

AMENDED AND RESTATED
BYLAWS
OF
SOUTHWESTERN ASSOCIATION

ARTICLE I

Offices and Records

1. Offices.

(a) Registered Office and Registered Agent. The location of the registered office and the name of the registered agent of the Association in the State of Missouri (hereinafter referred to as "State") shall be determined from time to time by the board of directors and on file in the appropriate office of the State pursuant to applicable provisions of law. Unless otherwise permitted by law, the address of the registered office of the Association and the address of the business office of the registered agent shall be identical.

(b) Association Offices. The Association may have such corporate offices anywhere within or without the State as the board of directors from time to time may determine or the business of the Association may require. The "principal place of business" or "principal business" or "executive" office or offices of the Association may be fixed and so designated from time to time by the board of directors, but the location or residence of the Association in the State shall be deemed for all purposes to be in the county in which its registered office in the State is maintained.

2. Records.

(a) Records. The Association shall keep at its principal office original or duplicate books in which shall be recorded the names and addresses of the members of the Association and the number of votes each member is entitled to vote; the date they became members; the date they ceased to be members; the names and addresses of its directors and officers; minutes of all board meetings, committee meetings, and membership meetings; a record of all board or membership action taken without a meeting; appropriate accounting and financial records (including statements of income and expense); copies of the Articles of Incorporation and these Bylaws and all amendments to each document currently in effect; all written communications to the members; the most recent annual report delivered to the Secretary of State; and any other records or information as may from time to time be required by law.

(b) Inspection of Records. A member, if the member be entitled and demands to inspect the records of the Association pursuant to any statutory or other legal right, shall

be privileged to inspect such records only during the usual and customary hours of business and in such manner as will not unduly interfere with the regular conduct of the business of the Association.

ARTICLE II

Members

1. Voting Members.

Any person, firm or corporation, to be eligible for admission as a voting member and to continue as a voting member in this Association shall be engaged in the retail equipment and/or retail hardware business; shall have a suitable place of business with an adequate stock to serve the community in which it operates; shall have the proper means commensurate with the volume of business in that community of displaying goods in current demand; shall have a sufficient investment in his business to perform the duties above outlined; and shall furnish the usual and customary service necessary to properly promote his business and assure permanency of business relationship. Any person, firm or association that is a voting member of the Association is entitled to one vote.

2. Non-Voting Members. From time to time, the Board of Directors may admit any person, firm or corporation as a non-voting member of the Association if such person, firm or corporation does not meet the criteria for voting members set forth in Section 1(a) of this Article II. The Board of Directors may, from time to time, establish, change or terminate various classes of non-voting members. Each class of non-voting members shall be entitled to such benefits, privileges and services of the Association as may be established from time to time by the Board of Directors or any person or committee designated by the Board of Directors. Non-voting members shall not be entitled to vote on any matter brought before the members unless specifically stated to the contrary in any applicable law, the Articles of Incorporation or these Bylaws.

3. Membership Fees; Expulsion; Withdrawal.

(a) In order to be a member of the Association, an annual membership fee shall be paid to the Association. The fee shall be fixed and may be changed from time to time by the Board of Directors at any annual or special meeting of the Board. The Board of Directors may establish different fees for each category of members. All fees shall be payable in advance. Retail dealers having more than one store shall be considered members only at locations for which they have paid membership fees. Notwithstanding anything to the contrary contained herein, a retail dealer will only be considered a voting member if such dealer pays the annual membership fee established for the main location of a retail dealer.

(b) Upon payment of the annual membership fee the party shall be entitled to membership and to all the rights and privileges of this Association until the end of the year for which such dues are paid, and no longer; but membership may be renewed for each successive year by the prepayment of the annual fee for any such year, so long as such member meets the requirements of the party's membership class, unless the Board of Directors determines, for cause, that the party is ineligible for membership. "Cause" includes, but is not limited to, failure to meet one or more of the

criteria for membership in a class set forth in these Bylaws or behavior by a party which is injurious to the reputation and welfare of the retail equipment or retail hardware industry as a whole, but in no event shall "cause" be construed to allow for expulsion in violation of state or federal antitrust laws or any other applicable state or federal laws.

(c) No member shall be expelled for cause without first receiving notice regarding the reasons for expulsion and an opportunity for reply. The member shall have a right to a formal hearing before a committee appointed by the Board of Directors for this purpose. In the event such hearing results in an unfavorable decision for the member, the member may appeal such decision to the Board of Directors. The decision of the Board of Directors shall be final.

(d) Any member may withdraw from membership in this Association at any time by giving written notice of such withdrawal to the Secretary of the Association. Any member going out of the business which entitled the member to membership, or who is adjudicated a bankrupt, or for whom a receiver has been appointed, shall be deemed to have withdrawn from membership.

(e) Any member withdrawing from membership, or ceasing to be a member for any reason, shall not be entitled to a refund of membership fee, or any part thereof, but the same, and the whole thereof, shall belong to the Association absolutely. Any and all right, title and interest, both legal and equitable, of a member in and to the property of the Association, shall cease and terminate upon the member's withdrawal or ceasing to be a member for any reason.

4. Meetings.

(a) Membership Meetings. The annual meeting of members of the Association shall be held at such time during each calendar year on such day or days and at such place as the Board of Directors may determine. Special meetings of the Association members may be called by the Board of Directors when, in the opinion of the Board, such meetings are necessary, at such time and place as the Board shall determine. At or in conjunction with any meeting of the members of the Association, either annual or special, there may be such general sessions of the entire membership of the Association as the Board of Directors may determine from time to time, together with such meetings of the Board of Directors as may be determined by them respectively, or as required by these Bylaws.

Special membership meetings may also be called by the members if members holding at least five percent (5%) of the voting power sign, date, and deliver to any corporate officer one or more written demands for the meeting describing the purpose or purposes for which it is to be held. The close of business on the thirtieth day before delivery of the demand or demands for a special meeting to any corporate officer is the record date for the purpose of determining whether the five-percent requirement has been met. If notice for a special meeting is not given by the Association within thirty days after the date the written demand or demands are delivered to a corporate officer, a person signing the demand or demands may set the time and place of the meeting and give notice pursuant to the notice requirements set forth in this Article II.

(b) Membership Action without Meeting by Written Ballot. Any action that may be taken at any annual, regular or special meeting of members may be taken without a meeting if the Association delivers a written ballot to every member entitled to vote on the matter. The number of votes required to approve such action shall be the same requirement set forth in Article II Section 7 of these Bylaws unless the Articles of Incorporation, these Bylaws or any law require a different number. Each ballot shall: set forth each proposed action; provide an opportunity to vote for or against each proposed action; indicate the number of responses needed to meet the quorum requirements, if any; state the percentage of approvals necessary to approve each matter other than election of directors; and specify the time by which a ballot must be received by the Association in order to be counted. A member must be given a reasonable time to return the ballot. In no event shall actions taken through this section eliminate the annual meeting requirement.

(c) Membership Action by Written Consent. Any action required to be taken or which may be taken at a membership meeting may be taken without a meeting if consent in writing, setting forth the action so taken, is signed by members holding at least eighty percent (80%) of the voting power. The secretary shall file such consents with the minutes of the membership meetings. A consent signed under this section has the effect of a meeting vote and may be described as such in any document filed with the Secretary of State.

(d) Notice. Written or printed notice of each membership meeting, whether annual, regular or special, stating the place, date and time of the meeting, and in case of a special meeting, the purpose or purposes thereof, shall be delivered to the members, either personally or by registered or first-class mail, not fewer than ten (10) days or more than sixty (60) days prior to the meeting, unless, as to a particular matter, other or further notice is required by law, in which case such other or further notice shall be given.

Any notice of a membership meeting sent by mail shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid addressed to a member at his address as it appears on the records of the Association.

(e) Waiver of Notice. A member may waive any notice required by these Bylaws, the Articles of Incorporation or any law, before or after the date and time stated in the notice. The waiver must be in writing, signed by the member entitled to notice, and delivered to the Association for inclusion in the minutes or filing with the corporate records.

A member's attendance at a meeting waives objection to lack of notice or defective notice of the meeting unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting. A member's attendance at a meeting waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice unless the member objects to considering the matter when it is presented.

5. Proxies. A member may vote either in person or by proxy executed in writing by the member or his duly authorized attorney in fact. No proxy shall be valid after eleven

months from the date of execution unless otherwise provided in the proxy, but in no case shall any proxy be valid for more than three years from the date of the appointment's execution.

6. Record Date. The record date for determining the members entitled to notice of any meeting shall be the close of business on the business day preceding the day on which notice is given, or if notice is waived, at the close of business on the business day preceding the day on which the meeting is held. The record date for determining the members entitled to vote at a meeting shall be the date of the meeting. A determination of members entitled to notice of or to vote at a membership meeting is effective for any adjournment of the meeting unless the adjournment is to a date more than seventy (70) days after the original record date, in which case the board must fix a new record date for determining the members entitled to notice of and to vote at the adjourned meeting. The record date for determining the members entitled to take action by written consent shall be the date the first member signs the consent.

7. Quorum and Voting. Except as otherwise provided in these Bylaws, the Articles of Incorporation or any law, five percent (5%) of the membership votes entitled to be cast on a matter must be represented at a meeting in person or by proxy to constitute a quorum on the matter. If a quorum is present, the affirmative votes of a majority of the votes represented and voting is the act of the members, unless these Bylaws, the Articles of Incorporation or any law require a greater number of votes; provided, however unless at least one-third of the voting power is present in person or by proxy, the only matters that may be voted upon at an annual or regular meeting of members are those matters that are described in the meeting notice.

ARTICLE III

Voting Districts

1. Creation of Districts. The Board of Directors, in consultation with the Chief Executive Officer, will establish voting districts to be used for purposes of electing Board members. The Board of Directors and Chief Executive Officer will use reasonable efforts to obtain a relatively equal number of dealers in each district, including both members and potential members. The district boundaries will be reviewed at least every five (5) years and changes to the boundaries of the voting districts may be made by the Board of Directors in consultation with the Chief Executive Officer following such review. However, district review may occur more frequently if the Board of Directors determines that a review is appropriate.

2. Number of Districts; Designation. The geographic territory in which the Association serves members will be divided into six (6) voting districts (the "Voting Districts").

3. Change in Districts. If the boundaries of a voting district are changed pursuant to Article III, Section 1, the current Board member serving as the representative of such district will continue to serve the remainder of his or her term.

ARTICLE IV

Board of Directors

1. Number. The Board of Directors will have thirteen (13) members. The Board will be composed of one (1) member from each of the six (6) Voting Districts; one (1) at-large Equipment member, who may reside in any one of the Voting Districts; two (2) at-large Hardware members, who may reside in any one of the Voting Districts; one (1) member who is currently serving as the Association's representative on the North American Equipment Dealer Association's (NAEDA's) OPE Council (the OPE Director); one member who is currently representing the Association on the NAEDA Board of Directors (the NAEDA Director); one (1) member who is the Past President of the Association; and one (1) member who is currently serving as the Association's representative on the North American Retail Hardware Association (NRHA) Board of Directors (the NRHA Director). In addition, the Chief Executive Officer will serve as an ex-officio member. Each member of the Board of Directors will have full voting rights except that the Chief Executive Officer will only be eligible to vote on a matter in the event of a tie.

2. Qualifications.

(a) Board members elected to one of the six Voting District positions must be residents of the district from which they were elected.

(b) Directors must own a voting and equity interest in a business that is qualified to be a member of the Association under Article II above.

Term. Except as otherwise provided in these Bylaws, each director will serve a three (3) year term. The Directors shall serve staggered terms with approximately one-third (1/3) of the terms expiring each year. The term for the NAEDA Director will be the same as such director's term on the NAEDA Board. The term for the NRHA Director will be the same as such director's term on the NRHA Board. The term for the OPE Director will be the same as such director's term on NAEDA's OPE Council.

3. Election. At each annual meeting of the members, the members shall elect or re-elect Directors to fill the expiring positions on the Board as follows:

(a) An opening in one of the six Voting District positions will be filled by majority vote of the members from that District entitled to vote under Section 1 of Article II.

(b) An opening in the at-large Equipment position will be filled by majority vote of all members entitled to vote under Section 1 of Article II.

(c) An opening in one of the at-large Hardware positions will be filled by majority vote of all members entitled to vote under Section 1 of Article II.

(d) The NAEDA, OPE and NRHA representatives will be elected by majority vote of all members entitled to vote under Section 1 Article II.

4. Officers. The Board of Directors will be chaired by the President. The President will preside over the Board of Directors for a term of one year. After serving as President, the President will continue to serve on the Board as Past President for one year.

Each year, immediately following the annual meeting of the members for such year, the Board of Directors will elect one (1) of its members as President-Elect for the upcoming year. A member serving as the NAEDA Director, the NRHA Director or the OPE Director will not be eligible for election as President-Elect or for service as President or Past President. After serving one year as President-Elect, the President-Elect will serve as President for the following year.

5. Term Limits. A member of the Board of Directors may serve two successive three-year terms, after which that director may not serve another term unless that director has been off the Board for at least one (1) year. Except for the foregoing limitation, a member may serve an unlimited amount of terms on the Board. A director who is appointed to the Board to fill a vacancy due to the death, disability, resignation or removal of a former director may be elected to fill two full three-year terms without remaining off the Board for one year.

6. Extension of Terms. If a director is elected to serve as a President-Elect in the second or third year of his term, such director will serve either a four or five year term due to the progression of service from President-Elect to President to Past President.

7. Powers of the Board. The Board of Directors shall have the power to manage the affairs of the Association and shall advise and direct the Chief Executive Officer of the Association in the performance of his duties. The Board shall have the power to examine the books and records of the Association whenever and as often as it shall deem necessary; to disperse funds of the Association; to appoint committees; to direct the printing and circulation of documents in the interest of the Association; and to devise and carry into execution such other measures as it may deem proper to promote the welfare of the Association. The Board of Directors shall direct the Chief Executive Officer of the Association to invest any surplus funds of the Association not needed for current operating expenses either in obligations of the United States or obligations the principal of which is guaranteed or insured by the United States, including the deposit of such funds at interest with any bank, trust company or building and loan association where such deposit is so insured.

8. Conflict of Interest Transactions. A conflict of interest transaction is a transaction in which a member of the Board of Directors or staff has a material interest. A conflict of interest transaction is not voidable if the transaction is not unfair to the Association at the time it is entered into or is approved.

A transaction in which a director or staff member has a conflict of interest may be approved if:

a The material facts of the transaction and the director's interest were disclosed or known to the board of directors or a committee of the board and the board or committee of the board authorized, approved or ratified the transaction; or

b The material facts of the transaction and the director's interest were disclosed to, or known by, the voting members and the voting members authorized, approved or ratified the transaction.

For the purposes of the above paragraph, a conflict of interest transaction is approved if it receives the affirmative vote of a majority of the directors on the board, or on the committee, who have no direct or indirect material interest in the transaction, but a transaction may not be approved by a single director. If a majority of the directors on the board who have no direct or indirect material interest in the transaction vote to approve the transaction, a quorum is deemed present for the purpose of the vote and action taken under this paragraph. The presence of, or a vote cast by, a director with a material interest in the transaction does not affect the validity of any vote or action taken under this paragraph if the transaction is otherwise approved as provided in this paragraph.

If the transaction is approved under the above provisions, the minutes of the meeting shall reflect the names of the persons who disclosed material interests; the nature of the material interests and whether the board determined there was a conflict; the names of the persons present for discussion and votes relating to the transactions; the content of the discussions, including any alternatives to the proposed transaction; and a roll call of the vote.

For purposes of paragraph (b) of this section, a conflict of interest transaction is authorized, approved or ratified by the members if it receives a majority of the votes entitled to be counted under this section. Votes cast by a director who has a material interest in the transaction may not be counted in a vote of members to determine whether to authorize, approve or ratify a conflict of interest transaction under paragraph (b) of this section. The vote of these members, however, is counted in determining whether the transaction is approved under any other section of these Bylaws. A majority of the voting power, whether or not present, that is entitled to be counted in a vote on the transaction under this section constitutes a quorum for the purpose of taking action under this section.

9. Meetings and Notice. The annual meeting of the Board of Directors shall be held immediately following the annual meeting of the members. Regular meetings of the Board of Directors may be held without notice at such times and places either within or without the State as shall from time to time be fixed by resolution adopted by the full Board of Directors. Any business may be transacted at a regular meeting. Special meetings of the Board of Directors may be called at any time by the President or any five (5) directors. The place may be within or without the State as designated in the notice. Written or printed notice of each special meeting of the Board, stating the place, day and hour of the meeting and the purpose or purposes thereof, shall be mailed to each Director at least three (3) days before the day on which the meeting is to be held, or shall be sent to the Director by telegram, or be delivered, at least two (2) days before the day on which the meeting is to be held. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage thereon addressed to the director's residence or usual place of business. Notice of a special meeting may be given by any director or directors having authority to call a special meeting. Any and all directors may waive the notice requirement by signing a written waiver of such notice requirement, which statement may be attached to any Board of Directors resolution. The President, or in his/her absence, the Chief Executive Officer, shall preside at all meetings of the Association and of the Board of Directors.

Except as otherwise required in these Bylaws, the Articles of Incorporation, or any law, neither the purpose nor purposes of the meeting nor the business to be transacted at the meeting need to be stated in the notice.

10. Action of Board without a Meeting. Any action that is required to be or may be taken at a meeting of the directors may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all of the directors. The consents shall have the same force and effect as a unanimous vote of the directors at a meeting duly held. The Executive Secretary of the Association shall file such consents with the minutes of the meetings of the Board of Directors.

11. Meetings by Conference Telephone or Similar Communication Equipment. Members of the Board of Directors of the Association may participate in a meeting of such Board by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in such manner shall constitute presence in person at such meeting.

12. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board.

13. Adjournment. If less than a quorum of directors is present at any meeting, a majority of the directors present may adjourn the meeting to another time without notice.

14. Vacancies. If there is a vacancy on the Board of Directors due to the death, disability, resignation or removal of a director, the remaining directors may elect a successor to serve until the next election; provided, however, any successor elected to fill such a vacancy must meet the same qualifications needed to serve in such position as would be required if such position was up for election pursuant to Article IV, Section 3. Notwithstanding the foregoing, successors to a NAEDA Director, OPE Director or NRHA Director will be filled according to Article IV, Section 3(d).

15. Removal. Any director, or the entire Board of Directors, may be removed without cause by the members. Any vote to remove a director shall only be at a meeting called for the purpose of removing the director or directors and the meeting notice must state that the purpose, or one of the purposes, of the meeting is the removal of the director or directors. Any director elected by the Board of Directors may be removed without cause by a vote of two-thirds of the directors then in office..

16. Indemnification of Directors and Officers.

(a) The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, administrative or investigative, other than an action by or in the right of the Association, by reason of the fact that the person is or was a director or officer of the Association, or is or was serving at the request of the Association as a director or officer of another association, corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, and amounts paid in settlement actually and reasonable incurred by the person in

connection with such action, suit, or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Association. The termination of any action, suit, or proceeding by judgment, order or settlement shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the Association.

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

(c) To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in subsections (a) and (b) of this section, or in defense of any claim, issue or matter therein, that person shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by that person in connection with the action, suit, or proceeding.

(d) Any indemnification under subsections (a) and (b) of this section, unless ordered by a court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because the director or officer has met the applicable standard of conduct set forth in this section. The determination shall be made by the board of directors by a majority vote of a quorum consisting of directors who were not parties to the action, suit, or proceeding, or if such a quorum is not obtainable, or even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by the members.

(e) Expenses incurred in defending an action, suit or proceeding may be paid by the Association in advance of the final disposition of the action, suit, or proceeding as authorized by the board of directors in the specific case upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this section.

(f) The indemnification provided by this section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any provision of law, the articles of incorporation or bylaws or any agreement, vote of members or disinterested directors or otherwise, both as to action in an official capacity and as to action in another

capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) The Association shall have the power to give any further indemnity, in addition to the indemnity authorized or contemplated under other subsections of this section, including subsection (f), to any person who is or was a director or officer, or to any person who is or was serving at the request of the Association as a director or officer of another association, corporation, partnership, joint venture, trust, or other enterprise, provided such further indemnity is either (i) authorized, directed, or provided for in the articles of incorporation or any duly adopted amendment thereof or (ii) is authorized, directed, or provided for in any bylaw or agreement of the Association which has been duly adopted by a vote of the members of the Association, and provided further that no such indemnity shall indemnify any person from or on account of such person's conduct which was finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct. Nothing in this subsection shall be deemed to limit the power of the Association under subsection (f) of this section to enact bylaws or to enter into agreements without member adoption of the same.

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

(i) For the purposes of this section, references to "the Association" include all constituent corporations or associations absorbed in a consolidation or merger as well as the resulting or surviving association so that any person who is or was a director or officer of such a constituent association or is or was serving at the request of such constituent association as a director or officer of another association, corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this section with respect to the resulting or surviving association as that person would if that person had served the resulting or surviving association in the same capacity.

(j) For purposes of this section, the term "other enterprise" shall include employee benefit plans; the term "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and the term "serving at the request of the Association" shall include any service as director or officer of the Association which imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Association" as referred to in this section.

17. Compensation of Directors. Directors shall receive no compensation for the performance of their duties except for reimbursement of expenses as authorized from time to time by the Board of Directors.

18. Committees. The Board of Directors may create such standing or special committees of two or more directors as it deems desirable and may delegate to it such board powers, duties and responsibilities, not inconsistent with law or these Bylaws, as may be stated in the resolution creating the committee. The creation of a committee and appointment of members to it must be approved by a majority of all the directors in office when the action is taken. All provisions of these Bylaws relating to meetings, actions without meetings, notice, waiver of notice, and quorum and voting requirements shall apply to such committees and committee members.

ARTICLE IV

Officers

1. Officers of Association and Term. The officers of the Association shall be a Chief Executive Officer, one or more Executive Vice-Presidents, an Executive Secretary and an Executive Treasurer. One or more Assistant Secretaries and one or more Assistant Treasurers may also be appointed. The Board of Directors shall appoint a Chief Executive Officer who shall serve at the pleasure of the Board and who shall be subject to removal by the Board of Directors at any time with or without cause. The Chief Executive Officer of the Association shall appoint with approval of the Board of Directors one or more Executive Vice-Presidents, an Executive Secretary and an Executive Treasurer and may appoint one or more Assistant Secretaries and Assistant Treasurers. Each such officer shall serve at the pleasure of the Chief Executive Officer and the Board of Directors and shall be subject to removal by the Chief Executive Officer or by the Board of Directors at any time with or without cause. Any officer or employee of the Association may be removed or discharged by the Board whenever in its judgment the best interests of the Association would be served thereby. Any two or more offices may be held by the same person.

2. Salaries. The salary of the Chief Executive Officer shall be fixed and may be changed from time to time by the Board of Directors. The salary of other officers and employees of the Association shall be fixed and may be changed from time to time by the Chief Executive Officer of the Association. In fixing such salaries the Board of Directors and Chief Executive Officer (as the case may be) shall be guided by the anticipated receipts of the Association and shall not fix a salary that may be expected to result in a deficit in the Association's operations for the year.

3. The Chief Executive Officer. The Chief Executive Officer shall devote his/her full time to the management of the Association's affairs subject to the approval and supervision of the Board of Directors; shall have charge of the business office and the general administration of the Association; shall keep the minutes of the Association and of the meetings of the Board of Directors; shall give notice to members and to directors of meetings of the Association and of the Board of Directors respectively; shall have charge of the funds of the Association; shall keep a strict and accurate account of all financial transactions and of all money and property belonging to the Association; and shall perform such other duties as the Board of Directors may direct. The Chief Executive Officer will serve as an ex-officio member of the Board of Directors and each committee created thereby. However, the Chief Executive Officer may appoint staff members to represent the Chief Executive Officer at committee meetings. The Chief Executive Officer will be entitled to a vote on matters before the Board or committees only in the event of a tie vote. The Chief Executive Officer shall give good

and sufficient bond to be approved by the Board of Directors for the faithful performance of the duties of this office. The Chief Executive Officer shall make monthly operating and financial statements to directors of the Association and at the end of each fiscal year, provide to the Board at its next regular meeting, a complete audit statement of the Association's financial affairs prepared by a certified public accountant (designated by the Board of Directors). The Chief Executive Officer of the Association shall be the chief executive officer of the Association with such general executive powers and duties of supervision and management as are usually vested in the office of the chief executive officer of a corporation and shall carry into effect all directions and resolutions of the Board. The Chief Executive Officer may execute all bonds, notes, debentures, mortgages, and other contracts for the Association and may cause the seal of the Association to be affixed thereto, and all other instruments for and in the name of the Association.

4. Executive Vice-President, Executive Secretary and Executive Treasurer. An Executive Vice-President, Executive Secretary and Executive Treasurer shall perform the duties and exercise the powers of such office as the Chief Executive Officer and/or the Board of Directors shall from time to time prescribe.

ARTICLE V

Antitrust Compliance

This Association is committed to compliance with any and all federal and state antitrust laws. In particular the Association is dedicated to compliance with the Sherman Act, the Federal Trade Commission Act and the Clayton Act. This Association hereby adopts the attached Policy Statement and Guidelines as a part of its commitment to antitrust compliance. The Board of Directors shall annually review the Policy Statement and Guidelines to check for commitment to and compliance with this document.

ARTICLE VI

Amendments

1. Amendment to the Articles of Incorporation. Amendments to the Articles of Incorporation may be made at any regular meeting or special meeting (called for that purpose) of the Association members, by the approval of at least two-thirds of the voting power present and voting or a majority of the voting power, whichever is less.

2. Amendment to Bylaws. Amendments to the Bylaws of the Association may be made at any regular meeting or special meeting of the Association members, by the approval of at least two-thirds of the voting power present and voting or a majority of the voting power, whichever is less.

If the Board or the members seek to have the amendment approved by the members at a membership meeting, the Association shall give notice to its members of the proposed membership meeting in writing in accordance with Article II above. The notice must also state that the purpose, or one of the purposes, of the meeting is to consider the proposed amendment and contain or be accompanied by a copy or summary of the amendment. If the Board or members seek to have the amendment approved by the members by written consent or written

ballot according to Article II above, the material soliciting the approval shall contain or be accompanied by a copy or summary of the amendment.

ARTICLE VII

National Directors

The Association is entitled to appoint one qualified person to serve on the Board of Directors for NRHA, one qualified person to serve on the Board of Directors for NAEDA and one qualified person to serve on NAEDA's OPE Council, as provided in Article IV. If any of these director positions becomes vacant due to death, disability, resignation or removal, a majority of the Board of Directors will appoint a replacement to serve until the next election.

Amended ~~February 25, 2005~~ February 22, 2008.

SOUTHWESTERN ASSOCIATION'S

POLICY STATEMENT AND GUIDELINES REGARDING ANTITRUST

The purpose of the SouthWestern Association (öSWAö) is to encourage the continued development and growth of the retail equipment and hardware sales industries. SWA seeks to promote growth by providing business seminars, services and information that give all members an opportunity to operate their businesses in a more efficient manner. Increased efficiency makes members better competitors, with the result being greater consumer satisfaction. It shall be the policy of SWA to continue its efforts in advancing competition and to conduct all of its business and activities in accordance with state and federal antitrust laws. Further, it shall be the policy of SWA to avoid any activity or agreements that could in any way be construed as restricting competition among members. In an effort to uphold this policy and the antitrust laws, the board of directors approves the following antitrust guidelines for observance by SWA, its board, staff and members.

I. BOARD MEETINGS

1. All board members shall receive a notice and written agenda before each meeting of the board. The agenda shall specifically enumerate each item to be discussed.
2. All board meetings shall be conducted in accordance with the written agenda.
3. Minutes shall be taken at each meeting that accurately report the actions and discussions of the board.
4. At no time shall SWA or its board issue a suggested price list to members that would be in violation of any antitrust laws.
5. Neither SWA nor its board shall make recommendations to members regarding the selection of customers or suppliers that would be in violation of any antitrust laws.
6. At no time shall SWA or its board issue information regarding future price trends that would be in violation of any antitrust laws.

II. MEMBER MEETINGS

1. Materials provided to members before general membership meetings shall include a written agenda that specifically enumerates each item to be discussed. Meeting participants shall adhere to the agenda.
2. Materials provided to members before general membership meetings should include a copy of SWA's Policy Statement and Guidelines Regarding Antitrust.

3. Minutes shall be taken at each meeting that accurately report the actions and discussions of the members.
4. At least one SWA staff member shall attend all meetings between members where SWA activities are being discussed to ensure continued compliance with these antitrust guidelines.
5. The subject of price shall not be a topic at any SWA general membership meeting when the purpose of discussion could be construed as an attempt by members to agree on the price at which they will sell their products. This rule shall apply regardless of whether said meeting is formal or informal.
6. All SWA members shall refrain from discussing their pricing practices or future pricing intentions with any other member, whether formally or informally at any function sponsored by SWA that would be in violation of the antitrust laws.
7. All SWA members shall refrain from discussing the division of customers or territory with any other member, whether formally or informally at any function sponsored by SWA if the purpose of such discussion is to agree on an allocation of customers or territories in an effort to limit competition between members that would be in violation of the antitrust laws.
8. No member, at any time, shall enter into any agreement with other members, whether formal or informal, to fix the price at which they will sell their products. All members shall price their inventory according to their own independent business judgment so as to comply with the antitrust laws.

III. STATISTICAL INFORMATION

1. Whenever SWA requests information from its members for the purpose of providing helpful statistics concerning the industry, the participation by each member shall be voluntary.
2. Nonmembers may also voluntarily supply SWA with information that would be helpful in compiling statistics regarding the industry.
3. SWA shall make statistical information available to nonmembers as well as members. At its discretion, SWA may charge nonmembers a fee that reflects the proportionate costs of gathering such information.
4. Specific statistical information shall be provided as an aid to individual members in operating their businesses more efficiently. Such information, however, shall not be a topic of discussion at general membership meetings if said discussion is for the purpose of fixing the prices at which members will sell their products.

5. All statistical information provided by SWA to its members shall reflect the mean and median of the aggregate information received. SWA shall not disclose the names of dealers, customers, or the specific terms of any past sales information if the disclosure of such would be in violation of the antitrust laws.

IV. SERVICES

SWA shall make all services it provides to members available to nonmembers as well. SWA, at its discretion, may charge nonmembers a fee that reflects the proportionate costs of providing such services.