OPERATING GUIDELINES FOR
ARDA STATE AND REGIONAL COMMITTEES

Adopted by the ARDA Board of Directors on November 2, 2005

I. Name. Special units of ARDA representing state or regional groups of ARDA members may be formed at any time at the discretion of the ARDA chairman or upon request by a majority of ARDA members in the state or region. Such special units shall be formed as committees of ARDA and shall bear the name ARDA-[name of state or region] ("state committees"). Entities that are separately incorporated from ARDA may not be special units of ARDA unless specifically permitted by a majority vote of the ARDA Board of Directors.

II. Membership. Members of any state committee shall be members in good standing of ARDA and shall adhere to the ARDA Bylaws and Code of Standards & Ethics and any Interpreting Guidelines there under. For purposes of these guidelines, “a member in good standing” means that the state committee member company is the same entity that is current in payment of its ARDA national membership dues as well as any fees imposed by its state committee, subject to Article V, Sections 1 & 2 of the ARDA Bylaws. In order to maintain good standing membership in the state committee, the state committee member shall remain current in its ARDA national membership dues, any fees imposed by its state committee, subject to Article V, Section 1 & 2 of the ARDA Bylaws, shall continue pursuing/conducting industry objectives within the state and regularly participates in officially called and noticed state committee meetings and/or legislative functions.

III. Chairman. The chairman of the board of directors of ARDA (ARDA chairman) and the ARDA president shall appoint an individual who shall be designated chairman ("state chairman") of that state committee and who shall serve at the discretion of the ARDA chairman and president. The state chairman’s appointment shall be ratified by the ARDA Board of Directors. The ARDA chairman and president shall take into consideration such suggestions or nominations as are forwarded to him by the ARDA senior staff and any member(s) of the state committee.

IV. Term. The chairman of any state committee shall serve a one-year term and may be reappointed for subsequent terms at the discretion of the ARDA chairman and the ARDA president.

V. Officers. The state committee chairman may appoint such officers, including a vice-chairman, from time to time and in consultation with the ARDA president and staff. The committee officers shall serve under the direction of the ARDA Board of Directors, the ARDA chairman, the ARDA president and his/her designee.

VI. Fees. All fees, which may include annual dues, legislative assessments or other monies to be used for state committee purposes, collected for state committee business shall be kept in a segregated, insured account at ARDA’s headquarters offices. Such fees shall be used solely for the purpose of conducting state committee business unless otherwise disbursed by a majority vote of the ARDA Board of Directors.
vote of the state committee members or pursuant to paragraph VI.D. ARDA’s financial officer or his or her designee shall provide an accounting of state committee bees upon request of the state chairman.

A. The books and records of a state committee shall be available to the Treasurer of ARDA for purposes of financial reporting and audits.

B. Fees may be assessed on state committee members as they deem appropriate for their business purposes, provided however, that

1. any such reasonable fees to be assessed shall be approved in advance by the ARDA president or his/her designee;

2. the fees assessed may be adjusted from year to year based on state committee goals and shall be assessed in one of the following forms, which form shall determine the member’s voting rights described in Section VIII:
   a. a fee that is identical for each ARDA member company or
   b. a fee that is scaled based on the type of ARDA member company which may include the following categories on companies:
      (i) developers, which may be further categorized by size, number of units, scope of operations (multi-state vs. single state) or other reasonable basis acceptable to the ARDA president or his or her designee;
      (ii) exchange companies;
      (iii) management companies;
      (iv) owners associations; and
      (v) vendors.
   c. a fee that may be scaled according to the number of votes attributed to the membership classification.
   d. any of the above fee options may also include a fee category that permits participation, but does not convey the right to vote and any fee for non-voting membership shall be the lowest fee for membership in the state committee. No state committee member shall qualify for the non-voting option if it otherwise qualifies for a voting category of dues. If a state committee adopts a non-voting fee category, then it shall also provide a similar fee for a voting category.

3. such business purposes shall at all times be consistent with the mission and purpose of ARDA and its Bylaws and Code of Standards & Ethics.

C. State committees shall not separately enter into any contractual agreements. Any such contractual agreements necessary to the operation of a state committee shall be entered into on their behalf by ARDA, subject to mutual agreement by the chairman and officers of the state committee and the president of ARDA or his/her designee. State committees shall be solely responsible for raising monies to perform on any contract entered into on their behalf unless the ARDA chairman, president or designee agrees to contribute monies to performance of the contract in advance and in writing.
D. Where a state committee becomes inactive for a period of 12 months or more, the state committee chairman may contribute any remaining funds in the state committee account to ARDA for deposit in any bona fide ARDA account, including the ARDA general fund. Where a state committee has been inactive for two or more years, the ARDA Board of Directors may, by majority vote, contribute any remaining funds in the inactive state committee account to any bona fide ARDA account, including the ARDA general fund.

VII. **Meetings.** The state committee may meet at its discretion, on a regularly established calendar, or upon request by the ARDA chairman or president or his/her designee. At any meeting where an ARDA staff member is not present, minutes of the meeting shall be forwarded to ARDA for its review and records. If a vote is to be taken at any state committee meeting or by any form of writing, notice of the meeting or vote shall so state and such notice shall also indicate that only members in good standing of the state committee may vote; shall indicate the date on which any proxies must be received; and shall describe the purpose of the vote.

VIII. **Voting Rights.** The chairman and members of any ARDA state committee shall at all times work diligently to obtain unanimous agreement on any issue requiring action by the state committee. If such unanimous agreement cannot be obtained within a reasonable time required for effective action, only the state committee members in good standing may vote on any issue subject to the following:

A. A state committee member in good standing need not be present at any meeting in order to vote and may vote by verbal or written proxy at the discretion of the state chairman, any other writing or electronically provided the vote is timely received by the state chairman or designated ARDA staff. Voting need not occur at a meeting of any state committee, but a vote may be taken by mail or electronically.

B. Voting rights of state committee members shall be allocated according to the payment of their fees as follows:

1. If the annual fees for each member company are identical, then each member company paying such dues shall have one vote;
2. If the annual membership fees for each member company are scaled according to VI.B.2.b. above, then the vote(s) allocated to any member company may be either based on the amount of fees paid or based on one vote per member in good standing;
3. If the annual membership fees for each member company are scaled according to VI.B.2.c. above, then the vote(s) allocated to the fee category paid by a member shall be the votes that may be exercised by the member company in good standing.

C. For purposes of any state committee meeting, a quorum shall constitute seventy-five percent (75%) of the state committee members eligible to vote in person or by proxy.

D. Provided a quorum is present, for any action to pass upon a vote of the state committee, not less than two-thirds of the committee members in good standing and
casting votes shall vote favorably, excluding any abstentions, and the results of the vote shall be the official position of the state committee.

E. The voting procedures for any State Committee shall be consistent with these guidelines, be established in advance of any vote, be reduced to writing and made available to all the state committee members and ARDA staff. The voting procedures must be approved by at least a two-thirds or higher majority as established by the committee prior to the vote on the procedures.

F. In the event of an unresolved dispute regarding voting procedures or the results of any vote by a state committee, the state chair in concurrence with the ARDA President may, in their sole discretion, petition the Executive Committee of the ARDA Board of Directors to decide the issue, and such decision by that Executive Committee shall be final.

IX. **Antitrust Compliance.** It is the strict policy of ARDA to comply fully with both the letter and the spirit of all federal, state and applicable international trade regulations and antitrust laws. ARDA state and regional committee and forum members compete with each other and any meeting among competitors has the potential to lead to antitrust violations, whether intentional or inadvertent. ARDA members and ARDA state and regional committee and forum members cannot engage in discussions or activities that in any way tend to raise or stabilize prices; divide or allocate markets; encourage boycotts; foster unfair trade practices; assist in monopolization; or reduce business.

X. **Policies.** The state committee may adopt such policies that it deems appropriate to conduct its business, provided however, that such policies shall at all times be consistent with the mission and purpose of ARDA and its articles of incorporation, bylaws, Code of Standards & Ethics and these Guidelines. All policies must be kept on file at ARDA’s headquarters offices.

XI. **ARDA Mission Statement.** It is the mission of the American Resort Development Association to foster and promote the growth of the industry and to serve its members through: education; public relations and communications; legislative advocacy; membership development; and ethics enforcement. It shall be the purpose of the state committees of ARDA to carry out the ARDA mission at the state and local level particularly with regard to education, legislative advocacy and membership development.
EXAMPLES OF WRITTEN STATE COMMITTEE
FEE AND VOTING POLICIES

To implement VIII.B.1.

On [date of adoption] ARDA-[name of state committee] adopts the following policy and procedure for payment of state committee fees and for voting by the members in good standing:

1. This state committee shall at all times work diligently to obtain unanimous agreement on any issue requiring action by it. If such unanimous agreement cannot be obtained within a reasonable time required for effective action, only the state committee members in good standing may vote on any issue as follows:
   a. All state committee members shall pay equal amounts of fees as determined each year.
   b. Each state committee member company in good standing shall have one vote.
   c. For any action to pass upon a vote of this state committee, not less than [percent voting not less than two-thirds] of the committee members in good standing and casting votes shall vote favorably, excluding any abstentions.

2. Any member in good standing of this state committee may vote in person or by proxy.

To implement VIII.B.2.

On [date of adoption] ARDA-[name of state committee] adopts the following policy and procedure for payment of state committee fees and for voting by the members in good standing:

1. This state committee shall at all times work diligently to obtain unanimous agreement on any issue requiring action by it. If such unanimous agreement cannot be obtained within a reasonable time required for effective action, only the state committee members in good standing may vote on any issue as follows:
   a. All state committee members shall pay fees according to the category of their company as described below:
      i. [list categories and amounts]
      ii. Examples: Multi-state developers $5000; single state developers $2500; exchange companies; $1500; management companies $1000; HOAs $500.
   b. Each state committee member company in good standing shall have one vote for each $1000 of fees paid or portion thereof not less than $______. Multiple votes of a single member company may be split according to the determination of that company.
   c. For any action to pass upon a vote of this state committee, not less than [list percent voting not less than two-thirds] of the committee members in good standing and casting votes shall vote favorably, excluding any abstentions.

2. Any member in good standing of this state committee may vote in person or by proxy.
To implement VIII.B.3.

On [date of adoption] ARDA-[name of state committee] adopts the following policy and procedure for payment of state committee fees and for voting by the members in good standing:

1. This state committee shall at all times work diligently to obtain unanimous agreement on any issue requiring action by it. If such unanimous agreement cannot be obtained within a reasonable time required for effective action, only the state committee members in good standing may vote on any issue as follows:
   a. All state committee members shall pay fees according to the membership classification of their company as described below:
      i. [list classification, fees and vote attributes]
      ii. Examples: Class 4--$5000, 4 votes; Class 3--$3500, 3 votes; Class 2--$2000, 2 votes; Class 1--$1000, 1 votes; Class Z--$250, no vote.
   b. Each state committee member company in good standing shall have the number of votes attributed to their membership classification. Multiple votes of a single member company may be split according to the determination of that company.
   c. For any action to pass upon a vote of this state committee, not less than [list percent voting not less than two-thirds] of the committee members in good standing and casting votes shall vote favorably, excluding any abstentions.

2. Any member in good standing of this state committee may vote in person or by proxy.