

NOTICE OF MEMBERSHIP BUSINESS AND ELECTIONS MEETING; NOTICE OF AMENDMENTS TO THE AAJ BYLAWS

ATTENTION voting members of the American Association for Justice

Notice is hereby provided that the Annual Membership Business and Elections Meeting (“Business Meeting”) will be held at the AAJ 2025 Annual Convention in San Francisco. The Business Meeting will take place on Sunday, July 20, 2025, and will begin at 5:15 pm Pacific Time.

There is a contested election for the office of parliamentarian. The two candidates are Rick Barrera and Laura Yaeger. The candidates for treasurer, secretary, vice president, and president-elect are uncontested and, pursuant to the AAJ Rules for Election, they will be declared elected at the meeting. For more information, visit justice.org/AAJelection.

Pursuant to Article XV; Section 2 of the Association Bylaws, notice is hereby provided that amendments are proposed to the AAJ Bylaws. A vote on the proposed amendments will take place at the Business Meeting. These bylaws may be amended by a two-thirds vote of members eligible and who are present and voting.

The text of the proposed amendments is shown below in strikethroughs and in red:

AMENDING ARTICLE V—BOARD OF GOVERNORS

Section 2. The Board of Governors shall consist of the President, President-Elect, Vice President, Secretary, Treasurer, Parliamentarian, the Chair of State Delegates, Immediate Past President, the President of each state affiliate of the United States and the District of Columbia, or his/her designee limited to the Immediate Past President or President-Elect, without the right to vote and so long as they are in office and a member in good standing of AAJ and the Governors elected in accordance with these Bylaws. Executive Directors of State Affiliates shall have the right to attend, participate and debate in all meetings of the Board of Governors but shall not have the right to vote unless holding a duly issued proxy. ~~Past Presidents of AAJ and regular members who have been awarded AAJ’s Lifetime Achievement Award or the Leonard M. Ring Champion of Justice Award shall have the right to participate fully and to vote at all meetings of the Board, including Executive Sessions.~~ Past Presidents of AAJ **shall have the right to participate fully and to vote at all meetings of the Board, including Executive Sessions.** ~~and Following the Annual Convention,~~ regular members who have been awarded AAJ’s Lifetime Achievement Award or the Leonard M. Ring Champion of Justice Award shall **be invited to serve on the Board of Governors and to** have the right to participate fully and to vote at all meetings of the Board, including Executive Sessions. **Awardees who wish to accept such invitation must do so within 30 days in writing to the President.**

Section 3. (h) Each year, prior to the Winter Convention meeting, the President shall issue to all eligible members of the Board an invitation to apply for status as Emeritus members of the Board of Governors. Eligible Board members shall meet the following criteria: (1) have served on the AAJ Board of Governors for a minimum of 25 years; (2) is in full compliance with the Board Obligations and Responsibilities; (3) is at least ~~60~~5 years of age; and (4) is a Regular, Sustaining, President’s Club, or Life member of the Association. Those who wish to apply for Emeritus status must do so within 30 days in writing to the President. In the event there are more than five members who meet the criteria, the member(s) with the most seniority based on the number of years on the Board followed by age will be accepted to serve three-year terms as Emeritus Governors to begin at the Annual Convention in the year in which Emeritus Governor status is granted. There shall be up to but no more than fifteen (15) Emeritus Governors on the Board of Governors. Notice of acceptance shall be provided prior to the Spring Board meeting. Emeritus Governors shall have the right to participate fully and to vote at all meetings of the Board, including Executive sessions, and shall be required to meet Board Obligations and Responsibilities applicable to all other members of the Board.

Section 7. (a) There shall be an Executive Committee of the Board of Governors, which shall oversee the management of The Association. The Committee shall direct the affairs of The Association through the CEO. The Committee shall consist of the Officers of The Association, two members appointed by the President, five members of the Board of Governors elected by the Board of Governors, the Chair of the Budget Committee, the Chair of State Delegates, the Chair of the Membership Oversight Committee, the Immediate Past President, a member of the National Association of Trial Lawyer Executives (NATLE) selected by NATLE, the Chair of the President's Council, a member of the Women's Caucus selected by the Women's Caucus, a member of the Minority Caucus selected by the Minority Caucus, a member of the New Lawyers Division selected by the New Lawyers Division, a member of the Lesbian, Gay, Bisexual, and Transgender (LGBT) Caucus, a member of the Republican Trial Lawyers Caucus, and the CEO of The Association without the right to vote. The Executive Committee also shall act in place and stead of the Board of Governors as necessary between Board of Governors meetings on all matters, except those specifically reserved to the Board by these Bylaws. Actions of the Executive Committee shall be reported to the Board promptly or at the next Board meeting.

Section 11. No member shall be eligible to be nominated to the Board of Governors unless such member shall have been an AAJ member in good standing for ~~five (5)~~ **three (3) years; except in the case of Governors selected under 3.(g)(i), no member shall be eligible to be nominated to the Board of Governors unless such member shall have been an AAJ member in good standing for two (2) years.**

AMENDING ARTICLE X—FISCAL AFFAIRS

Section 1. (a) There shall be a Budget Committee which shall be composed of the President, the President Elect, the Treasurers, the Immediate Past President and eight other members of The Association. Four of the members-at-large shall be elected each year by the Board of Governors to serve two-year terms. At least three of the members elected each year shall be members of the Board of Governors at the time of their election.

(b) The Committee shall each year elect a Chair who shall not be an Officer of The Association.

Section 2. (a) The Budget Committee shall have oversight on all budget matters. For the budget year commencing August 1, 2000 and all subsequent years, the budget shall be determined in accordance with the Strategic Plan as adopted by the Board of Governors. At least 45 days before the Annual Convention, the CEO shall submit to the Budget Committee a proposed budget for the coming fiscal year consistent with the approved Strategic Plan. The Committee shall prepare the proposed budget based upon the proposed recommendations submitted by the CEO and directions and recommendations of the Board of Governors and other interested parties and shall submit such proposed budget to the Board of Governors at least ten days before the Annual Convention. The proposed budget to the Board of Governors shall reflect all preliminary requests for funds and estimates of income in addition to the Committee's final recommended proposed budget figures.

(b) The Board of Governors shall, at its meeting at the Annual Convention, approve a final budget for the coming fiscal year by majority vote, and the approved budget shall be made available for examination by any Regular Member of The Association.

(c) No commitment or expenditure of any funds, **including those in the Operating Reserve Fund**, of The Association shall be made by any person unless provided for in the current fiscal year's budget, except (i) in emergencies as declared by the Board of Governors under the provisions of Section 2(d) of this Article or **(ii) in the event of an existential threat as declared by the Board of Governors under the provisions of Section 2(d) of this Article** or (iii) in the discretion of the Board of Governors, by a vote of a majority of the Board of Governors present and voting. The discretionary expenditures authorized by subsection (ii) shall be for the good and welfare of The Association and shall not exceed \$50,000 during any fiscal year. **The Association's Operating Reserve Fund shall only be available for expenditures authorized by subsection (ii) for an existential threat.**

(d) The Board of Governors may declare an emergency **or an existential threat** for the expenditure of additional non-budget funds only if the proposal to declare an emergency **or an existential threat** is submitted in writing to all members of the Board of Governors at least ten days prior to commencement of the meeting at which said matter is to be considered, giving the full particulars of the need for such expenditure. Thereafter, the Budget Committee shall submit at the commencement of the meeting in writing a report and recommendation concerning such expenditure. In the event there shall be a meeting of the Executive Committee prior to the meeting of the Board of Governors and after notification of the intention to declare an emergency **or an existential threat**, the Executive Committee shall report

to the Board of Governors its recommendations with regard to such proposal. The report of the Budget Committee and the report of the Executive Committee shall be presented as the first item of business at the meeting of the Board of Governors, and the vote on the proposed emergency or existential threat shall not be taken until three hours after the receipt of such reports or at the conclusion of the meeting if such meeting concludes in less than three hours. The failure of either the Budget Committee or the Executive Committee to report shall not prohibit declaration of an emergency or of an existential threat. The declaration of an emergency or of an existential threat with notice to the Board of Governors shall be made only by a vote of two-thirds of the Board of Governors present. Only with the unanimous consent of the members present may the Board of Governors declare an emergency or an existential threat to exist without the required ten days prior written notice. Provided, however, that if the President shall determine that the emergency or an existential threat is of such a nature that it cannot await a meeting of the Board of Governors, then in that event, the President may call an emergency meeting of the Executive Committee at which meeting the Executive Committee may, upon the affirmative votes of two-thirds of its members, authorize the expenditure of non-budget funds notwithstanding the above requirements and without the approval of the Board of Governors.

(e) The Budget Committee shall, immediately preceding each regular meeting of the Board of Governors, receive a report of the CEO, Staff, and the Treasurer, concerning the fiscal affairs of The Association and through its Chair report to the Board of Governors on any expected or anticipated potential deviation from the approved budget of The Association and shall make recommendations to the Board of Governors for modification of the budget, which modification of the budget may be accomplished by a two-thirds vote of the Board of Governors, provided however, that no modification of the budget may be approved by the Board of Governors increasing total budgeted expenditures of The Association without compliance with the provisions of subsections (c) and (d) of the Section.

(f) The Budget Committee shall, from time to time, review the operations of the staff of The Association to determine that proper allocation of income and expenses is being made by the staff in accordance with the budget adopted by The Association and shall immediately report to the Board of Governors, the Officers and the CEO should any improper allocation of income or expenses be discovered.

(g) For the purpose of administration, The Association shall recognize a fiscal year beginning August 1 and ending July 31.

AMENDING ARTICLE XVII—PARALEGALS’/LEGAL ASSISTANTS’/LEGAL ADMINISTRATORS’ AFFILIATED UNIT

Section 1. An affiliated unit composed of Paralegals/Legal Assistants/Legal Administrators who are sponsored by a Regular, Sustaining, Life, or President’s Club Member of AAJ in good standing shall be established within the Association.

Section 2. The Paralegal/Legal Assistant/Legal Administrator unit members would not be eligible to be members of AAJ in any classification but would only be members of the affiliated unit.

Section 3. The Board of Governors shall set an annual fee and confer any rights, benefits and privileges of affiliation under this Bylaw, as well as approve additional requirements for membership in this unit.

Section 4. An AAJ Paralegal/Legal Assistant Affiliate is an individual who is qualified through education, training, and/or experience to perform substantive legal work under the direction of an attorney, and who, for the most part, based on caseload and time, works on behalf of the plaintiff in civil litigation or works on behalf of the defendant in criminal litigation. The legal work performed must be in accordance with AAJ’s mission and attested to by an AAJ Regular, Sustaining, Life, or President’s Club Member by means of sponsorship.

Section 5. An AAJ Legal Administrator Affiliate is an individual who is qualified through education, training and/or experience to perform law firm administrative functions, including but not limited to chief operating officers, chief strategy officers, and in-house marketing or business development professionals, and is employed by an AAJ attorney member who for the most part based on caseload and time, works on behalf of the plaintiff in civil litigation or works on behalf of the defendant in criminal litigation. The administrative work performed must be in accordance with AAJ’s mission and attested to by an AAJ Regular, Sustaining, Life, or President’s Club Member by means of sponsorship.

Section 56. Paralegal/Legal Assistant/Legal Administrator Affiliates are required, on an annual basis, to recertify by signature that they are qualified to be AAJ Paralegal/Legal Assistant/Legal Administrator Affiliates in accordance with Article XVII, Sections 4 and 5 and to have an AAJ sponsoring attorney sign their renewal notice indicating that the paralegal/legal assistant/legal administrator continues to work in accordance with Article XVII, Sections 4 and 5.