



20 GROUP

BYLAWS & CODE OF ETHICS

SECTION I – APPLICATION

These Bylaws apply to all members of each 20 group established by NCM Associates, Inc. dba Spader Business Management (SBM).

SECTION II – PURPOSE

The 20 group program is organized and operated by SBM and its authorized representatives. Each 20 group is composed of non-competing businesses voluntarily and mutually associated to provide a confidential exchange of experiences, techniques, problems, and ideas at regular meetings, and to receive through the services of the 20 group program the benefit of reliable comparative data. A facilitator is provided by SBM. Each 20 group agrees to conduct itself in a businesslike manner and prohibit discussions and actions that adversely reflect on the integrity of any manufacturer, supplier, or other business.

SECTION III – MEMBERSHIP

Membership in a Total Company 20 group is accorded to an active general manager, officer, or principal of a business. In a Departmental 20 group, membership may be granted to the department manager by consent of the 20 group. SBM reserves the right to approve or revoke memberships.

To qualify for membership, the business must:

1. Be represented by an active general manager, operating officer, or principal of a financially sound and reputable business. In the case of departmental groups, the department manager may be the representative.
2. Maintain current membership in their national, regional or state business association where required (currently marine, motorcoach, and RV industries).
3. Be willing to remain in their original 20 group for a minimum of two (2) meetings before requesting transfer to another 20 group. Any member may request reassignment to another 20 group; SBM will evaluate other 20 group options available for the member to consider.

SECTION IV – MEMBERSHIP RESPONSIBILITIES

Membership in a 20 group has as its primary responsibilities:

1. Regular attendance at scheduled meetings.
2. An obligation to submit financial and statistical data in time to assure inclusion in the regularly scheduled 20 group report. No member is entitled to receive the confidential financial information of the 20 group if they have not submitted current financial information for two or more consecutive months.
3. A commitment to share knowledge and to actively participate in 20 group activities and discussions.
4. Prompt payment of all fees and financial obligations to SBM.
5. The completion of supplemental schedules and/or questionnaires distributed to develop guidelines and comparative financial composites.
6. Not to recruit or hire employees from other members within the 20 group. This is strictly prohibited and is grounds for dismissal from the 20 group.
7. Support efforts to keep a minimum agreed-upon number of members in their 20 group at all times. It is understood and agreed that if the number of members is less than the minimum agreed-upon number of members in any 20 group, SBM will have the option to increase the membership fee for that 20 group accordingly.

SECTION V – MEMBER PLACEMENT

An applicant is first considered for any appropriate opening in existing 20 groups. SBM shall review the appropriateness of any applicant's placement and advise the applicant of their placement. A prospective member may be allowed to attend one meeting subject to **PRIOR** approval of the membership. If there is no appropriate opening in existing 20 groups, the applicant will be placed on a waiting list and kept informed regarding possible future openings.

SECTION VI – LIMITATION OF MEMBERSHIP

Membership in a 20 group is typically limited to a maximum of 20 or fewer qualified businesses from market areas geographically distributed throughout North America. No two members may be from the same market area, or be actual or potential competitors without the consent of both members. No applicant will be placed into any 20 group over the objection of any existing member of that 20 group if that objection is based on competing in the same geographical market area.

Other objections will be given due consideration by SBM and SBM will make the final decision regarding these objections. All administrative actions and official approval of placement into a 20 group by an applicant will be coordinated by SBM.

For reasons of confidentiality, members of an SBM 20 group may not also belong to a non-SBM 20 group in the same industry without prior approval from the group. Supplemental membership in a non-Spader 20 group requires an additional level of confidentiality (see multi-membership addendum).

SECTION VII – INFORMATION CONFIDENTIALITY

All information furnished in writing or verbally by or about any 20 group member, especially financial data, is to be treated in the strictest confidence by both SBM and all 20 group members and their representatives. It is a requirement of the 20 group Bylaws and Code of Ethics for SBM and all 20 group members not to identify or furnish confidential data received through the 20 group to anyone outside the business without prior approval.

Reproduction of 20 group financial or other data is prohibited except for presentation at a 20 group meeting or for appropriate use within a member's business.

By executing this agreement, SBM and member agree to expose 20 group data only to appropriate employees within their business, advise them of the confidentiality hereunder, and require them to uphold the same degree of care to protect the information outlined in this section during and after their employment.

All statistics, composites, and financial data are coded to protect the confidentiality of all 20 group members. It is required that SBM and 20 group members not publish lists that include member names and member numbers together except on the official roster provided by SBM. Members may identify themselves individually by member number.

If any disclosure is made in violation of the provisions of this Section, it shall be within the powers of SBM to take such disciplinary action as may be deemed to be adequate, including dismissal. Should a violation under the provisions of this Section come to the attention of

the 20 group, SBM will be notified immediately so they can consider disciplinary action.

SECTION VIII – MEETINGS

Meetings will be held on a regular cycle established by the 20 group and SBM. The specific dates and locations for each meeting will be selected by the 20 group in coordination with SBM. There will generally be no Sunday meetings. All meeting locations outside the continental United States or Canada require a unanimous vote by all members. SBM has the right to adjust fees to cover extraordinary facilitator expenses for any meetings.

Subject to the group’s attendance policies and/or prior group approval, members may include any full-time key employees from the business in the meetings. These employees accept the responsibilities outlined in these Bylaws.

Remote meeting attendee requirements are the same as in-person meeting requirements; remote meeting participants must announce the names of everyone who can hear and/or see remote meeting contents.

The 20 group may invite outside guests to meetings provided that prior approval has been given by 20 group members and the 20 group’s facilitator. Outside guests must sign a statement that the 20 group appearance will not be used as a reference for their own personal promotion.

Recording of 20 group proceedings is prohibited. This provision can be waived by a unanimous vote of the members in attendance for special presentations, business evaluations, and training programs.

SECTION IX – 20 GROUP ORGANIZATION

The 20 group shall elect from among its members a Chair and a Co-Chair, typically to serve a one- or two-year term.

Responsibilities of the Chair and Co-Chair are:

- 1. Work with the group’s facilitator to prepare an agenda for each meeting.
- 2. Provide overall leadership of the meeting in coordination with the 20 group facilitator.
- 3. Co-Chair is to act as Chair in the Chair’s absence or when the Chair participates in the discussion.

SECTION X – FEES AND EXPENSES

Each applicant will be assessed and pay to SBM an initial setup fee at the time they request placement into a 20 group.

Upon placement, each member will be liable for a membership fee. All fees are subject to change. Each member is responsible for prompt payment of all obligations to SBM until the member gives **WRITTEN** notice of resignation from the 20 group. Such notice is to be submitted to SBM.

All membership fees will be billed by SBM and paid directly to them unless otherwise directed by SBM. Fees will be charged and paid on a quarterly basis, in advance.

Travel costs and other expenses incurred by a member are paid by that member. Meeting expenses are shared equally by the members of the 20 group regardless of whether a member attends the meeting or not.

SECTION XI – REVIEW AND TERMINATION

Some actions will result in automatic termination from a 20 group. These actions include:

- 1. Recruiting or hiring employees from other 20 group members, as stated in Section IV, paragraph 6.

- 2. The opening or acquisition of a business within the same market area of another member of the 20 group.
- 3. Violation of confidentiality as stated in Section VII.

Additionally, SBM and the 20 group shall review the continued membership of any member who fails to attend two (2) meetings within a 12-month period, or fails to submit the required financial and statistical data for two (2) consecutive reporting periods. SBM or the 20 group Chair shall have the responsibility for initiating the reviews called for by this section. Bylaws violations related to lack of participation will be given one warning in writing providing the member an opportunity to improve participation. The 20 group may vote to terminate a member if, in its opinion, that member has failed to adequately improve their participation after receiving a warning. Such action requires a two-thirds vote of the membership.

A member may terminate membership at any time by notifying SBM **in writing**. Such termination will become effective as of the date of receipt of this notification.

All related services, including inclusion in and receipt of 20 group reporting, cease as of the date of membership termination.

SECTION XII – COPYRIGHTS

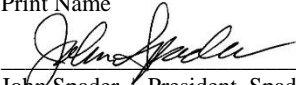
SBM will from time to time provide to each member certain software and related documentation for the member’s use. By executing this agreement, member acknowledges that this software and related documentation are owned by SBM and further agrees that they will not divulge, duplicate, disclose or otherwise make available to any third parties or make any unintended use whatsoever of the software and related documentation without the express prior written consent of SBM. Any unauthorized use of the software and related documentation shall be immediate grounds for dismissal from the 20 group and such dismissal shall not waive any other remedies that SBM may have against the violating member.

Upon termination of membership in the 20 group for any reason, member agrees to discontinue using, destroy, and/or return to SBM all software and related documentation within ten (10) working days from the date of termination.

SECTION XIII – AMENDMENT

A member or 20 group may propose an amendment to the Bylaws & Code of Ethics by sending a copy of the suggested change to each member of the group, to SBM, and to the group’s facilitator at least 30 days prior to the 20 group meeting at which the change will be considered. Generally, changes that eliminate or lessen the existing provisions will not be considered. A suggested change must be accepted by a two-thirds vote of those 20 group members present. The 20 group is then to forward the proposed amendment to SBM. Actual amendment of these Bylaws shall be by action of SBM only.

Specific group policies will be maintained in addition to these bylaws. All group policy is subject to approval by SBM.

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Member Business Name	
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Authorized Signature	Title
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Print Name	Date
	
John Spader President, Spader Business Management	