

ASSOCIATION OF VACUUM EQUIPMENT MANUFACTURERS

BYLAWS (Approved 11/29/12)

Article I – Name and Purpose

This Association incorporated not-for-profit under the laws of the State of Illinois shall be known as “Association of Vacuum Equipment Manufacturers.”

The purposes of this Association are:

- A. To provide a vehicle for evaluation, analysis and communication on matters of common interest to companies which produce vacuum equipment, and
- B. To engage in such activities as will promote better business relationships, more efficient operation and better service for producers of vacuum equipment and their customers.

Article II – Membership

Section 1. Definition of Manufacturer

“Manufacturer” as used herein is defined to mean and be not limited to a proprietorship, partnership or corporation which:

- A. Produces vacuum equipment or component parts or has such equipment produced for it; and
- B. Sells such equipment or component parts under its own name and in the regular course of business.

Section 2. Classes of Members

This Association shall have two classes of Members designated as follows:

- A. Voting Members are “Manufacturers” as defined in Article II, Section 1; and
- B. Associate Members are entities that engage in business in the vacuum equipment industry or a related industry, but are not qualified as “Manufacturers” by definition of Article II, Section 1.

Section 3. Other Membership Classes

The Board of Directors may establish additional classes and designate the qualifications, rights and obligations of such classes, and the Board of Directors may establish other criteria for membership including, but not limited to location of facilities and ownership.

Section 4. Member Application

For purposes of membership applicant consideration and classification, all criteria and procedures shall be developed by the Board of Directors. Applicants may become a Member upon submitting official application in writing to the Board of Directors, by a majority vote.

Section 5. Rights of Membership

Each Member shall appoint and certify its official representative in the Association who shall represent and act for the Member in all Association matters. For Board approval such representative should be a decision-making employee involved in operations of the Member Company. At regular and special meetings of the Association, each Voting Member shall be entitled to one vote. The official representative of Voting Members shall be eligible to be nominated to serve on the Board of Directors.

Section 6. Termination or Suspension

Members may resign at any time effective upon receipt of written notice by the Executive Director or the Board of Directors. Members may be terminated or suspended from the Association by the Board of Directors for non-payment of dues or other financial obligations or, for cause. Any termination or suspension of membership shall not relieve Members of their obligations for dues or other charges accrued and unpaid. Procedures for consideration, notice and action of suspensions or terminations shall be established by the Board of Directors.

Article III – Elections of Officers and Directors

Section 1. Officers and Directors

The Association shall be governed by not less than nine (9) and not more than eleven (11) Directors, four of whom shall be the Chair, Vice Chair, Treasurer and immediate Past Chair. If the immediate Past Chair does not serve as a Director, another person may be elected to this Board seat.

Section 2. Eligibility and Election

All Directors shall be representatives of Voting Members and shall be elected to the Board of Directors by a plurality of the votes cast by the Members at the Annual Meeting. In order to elect Directors at each such Annual Meeting, a quorum must be present and notice of the date, time and place of the Annual Meeting must be given no less than fifteen (15) days nor more than sixty (60) days before the date of the meeting, consistent with Nominations Committee process set forth in Article VI, Section 3.

The Chair, Vice Chair and Treasurer of the Association shall be elected to one (1) year terms by majority vote of the Board of Directors. If an Officer's term extends beyond the expiration of the term for which elected as Director, that Officer term as Director shall be extended automatically to expire concurrently with the expiration of office term. The Board of Directors may establish criteria for election of Officers.

Section 3. Secretary

There shall be an ex-officio Board member who will serve as the Secretary, elected by the Board of Directors.

Section 4. Removal and Vacancy

Members of the Board of Directors may be removed at any time by a majority vote of Directors in the event that the member has not attended three (3) successive meetings of the Board of Directors or in the event of Membership termination. Any Officer or Director may be removed from such positions for cause, or whenever in the judgment of the Board of Directors such removal is in the best interests of the Association. At the discretion of the Board of Directors, vacancies on the Board of Directors or in the Officers of the Association arising through removal, resignation or death may be filled by a majority vote of the remaining members of the Board of Directors for the balance of the term for which the vacancy occurs.

Article IV – Management

Section 1.

Subject to the authority and powers of the Officers and Board of Directors, the management of the Association shall be vested in the Officers and Board of Directors, and in an Executive Director, which latter shall be selected by the Board of Directors. They shall hold office until their successors are selected unless removed in accordance with the Bylaws. The Executive Director shall not be chosen from the Membership and shall serve as Secretary or appoint same in consultation with the Board of Directors.

Article V – Duties of the Officers and Staff

Section 1. Chair

The Chair shall be the Chief Elected Officer of the Association, shall act as Chairman of the Board of Directors, shall be an ex-officio member of all groups and Committees, and shall preside at all general and special Member meetings and at all Board of Directors meetings.

Section 2. Vice Chair

The Vice Chair shall assist the Chair with the general affairs of the Association, shall lead special projects when approved, and in the event of absence of the Chair, shall act as Chairman

of the Board of Directors, and may represent the Chair as an ex-officio member of all standing and special Committees.

Section 3. Treasurer

The Treasurer shall assist the Chair and Executive Director in all financial affairs of the Association including the annual budget, regular financial reports, placement of Association funds and all matters related to taxes. In the absences of the Chair and Vice Chair, the Treasurer shall act as Chairman of the Board of Directors. An Assistant Treasurer may be assigned from management staff to the Treasurer by the Board of Directors.

Section 4. Secretary

The Secretary shall have responsibility for preparing and maintaining custody of minutes of the Board of Directors' and Members' meetings and for authenticating all necessary corporate records of the Association. The Secretary shall give notice of meetings of members and the Board of Directors, consistent with these Bylaws. The Secretary shall be the custodian of the Association's seal.

Section 5. Executive Director

The Executive Director shall be the Chief Administrative Officer of the Association, to conduct its business, to fulfill its policies and programs and to produce its notices with the oversight and cooperation of the Board of Directors and committees. Detailed scope of duties and deliverables will be reviewed and revised annually with the Officers and Directors. Official Association business may not occur without the participation of the Executive Director or designee of the Executive Director.

Section 6. Term of Office

All positions begin and end concurrent with the fiscal year.

Article VI – Duties of Committees

Section 1. Officers and Board of Directors

The Officers and Board of Directors shall be the governing body of the Association responsible for its overall operation and the principal office of the Association.

Section 2. Executive Committee

The Executive Committee shall consist of the Officers and shall exercise all powers of the Board of Directors except as limited by law when the Board of Directors is not in session. The Executive Director/Secretary shall keep minutes of meetings and shall report actions to the Board of Directors. A majority of the Executive Committee shall constitute a quorum.

Section 3. Nominating Committee

The Chair shall appoint a Nominating Committee of three (3) Members, two (2) of whom must be members of the Board of Directors, whose duty it shall be to nominate candidates for Board of Directors to be elected at the next Annual Election. It shall notify the Executive Director in writing no less than thirty (30) days before the date of the Annual Meeting of the names of candidates and the Executive Director shall list the nominations in notices to each Member no less than fifteen (15) days before the Annual Meeting.

Section 4. Other Committees

The Board of Directors shall determine and appoint which standing and special Committees are necessary unless as stipulated by these Bylaws.

Article VII – Financial Matters

Section 1. Fiscal Year

The fiscal year of the Association shall begin the first day of January and end the last day of December of each year.

Section 2. Member Access

All books and records of the Association may be inspected by any Member for any proper purpose at any reasonable time through reasonable due notice and confirmation by the Executive Director at the Association's principal office.

Section 3. Rights of Proprietorship

Membership in the Association is a privilege and not a property right. No Member shall have any ownership or property right in the funds, property, or other assets of the Association.

Section 4. Compensation

No Member, Director, or Member Officer shall receive compensation from the Association. Expenses incurred in performance of duties and pre-approved by the Board of Directors may be reimbursed on case-by-case basis.

Section 5. Executive Director Duties

The Board of Directors may authorize the Executive Director to collect, deposit and expend funds in the furtherance of the objectives of the Association consistent with budget and pre-approved procedures. The Board of Directors shall authorize fiduciary duties and powers of the Executive Director. Completed signature authorization forms of financial institutions shall be maintained to include the Chair, the Treasurer, and the Executive Director and his/her representatives approved by the Board of Directors.

Section 6. Third Parties

Third party contractors may be retained and supervised only through the Executive Director and only through pre-approval of the Board of Directors.

Section 7. Executive Director Compensation

The Executive Director, or the entity designated by him/her, shall be compensated for services in amounts to be recommended by the Executive Committee for review and action by the Board of Directors.

Section 8. Dissolution of the Association

In case of dissolution of the Association, the funds, property, and other assets, if any, remaining after paying or providing for the payments of all liabilities, obligations and expenses of the Association, shall be distributed as determined by the Board of Directors, except that no such assets shall inure to the benefit of any private individual.

Article VIII – Indemnification

Each person who was or is a defendant or respondent, or is threatened to be made a defendant or respondent, in any action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (herein-after, “Proceeding”), by reason of the fact that he or she is or was a Director or Officer of the Association, shall be indemnified and held harmless by the Association to the fullest extent permitted by the laws in force though not in excess of the actual amount of the Association’s available insurance coverage for such action, suit or proceeding, against all costs, charges, expenses, liabilities and losses (including reasonable attorney’s fees, judgments, fines, taxes, or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith, except in the event of willful misconduct or a knowing violation of criminal law, and such indemnification shall continue as to a person who has ceased to be a Director, Officer, or employee and shall inure to the benefit of his or her heirs, executors administrators. However, in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association.

Article IX – Dues, Fees, and Assessments

Section 1. Initiation Fees, Annual Dues and Assessments

The Board of Directors shall determine the amount of initiation fees, if any, and annual dues payable to the Association. In addition, the Board of Directors shall have the authority to determine whether to collect special assessments and to establish the amount of such assessments.

Section 2. Payment of Dues

Dues shall be payable for the following year by December 31 of each year or by such other date as the Board of Directors may direct. The Board of Directors may determine a payment schedule, including pro ration of dues, for the payment of any initiation fee and annual dues.

Section 3. Default in Payment

Failure to pay dues, fees, or assessments may result in termination or suspension of membership as set forth in Article II, Section 6.

Article X – Meetings

Section 1. Regular Meetings

The regular meetings of the Association shall be held at such time in each year at such address as may be designated by the Board of Directors. The Annual Meeting shall take place during the fourth quarter of the year, unless the Board of Directors determines otherwise.

Section 2. Special Meetings

Special meetings of the Association or the Board of Directors shall be held upon call issued by the Chair and Secretary or by any majority members of the Board of Directors through the Secretary.

Section 3. Notice

Notice of the purpose of any special and regular meetings except the Annual Meeting shall be given in writing by the Secretary not less than fifteen (15) days before the meeting, notice of which shall include day, time, and place. The Annual Meeting notice shall be sent to each member no more than sixty (60) days in advance.

Section 4. Member Meeting Quorum and Voting

Either fifty percent (50%) of the Voting Members of the Association or twenty-five (25) Members, whichever is the lesser, must be present or present by proxy in order to have a quorum. A majority of those present and voting shall carry any matter coming before the meeting, except in such matters as required by the Articles of Incorporation and Bylaws to receive a greater vote.

Section 5. Board Meetings

The Board of Directors shall hold at least three (3) meetings during each fiscal year, at such time and place as the Board of Directors may designate. The organizational meeting of the Board of Directors shall be held approximate to Officer and Director term turnover. Notice of the time and place of any special meetings of the Board of Directors and of the matters to be considered at such special meetings shall be sent by the Secretary in writing to members of the Board of

Directors no less than ten (10) days prior to the time of the meeting. Meetings of the Board of Directors may be by telephone conference or by other electronic means in accordance with the law. All Director nominees may be invited to attend the Annual Meeting of the Board of Directors as observers prior to their election at the Annual Meeting.

Section 6. Board Quorum and Voting

At regular and special meetings a quorum of the Board of Directors shall consist of a majority of the voting members, including at least one voting Officer. A majority of those present at any meeting shall be necessary to carry matters coming before the meeting except for matters such as the Articles of Incorporation or Bylaws require to be passed by a greater vote.

Section 7. Committees

Meetings of any other Committee may be held at such time and place as each Committee desires, providing the Executive Director has been notified in advance of the time, place and general purpose of the meeting. The Executive Director or designee of the Executive Director shall assist in all arrangements for such meetings including advance agenda and shall assure that proper minutes are recorded and maintained.

Article XI – Means of Voting

Section 1. Electronic Transmissions and Transactions

Any communications from the Association to the Members or from Members to the Association, including meeting notices, proxies, and ballots, may be made using electronic means if permitted by the Board of Directors and if allowed by law. In addition, any Association meeting may be conducted by telephone conference or by other electronic means, in whole or in part, unless prohibited by the Board of Directors.

Section 2. Action Without a Member Meeting

Any action which may be authorized or taken at a meeting of the Members may be authorized or taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by the Members constituting not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members were present and voted.

Section 3. Action Without a Board of Directors Meeting

Any action required, or permitted to be taken, at any meeting of the Board of Directors may be taken without a meeting if written consent thereto is signed by all members of the Board, and such written consent is filed with the minutes of proceedings of the Board.

Section 4. Member Proxy

Each Voting Member may vote by proxy. The form of proxy shall be prescribed by the Board of Directors.

Section 5. Board Proxy

For in person meetings, Directors may not vote by proxy but may submit votes by attendance other than in-person by means such as conference telephone or by other electronic participation as allowed by law.

Article XII – Seal

Section 1.

The Association shall have a seal of such design as the Board of Directors may adopt.

Article XIII – Amendments to Bylaws

Section 1.

Except as otherwise provided in applicable statutes, these Bylaws of the Association, including this Article XIII, may be amended, repealed, or altered in whole or in part by a two thirds (2/3) vote of the Board of Directors under the condition that all Association Members shall be given no less than twenty-one (21) days notice of the specific amendment language and provided means to submit written comments for Director consideration before Board action occurs.