISTRICTS. In addition to the automatic permission and license as provided in this policy, Lions members, clubs and districts are authorized to use the association trademarks as provided below:

a. Use of Items Bearing the Association Trademarks. Lions members, clubs and districts are authorized to use, purchase and sell items bearing the association trademarks obtained through the Club Supplies and Distribution Division and official licensees. For items not available through the Club Supplies and Distribution Division and official licensees, Lions clubs and districts are authorized to use, purchase, manufacture, distribute or sell items bearing the association trademarks as provided below:

(1) Automatic Permission and License For Apparel Items (Excluding Vests): For all apparel items excluding vests, Lions members and districts are automatically granted permission and license to use, purchase, sell, manufacture or distribute items bearing the association trademarks when the total number of each individual item does not exceed thirty (30) in one fiscal year, and clubs are automatically granted permission and license to use, purchase, sell, manufacture or distribute items bearing the association trademarks when the total number of each individual item does not exceed thirty (30) or a total of one (1) per club member, whichever is greater, in one fiscal year. For purposes of this section, apparel

items are defined as clothing such as caps, shirts and ties that one would wear to cover, protect or decorate your body.

(2) **All Other Items Requiring Approval:** For all vests, apparel items exceeding thirty (30) in one fiscal year, and all other items not otherwise identified, Lions members, clubs and districts which desire to use, purchase, sell, manufacture or distribute items bearing the association trademarks, must obtain approval from and pay such license fees and/or royalty payments as determined by the Club Supplies and Distribution Division or the Legal Division.

b. **Sponsors of Club or District Projects.** Lions clubs and districts are authorized to use the association trademarks in connection with the name and/or emblem of a sponsor of a club and/or district project as provided below, so long as the club or district name is clearly identified in all such use and such use does not conflict with the purposes of the association, compete with the activities, programs or existence of the association or Lions Clubs International Foundation, and:

(1) If the project is a club(s) and/or one district (single or sub) project, then approval to use the association trademarks in connection with such project is automatically granted to said club(s) and/or district.

(2) If the project involves more than one sub-district and/or one multiple district, then the sponsor shall be approved by the respective multiple district council of governors.

(3) If the project involves more than one multiple district, then the sponsor shall be approved by each respective multiple district council of governors and the Legal Division.

c. **Non-Dues Revenue Programs.** The association, from time to time, will offer special non-dues revenue programs and services to all members, wherever feasible. Royalty income derived from the use of the association trademarks on such offerings will accrue to the general fund. Lions clubs, districts, Lions-sponsored foundations, or other Lions-sponsored entities (hereinafter referred to as “sponsors”) may offer non-dues revenue programs and services within its defined boundaries, as provided below:

(1) The non-dues revenue programs or services shall not compete or otherwise conflict with an existing program, sponsored by the association, except as authorized by the International Board of Directors. Permission will be granted to use the association trademarks in connection with the sponsorship of said programs only where a similar program is not currently in existence.

- (2) Sponsors of a non-dues revenue program or service shall be required to apply for use of the association trademarks. The application shall include a resolution of support by the sponsoring district cabinet or multiple district council of governors as applicable. The association may require such other documentation as it deems necessary to consider the application.
- (3) In order to receive authorization to use the association trademarks, the sponsor must agree to review all solicitation materials, including any ~~Internet~~ web-site content, to ensure that the same are consistent with general standards of quality and content and the applicable trademark policies of the International Board of Directors. Before solicitation begins, all material including proposed web-site design, must be submitted to the Legal Division for approval.
- (4) The sponsor must be clearly identified on the proposed solicitation materials and any other item on which the association trademarks will be printed or otherwise affixed, including, if applicable, credit cards.
- (5) The sponsor and the non-dues revenue program vendor agree to pay a royalty of 10% of the lesser of the gross revenue or net profit received by the sponsor from the vendor as a royalty for use of the association trademarks. The Finance Division will communicate with each licensed sponsor at least annually to determine royalty owing to the association. Each sponsor is encouraged to reserve the right to inspect all relevant records and documentation of the vendor to verify the accuracy of the royalty.
- (6) The International Board of Directors reserves the right to revoke the license to use the association trademarks upon giving notification to the sponsor and, if known, any vendor. If appropriate and feasible, any such revocation would take into consideration sponsor and vendor contract obligations. In the event the license is revoked, the vendor is required to immediately cease and desist from using the association trademarks.
- (7) The sponsor and the non-dues revenue vendor shall use the mailing lists provided by the association for program solicitation purposes only and shall not duplicate or use such mailing lists, for any other purpose whatsoever. If the sponsor and/or non-dues revenue vendor use or make available the association mailing lists for any purpose other than the program, the association reserves the right to immediately revoke authorization to use the association trademarks. Such revocation will be effective immediately upon issuance of the

notification to the offending party. A penalty of US\$5000.00 shall be assessed against the sponsor and/or non-dues revenue vendor who uses or makes available the mailing lists for any improper purposes or duplicates such lists without authorization.

d. District Endorsement of International Convention Tour Coordinator. A district is authorized to endorse a tour coordinator to coordinate travel and/or tours related to the International Convention. An application for endorsement of a tour coordinator must be submitted to the Convention Division. If an endorsed tour coordinator wishes to use the association trademarks in connection with a travel brochure or similar related literature, the tour coordinator must submit to the Legal Division the following:

- (1) A sample of the brochure or similar literature, which must include the following disclaimer: “The International Association of Lions Clubs as well as the Lions district (single, sub- and multiple) shall not be responsible for losses incurred.”
- (2) Payment of US\$25.00 as a royalty for use of the association trademarks.

5. FOUNDATIONS. The International Board of Directors or its designee, the General Counsel, may grant license to use the association trademarks to any legal entity other than Lions clubs or districts (hereinafter referred to as “foundation”), provided that such entity complete an application in the form attached hereto as Exhibit A. Prior to authorization, the foundation must submit sufficient documentation demonstrating that the proposed activities of the foundation meet the following criteria: set forth herein.

a. Name of Foundation. The name of the proposed foundation shall:

- (1) Include Lions in the name of a foundation;
- (2) Include a community, city, district, state, geographic area or other local designation in the name of a foundation;
- (3) Not conflict with or cause confusion with Lions Clubs International or Lions Clubs International Foundation; and
- (4) Not include the word “Association” in the name of a foundation.

a.b. Governing Document Requirements. The Articles of Incorporation By-laws, and/or other governing documents (hereinafter referred to as “governing documents”) of the proposed foundation must contain provisions which provide:

- (1) At least a majority of its board of directors are Lions club members in good standing;

- (2) Amendments to its governing documents shall be approved by the general membership of the foundation at a district convention or regular annual meeting;
- (3) Membership consists of Lions clubs or club members in good standing;
- (4) Proxy voting is not permitted; and
- (5) Mandatory dues are not assessed against members of the foundation.

b.c. Purposes. The purposes of the applying foundation must further the purposes and enhance the image of the association. The applying foundation shall not engage in activities that may conflict with the activities, programs or existence of the association or Lions Clubs International Foundation. Other factors deemed relevant may be considered.

e.d. Sponsoring Lions. The applying foundation must submit a list of its sponsors and evidence that the sponsoring Lions have approved the project.

d.e. Revocable License. Foundations meeting the criteria established herein may be issued a revocable license to use the association trademarks. Such use shall continue only if the foundation continues to meet all the criteria set forth herein. The foundation must annually submit its current governing documents along with the list of sponsors to the Legal Division. Failure to submit the foundation's governing documents may result in revocation of its license.

e.f. Use of Association Trademarks. Approved foundations must use the Lions name and emblem prominently in its name and operations, including literature, promotional materials and activities. Use of the association trademarks must be in accordance with the policies adopted from time to time by the International Board of Directors. The trademarks shall not be used on any item to be sold or otherwise available from the Club Supplies and Distribution Division and official licensees.

6. OFFICIAL LICENSEES. The Club Supplies and Distribution Division may initiate agreements with manufacturers or other vendors throughout the world to provide Lions members, Lions clubs and districts with items bearing the association trademarks. The terms under such license agreements shall be determined by the Club Supplies and Distribution Division and shall include license fees and/or royalty payments on all items sold.

7. CONVENTION TRADING PINS. The association trademarks may be used on convention trading pins as follows:

a. **Definition of a Convention Trading Pin.** A convention trading pin is a pin bearing the association's registered trademarks which:

- 1) Is ordered from an authorized licensee;

- 2) Is used solely for trading or gift purposes at Lions conventions or similar functions;
- 3) Is in conformance with the association's trademark policies adopted by the International Board of Directors;
- 4) Contains the permanent marking of ® as required by trademark law;
- 5) Is fitted on the back side with a single clutch, multiple clutch, safety pin, straight pin or screw-back attachment.
- 6) Does not designate or relate to any office on any Lions entity;
- 7) Is not manufactured for the purpose of recognition, special achievements, training, awards or support of any Lions entity or partners;
- 8) Is not manufactured to indicate attendance at, or participation in Lions meetings or special events; and
- 9) Is not a jewelry item or piece that is in the same class as an item available in the Lions Official Supply Catalog or special sales promotion brochures or flyers published from time to time by the association's Club Supplies and Distribution Division.
 - a. The official membership lapel pin shall not be considered a Convention Trading Pin.
 - b. Lions Convention Trading Pins may be obtained solely from Club Supplies and/or an official licensee authorized to manufacture, sell and distribute trading pins.
 - c. Convention Trading Pins may be purchased for trading or gift purposed only and may not be purchased for resale except after a period of three (3) years from date of manufacture at which time the pin may be sold as a "collectible".

8. CONVENTION HOST COMMITTEE. The International Convention Host Committee shall be permitted to use the association trademarks in promotion of the International Convention, including the sale of items before and during the International Convention, provided the Host Committee obtains approval from and pays such royalties as determined by the Convention Division and the Legal Division.

9. ENFORCEMENT OF TRADEMARK POLICIES. As the owner of the association trademarks referenced herein, the association has a legal obligation to

be alert to infringements of its trademarks, and to take all necessary steps to prevent, and to provide against legal risks, which may flow from any unauthorized use.

a. **Unauthorized Use by Lions Members, Clubs and/or Districts.** In the event the association receives sufficient evidence that a Lions member, club or district is engaged in the unauthorized use, sale, purchase, manufacture and/or distribution of items bearing the association trademarks, such individual or entity may be notified to immediately cease and desist any such unauthorized use, may be assessed a fee equal to the royalty that the association would have otherwise received in accordance with the policies set forth herein, or may be subject to other appropriate action as determined by the International Board of Directors or the Legal Division.

b. **Continued Violation by Lions Members, Clubs and/or Districts.** In the event that the association receives sufficient evidence that a Lions member, club or district continues to violate the association trademark policies after receiving proper notice, the association may take any or all of the following actions:

1. A Lions club may be directed by the International Board of Directors to discontinue membership of the offending Lion member. If the club fails to take such action, then the Lions club may be placed in “status quo” and/or the club charter may be cancelled by the International Board of Directors.

2. Additional sanctions as may be assessed by the International Board of Directors.

3. Appropriate legal action may be taken to enforce the association’s trademark interests.

B. Use of Funds Policy

1. **General Policy on Funds Raised from Lions Clubs Activities.** Funds raised from the public must be used for the benefit of the public and community in which the Lions Clubs serve. The International Constitution and By-Laws and Articles of Incorporation (the “governing documents”) provide that chartered Lions clubs shall be not-for-profit of the individual club or its individual members. Consequently, no part of the net earnings of funds raised from the public shall benefit any individual Lions member, or other private individual or entity. These policies are intended to provide guidance for clubs to meet the purposes of the International Association of Lions Clubs. Key in determining the proper use of funds is considering transparency to the public and developing trust from the community in which the Lions operate. How Lions use funds must meet the legal and tax requirements for the local jurisdiction in which they operate.

- a. **Definition of Public/Activity Funds.** Funds raised from the public are the net earnings of income raised from activities open to the public, public contributions, bequests and money accumulated from invested public funds.
 - b. **Definition of Administrative Funds.** Administrative funds are contributions from Lions through dues, fines, advertisement revenue, rental fees and other individual Lions contributions. These funds may be used for either public projects or for internal Lions use such as meeting and convention expenses, incorporation fees, audit fees, newsletters, bulletins and other club and/or district operating and administrative expenses.
2. **Direct Expenses of Fundraiser.** Direct Expenses of a public fundraiser may be deducted from the proceeds of the fundraiser to replenish the administrative funds used to hold the fundraiser.
 3. **Lions Property.** A percentage of the net proceeds from funds raised through the use of property owned by Lions clubs and districts may be used toward the operating and maintenance expenses of the property under the following guidelines.
 - a. Property Used for Public Purposes. Expenses for operating and maintaining the property may be paid from public funds to support the use of the property for the public.
 - b. Property Used for Administrative Purposes. Expenses for operating and maintaining the property must be paid from administrative funds if the use is for the benefit of the Lions.
 - c. Mixed Use of Property. When Lions property is used for both public and administrative purposes, then a pro-rata percentage of the expenses may be paid from public funds related to the percentage of use of the property by the public. For example, a Lions Club House that is used 20% of the time for the public may use public funds to offset 20% of the expenses of maintaining and operating the property.
 4. **Political Activity.** As a non-partisan charitable organization, Lions Clubs and Districts (single, sub- or multiple) cannot contribute public or administrative funds to support or endorse an elected official or candidate for local, state, federal or foreign office.

C. ASSOCIATION, AS A NAME

~~The international board disapproves the use of the word "Association," or any translation thereof, in connection with any club, region, district, state or province organization, which may presently exist in our organizational procedures, and a directive shall be issued to all organizations which may be using the word "Association," to change their names at the earliest possible opportunity.~~

D. CONSTITUTIONAL INTERPRETATIONS

1. Status International Organizations – District Organization

BE IT RESOLVED, That the board of directors shall and hereby does declare that in matters which concern a multiple district as a whole, including but not by way of limitation dues structure, multiple district convention and matters of like nature, constitutions and by-laws of each sub-district making up the respective multiple district shall be consistent with the constitution and by-laws of the respective multiple district, the association and the policies of the International Board of Directors.

2. Clarification Constitutional Areas – Europe

The board of directors shall and hereby does rule that District 118 (Turkey) is a part of the constitutional area which includes Europe.

3. Clarification Constitutional Areas – Europe

The board of directors shall and hereby defines the European constitutional area to include District 128 (Israel).

4. Interpretation of the Phrase “Currencies Selected by the Board of Directors”

BE IT RESOLVED, That the phrase “currencies selected by the board of directors” as it appears in the International Constitution and By-Laws is interpreted to mean U.S. dollars until a different currency is selected by the international board.

5. Interpretation of Vacancy in the Office of Immediate Past President of The International Association of Lions Clubs

BE IT RESOLVED, That a vacancy on the board of directors resulting from death of the immediate past president of The International Association of Lions Clubs shall remain vacant until filled by the successor immediate past president of said association.

6. Interpretation of the Phrase “Immediate Past District Governor”

BE IT RESOLVED, That the phrase immediate past district governor shall be interpreted to mean the Lion (whether living or dead) who last served and completed the term for which he/she was elected or appointed as district governor.

7. Interpretation of the Phrase “Dollars and Cents” as it Appears in the International Constitution and By-Laws

BE IT RESOLVED, That, the phrase “dollars and cents” as it appears in the International Constitution shall be interpreted to mean United States dollars and cents (US\$)/(US¢).

8. Interpretation of the Phrase “Free Transfer”

BE IT RESOLVED, That, the phrase “free transfer” means the legal authority to exchange association funds in local currencies for United States dollars and to transfer said funds to association accounts outside the original country of deposit.

9. Delegate Status for Current International Officers, Past International Presidents, Past International Directors, Council Chairpersons and Past District Governors

BE IT RESOLVED, That, a current or past international officer who is granted delegate privileges at an international or district (single, sub, multiple or provisional) convention independent of his/her club's delegate quota shall only be permitted to cast one vote of his/her choice for each office to be filled and one vote of his/her choice for each question submitted to the respective convention.

10. Interpretation of the Phrase "Good Moral Character and Good Reputation in His/Her Community"

BE IT RESOLVED, That, the phrase "good moral character and good reputation in his/her community" as used in Article VIII, Section 2 of the International Constitution is intended to apply to present Lions clubs members as well as prospective Lions clubs members.

BE IT FURTHER RESOLVED, That, if a Lions member pleads guilty or is found guilty by a court of law of a crime of moral turpitude he/she does not satisfy the criteria of good moral character and good reputation in his/her community and shall be removed as a member of his/her Lions club.

BE IT FURTHER RESOLVED, That, if an individual has served the sentence imposed and is no longer under any further restrictions as a result of a conviction of a crime of moral turpitude, he/she would be eligible to be invited to become a member of a Lions club.

11. Interpretation of the Phrase "Vacancy" as it Appears in the International Constitution

BE IT RESOLVED, That the word "vacancy" as it appears in Article V, Section 4 of the International Constitution shall be interpreted to mean an existing as well as an anticipated vacancy.

12. Revised Geographical Boundaries of Districts

Whenever a district's (single, sub- or multiple) constitution and by-laws expressly sets out its geographical boundaries, the district must formally amend its governing documents to alter or otherwise change such boundaries. This proposal, like any other proposed amendment, shall require a favorable vote for adoption in accordance with the district's governing documents.

13. Use of Funds Transferred from the Emergency Reserve Fund to the General Fund pursuant to the cap on the Emergency Reserve Fund to 70% of the association's prior year's total expense and future income earned there from, may be used to pay all authorized association expenses, including but not limited to, publication and distribution of Lion Magazine.

14. Interpretation of Eligibility to be Elected

The concept of “otherwise eligible under these by-laws or constitution to be elected” is interpreted as follows:

- a. A second vice president or international director candidate is eligible to be elected when the candidate’s endorsements have been issued on or more than the required number of days before the convening date of a particular international convention and, in such circumstances, that particular international convention shall be counted as one (1) of the two (2) succeeding international conventions under the term of validity as provided in the International By-Laws.
- b. The term of validity of endorsement does not begin until a candidate is eligible to be elected. In the event a candidate is not eligible to be elected at a particular international convention, then that particular convention is not counted as one (1) of the two (2) succeeding international conventions under the term of validity. For example, specific circumstances under which endorsed candidates are not eligible to be elected include, but are not limited to, the following:
 - (1) If a second vice president or international director candidate’s district (single, sub- or multiple) endorsement is issued less than the required number of days before the convening date of a particular international convention, then the candidate is not eligible to be elected at that particular international convention.
 - (2) If a second vice president or international director candidate’s multiple district endorsement has been issued less than the required number of days before the convening date of a particular international convention, then the term of validity of the candidate’s sub-district endorsement shall carry forward and that particular convention shall not be counted as one (1) of the two (2) succeeding international conventions under the term of validity for both district (sub- and multiple) endorsements (even if the sub-district endorsement was issued on or more than the required number of days before the convening date of a particular international convention).
 - (3) If a succeeding International Convention is held within an endorsed candidate’s single or multiple district, then the candidate is not eligible to be elected at that particular international convention.
 - (4) If a second vice president or international director candidate receives an endorsement from a particular single or multiple district, but an international officer from the same single or multiple district is presently serving on the International Board of Directors, then the candidate is not yet eligible to be elected until the international convention at which the term of the sitting international officer expires.

15. **Interpretation of the Phrase “Members who have been enrolled for at least one year and a day in the club”**

BE IT RESOLVED, That the phrase “members who have been enrolled for at least one year and a day in the club,” as the phrase appears in the International Constitution and By-Laws, shall be interpreted to mean the following:

1. A transferee shall be counted as a member for the purpose of calculating the delegate entitlement of the club if the transferee has been a member of receiving transfer club for at least one year and one day.
2. A reinstated member shall be counted as a member of that club for the purpose of calculating the club’s delegate entitlement provided that the reinstated member has been a member of that club for an aggregate period or periods of not less than one year and a day.
3. A newly chartered club will be entitled to one delegate and one alternate delegate until it has been chartered for one year and one day. Thereafter, its delegate quota will be based on the number of members enrolled in the club for one year and one day.
4. Clubs being released from status quo will have their delegate quota based on the number of members enrolled in the club for at least one year and one day at the time of being released from status quo. Provided, however, a club being released from status quo will be entitled to a minimum of one delegate and one alternate delegate.

16. **Interpretation of First and Second Vice District Governor Qualifications as the Qualifications Concern an Equivalency Between Lions and Lioness Club Offices**

BE IT RESOLVED, That it is recognized and unchanged that Article IX, Sections 6(b)(1) and 6(c)(1) of the International By-Laws provides a first and second vice district governor candidate shall: “Be an active member in good standing of a chartered Lions club in good standing in his/her single or sub-district” and effective with the adjournment of the 2002 International Convention for the limited purpose of interpreting the qualifications for district position of first and second vice district governor, service as a club president or as a member of the board of directors of a Lioness club shall be construed as equivalent to serving as club president or as a member of the board of directors of a Lions club.

BE IT FURTHER RESOLVED, That Lions club members may; therefore, apply service as Lioness club president or as a member of the board of directors of a Lioness club toward fulfilling the election qualifications for first and second vice district governor.

17. **Interpretation of the Phrase “Shall have Completed His/Her Term, by Election or Appointment, as International Director.”**

BE IT RESOLVED, That effective with the adjournment of the 2002 International Convention, the interpretation of the requirement in Article II, Section 2(a)(2) of the

International By-Laws that a second vice president candidate “shall have completed or be completing his/her term, by election or appointment, as international director” requires completion of a full term or majority thereof as international director.

18. Interpretation of the Phrase “Withdrawal” as it Appears in the International By-Laws.

BE IT RESOLVED, That effective with the adjournment of the 2002 International Convention, the interpretation of the word “withdrawal” as it appears in Article II, Section 4(a)(iii) of the International By-Laws is not intended to mean the endorsed candidate’s decision to stand down or to refrain from submitting his or her name to the International Nominating Committee at a specific international convention.

19. Interpretation of District Procedural Requirements

BE IT RESOLVED, That Article IX, Section 5 of the International By-Laws restricting the requirement of qualifications in addition to those set forth in the International Constitution and By-Laws for international office candidacy also applies to first and second vice district governor candidates, notwithstanding the fact that a first or second vice district governor is not an international officer.

20. Interpretation of the Phrase “Paid in Advance.”

BE IT RESOLVED, That the current language of Article IX, Section 2 of the International Constitution, and the corresponding language of Article V, Section 2 of the Standard Form Club By-Laws and the Membership Application/ Invitation, are hereby interpreted to require that international dues be “paid in advance” upon accepting an invitation to join a Lions club, that international dues must be “paid in advance” on a prorata, proportionate basis and, after the initial prepayment of dues, that future international dues must be paid no later than the due dates as specified in the International Constitution.

21. Interpretation of the Notice Requirements for the Official Convention Call and Notice of Amendments.

BE IT RESOLVED, That the publication of the Official Convention Call and Notice of Amendments as required under Article XI, Section 2 of the International Constitution and Article VI, Section 2 and Article XIII, Section 2 of the International By-Laws are deemed to be sufficiently met by the following: (a) publishing these notices in English in the official headquarters edition of Lion Magazine within the time frame required and submitting these notices to all other official editions of Lion Magazine in the appropriate languages for publication as soon as received or at the time specified in accordance with Chapter XVII of the Board Policy Manual; (b) publishing these notices on the association’s website in all official languages within the time frame required; and (c) sending an email message regarding the availability of these notices on the association’s website in all official languages to an officer in each club for which the association has received an email address.

E. LEGAL OPINIONS

1. Affiliation with Non-Lion Organizations

No Lions club or district or multiple district or forum or Lion organization shall affiliate with any multinational non-Lion organization in a way which establishes rights and duties between the parties except upon prior approval of the International Board of Directors.

2. Financial Aid to Candidates

QUESTION: May a multiple district levy assessments to finance campaigns of candidates for international office?

OPINION: Yes. The International Constitution grants multiple districts the right of representation at the international level. Inherent in this right is the right to finance efforts necessary to gain such representation. Therefore, it is implied that such funds may be raised from the membership of the respective multiple district. Said levy must be made in accordance with provisions contained in the multiple district constitution for a dues increase.

3. Liquor License

No Lions club may obtain a liquor license in its name where the primary purpose of the license is the sale of liquor to the public.

4. Past Club, District and International Officer Organizations

The board of directors shall and hereby does withhold official recognition of past club, district and international officer organizations, but shall permit their existence and operation so long as they shall not in operation:

- a. contravene the International Constitution and By-Laws and policies of the International Board of Directors;
- b. levy and/or collect dues;
- c. involve participation on other than a voluntary basis;
- d. superimpose or create any governing structure over and above, or which hinders the proper function of, the regular club and district organizations.

5. Violations of the International Constitution, Board Policy Manual, Principles and/or Objectives of Lionism by Individual Lion Members

In the event that any individual Lions club member shall, in the opinion of the International Board of Directors, be engaged in conduct which is in violation of the International Constitution and By-Laws, Policy of the board of directors, or against the Lions Code of Ethics and/or objectives of Lionism, the following procedure shall apply.

- a. The individual Lion member and his/her club shall be advised of the violation and instructed to discontinue the said violation;
- b. If the individual Lions club member does not comply with the directive of the international board, his/her club shall be instructed to terminate his/her Lions club membership;
- c. If the individual's club does not remove the Lion from its membership rolls within thirty (30) days of notification, the club shall be placed in status quo.

6. Ballot Retention

The association shall retain all original international convention ballot cards, whether voted or blank, until sixty (60) days after the adjournment of the international convention immediately following the close of the convention where the election occurred. At that time if it is determined that an election challenge has not been filed, or resolution of a challenge timely made, the ballot cards will be destroyed without keeping a permanent record of such cards.

7. The international president may authorize the convening of any regular and special meeting(s) of the international board of directors by a video/teleconferencing format. Voting during video/teleconferencing meetings shall be conducted by ballot, cast via either fax or e-mail. Request for secret ballots shall be according to the procedure set out in Chapter III, Paragraph A.3. of the International Board Policy Manual.

8. Club Solicitation

Common courtesy dictates that when entering the geographical territory of another club, permission should be sought.

9. Promotion of Professional And/Or Private Commercial Interest

Lions members, clubs, districts (single, sub- and multiple) and Lions-sponsored entities are authorized to use the Lions membership relationship to network, discuss and promote a member's professional and/or private commercial interests, including activities such as personal member-to-member discussions, invited presentations or providing promotional materials or other information to members upon request. Undesired, unrequested or unsolicited promotion of professional and/or private commercial interests, and/or the use of mailing lists, directories or any other member, club, district or international listing for unsolicited mailings (direct mail, electronic, fax or otherwise) for any professional and/or private commercial purpose or benefit are prohibited.

F. INTERNATIONAL TRADING PIN CLUB

An "International Trading Pin Club" may be organized provided, however, that no such club shall commence operation until its basic documents have been submitted to, and approved by, the International Board of Directors.

G. STAMP CLUBS IN LION COUNTRIES

1. Stamp clubs for Lions only may be established in any club or district (single, sub or multiple) provided the same is approved by the respective club or district (single, sub or multiple) and a working relationship is established with the Lions Clubs International Stamp Club.

2. Lions International Stamp Club

Advertisements–The Lions International Stamp Club may accept advertisements in its official publication subject to meeting the follow requirements:

- a. Rates structure to be submitted to the Legal Division for approval.

- b. Policy on refunds from advertisers to be formulated and approved by the Legal Division.

- c. Ethics of advertising also to be formulated and approved by the Legal Division.

H. LIONS CLUB PARTICIPATION IN EMPLOYEE INSURANCE

The general counsel shall advise any Lions club so inquiring that participation in employee insurance programs carried by the association shall be limited to employees of the association for the reasons that only such employees are under its direct control and that impractical administrative precedents would be created by allowing employees of Lions clubs to participate therein.

I. CONTRACTS

No contract committing the association shall be executed on behalf of or bind the association unless the same shall have been reviewed and approved, by the general counsel, and/or staff attorney. Funds to cover such contracts must be provided in the budget approved by the board of directors.

J. CONFLICT OF INTEREST

For a period of two (2) years after the expiration of his or her term of office or appointment, the association shall not enter, nor become, nor be a party to, any contract or transaction of any kind, in which any officer, director, past international president, past international director or international board appointee of the association, or any business or entity of any kind in which such officer, director, past international president, past international director or international board appointee has a controlling stock or other interest, may or shall realize any direct or indirect financial benefit.

K. CONSTITUTIONAL COMPLAINTS PROCEDURE

1. All Constitutional Complaints Other Than District Governor/First and Second Vice District Governor Election Challenges

All complaints, claims, or grievances, herein referred to collectively as “Complaints,” arising under or concerning the interpretation, breach of, or application of either The International Association of Lions Clubs’ Constitution and By-Laws or any policy or procedure adopted from time to time by the International Board of Directors must, as a condition precedent to any court proceeding to interpret, enforce, or declare rights or obligations under any of the provisions of the Constitution or By-Laws, International Board Policy or any policy or procedure adopted from time to time by the International Board of Directors, be first presented to and determined according to the following procedure. Any club submitting a Complaint under this procedure, other than those which concern the election of a district governor or vice district governor which is heard under separate rules of procedure, must do so in compliance with and in a timely manner at each step of the procedure. Additionally, at each step of the procedure, the Complainant(s) must submit minutes signed by the club or cabinet secretary certifying that a resolution in support of filing the complaint has been adopted by a majority of the entire membership of the club or district cabinet. Failure to do so will preclude the further processing of the Complaint and constitute a waiver of all causes of action under either the Constitution and By-Laws, International Board Policy or any other policy or procedure adopted from time to time by the International Board of Directors, relating to that Complaint. If an appeal is not timely taken to the next Complaint Step, the Complaint and all matters relating to that Complaint will be final and binding based on the prior Complaint Step Decision.

Complaint Step One

A Complaint may be filed only by a Lions club or district (single, sub and multiple) in good standing within the association. Said Complaint must be presented in writing to the district (single or sub), with a copy to the Legal Division, in which the club is located within thirty (30) days after the Complainant knew or should have known of the occurrence of the event upon which the Complaint is based. The written Complaint should describe the nature of the issues and the requested remedy. The district governor or his designee shall thereafter provide a copy of the Complaint to the person against whom the Complaint requests a remedy, hereinafter referred to as the Respondent, and also to the international association, shall invite the Respondent to conciliate, and shall within thirty (30) days of receiving the Complaint review the Complaint and attempt to resolve the Complaint. The Complaint and all matters relating to the Complaint will be deemed waived if the Complainant refuses to conciliate. The district shall utilize its best efforts to conciliate the Complaint. If such conciliation is unsuccessful, the district shall notify the Complainant, the Respondent, and the Legal Division in writing of the status of the unsuccessful conciliation and provide the Complainant and the international association a Notice of Failure of Conciliation.

A Complaint filed under Complaint Step One must be accompanied by a US\$250.00 filing fee, or its equivalent in the respective national currency, payable by each Complainant to the district which shall be submitted to the district governor at the time the Complaint is filed. In the event the Complaint is settled or withdrawn during the conciliation efforts, US\$100.00 shall be retained by the district as an administrative fee and US\$75.00 shall be refunded to the Complainant and US\$75.00 shall be paid to the Respondent (which shall be shared on an equal basis if there is more than one Respondent). In the event the Complaint is not settled or withdrawn during Complaint Step One within the time frames established by this procedure (unless an extension has been granted for good cause), then the entire fee will be automatically retained by the district as an administrative fee and shall not be refunded to any party. All expenses incurred relative to Complaint Step One are the responsibility of the district, unless established district policy provides that all expenses incurred relative to this dispute resolution procedure shall be paid on an equal basis by the parties to the dispute.

Complaint Step Two

Within ten (10) days of receipt of the district's Notice of Failure of Conciliation, the Complainant, if it wishes to pursue said complaint, must file a written Complaint Notice with the multiple district, with a copy to the Legal Division, in which the club is located. The Complaint Notice shall explain the factual basis of the Complaint, the surrounding circumstances, and the remedy that the Complainant requests. The Complainant shall submit with its Complaint Notice all documents and other written submissions, including affidavits, relevant to or in support of the Complainant. Within fifteen (15) days of its receipt of the Complaint Notice, the multiple district council chairperson or its designee shall provide a copy of the Complaint Notice and its attachments to the Respondent against whom the Complainant has requested a remedy and also a copy to the international association. The Respondent shall thereafter be provided forty-five (45) days within which to submit a written Response responding to the Complaint Notice. The Respondent's Response shall respond to the factual allegations set forth in the Complaint, provide copies of pertinent documents, including affidavits, and where appropriate, suggest an appropriate remedy. Within forty-five (45) days of the receipt of the Respondent's Response to the Complaint Notice, the multiple district council of governors shall appoint a committee of at least three neutral (3) members to investigate the Complaint Notice and Response. The committee members shall be past district governors, who are currently members in good standing of clubs in good standing, other than a club which is a party to the dispute, in the multiple district in which the dispute arises, and shall be impartial on the matter in dispute and without loyalties to any party to the dispute. Upon appointment, the conciliators shall be deemed appointed with all authority appropriate and necessary to resolve or decide the dispute in accordance with this procedure. In investigating, the committee may request documents from the Complainant, the Respondent, or non-participants in the Complaint Procedure, interview witnesses, and use other investigatory devices. Within forty-five (45) days of completion of its investigation, the committee shall review the written submissions from the Complainant and Respondent and the information from its investigation and shall thereafter issue to the Complainant and Respondent, as well as a copy to the Legal Division, a written Multiple District Decision resolving the issues raised by the

Complaint Notice. The written decision shall be signed by all the committee members, with the dissent of any committee member properly noted. The decision of the committee members must be consistent with any applicable provisions of the International, Multiple District and District Constitutions and By-Laws and policies of the International Board of Directors, and is subject to the authority of and further review by the International Board of Directors at the sole discretion of the International Board of Directors or its designee. A Complaint filed under Complaint Step Two must be accompanied by a US\$250.00 filing fee, or its equivalent in the respective national currency, payable by each Complainant to the multiple district which shall be submitted to the council chairperson at the time the Complaint is filed. In the event the Complaint is settled or withdrawn prior to a final decision by the appointed committee, US\$100.00 shall be retained by the multiple district as an administrative fee and US\$75.00 shall be refunded to the Complainant and US\$75.00 shall be paid to the Respondent (which shall be shared on an equal basis if there is more than one Respondent). In the event the appointed committee finds the Complaint to have merit and the Complaint is upheld, US\$100.00 shall be retained by the multiple district as an administrative fee and US\$150.00 shall be refunded to the Complainant. In the event the appointed committee denies the complaint for any reason, US\$100.00 shall be retained by the multiple district as an administrative fee and US\$150.00 shall be paid to the Respondent (which shall be shared on an equal basis if there is more than one Respondent). In the event the complaint is not settled, withdrawn, upheld or denied within the time frames established by this procedure (unless an extension has been granted for good cause), then the entire fee will be automatically retained by the multiple district as an administrative fee and shall not be refunded to any party. All expenses incurred relative to Complaint Step Two are the responsibility of the multiple district, unless established multiple district policy provides that all expenses incurred relative to this dispute resolution procedure shall be paid on an equal basis by the parties to the dispute.

Complaint Step Three

If either the Complainant or Respondent is not satisfied with the Multiple District Decision, within thirty (30) days of its receipt of the Multiple District Decision, it shall file an appeal notice with the international association describing the nature of the issues and the requested remedy. The party against whom the remedy is requested and international association shall be provided a copy of the Appeal Notice.

A Complaint or Appeal filed under Complaint Step Three must be accompanied by a US\$250.00 filing fee, or its equivalent in the respective national currency, payable by each Complainant to the international association which shall be submitted to the Legal Division at the time the appeal is filed. In the event the Complaint/Appeal is settled or withdrawn prior to any notice, meeting or decision as provided under Complaint Steps Three or Four, US\$100.00 shall be retained by the international association as an administrative fee and US\$75.00 shall be refunded to the Complainant and US\$75.00 shall be paid to the Respondent (which shall be shared on an equal basis if there is more than one Respondent). In the event the Complaint/Appeal is not settled or withdrawn prior to any notice, meeting or decision as provided under Complaint Steps Three or Four, then the entire fee will be automatically retained by the international association as an administrative fee and shall not be refunded to any party.

Said Appeal shall be processed in accordance with the following Rules of Procedure:

- a. Within thirty (30) days of the receipt of the Appeal Notice, the international association shall arrange a fact finding conference between the Complainant and the Respondent. The conference shall be conducted by the international association's executive director or such other staff members of the international association that the executive director shall designate. If the Respondent is the executive director, the Appeal Notice shall be presented to any executive officer of the international association who shall thereafter conduct the fact finding conference. During that conference the executive director or his designee will attempt, if possible, to resolve the issues raised by the Appeal Notice. If within fifteen (15) days thereafter, the executive director or his designees are not able to otherwise resolve the issues raised by the Appeal Notice to the satisfaction of either the Complainant or Respondent, the Complainant, Respondent, and the Legal Division shall be provided a Notice of Failure to Resolve Appeal Notice.
- b. Within thirty (30) days of their receipt of the Notice of Failure to Resolve Appeal Notice, either the Complainant or Respondent shall request in writing that the International Board of Directors review the issues and make a decision through a Review and Conciliation Committee.
- c. **Multiple District Constitutional Complaint**

A complaint may be filed by a multiple district in good standing within the association and must be presented in writing to the International Board of Directors within thirty (30) days after the complainant knew or should have known of the occurrence of the event upon which the complaint is based. The written complaint should describe the nature of the issues and the requested remedy. The multiple district should request in writing that the International Board of Directors review the issues and make a decision through a Review and Conciliation Committee.

Selecting the Review & Conciliation Committee

The Review and Conciliation Committee shall be the Constitution and By-Laws Committee of the International Board of Directors. The committee may add, within forty-five (45) days of its receipt of Notice of Failure to Resolve Appeal Notice, up to two (2) additional members in good standing of a Lions club, if in the committee's opinion members with special expertise are necessary to conciliate the matter. The members of the Review and Conciliation Committee shall designate a chairman who shall coordinate the committee's functions, including developing and fixing agendas and scheduling sessions for the committee, maintaining order, developing recommendations, assigning roles to panel members, resolving procedural issues, explaining settlement options, determining the suitability and number of witnesses, and addressing any other concerns of either the Complainant or Respondent.

Scheduling of the Review and Conciliation Committee

Within thirty (30) days of the selection of the Review and Conciliation Committee, the Review and Conciliation Committee shall notify the Complainant, Respondent, and the international association of (a) the time, date and location when the Review and Conciliation Committee will meet; (b) the names and titles of the five committee members; (c) the opportunity for the Complainant and Respondent to present its case at that meeting, including (1) the opportunity to be represented by counsel at its expense; (2) the opportunity to discover documents and information prior to the meeting; (3) the opportunity to present written documents as evidence; (4) the opportunity to present oral testimony by witnesses; (5) the opportunity to orally argue its case during the meeting; (6) the opportunity to submit written arguments prior to and at the close of the Review and Conciliation Committee meeting; and (7) the opportunity to submit written arguments replying to written arguments submitted by the opposing party.

Functions and Authority of the Review and Conciliation Committee

The Review and Conciliation Committee shall review the facts and circumstances pertaining to the Appeal Notice and may, at its discretion, call its own witnesses at the meeting and request documents and information.

The Review and Conciliation Committee's Decision

Within sixty (60) days after the conclusion of the Review and Conciliation Committee meeting and the receipt of all written arguments by the Complainant and Respondent, the Review and Conciliation Committee shall issue a written Review and Conciliation Committee Decision. The Review and Conciliation Committee may affirm, reverse or modify the Multiple District Decision; may describe what appropriate action is warranted; may decide that compensation for damages or affirmative relief is warranted; and may decide that either the Complainant or Respondent should pay the reasonable attorney's fees and costs the other party incurred in prosecuting or defending the Complaint, Multiple District Decision, or Appeal Notice. The Review and Conciliation Committee's Decision may not exceed the issues raised in the Appeal Notice. A copy of the Review and Conciliation Committee Decision shall be provided the Complainant, the Respondent, and the international association.

Complaint Step Four

If either the Complainant or Respondent is not satisfied with the Review and Conciliation Committee Decision, it shall, within thirty (30) days of receipt of that Decision, file with the international association a Request to Review requesting that the association's International Board of Directors review the Review and Conciliation Committee Decision. The Complainant and the Respondent shall, within forty-five (45) days thereafter, simultaneously provide forty-five copies (45) of any additional written argument or documents to the association's International Board of Directors. Provided that said request to review is received at the international office at least thirty (30) days prior to the date of the next regularly scheduled meeting, the association's International Board of Directors shall thereafter review the Review and

Conciliation Committee's Decision and all additional written arguments or documents either the Complainant or Respondent has provided and, within sixty (60) days of its meeting, issue an International Board of Directors' Decision. In the event that said request is not received at least thirty (30) days prior to the next regularly scheduled meeting, the international board reserves the right to hear the matter at a subsequent meeting. The International Board of Directors' Decision will be final and binding on the Complainant and Respondent.

Additional Procedures

- (1) The International Board of Directors reserves the right to expedite this procedure, including the elimination of one or more complaint step(s), upon a showing of good cause. Within the time allowed for filing a Complaint or Appeal at any Complaint Step provided under this procedure, any Complainant or Respondent may submit a written request to the Legal Division of the international association for approval to eliminate one or more complaint step(s), providing all reasons for such request, which shall be reviewed by and decided in the sole discretion of the Chairperson of the Constitution and By-Laws Committee of the International Board of Directors.
- (2) Any time limits specified in this procedure may be shortened or extended upon a showing of good cause by the assigned decision maker at the specified Complaint Step stage.
- (3) Review and Conciliation Committee members shall be reimbursed in accordance with the International Association Rules of Audit for reasonable expenses they may incur in participating in the Review and Conciliation Committee.
- (4) The Complainant and Respondent shall not pursue administrative or judicial actions during the complaint process.
- (5) Prior to the meeting of the Review and Conciliation Committee, each party will be given a reasonable opportunity to review the documents submitted by the other party and submit additional documents. All documents that will be presented as evidence must be submitted to the Review and Conciliation Committee at least ten (10) days in advance of the Review and Conciliation Committee meeting.
- (6) Either the Complainant or Respondent may be represented by counsel at any Complaint Step stage.

2. District Governor and First and Second Vice District Governor Election Complaints Procedure

The following rules of procedure shall apply for hearing constitutional complaints concerning district governor/first and second vice district governor elections irregularities:

Document Distribution Guidelines: The party/parties to the complaint shall deliver all documents and related copies to the Legal Division at the International Office for

distribution to the members of the Constitution and By-Laws Committee and the International Board of Directors. The party/parties to the complaint process shall not distribute documents directly to individual Directors or Executive Officers.

A. Complaint

- (1) May be filed only by the unsuccessful candidate seeking election to the office of district governor/first or second vice district governor at the district election being contested.
- (2) The initial notice of complaint, stating the reasons for the protest, must be received by fax, e-mail or other writing at the International Office within five (5) business days of said election. PROVIDED, however, that formal complaint documents shall be submitted, in original form which shall conform to the format provided in Part E, by mail or courier service only within five (5) business days of the filing of the initial notice of complaint.
- (3) Must conform to the format in Part E.
- (4) District Governor election complaints must be accompanied by US\$750.00 filing fee, or its equivalent in the respective national currency. In the event the complaint is withdrawn prior to the meeting at which the complaint is reviewed by Constitution and By-Laws Committee of the International Board of Directors, US\$100.00 shall be retained by the International Office as an administrative fee and US\$325.00 shall be refunded to the complainant and US\$325.00 shall be paid to the respondent (which shall be shared on an equal basis if there is more than one respondent). In the event the International Board of Directors finds the complaint to have merit and the complainant is upheld, US\$250.00 shall be retained by the International Office as an administrative fee and US\$500.00 shall be refunded to the complainant. In the event the International Board of Directors denies the complaint, the filing fee will not be refunded.
- (5) First or Second Vice District Governor election complaints must be accompanied by US\$750.00 filing fee, or its equivalent in the respective national currency. In the event the complaint is withdrawn prior to the consideration of the complaint by the International Board of Directors, US\$100.00 shall be retained by the International Office as an administrative fee and US\$325.00 shall be refunded to the complainant and US\$325.00 shall be paid to the respondent (which shall be shared on an equal basis if there is more than one respondent). In the event the International Board of Directors finds the complaint to have merit and the complainant is upheld, US\$250.00 shall be retained by the International Office as an administrative fee and US\$500.00 shall be refunded to the complainant. In the event the International Board of Directors denies the complaint, the filing fee will not be refunded.
- (6) Copy of the complaint and any supporting documentation must be forwarded by complainant at the same time and by the same method of communication to the party/parties complained of. Upon receipt of any such complaint, the Legal

Division, where feasible, may furnish a copy of the complaint to said party/parties. In no event shall this relieve the complainant of his/her responsibility. Verification of forwarding the complaint to the party/parties complained of shall be produced with the filing of the complaint. Failure to provide verification may result in the complaint being returned as non-compliant or being denied.

B. Response

- (1) Response to the complaint must originate from party/parties complained of only and shall conform to the format provided in Part E herein and be received in its original form by mail or by courier service at the International Office within the time permitted as set by the Legal Division, which shall be no less than 10 days from date of request. PROVIDED, however, the general counsel in consultation with the chairperson of the Constitution and By-Laws Committee may permit for good cause the faxing of said response and/or extend by five (5) additional days the filing date of any response.
- (2) The response shall include a copy of the official minutes of the convention where the election was conducted, and copies of any applicable district constitution and by-laws and convention election rules and/or voting requirements. The minutes shall include a report of the district convention election procedures and voting results, and shall be certified as to accuracy by the district governor and district cabinet secretary. The Legal Division may require additional documents in response to the complaint. Such documents shall be submitted within the time permitted as set by the Legal Division, which shall be no less than 10 days from date of request.
- (3) Copy of the response and any supporting documentation must be forwarded by the responding party at the same time and by the same method of communication to the complainant. Upon receipt of any such response, the Legal Division, where feasible, may furnish a copy of the response to said party/parties. In no event shall this relieve the complainant of his/her responsibility. Verification of forwarding the response to the complainant shall be produced with the filing of the response. Failure to provide verification may result in the response being returned as non-compliant or being denied.

C. Reply to Response

- (1) A reply to the response may be filed by the complaining party and must be received by mail or by courier service at the International Office within five (5) business days after receipt of the response. A reply shall be limited to five (5) pages in accordance with the format requirements provided in Part E herein. No additional documents will be accepted. The reply should address issues raised, if any, in the response and must not repeat allegations already contained in the complaint.
- (2) Copy of the reply must be forwarded by complainant at the same time and by the same method of communication to the party/parties complained of. Upon receipt of any such reply, the Legal Division, where feasible, may furnish a copy of the

reply to said party/parties. In no event shall this relieve the complainant of his/her responsibility. Verification of forwarding the reply to the party/parties complained of shall be produced with the filing of the reply. Failure to provide verification may result in the reply being returned as non-compliant or being denied.

D. Response from Non-Party

The Legal Division may consider that any response or input from anyone other than a party to the complaint as peripheral and/or non-complying and may be returned and/or acknowledged as such.

E. Format of Complaint, Response and Reply

- (1) The original complaint shall contain the following parts in the order listed: (a) statement of facts necessary to the understanding of the complaint, stated accurately and fairly; (b) argument containing the contentions of the party/parties and reasons therefore; (c) a short conclusion stating the relief sought.
- (2) The text of every document including any appendix shall appear in 12 point or larger type (pica type, 10 pitch if typewritten). Footnotes shall appear in 9 point or larger type (elite type, 12 pitch if typewritten). Documents may not be reduced or typeface condensed to increase content of document. Photographically reduced documents shall not be considered and shall be returned to the sender. Every document shall be produced on opaque paper 8 ½ by 11 inches, or A/4, double spaced with three fourths (3/4) inch margin on all sides and shall be stapled or bound at the upper left hand corner. Documents may be printed on one side of the page only.
- (3) The complaint and response shall not exceed ten (10) pages with five (5) optional pages of support documentation, and the reply to the response shall not exceed five (5) pages and no additional documentation will be accepted. Each page shall be numbered sequentially as part of the total page limit (for example, page one of ten, page two of ten). Requests to exceed these page limits, or otherwise provide additional supporting documents, will be denied. Exclusive of page limitations, a single cover page must contain from the top of the page: (a) the district number; (b) the name, address, e-mail address and fax number of the complaining party; (c) name, address, e-mail address and fax number of the party/parties complained of; (d) election date; and, (e) election results including vote tabulation.
- (4) At the close of the document submitted, the original signature of the party submitting the document shall appear directly below the following statement: "I hereby agree that the decision of the International Board of Directors shall be final and binding." In addition, each page of the document shall be initialed by the submitting party.
- (5) The Legal Division shall not accept for consideration any document that is not in compliance with these guidelines but shall return it indicating to the party any failure to comply. The document, however, shall be deemed timely filed provided that a proper document is substituted promptly. The International Board of Directors, through the Constitution and By-Laws Committee, may refuse to

consider any resubmitted document not filed in accordance with these guidelines. The International Board of Directors shall not be required to consider any complaint, response to said complaint, or reply to the response, which is not received in accordance with the above stated procedures or requirements. By filing a complaint, response or reply, the parties to the complaint agree to submit the matter for consideration by the International Board of Directors and further agree to abide by any and all decisions of said Board. The decision of the International Board of Directors shall be final and binding.

F. District Governor Elect Seminar

The parties involved in a District Governor election complaint are not eligible to attend the Lions Clubs International District Governor Elect Seminar until the International Board of Directors adopts the election results for the district in which the complaint has arisen and declares that such results have become effective, or unless otherwise approved by the incoming International President. Each district (single, sub or multiple) may determine what district level training the parties to the complaint may attend to prepare for the upcoming fiscal year pending the outcome of the complaint.

3. District Dispute Resolution Procedure

A. Disputes Subject to Procedure

All disputes relative to membership, club boundaries, or interpretation, breach of, or application of the district (single or sub-) constitution and by-laws, or any policy or procedure adopted from time to time by the district (single or sub-) cabinet, or any other internal Lions district (single or sub-) matters that cannot be satisfactorily resolved through other means, arising between any clubs in the district (single or sub-), or any club(s) and the district (single or sub-) administration, shall be settled by the following dispute resolution procedure. Except as otherwise provided herein, any time limits specified in this procedure may be shortened or extended by the district governor, conciliators or the International Board of Directors (or its designee) upon a showing of good cause. All parties to any dispute subject to this procedure shall not pursue administrative or judicial actions during this dispute resolution process.

B. Complaints and Filing Fee

Any Lions club in good standing within the association (the “complainant”) may file a written request with the district governor (a “complaint”), with a copy to the Legal Division, asking that dispute resolution take place under this procedure. The complaint must be filed with the district governor within thirty (30) days after the complainant(s) knew or should have known of the occurrence of the event upon which the complaint is based. The complainant(s) must submit minutes signed by the club secretary certifying that a resolution in support of filing the complaint has been adopted by a majority of the entire membership of the club. A copy of the complaint shall be sent to the respondent(s).

A complaint filed under this procedure must be accompanied by a US\$750.00 filing fee, or its equivalent in the respective national currency, payable by each complainant to the district (single or sub-) which shall be submitted to the district governor at the time the complaint is filed. In the event the complaint is settled or withdrawn prior to a final decision by the conciliators, US\$100.00 shall be retained by the district (single or sub-) as an administrative fee and US\$325.00 shall be refunded to the complainant and US\$325.00 shall be paid to the respondent (which shall be shared on an equal basis if there is more than one respondent). In the event the selected conciliators find the complaint to have merit and the complaint is upheld, US\$100.00 shall be retained by the district (single or sub) as an administrative fee and US\$650.00 shall be refunded to the complainant. In the event the selected conciliators deny the complaint for any reason, US\$100.00 shall be retained by the district (single or sub-) as an administrative fee and US\$650.00 shall be paid to the respondent (which shall be shared on an equal basis if there is more than one respondent). In the event the complaint is not settled, withdrawn, upheld or denied within the time frames established by this procedure (unless an extension has been granted for good cause), then the entire fee will be automatically retained by the district (single or sub-) as an administrative fee and shall not be refunded to any party. All expenses incurred relative to this dispute resolution procedure are the responsibility of the district (single or sub-), unless established district (single or sub-) policy provides that all expenses incurred relative to this dispute resolution procedure shall be paid on an equal basis by the parties to the dispute.

C. Response to Complaint

The respondent(s) to the complaint may file a written response to the complaint with the district governor within ten (10) days of receiving notice of the complaint. A copy of the response shall be sent to the complainant(s).

D. Confidentiality

Once a complaint has been filed, communications between the complainant(s), respondent(s), district governor and conciliators should be kept confidential to the extent possible.

E. Selection of Conciliators

Within fifteen (15) days of filing the complaint, each party to the dispute shall select one (1) neutral conciliator and the selected conciliators shall select one (1) neutral conciliator, who will serve as chairperson. The selected conciliators' decision relative to the selection of the conciliator/chairperson shall be final and binding. All of the selected conciliators shall be Lion leaders, preferably past district governors, who are currently members in good standing of clubs in good standing in the district (single or sub-) in which the dispute arises, other than a club which is a party to the dispute, and shall be impartial on the matter in dispute and without loyalties to any party to the dispute. Upon completion of the selection process, the conciliators shall be deemed appointed with all authority appropriate and necessary to resolve or decide the dispute in accordance with this procedure.

In the event the selected conciliators cannot agree on the selection of the conciliator/chairperson within fifteen (15) days, then the selected conciliators shall be automatically deemed to have resigned for administrative reasons and the parties must select new conciliators (“the second team of selected conciliators”) who shall then select one (1) neutral conciliator/chairperson in accordance with the selection procedures and requirements described above. In the event the second team of selected conciliators cannot agree on the selection of the conciliator/chairperson from within the district (single or sub-) in which the dispute arises, the selected conciliators may select one (1) neutral conciliator/chairperson who is a member of a club in good standing outside the respective district (single or sub-). In the event the second team of selected conciliators cannot agree on the selection of the conciliator/chairperson from within or outside the district (single or sub-) in which the dispute arises, then the past international director who most recently served on the International Board of Directors from within the district (single or sub-) in which the dispute arises or from an adjacent district (single or sub-), whichever is closest in proximity, shall be appointed as conciliator/chairperson. The time limits in this Section E may not be shortened or extended by the district governor or the conciliators.

F. Conciliation Meeting & Decision of Conciliators

Upon being appointed, the conciliators shall arrange a meeting of the parties for the purpose of conciliating the dispute. The meeting shall be scheduled within thirty (30) days of the appointment of the conciliators. The objective of the conciliators shall be to find a prompt and amicable resolution to the dispute. If such conciliation efforts are unsuccessful, the conciliators shall have the authority to issue their decision relative to the dispute. The conciliators shall issue their decision in writing no later than thirty (30) days after the date on which the initial meeting of the parties was held, and the decision shall be final and binding on all parties. The written decision shall be signed by all the conciliators, with the dissent of any conciliator properly noted, and a copy of the written decision shall be provided to all parties, the district governor and, upon request, to the Legal Division of Lions Clubs International. The decision of the conciliators must be consistent with any applicable provisions of the International, Multiple District and District Constitutions and By-Laws and policies of the International Board of Directors, and is subject to the authority of and further review by the International Board of Directors at the sole discretion of the International Board of Directors or its designee.

Failure to comply with the final and binding decision of the conciliators constitutes conduct unbecoming a Lion and is subject to loss of membership privileges and/or charter cancellation.

5. Multiple District Dispute Resolution Procedure

A. Disputes Subject to Procedure

All disputes relative to membership, club boundaries, or interpretation, breach of, or application of the multiple district constitution and by-laws, or any policy or procedure adopted from time to time by the multiple district council of governors, or

any other internal Lions multiple district matter that cannot be satisfactorily resolved through other means, arising between any clubs or sub-districts in the multiple district, or any club(s) or sub-district(s) and the multiple district administration, shall be settled by the following dispute resolution procedure. Except as otherwise provided herein, any time limits specified in this procedure may be shortened or extended by the multiple district council chairperson, conciliators or the International Board of Directors (or its designee) upon a showing of good cause. All parties to any dispute subject to this procedure shall not pursue administrative or judicial actions during this dispute resolution process.

B. Complaints and Filing Fee

Any Lions club in good standing or sub-district within the association (the “complainant”) may file a written request with the council chairperson (a “complaint”), with a copy to the Legal Division, asking that dispute resolution take place under this procedure. The complaint must be filed with the council chairperson within thirty (30) days after the complainant(s) knew or should have known of the occurrence of the event upon which the complaint is based. The complainant(s) must submit minutes signed by the club or cabinet secretary certifying that a resolution in support of filing the complaint has been adopted by a majority of the entire membership of the club or district cabinet. A copy of the complaint shall be sent to the respondent(s).

A complaint filed under this procedure must be accompanied by a US\$750.00 filing fee, or its equivalent in the respective national currency, payable by each complainant to the multiple district which shall be submitted to the council chairperson at the time the complaint is filed. In the event the complaint is settled or withdrawn prior to a final decision by the conciliators, US\$100.00 shall be retained by the multiple district as an administrative fee and US\$325.00 shall be refunded to the complainant and US\$325.00 shall be paid to the respondent (which shall be shared on an equal basis if there is more than one respondent). In the event the selected conciliators find the complaint to have merit and the complaint is upheld, US\$100.00 shall be retained by the multiple district as an administrative fee and US\$650.00 shall be refunded to the complainant. In the event the selected conciliators deny the complaint for any reason, US\$100.00 shall be retained by the multiple district as an administrative fee and US\$650.00 shall be paid to the respondent (which shall be shared on an equal basis if there is more than one respondent). In the event the complaint is not settled, withdrawn, upheld or denied within the time frames established by this procedure (unless an extension has been granted for good cause), then the entire fee will be automatically retained by the multiple district as an administrative fee and shall not be refunded to any party. All expenses incurred relative to this dispute resolution procedure are the responsibility of the multiple district, unless established multiple district policy provides that all expenses incurred relative to this dispute resolution procedure shall be paid on an equal basis by the parties to the dispute.

C. Response to Complaint

The respondent(s) to the complaint may file a written response to the complaint with the council chairperson within ten (10) days of receiving notice of the complaint. A copy of the response shall be sent to the complainant(s).

D. Confidentiality

Once a complaint has been filed, communications between the complainant(s), respondent(s), council chairperson and conciliators should be kept confidential to the extent possible.

E. Selection of Conciliators

Within fifteen (15) days of filing the complaint, each party to the dispute shall select one (1) neutral conciliator, who shall be a past district governor, preferably a past council chairperson, who is currently a member in good standing of a club in good standing, other than a club which is a party to the dispute, in the multiple district in which the dispute arises, and shall be impartial on the matter in dispute and without loyalties to any party to the dispute. The selected conciliators shall select one (1) neutral conciliator who will serve as chairperson, and who shall be a past international director and is currently a member in good standing of a club in good standing in the multiple district in which the dispute arises, other than a club which is a party to the dispute, and shall be impartial on the matter in dispute and without loyalties to any party to the dispute. In the event there is no neutral past international director who may be selected from within the multiple district in which the dispute arises, the selected conciliators may select one (1) neutral conciliator/chairperson who shall be a past international director and is a member of a club in good standing outside the respective multiple district. The selected conciliators' decision relative to the selection of the conciliator/chairperson shall be final and binding. Upon completion of the selection process, the conciliators shall be deemed appointed with all authority appropriate and necessary to resolve or decide the dispute in accordance with this procedure.

In the event the selected conciliators cannot agree on the selection of the conciliator/chairperson within fifteen (15) days, then the selected conciliators shall be automatically deemed to have resigned for administrative reasons and the parties must select new conciliators ("the second team of selected conciliators") who shall then select one (1) neutral conciliator/chairperson in accordance with the selection procedures and requirements described above. In the event the second team of selected conciliators cannot agree on the selection of the conciliator/chairperson from within the multiple district in which the dispute arises, the selected conciliators may select one (1) neutral conciliator/chairperson who shall be a past international director and is a member of a club in good standing outside the respective multiple district. In the event the second team of selected conciliators cannot agree on the selection of the conciliator/chairperson from within or outside the multiple district in which the dispute arises, then the past international director who most recently served on the International Board of Directors from within the multiple district in which the dispute arises or from an adjacent multiple district, whichever is closest in proximity, shall be

appointed as conciliator/chairperson. The time limits in this Section E may not be shortened or extended by the multiple district council chairperson or the conciliators.

F. Conciliation Meeting & Decision of Conciliators

Upon being appointed, the conciliators shall arrange a meeting of the parties for the purpose of conciliating the dispute. The meeting shall be scheduled within thirty (30) days of the appointment of the conciliators. The objective of the conciliators shall be to find a prompt and amicable resolution to the dispute. If such conciliation efforts are unsuccessful, the conciliators shall have the authority to issue their decision relative to the dispute. The conciliators shall issue their decision in writing no later than thirty (30) days after the date on which the initial meeting of the parties was held, and the decision shall be final and binding on all parties.

The written decision shall be signed by all the conciliators, with the dissent of any conciliator properly noted, and a copy of the written decision shall be provided to all parties, the multiple district council chairperson, the multiple district council of governors and, upon request, to the Legal Division of Lions Clubs International. The decision of the conciliators must be consistent with any applicable provisions of the International, Multiple District and District Constitutions and By-Laws and policies of the International Board of Directors, and is subject to the authority of and further review by the International Board of Directors at the sole discretion of the International Board of Directors or its designee.

Failure to comply with the final and binding decision of the conciliators constitutes conduct unbecoming a Lion and is subject to loss of membership privileges and/or charter cancellation.

L. CHANGE OF THE ABBREVIATED NAME OF THE ASSOCIATION

BE IT RESOLVED, That the words “Lions International” where they appear on printed material of the international association be changed to read “Lions Clubs International.”

M. LITIGATION INVOLVING THE INTERNATIONAL ASSOCIATION

1. Initiation of Litigation

No litigation shall be initiated on behalf of The International Association of Lions Clubs unless approved by either the board of directors; or the Executive Committee; or the international president (or available ranking international executive officer), executive director and general counsel.

2. Reporting Status of Current Litigation

The association’s general counsel shall prepare for inclusion in the executive director’s report to the board a summary showing the current status of litigation involving the association. Any change in the status of litigation shall be reported in the executive director’s monthly report to the board.

N. PROCEDURES FOR ADVISING AND/OR COPYING EXECUTIVE OFFICERS OF STAFF RESPONSES MADE ON BEHALF OF EXECUTIVE OFFICERS

If a letter of protest or criticism is addressed to an executive officer and answered by a member of the staff, each executive officer copied on the original correspondence shall receive a copy or be otherwise informed of the response made.

O. METHOD OF WITHDRAWAL OF CANDIDACY FOR INTERNATIONAL OFFICE

If a candidate for international office wishes to withdraw, he/she must either:

1. Personally appear before the Nominating Committee of the international convention and announce his/her intention to withdraw his/her candidacy; or
2. Deliver to the Nominating Committee of the international convention a letter stating that he/she is withdrawing as a candidate for international office. Said letter of withdrawal will be considered at the meeting of the Nominating Committee of the international convention.

P. “REGISTERED” AGENT OF THE ASSOCIATION

Effective November 2005, The International Association of Lions Clubs (“Lions Clubs International”) authorizes CT Corporation to serve as the association’s registered agent for all states and countries in which the association must have a registered agent.

Q. FISCAL AGENTS:

| | Country | Fiscal Agent | Date |
|----|----------------|---------------------|-------------|
| 1. | India | Neville Mehta | 11/14/05 |
| 2. | Mexico | Octavio A. Botello | 6/30/84 |
| 3. | Peru | Oscar Elejalde V. | 6/2001 |

R. LEGAL RESPONSIBILITIES OF MEMBERS OF THE INTERNATIONAL BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

Information detailing and emphasizing the principal areas of the statutory and common law duties and responsibilities of corporate officers and directors shall be included in the International Director – Service Through Leadership booklet distributed annually to members of the International Board of Directors. The text of this information shall be in the form attached as Exhibit B.

S. GIFTS FROM COMMERCIAL LICENSEES

The International Board of Directors hereby prohibits all officers, directors and employees of the association from accepting gifts of any kind from both the commercial licensees of the association as well as those who seek to become such licensees.

T. CONFLICTS OF INTEREST POLICY

The officers, board, management and staff of the International Association of Lions Clubs (“the association”) recognize a shared responsibility to ensure that they conduct themselves in an unbiased manner and serve the goals of the Lions of the world. It is the responsibility of the association to guard against conflicts of interest, which might compromise the integrity and objectivity of the association’s operations.

1. Purpose

The purpose of the conflicts of interest policy is to protect the association’s interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of an officer, director, manager, or staff of the association. This policy is intended to supplement, but not replace, any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

2. Definitions

a. Interested Person

Any officer, director, or member of a committee with board delegated powers that have a direct or indirect financial interest is an interested person.

b. Financial Interest

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

- (1) An ownership or investment interest in any entity with which the association has a transaction or arrangement,
- (2) A compensation arrangement with the association or with any entity or individual with which the association has a transaction or arrangement, or
- (3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the association is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. A financial interest is not necessarily a conflict of interest unless deemed so by the board or appropriate committee.

3. Procedures

a. Duty to Disclose

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and must be given the opportunity to disclose all material facts to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.

b. Determining Whether a Conflict of Interest Exists

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

c. Procedures for Addressing the Conflict of Interest

- (1) An interested person may make a presentation at the board or committee meeting, but after such presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.
- (2) The President or the chairperson of the committee shall, if appropriate, appoint a disinterested person or committee to investigate alternative to the proposed transaction or arrangement.
- (3) After exercising due diligence, the board or committee shall determine whether the association can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- (4) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the disinterest directors whether the transaction or arrangement is in the association's best interest and for its own benefit and whether the transaction is fair and reasonable to the association and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

d. Violations of Conflicts of Interest Policy

- (1) If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

(2) If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

4. Records of Proceedings

The minutes of the board and all committees with board-delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

5. Compensation, Meals, Entertainment (etc.)

- a. A voting member of the board of directors who receives compensation, etc., directly or indirectly, from the vendor is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation, etc., matters and who receives compensation, directly or indirectly, from the vendor is precluded from voting on matters pertaining to that member's compensation, etc.

6. Annual Statements

Each officer, director, and member of a committee with board-delegated powers shall annually sign a statement, which affirms that such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands that the association is a not for profit corporation and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

7. Periodic Reviews

To ensure that the association operates in a manner consistent with its not for profit purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation, etc., arrangements and benefits are reasonable and are the result of arm's-length bargaining.

- b. Whether partnership and joint venture arrangements and arrangements with vendors conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Corporation's not for profit purposes and do not result in inurement or impermissible private benefit.

8. Use of Outside Experts

In conducting the periodic reviews, the association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the board of its responsibility for ensuring that periodic reviews are conducted.



APPLICATION FOR USE OF LIONS NAME AND/OR EMBLEM

APPLICATION OF:

(Name of Sponsoring Club or District)

(Address)

TO: The International Association of Lions Clubs
Attn: Legal Division
300 22nd Street
Oak Brook, IL 60523-8842 USA

Article I of the International By-Laws provides:

The name, goodwill, emblem and other insignia of this association and Lions clubs chartered thereunder may not be used, published or distributed by any Lions club, Lions club member or any Lions district or by any entity (legal or natural, in corporate or any other form) organized and/or controlled by any Lions club, Lions club member or members or any Lions district for any purpose except those expressly authorized by the provisions of the constitution or by policies of the International Board of Directors; and no other individual or entity (legal or natural, incorporated or any other form) may use the name, goodwill, emblem and other insignia of the association and Lions clubs chartered thereunder without such written consent and license as shall be required by the International Board of Directors.

I. Nature of activity or project:

(A) Name of proposed Project/Foundation: _____

(B) Website of proposed Project/Foundation: _____

(C) Number of clubs and/or districts involved:

(D) Describe geographical boundaries of clubs and/or districts involved.

(E) Describe manner by which project or activity was first brought to the attention of the club(s) and/or district.

- (F) Describe how approval is given by clubs.

- (G) Describe how approved by district (if required) and when - (i.e., by act of delegates at district convention, by act of state council, etc.)

- (H) Explain necessity for action on district (or other area) level rather than on local club level.

- (I) Source of funds (state in detail):
- (1) How are funds raised?

 - (2) Who determines expenditures therefrom, and on what basis?

 - (3) How much, generally, of funds raised in one year are disbursed in same year?

 - (4) What average balance has fund carried for last three (3) years?

- (J) What type information is furnished to participating clubs concerning operation of activity?

- (K) Describe in detail nature of participation by clubs (other than contribution or raising of funds), i.e., what other details in actual operation are handled by clubs.

- (L) Describe operation of a project in a given factual situation. Give an example in detail.

- (M) Describe all insurance coverage, in addition to the Lions General Liability Insurance Program, that is in effect or will be obtained for this project (such as directors and officers liability, fiduciary, fraud/theft, excess umbrella, property, workers compensation, etc.)

- (N) Internal organization or structure:
- (1) If unincorporated, describe executive officers (terms of office, how elected, qualifications for office, duties, etc.); meetings, reports, etc. (Furnish copy of

instrument under which organization operates).

(2) If incorporated:

(a) Submit copy of Articles of Incorporation and By-Laws, Certificate of Incorporation.

(b) List present officers

(c) Describe reports state, province or country of incorporation requires to be filed on annual basis.

Is corporation considered charitable by state, province or country in which incorporated?

(d) Has corporation received letter or other evidence of exemption concerning income taxes?

If not, has it filed for same?

II. Participation of Clubs and/or Districts

(A) If any club or club member chooses to refrain from participating, either originally or by withdrawal, will it or he or she incur any pressure or disadvantage of any kind within district or club (or area)? If answer is "yes," please give details.

(B) In order to participate in the project or activity, is it necessary for a club or club member, to contribute funds or pay dues of any kind? If answer is "yes," please give details.

III. Purpose

State exactly end to be accomplished and type of persons or institutions, etc. to be beneficiaries.

IV. Duration

(A) How long is project expected to continue? (perpetual, etc.)

(B) How long has activity been in operation prior to this application?

V. List any other activities sponsored by clubs or district involved.

VI. We understand the traditional policy of the association, as implemented and enforced by the International Board of Directors over the years, that no district or club or group of clubs or club members may, by legislation or otherwise, force any club or member thereof to participate, monetarily or otherwise, in any activity project. We understand and have made it clear to the clubs and members thereof that district and club dues are separate and apart from any funds raised for district or club activities; and that while dues for administrative purposes are necessary for the operation of districts and clubs and, therefore, each club and member thereof must bear its and his or her proportionate share, nevertheless, all funds raised for district or club activities are to be subscribed voluntarily. We understand no club or club member may be discriminated against or denied the right to participate in other matters of the club or district as a result of a decision not to participate in, or to contribute to, any club or district activity project. We understand and agree that if this application is approved by the International Board of Directors, it will be upon the express condition that the foregoing provisions of this paragraph VI will be strictly observed and that the license and permission granted thereby may be revoked by said board at any time for breach thereof or for any other action our district or group may take or omit to taken which, in the sole discretion of said board, shall be deemed to be detrimental to the image and purposes of the association or any club or district therein.

Signature of Applicant: _____ Date: _____

Printed Name of Applicant: _____

**LEGAL RESPONSIBILITIES OF MEMBERS
OF THE INTERNATIONAL BOARD OF DIRECTORS
AND EXECUTIVE OFFICERS**

MEMBERS OF THE BOARD OF DIRECTORS

ILLINOIS STATUTORY RESPONSIBILITIES

The General Not-For-Profit Corporation Act of Illinois states in Chapter 32, Section 108.05 that, "The affairs of a corporation shall be managed by or under the direction of a Board of Directors." The purpose of this brochure is to more specifically define this broad authorization of power that has been assigned to the International Board.

THE DIRECTORS' BASIC DUTIES

The Directors have general responsibility for the management of the business and affairs of the corporation. They have the legal duty to use reasonable care and diligence and must act within the scope of authority conferred upon them. Directors owe three basic duties to the corporations they serve: obedience, diligence and loyalty.

The duty of obedience requires the Directors to contain their activities within the authority conferred upon them by the Association's Articles of Incorporation and the Constitution and By-Laws. For a willful violation of this rule and usually for their negligent disobedience of it, the Directors will be held liable to the corporation.

The second duty, diligence, requires the Directors to exercise "reasonable care and prudence" when acting on behalf of the corporation they represent. The courts have traditionally interpreted the general standard to mean that a Director must exercise the degree of care and prudence that people prompted by self-interest exercise in their own affairs. Directors must take an interest in the business affairs of the corporation, including keeping themselves informed of the corporation's activities. It is not a defense to the Directors that they are ignorant or inexperienced in the corporation's activities or that their own intentions are honest.

The third duty is that of loyalty. It contemplates that a Director must refrain from engaging in his/her own personal activities in such a manner as to injure or take advantage of his/her corporation. Loyalty also includes the requirement that a Director act fairly with respect to transactions involving the corporation. Among the factors considered in determining fairness are the adequacy of consideration, corporate need to enter into the transaction, financial position of the corporation, alternatives available and full disclosure.

In accordance with this Common Law Duty of Loyalty Illinois has, by statutory provision, expressly prohibited the making of loans by the corporation to its Directors and Officers. Should such a loan be approved by the Board, each Director of the corporation who votes for or assents to the making of the same shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

Illinois Case Law has adopted the Corporate Opportunity Doctrine. This principle states that a Director or Officer of the corporation may not divert a business opportunity in which his/her corporation may reasonably be interested without first giving the corporation an opportunity to act. In determining whether a corporate opportunity has been diverted, Directors are held to a standard of "good faith" measured by general business ethics.

The Corporate Opportunity Doctrine can extend to the purchase of land, business assets or anything else that the Director has reason to know the corporation would be interested in. A Director who fails to give the corporation a chance to act will be liable to the corporation for any profits made.

DIRECTORS AS FIDUCIARIES

It is generally accepted that the Directors and Officers of a corporation occupy a fiduciary relationship to the corporation. The Illinois courts have declared that "A fiduciary relationship automatically exists between a corporation and its Directors and Officers."

The fiduciary relationship requires that Directors act in good faith on all occasions and give their conscientious care and best judgment to their tasks.

A Director usually meets his/her duties to the corporation when he/she performs his/her duties in good faith and in a manner he/she reasonably believes to be in the best interest of the corporation. Illinois courts will not usually interfere with the Directors' management of the corporation in the absence of fraud and illegal conduct or impose liability on him/her because of erroneous judgment when the same is exercised in good faith.

ASSENT OF DIRECTOR IMPLIED BY MERE ATTENDANCE AT A BOARD MEETING

A Director who is present at a meeting of the Board of Directors at which action on any corporate matter is taken is conclusively presumed to have assented to the action unless his/her dissent is entered into the minutes of the meeting; or he/she files a written dissent with the person acting as secretary of the meeting before its adjournment; or he/she notified the secretary of the corporation by registered mail immediately after adjournment of the meeting. However, a Director who votes in favor of a proposition does not have the right to dissent by registered mail.

In summary, should a Director disagree with action taken at a Board Meeting he/she must voice his/her dissent by complying with the above-stated procedure or his/her assent will be conclusively inferred by his/her attendance.

CORPORATE OFFICERS

STATUTORY RESPONSIBILITIES

The statutory duties and authority of the corporate officers are rather broad and not specifically defined in the Illinois General Not-For-Profit Corporation Act. Generally, the officers have such authority and duties as are provided in the By-Laws or determined by the Board as long as they are not inconsistent with the By-Laws.

GENERAL AUTHORITY OF OFFICERS

The scope of authority of corporation's officers is not easily defined. The question of actual authority of an officer and his/her apparent authority may become of major importance when the reliance of an outsider on the officer's authority is involved.

Each officer is expected to stay within the limits of his/her authority and may be held liable to his/her corporation if he/she exceeds those limits. An officer may also be held liable to an injured outsider, where the officer has exceeded his/her power and authority, unless the corporation ratifies his/her unauthorized actions and thus assumes corporate liability for them.

LEGAL AUTHORITY OF OFFICERS—ACTUAL, APPARENT OR THROUGH RATIFICATION OF ACTIONS

The authority of corporate officers may be actual (express or implied), apparent or derived from ratification of an act beyond the officer's power.

ACTUAL AUTHORITY

An officer derives his/her express authority from statutes, the Articles of Incorporation, or the corporation's Constitution and By-Laws or Resolutions of the Board of Directors. For example, the By-Laws might enumerate the various officers and define their respective authority.

Actual Authority other than express authority is usually referred to as "implied" or "inherent" authority. An officer may derive implied authority based on the inherent powers of his/her office.

Modern Illinois Case Law tends to establish a rebuttable presumption that the President has authority to act on behalf of the corporation in the ordinary course of corporate affairs (day-to-day business). Where the President is in fact General Manager, he/she has the implied authority inherent to the office of the General Manager. The General Manager has implied authority to make any contract or to do any other act appropriate in the ordinary business of the corporation. The fact that a person is permitted to act as General Manager is sufficient to clothe him/her with such implied authority. The International President, therefore, must always be cognizant of the fact that there is a legal presumption that he/she possesses such implied authority and must conduct his/her actions with the idea that the same may be binding upon the Association.

The Vice-Presidents, unlike the President, have no inherent powers other than to act when the President is unavailable because of death, illness or other incapacity.

APPARENT AUTHORITY

Apparent Authority, sometimes referred to as Ostensible Authority, exists when the corporation holds out that an officer or agent possesses certain authority and a third person in good faith believes that such authority exists. In such a case, the corporation and possibly such third person are estopped from denying such authority. In summary, where there is Apparent Authority the absence of Actual Authority, express or implied, is immaterial. The relationship stressed is that between the corporation and the person transacting business with its purported agent.

AUTHORITY THROUGH RATIFICATION OF ACTIONS

Should an officer act beyond the scope of his/her authority, such action may be ratified by the Board of Directors. Ratification may be expressed, such as by Resolution of the Board of Directors, or implied; for example, by acceptance of benefits of the unauthorized act with knowledge of the facts.

Where an officer purports to contract on behalf of a corporation without authority such officer may be personally liable to the third person on the contract. The rationale of this ruling is that one who purports to contract on behalf of a principal is liable if the principal is not, or for breach of implied warranty of authority. Authorized officers may become liable for the contract if they do not disclose that they are executing the contract only in the capacity as an agent for the corporation. Officers who personally guarantee their corporation's obligations are subject to the same liability.

CONFLICT OF INTEREST POLICY

Considering the association's accountability to its membership and the public, the International Board of Directors adopts the following policy and procedures with respect to disclosure requirements concerning transactions and relationships that may involve potential conflict of interest.

- Each officer, director and employee shall avoid situations where their personal interest could conflict with, or appear to conflict with, the interest of the association.
- The use of association assets for any unlawful or improper purpose is strictly prohibited.
- No undisclosed or unrecorded asset is to be established for any purpose
- No false entries are to be made in the books for any reasons, and no employee shall engage in any arrangement that results in such prohibited act.
- No payments are to be approved or made with the intention that any part is to be used for any purpose other than that described in the supporting documents.
- Any employee who knows of any unrecorded asset or any prohibited act must promptly report it to the management of the association.

This policy requires the annual submission from association board members, key management personnel, and employees in sensitive positions, of a statement certifying their compliance with the policy.

The association's Finance and Headquarters Operation Committee is responsible for review and enforcement of this policy. Staff disclosure statements will initially be reviewed and evaluated by the executive director. Upon completion of this review, the executive director will forward his findings to members of the Finance and Headquarters Operation Committee for final analysis and action.

- This policy shall be construed to also apply to the Lions Clubs International Foundation trustees and employees.

ETHICAL STANDARDS AND CONDUCT

(Executive Officers, International Directors and Board Appointees)

Ours is an association of service, and the manner in which the service is rendered is fully as important as the service itself. Our members, the Executive Officers, the International Directors, the Board Appointees, the Administrative Officers, the International Office staff and our communities expect honest and ethical conduct from each of you every day. No act or request on the part of Lions clubs and their members, officers, board of directors or staff within our association with whom, or the community for whom, we render services can justify the breach of this guideline. Honest and ethical conduct is defined by four core values that serve as the foundation for our Ethical Standards:

Integrity – Lions Clubs International insists on the highest standards of personal and professional integrity. We must all make every possible effort to safeguard the association’s assets. We must also comply with all association policies and applicable laws.

Accountability – Lions Clubs International expects all past and current Executive Officers, International Directors, and Board Appointees to honor commitments as authorized and made on behalf of the association and take individual responsibility for all actions and outcomes. It has no tolerance for ethical violations.

Teamwork – Lions Clubs International seeks to maintain a service environment that encourages innovation, creativity and positive results through teamwork. We must all practice leadership to train, inspire and promote full participation and individual development for all Lions. We encourage open and effective communication and interaction.

Excellence – Lions Clubs International is dedicated to fair treatment, mutual respect, diversity and trust. We must challenge each other to improve our services, our processes and ourselves. We must strive together to serve our membership and communities and help the association achieve its goals.

Your responsibilities begin with understanding of the core values and Ethical Standards of Lions Clubs International. Your role in the association demands an ongoing vigilance to maintain these standards of honest and ethical conduct. The International Board Policy Manual highlights areas that concern Lions Clubs International Ethical Standards, including our Mission Statement (Ch.I.A.), Code of Ethics (Ch.VI.1.A.), Anti-Discrimination Guidelines for Service Activities and Membership (Ch.I.M. and Ch.XVIII.G. respectively), Obligations of a Chartered Club (Ch.V.A.), Use of Publicly Raised Funds (Ch.XV.G.1.), Rules of Audit (Ch.IX.B., Ch.XXII.C.), Conflict of Interest (Ch.XV.L.), Solicitation (Ch.XV.A.2.f), and Privacy Policy (Ch.XV.Exh.D.). The International Constitution and By-Laws and the International Director booklet also provide additional guidance in the areas of ethical standards and conduct. In many instances, ethical standards intersect legal requirements. If an ethical or legal compliance issue arises that raises a question in your mind, you have a *responsibility* to bring that issue to the attention of the appropriate International Board committee or International Office division (for example, the Finance and Headquarters Operation Committee reviews Conflict of Interest issues; the Constitution and By-Laws Committee and/or Legal Division review Legal issues). You may also bring ethical or legal concerns to the attention of the Executive Officers or the Administrative Officers of the association.

The core values of the Ethical Standards of Lions Clubs International, along with the policies of the International Board of Directors, provide a guide and framework to help you understand what is expected from you and to help you make good decisions. As they are not all inclusive, your good and best judgment is essential in doing the “right” and ethical thing. Please join us in continuing Lions Clubs’ tradition of honest and ethical practices in serving millions of people in need.

ETHICAL STANDARDS AND CONDUCT (Council Chairperson)

Ours is an association of service, and the manner in which the service is rendered is fully as important as the service itself. Our members, your Council of Governors, the International Board of Directors, the Executive Officers, the Administrative Officers, the International Office staff and our communities expect honest and ethical conduct from each of you every day. No act or request on the part of Lions clubs and their members, officers, board of directors or staff within our association with whom, or the community for whom, we render services can justify the breach of this guideline. Honest and ethical conduct is defined by four core values that serve as the foundation for our Ethical Standards:

Integrity – Lions Clubs International insists on the highest standards of personal and professional integrity. We must all make every possible effort to safeguard the association’s assets. We must also comply with all association policies and applicable laws.

Accountability – Lions Clubs International expects all Council Chairpersons to honor commitments as authorized and made on behalf of the association and take individual responsibility for all actions and outcomes. It has no tolerance for ethical violations.

Teamwork – Lions Clubs International seeks to maintain a service environment that encourages innovation, creativity and positive results through teamwork. We must all practice leadership to train, inspire and promote full participation and individual development for all Lions. We encourage open and effective communication and interaction.

Excellence – Lions Clubs International is dedicated to fair treatment, mutual respect, diversity and trust. We must challenge each other to improve our services, our processes and ourselves. We must strive together to serve our membership and communities and help the association achieve its goals.

Your responsibilities begin with understanding of the core values and Ethical Standards of Lions Clubs International. Your role in the association demands an ongoing vigilance to maintain these standards of honest and ethical conduct. Lions Clubs International has adopted several policy statements that concern the association’s Ethical Standards, such as our Mission Statement, Code of Ethics, Anti-Discrimination Guidelines for Service Activities and Membership, Obligations of a Chartered Club, Use of Publicly Raised Funds, Rules of Audit, Conflict of Interest, Solicitation, and Privacy. The International Constitution and By-Laws, the Council Chairperson Manual and the International Board Policy Manual provide information about these policy statements and additional guidance in the areas of ethical standards and conduct. In many instances, ethical standards intersect legal requirements. If an ethical or legal compliance issue arises that raises a question in your mind, you have a *responsibility* to bring that issue to the attention of the appropriate International Board committee or International Office division (for example, the Finance and Headquarters Operation Committee reviews Conflict of Interest issues; the Constitution and By-Laws Committee and/or Legal Division review Legal issues). You may also bring ethical or legal concerns to the attention of the International Board of Directors, the Executive Officers, or the Administrative Officers of the association.

The core values of the Ethical Standards of Lions Clubs International, along with the policies of the International Board of Directors, provide a guide and framework to help you understand what is expected from you and to help you make good decisions. As they are not all inclusive, your good and best judgment is essential in doing the “right” and ethical thing. Please join us in continuing Lions Clubs’ tradition of honest and ethical practices in serving millions of people in need.

ETHICAL STANDARDS AND CONDUCT (District Governor)

Ours is an association of service, and the manner in which the service is rendered is fully as important as the service itself. Our members, your fellow District Governors, the International Board of Directors, the Executive Officers, the Administrative Officers, the International Office staff and our communities expect honest and ethical conduct from each of you every day. No act or request on the part of Lions clubs and their members, officers, board of directors or staff within our association with whom, or the community for whom, we render services can justify the breach of this guideline. Honest and ethical conduct is defined by four core values that serve as the foundation for our Ethical Standards:

Integrity – Lions Clubs International insists on the highest standards of personal and professional integrity. We must all make every possible effort to safeguard the association’s assets. We must also comply with all association policies and applicable laws.

Accountability – Lions Clubs International expects all District Governors to honor commitments as authorized and made on behalf of the association and take individual responsibility for all actions and outcomes. It has no tolerance for ethical violations.

Teamwork – Lions Clubs International seeks to maintain a service environment that encourages innovation, creativity and positive results through teamwork. We must all practice leadership to train, inspire and promote full participation and individual development for all Lions. We encourage open and effective communication and interaction.

Excellence – Lions Clubs International is dedicated to fair treatment, mutual respect, diversity and trust. We must challenge each other to improve our services, our processes and ourselves. We must strive together to serve our membership and communities and help the association achieve its goals.

Your responsibilities begin with understanding of the core values and Ethical Standards of Lions Clubs International. Your role in the association demands an ongoing vigilance to maintain these standards of honest and ethical conduct. Lions Clubs International has adopted several policy statements that concern the association’s Ethical Standards, such as our Mission Statement, Code of Ethics, Anti-Discrimination Guidelines for Service Activities and Membership, Obligations of a Chartered Club, Use of Publicly Raised Funds, Rules of Audit, Conflict of Interest, Solicitation, and Privacy. The International Constitution and By-Laws, the District Governor Manual and the International Board Policy Manual provide information about these policy statements and additional guidance in the areas of ethical standards and conduct. In many instances, ethical standards intersect legal requirements. If an ethical or legal compliance issue arises that raises a question in your mind, you have a *responsibility* to bring that issue to the attention of the appropriate International Board committee or International Office division (for example, the Finance and Headquarters Operation Committee reviews Conflict of Interest issues; the Constitution and By-Laws Committee and/or Legal Division review Legal issues). You may also bring ethical or legal concerns to the attention of the International Board of Directors, the Executive Officers, or the Administrative Officers of the association.

The core values of the Ethical Standards of Lions Clubs International, along with the policies of the International Board of Directors, provide a guide and framework to help you understand what is expected from you and to help you make good decisions. As they are not all inclusive, your good and best judgment is essential in doing the “right” and ethical thing. Please join us in continuing Lions Clubs’ tradition of honest and ethical practices in serving millions of people in need.

ETHICAL STANDARDS AND CONDUCT (Club Officer)

Ours is an association of service, and the manner in which the service is rendered is fully as important as the service itself. Our members, your fellow club officers, your District Governor, the International Board of Directors, the Executive Officers, the Administrative Officers, the International Office staff and our communities expect honest and ethical conduct from each of you every day. No act or request on the part of Lions clubs and their members, officers, board of directors or staff within our association with whom, or the community for whom, we render services can justify the breach of this guideline. Honest and ethical conduct is defined by four core values that serve as the foundation for our Ethical Standards:

Integrity – Lions Clubs International insists on the highest standards of personal and professional integrity. We must all make every possible effort to safeguard the association’s assets. We must also comply with all association policies and applicable laws.

Accountability – Lions Clubs International expects all club officers to honor commitments as authorized and made on behalf of the association and take individual responsibility for all actions and outcomes. It has no tolerance for ethical violations.

Teamwork – Lions Clubs International seeks to maintain a service environment that encourages innovation, creativity and positive results through teamwork. We must all practice leadership to train, inspire and promote full participation and individual development for all Lions. We encourage open and effective communication and interaction.

Excellence – Lions Clubs International is dedicated to fair treatment, mutual respect, diversity and trust. We must challenge each other to improve our services, our processes and ourselves. We must strive together to serve our membership and communities and help the association achieve its goals.

Your responsibilities begin with understanding of the core values and Ethical Standards of Lions Clubs International. Your role in the association demands an ongoing vigilance to maintain these standards of honest and ethical conduct. Lions Clubs International has adopted several policy statements that concern the association’s Ethical Standards, such as our Mission Statement, Code of Ethics, Anti-Discrimination Guidelines for Service Activities and Membership, Obligations of a Chartered Club, Use of Publicly Raised Funds, Rules of Audit, Conflict of Interest, Solicitation, and Privacy. The International Constitution and By-Laws, the Club Officer Manual and the International Board Policy Manual provide information about these policy statements and additional guidance in the areas of ethical standards and conduct. In many instances, ethical standards intersect legal requirements. If an ethical or legal compliance issue arises that raises a question in your mind, you have a *responsibility* to bring that issue to the attention of the appropriate International Board committee or International Office division (for example, the Finance and Headquarters Operation Committee reviews Conflict of Interest issues; the Constitution and By-Laws Committee and/or Legal Division review Legal issues). You may also bring ethical or legal concerns to the attention of your District Governor, the International Board of Directors, the Executive Officers, or the Administrative Officers of the association.

The core values of the Ethical Standards of Lions Clubs International, along with the policies of the International Board of Directors, provide a guide and framework to help you understand what is expected from you and to help you make good decisions. As they are not all inclusive, your good and best judgment is essential in doing the “right” and ethical thing. Please join us in continuing Lions Clubs’ tradition of honest and ethical practices in serving millions of people in need.

**LIONS CLUBS INTERNATIONAL
PRIVACY POLICY**

Collection and Use of Personal Membership Data by Lions Clubs International

Lions Clubs International recognizes the importance of protecting the private information of our members. LCI collects personal information about Lions Club members and Leo Club members to facilitate communications with and between our members. This information is to be used solely to further its Purposes including that “to unite the clubs in bonds of friendship good fellowship and mutual understanding” and to conduct its necessary operational activities including:

- Dues and other billings
- Distribution of The Lion magazine and membership/officer information and updates
- Compilation of membership profiles and trends to support membership growth, extension and retention programs
- Convention and meeting planning
- Contact information for Lion/Leo leaders, including past and present International Officers, Directors, and Board Appointees, Multiple District Council Chairpersons and Council of Governors, District and Vice District Governors, and Club Officers
- Furtherance of Public Relations activities and Cooperative Alliances
- Support of Lions Clubs International Foundation and other adopted service programs
- Special advertising, non-dues revenue programs or other purposes in accordance with the Purposes and Objects as determined by the International Board of Directors
- Disclosure of information as required by law or that is pertinent to judicial or governmental investigations

Lions Clubs International protects personal information by using password-protected areas and by restricting access to such information. It is important that you protect your password.

Any payment information collected is protected by software during transmission, which encrypts all of your personal information so that it can be safeguarded over Internet channels. We reveal only a limited part of your credit card number when confirming an order.

The official directory is not available on the Internet without a password, but a club locator with club officer contact information is available. The club locator is designed so that it cannot be used as a commercial mailing list and Lions/Leo Club members should ensure it is not used for that purpose.

Privacy Recommendations for Lions/Leo Clubs, Districts, Multiple Districts and Foundations

Your Lions/Leo Club, District, Multiple District and/or Foundation should consider your privacy practices and follow similar guidelines when using the personal information of members, donors, recipients of your humanitarian assistance, or that of other individuals obtained in the course of conducting your activities. You should consider obtaining written permission before disclosing any personal information including names, addresses, email addresses, telephone numbers, medical information, financial information, etc. You should also be cautious when posting any personal information on the Internet or sharing email addresses with third parties. Please be aware that LOCAL LAWS MAY GOVERN THIS ISSUE and these laws vary widely from country to country, so you should seek advice from a local expert for more information before any personal information is used.

If you have any concerns or questions about these policies, please contact Lions Clubs International at (630) 571-5466, ext. 360 or legal@lionsclubs.org.