

MCAN BY-LAWS

(As proposed for Adoption at the Fall 2004 Meeting)

ARTICLE 1 Name

The name of this Network shall be the Marketing Communications Agency Network. When abbreviated, the name of the Network shall appear as MCAN.

ARTICLE 2 Nature and Objectives

Section 1. Membership Organization

Marketing Communications Agency Network is a non-profit membership organization, unincorporated and without capital stock, composed of corporations, partnerships, and other business organizations.

Section 2. Objectives

- A. To affiliate within an effective network a number of independent advertising agencies seeking to adopt similar ideals and methods, and by close cooperation achieve greater levels of accomplishment and efficiency in agency management.
- B. To raise the standards of advertising service to clients of the Network members through cooperative study and exchange of information relative to agency management and all phases of advertising. To attempt to widen the range of services offered to clients by each member through affiliation with other progressive agency members.
- C. To simplify and standardize agency operations for more efficient selling, organizing and servicing client accounts.
- D. To exchange information on all common problems including management, sales development, market studies, and agency functions and operations.
- E. To assist any member of the Network, upon request, in the solicitation and serving of an account through specialized experience and abilities.
- F. To meet regularly to compare experiences, discuss ways and means of improving standards of operation, and methods of increasing profitability, and to promote general welfare of all members.

ARTICLE 3 Membership and Dues

Section 1. A Membership of Agency Principals

An agency's membership in the Marketing Communications Agency Network shall be represented by at least one active principal of an agency actively engaged in the principal pursuit of advertising, marketing, branding, public relations and other related communications services. A designated top management representative may be permitted to substitute at membership meetings in case of emergency based on the principals' ability to participate.

A principal shall be defined as one who holds a material ownership interest in his/her agency.

Section 2. Membership Composed of Advertising Agencies

Regular membership shall be open to **organizations engaged in the principal pursuit of advertising, marketing, branding, public relations and other related communications services**, and possessing such basic requirements for qualifications as listed in this article and as agreed upon by MCAN members.

Section 3. Market Exclusivity

Only one agency membership shall be awarded per any one city/territory/market area, to any one agency that specifically serves that area. In case of conflict or potential conflict, the then current member(s) potentially affected by the perceived conflict shall have the right to veto an applicant's membership **if the prospective member's place of business is within 60 miles of the potentially affected current member**. In the case of more than one member potentially affected by the perceived conflict, only one such member need veto a proposed membership.

Section 4. Applicants Invited on a Trial Basis

The Membership Committee shall approve all applications for membership and may invite the principal(s) and/or his or her designated representative of the approved applicant agency to attend one regular meeting of MCAN on a trial basis; all costs incidental to travel, including meals and lodging in attending such meetings shall be the sole responsibility of the applicant agency.

If the applicant is interested in becoming a member and there are no objections from current members, the agency may be invited back to a second meeting. A \$250 initiation fee shall be paid by the applicant agency in advance of such second meeting. If the membership is approved, the applicant agency is also responsible for their pro-rata share of the meeting expenses of such second meeting.

Section 5. Election to Membership

After the applicant has attended one meeting, applicant may be elected to regular membership at a subsequent meeting upon proper motion and unanimous vote of approval of the membership present and in good standing. If the membership is not approved or if the applicant decides not to join, the invitation to join is withdrawn and the initiation fee is refunded.

Section 6. Initiation Fee for Life Membership

The initiation fee for Life Membership shall be **\$500.00** for each elected agency regardless of the number of principals represented. There shall be a single vote for each agency's membership.

Section 7. Annual Dues

Annual dues may be fixed by resolution and by a majority of voting members at any regular membership meeting. One-quarter of the annual dues amount will be billed at the start of each quarter. New members will be billed for their first quarterly dues at the first regularly scheduled dues billing subsequent to their membership acceptance.

Section 8. Failure to Attend Meetings

Member agencies whose principals or appointed representatives fail to attend two out of four consecutive meetings may be dropped from MCAN upon majority vote of the membership.

Section 9. Expulsion for Cause

Any officer or member may be dropped from office or membership in the Network for cause by a vote of the majority of the membership present and in good standing at any meeting of the Network. Cause shall include any one of the following matters: (1) Improper conduct; (2) Non-Payment of dues and/or expenses; (3) Absence per Section 8; (4) Failure to cooperate with other members; or (5) Other such matters as may bring discredit to MCAN.

Section 10. Forfeiture of Any Claim

Any member who has been expelled or withdraws from the Network shall forfeit any and all claims to: (1) Any interest in the property of the Network; (2) Any amounts paid for membership, dues or otherwise; and (3) Use of the MCAN nameplate and logo.

Section 11. Reinstatement

If a former member makes application and is accepted for reinstatement of membership, said member shall pay the initiation fee as a new member, unless the fee is waived by unanimous vote of all members present and in good standing at the meeting at which reinstatement is considered and voted upon.

Section 12. Loss of Membership Upon Sale or Merger

If a member agency sells its business to another agency, merges with another agency, or if the controlling ownership of the member agency is transferred, the resultant agency's membership is automatically terminated as of the date of such transaction. The Network will regard the agency as a prospective new member; admission will be subject to regular election and payment procedures as specified in this ARTICLE. The membership may, however, at its option and with a majority vote, vote to extend membership to the successor agency without the "waiting period" set forth in ARTICLE 3 sections 4 and 5. **Notwithstanding the provisions of this Section, material ownership changes solely related to transfers of ownership for family succession shall be exempt from the provision of this Section.**

Section 13. Resignations

Notice of resignation by any member shall be made in written form at least 30 days prior to the effective resignation date. All fees, dues, and other expenses incurred up to the effective resignation date must be paid in full by the resigning agency. If a member resigns within 30 days prior to a scheduled meeting of MCAN, such member will still be responsible for its pro-rated share of expenses related to such meeting.

ARTICLE 4 Meetings

Section 1. Three Meetings Each Year

Meetings of the Network shall be held three times a year, in Winter, Spring and Fall in January, May and September at such places and times and for such duration as may be determined and approved by a majority of the members present and in good standing at the corresponding meeting of the previous year (the location and agenda for the following Spring meeting is set during the current Spring meeting, Fall for Fall, Winter for Winter).

Section 2. Responsibilities of the Host Agency

The responsibility for hosting a meeting will be rotated among member agencies. Said members shall be responsible for disseminating meeting information and coordinating attendance, programming, lodging, and logistics.

Section 3. Primary Agendas

The winter meeting's primary agenda item will be matters and methods of improving agency planning and management. The spring meeting shall be primarily concerned with creative and production activities and, therefore, shall also be the venue for annual MANNY awards judging. The fall meeting shall be primarily concerned with the development of new business. Many other topics may be included as needed. Participation by creative/production staff and by account executives/business development staff is encouraged as part of the spring and fall meetings respectively.

A Principals' Meeting will occur at each regularly scheduled meeting with the President presiding as the Chair. The meetings will carry out the business of MCAN. Principals and/or their authorized representative may attend. At least one principal or representative of every agency present at the meeting is required to attend.

Suggested outlines for the meetings are as follows:

* Winter & Fall—one and one-half days

Thursday Evening

Optional short programming
Dinner

Friday

Programming
All meals

Saturday

Principals Meeting
Breakfast

* Spring—one and one-half days

Thursday Evening

Optional short programming
Dinner

Friday

Programming
Manny entry review
All meals

Saturday

Principals Meeting
Breakfast & Lunch
Awards Dinner

ARTICLE 5 Expenditures

Section 1. Treasury Expenditures and Pro-rata Assessments

By approval of the majority of members present and in good standing, any costs or expenses for the benefit of the general membership may be approved for expenditure from the treasury, or, as necessary, assessed pro-rata among all members. Payment of pro-rata charges must be made by members within 45 days from date of billing. Any invoices not paid by a member agency within 45 days of the invoice date are subject to a \$50 late fee plus interest. Any outstanding fees more than 60 days old may result in a vote taken by all members in good standing terminating the agency's membership.

Section 2. Prepayments for Meeting Expenses

All members shall pay an advance fee for every meeting, to the terms of the MCAN invoice, regardless of whether the member intends to attend the meeting. This amount shall be used to cover estimated costs of speakers, meeting rooms, and necessary equipment and materials for each meeting. Actual costs of meetings will vary depending on the costs of the speakers and the location of the meeting. After total costs are analyzed, a rebate or an additional assessment shall be issued to each member agency. Each meeting's finances shall be settled before the next meeting and no amounts shall be carried over by accounting measures. The advance fee is not refundable to any agency that does not attend the meeting, and actual pro-rata expenses related to such meeting will be billed to non-attending agencies.

Sleeping rooms, transportation and meals shall be the sole responsibility of each attending agency. Member agencies may bring as many staff to the meeting content presentations as they wish.

ARTICLE 6 Officers

Section 1. Elected Officers and Positions

The elected officers of the Network shall consist of the following: President, President-Elect, Secretary, and Treasurer. Officers shall serve without salary, but may be reimbursed, on approval of the membership, for expenses incurred on behalf of the Network. The membership may elect any such officers or agents as they deem necessary. Each officer elected must represent a separate agency; no two Network officers can be from the same agency.

The Network may also elect, by a three-quarters majority, an Executive Director. The membership will establish the compensation of the Executive Director by the same majority vote from time to time.

Officers may be relieved of their duties for any reason by a majority vote of the membership, which may be called at any time (1) by any motion made by an Executive Committee member and seconded by another Executive Committee member or (2) by any duly seconded motion of any member of any regular meeting.

Section 2. Election

At the opening session of the fall meeting, nominations for officers shall be made by the Nominating Committee and from the floor. The election of officers shall follow immediately. By majority vote of the membership in good standing and present, the nominees shall be considered duly elected. Newly elected officers shall take office at the first session of the new calendar year at the January meeting.

Section 3. Term of Office

Term of office shall be for a period of one year. **Individuals may be re-elected in accordance with Section 2 of this Article without limitation or interruption of service.**

Section 4. Duties of the President

The President shall preside at all regular meetings of the Network and shall be an ex-officio member of all committees. He or she shall perform other such duties as may be assigned. The President shall be an official representative of the Network.

Section 4A. Duties of the President-Elect

The President-Elect shall serve for a period of one year and then assume the office of the President, upon the completion of the current President's term. He or she shall perform other duties as may be assigned by the President or the majority of the membership.

Section 5. Duties of the Secretary

The Secretary shall keep the minutes of all MCAN meetings and shall make such reports as required; the Secretary shall handle all correspondence, notifications, mailings and such other duties as necessary, including the execution of such deeds, contracts and documents or other duties as authorized by the membership.

Section 6. Duties of the Treasurer

The Treasurer shall have custody of all funds of MCAN and shall collect all revenues including initiation, dues, pro-rata costs and assessments, and shall pay all MCAN bills and expenses. The Treasurer shall make a financial report at each meeting. The Treasurer shall serve without bond unless required by resolution of the membership.

Section 7. Duties of the Executive Director

The Executive Director shall be responsible for the programming for all meetings, acquisition of new members, and the facilitation of communications within MCAN. More detailed responsibilities of the Executive Director shall be set forth by the membership and may be amended from time to time as necessary. **The Executive Director shall be an ex-officio member of the Executive Committee and shall be a voting member on all matters other than those matters related to the Executive Director (e.g., compensation, duties, etc. of the Executive Director).**

Section 8. Dual Signature on Checks

All checks, drafts, or other orders for payment of money notes or indebtedness **in excess of \$500** shall be signed by the Treasurer and one other MCAN officer.

ARTICLE 7 Committees

Section 1. Appointed as Necessary

The President shall be empowered to appoint other committees as necessary.

Section 2. Executive Committee

The Executive Committee shall consist of the President, President-Elect, Secretary, Treasurer and the Executive Director and shall be chaired by the President. The Executive Committee shall carry on business between meetings, bring matters before the membership, and make motions at regularly scheduled business meetings of the membership.

ARTICLE 8 Voting Privileges

Section 1. Right to Vote

Only members in good standing shall have the right to cast a vote. There shall be one vote per agency. Members in good standing shall be defined as those having no past due financial obligations to MCAN and not in violation of Sections 5 through 13 of ARTICLE 3.

ARTICLE 9 Quorum and Majority Rule

Section 1. Quorum

A quorum for conducting any Network meeting shall consist of a least fifty (50) percent of members, present and in good standing. Presence of one or more of the principals from an agency shall constitute the presence of such agency's membership. Matters requiring the action of MCAN between regularly scheduled meetings of the membership, as deemed such in the sole discretion of the Executive Committee, shall be handled by the Executive Committee, which shall act with the full authority of the membership. Actions of the Executive Committee shall not require ratification by the membership.

In the event that there arise matters that, in the sole discretion of the executive committee, require a vote of the membership between regular meetings, such matters will be brought to the membership at the sole discretion of the executive committee and via the executive committee. Members wishing to propose a motion for action between regular meetings are required to submit for consideration the proposed motion with support of at least one other member to the executive committee, which, in its sole discretion, shall choose whether a membership vote between meetings is necessary.

The executive committee is required to provide 10 day's notice to all members on all matters that it deems necessary for a membership vote between meetings. Notice may be delivered via mail, fax, or email to the addresses then on file with MCAN, and notice will be deemed to have been given at the time at which such notice is sent. Members are solely responsible for ensuring that MCAN has current contact information at all times. Membership voting between regular meetings may occur via mail, fax, or email. Votes will be counted as of the time such votes are received by the executive committee. It is the member's responsibility to ensure that any such votes are received by the executive committee by the specified time. In order for any such vote to be valid and binding, at least fifty percent of the then current members in good standing must cast a vote.

Section 2. Majority Rule

Unless otherwise specified (as in ARTICLE III Sections 3 and 5, ARTICLE VI Section 1, ARTICLE X Section 1), the majority vote of the members present and in good standing shall stand on all motions or other business matters pertaining to the Network.

ARTICLE 10 Amendments

Section 1. Procedure to Amend the Bylaws

Amendments to these Bylaws may be made at any regular meeting of the Network by a two-thirds (2/3) vote of the members present, in good standing, provided that the proposed amendment has been either presented and discussed at the previous meeting or has been mailed to all members at least 30 days prior to the meeting at which the Bylaws are to be amended.

ARTICLE 11 Dissolution

Section 1. Assets

Upon dissolution of the Marketing Communications Agency Network, for any reason, the assets of the Network remaining after payment of all debts of the Network shall be disposed of in a legal and equitable manner.