

Sealant, Waterproofing & Restoration Institute

Bylaws

Article I Name and Location of Corporation

The name of this organization is Sealant, Waterproofing & Restoration Institute (“SWR Institute”). It is a not for profit Missouri corporation. Its principal office is at 400 Admiral Blvd., Kansas City, Missouri 64106.

Article II Purposes

The purposes of this corporation are to promote the exchange of ideas for the development of the highest standards and operating efficiency within the sealant, waterproofing and restoration industry; to develop methods for improving the conditions and advancing the best interests of the sealant, waterproofing and restoration industry; to create lasting good will between the members and those who manufacture, specify and purchase sealant, waterproofing and restoration materials and services; to support and promote equal opportunity for all people within the industry, regardless of race, color, religion, sex or national origin; and for any other lawful purpose.

Article III Membership

Section 1. Qualification Period. Membership in this organization shall be composed of any person, corporation, partnership or association engaged in or interested in the sealant, waterproofing and restoration industry. A subsidiary of a parent/holding company doing business under a trade name and promoting itself as a separate company shall obtain a separate membership. Any person or entity, for which a significant portion of the business is in the distribution business or as a manufacturer’s representative, shall not be eligible for membership.

Section 2. Contractor Membership. Contractor membership in this organization shall be limited to persons, corporations, limited liability companies, partnerships or associations, which install sealant, waterproofing or restoration materials.

Section 3. Manufacturer Membership. Manufacturer membership shall be available to any proprietorship, partnership or corporation engaged in manufacturing sealant, waterproofing or restoration products, which are sold to contractor members. Manufacturer members shall not be eligible to be officers in the organization. However, such members can be appointed to serve on committees and two (2) manufacturer members may be elected to the board of directors.

Section 4. Associate Membership. Associate membership may be conferred upon any architect (RA), engineer (PE) or other licensed design professional whose services are primarily in the sealant, waterproofing and restoration industry, or consultant who is affiliated with an industry association program recognized by the board of directors or

possesses a minimum of five (5) years of experience as a consultant in the sealant, waterproofing and restoration industry. Associate members shall not be eligible to be officers in the organization. However, such members can be appointed to serve on committees and two (2) associate members may be elected to the board of directors.

Section 5. Senior Membership. Senior membership may be conferred upon any individual representative or employee that has retired or semi-retired with a contractor, associate or manufacturer member company. To be eligible for membership as a Senior member, the member company that employed the individual must have been in good standing for at least five (5) years with SWR Institute. Senior members shall have all rights and benefits as a member of SWR Institute. Senior members shall pay a reduced membership fee as established by the board of directors.

Section 6. Honorary Membership. Honorary membership may be conferred upon any individual interested in the sealant and waterproofing industry whose past experience in or service to the industry or other special qualifications justify election at such time and under such terms as the board of directors shall determine.

Section 7. Student Membership. Student membership shall be available to any student of an educational institution of college grade or vocational/technical institution who is devoting more than half time to a degree program associated with the sealant, waterproofing and restoration industry. Student members shall have no vote nor be eligible to be an officer in the organization. However, such members can be appointed to serve on committees of the organization. Policies governing the participation of student members shall be determined by the board of directors.

Section 8. Application and Admission to Membership. All applicants for membership shall complete and sign a form of application and shall submit the application to the principal office of the organization. Such application shall include an agreement by the applicant to abide by the organization's bylaws and policies and to pay all duly levied dues and assessments accompanied by payment of the initial fees and dues. Membership shall be granted if the applicant is found to be qualified for membership by a majority vote of those present and voting at any meeting of the board of directors. All members (except student members) must have been in the sealant, waterproofing or restoration business for a minimum of one year prior to the application for membership. Members are strongly encouraged to actively participate in SWR Institute meetings, committees and other functions.

Section 9. Removal. Members of any classification may be removed from membership by the board of directors for cause by two-thirds (2/3) vote. For any cause other than non-payment of dues, removal shall occur only after the member complained against has been notified of the complaint lodged against him or her and been given reasonable opportunity for defense; and such member, if removed, may appeal from the decision of the board of directors to the members attending the annual meeting of the members of the organization providing the notice of intent to appeal is sent to the Executive Vice President at least ten (10) days prior to the meeting. Upon expulsion, all rights of the members in the organization or in its property shall cease.

Section 10. Reinstatement. Except as set forth herein, a former member may be reinstated by presenting proof of qualifications and paying current dues and all dues in arrears. A former member that was removed for cause for reasons other than non-payment of dues pursuant to Section 9 above, may not be eligible for membership for a period of two (2) years from the date of removal.

Section 11. Resignation. Any member may resign by sending a letter of resignation to the executive vice president, but such action shall not relieve the member so resigning of the obligation to pay any dues, or other charges theretofore hereby assessed.

Article IV Meeting of Members and Voting

Section 1. Annual Meeting. The organization shall hold an annual meeting of the members as such time and place as is determined by the board of directors. The members shall elect the directors and officers at the annual meeting as provided in these bylaws.

Section 2. Special Meetings. Special meetings of the organization may be called by the board of directors at the request of the president and shall be called by the president upon receipt of written requests signed by not less than one-fourth (1/4) of members in good standing.

Section 3. Notice of Meetings. Written notice of any meeting of the organization shall be given by mail, hand delivery, fax or email to the last known contact information of each member not less than ten (10) days but no more than forty (40) days before the date of the meeting.

Section 4. Voting. At all meetings of the organization, each member, (except student members) shall have one (1) vote, and must vote in person. Unless otherwise provided in by these bylaws, majority votes of those members present and voting in person shall govern.

Section 5. Quorum of Members. At any annual or special meeting of the members, quorum shall consist of forty-percent (40%) of the members (except student members).

Section 6. Rules of Order. The meeting and proceeding of this organization shall be regulated and controlled according to *Robert Rules of Order* (Revised) for parliamentary procedure, except as may be otherwise proved by these bylaws.

Article V Board of Directors

Section 1. Authority and Responsibility. The governing body of this organization shall be the board of directors. The board of directors shall have supervision, control and direction of the affairs of the organization, its committees and publications; shall determine its policies or changes therein; shall actively pursue its purposes and supervise the disbursement of its funds. The board may adopt such rules and regulations for the conduct of its business as shall be deemed advisable, and may, in the execution of the powers granted, delegate certain of its authority and responsibility to the executive committee.

Section 2. Composition. The board of directors shall consist of the president, president-elect, secretary/treasurer, immediate past president, two (2) manufacturer members, two (2) associate members, six (6) contractor members **and one (1) past president** of the organization, who shall have been duly elected as directors of this organization. Senior members shall be eligible to serve as directors in the category in which they (or their employers) were first members.

Section 3. Manner of Election and Term of Office. Directors shall be elected at the organization's annual meeting of the members by a vote of the members. At each annual meeting of the members, one (1) to three (3) contractor directors shall be elected for terms of three years to fill open positions in order to maintain a uniform number of directors. Such directors shall serve until successors are duly elected and qualified. The officer directors shall be elected as defined in Article VI of these bylaws. The two (2) manufacturer directors shall be elected by a vote of the members; the manufacturer directors shall serve staggered three (3) year terms and shall have all the rights and privileges of other directors including the right to vote as a director. The two (2) associate directors shall be elected by a vote of the members; the associate directors shall serve staggered three (3) year terms and shall have all the rights and privileges of the other directors including the right to vote as a director. One (1) past president shall be elected by a vote of the members and shall serve a one (1) year term.

Section 4. Re-Election. No member of the board of directors who shall have served a full term shall be eligible for re-election until at least one (1) year shall have elapsed.

Section 5. Nominations. The nominating committee, acting in accordance with these bylaws, shall present to the board of directors, for their consideration a slate of nominees no later than the last meeting of the board of directors held prior to the end of the calendar year. Subsequently, the nominating committee shall then present to the membership, at least three (3) weeks before the annual meeting of the members one (1) nomination for each seat on the board of directors which is vacant or is about to expire. Additional nominations may be made from the floor at the annual meeting.

Section 6. Quorum of the Board. At any meeting of the board of directors a majority of the directors shall constitute a quorum. Any number less than quorum may adjourn a meeting.

Section 7. Meetings. The board of directors shall have at least three (3) meetings per year. The annual meeting of the board of directors shall be held before the annual meeting. Immediately following the adjournment of each annual meeting of the members, the board shall meet. Special meetings of the board of directors may be called by the president, or by any three (3) members of the board of directors.

Section 8. Notice of Meetings. Written notice of each annual meeting of the board of directors shall be sent not less than ten (10) days but no more than forty (40) days prior to the date of the meeting. Notice of special meetings shall be sent at least five (5) days before the meeting. Notice shall be given by mail, hand delivery, fax or email and shall be sent to the last known contact information of each director. Each notice of a special meeting shall specify the purpose for which such meeting is being held. Meetings of the board of directors may also be held upon waiver of notice by all directors.

Section 9. Place of Meeting. The annual meeting of the board of directors shall be held at the site of the annual meeting of the members. Special meetings shall be held at such time and place as the president or the persons requesting the meeting may designate. Special meetings may be held via teleconference or similar communications equipment as long as all persons participating can hear each other.

Section 10. Vacancies and Removal. Any vacancy occurring on the board of directors between annual meetings shall be filled by the board of directors. A director so elected to fill a vacancy shall serve the unexpired term of his predecessor. The board of directors may in its discretion, by affirmative vote of two-thirds (2/3) of its members, remove any director for cause.

Section 11. Executive Committee. The president, president-elect and secretary/treasurer of the organization shall constitute an executive committee which shall have full power and authority to the extent permitted by law, in the government, management and control of the organization and its affairs during the intervals between meetings of the board of directors. In no event, however, shall the executive committee have authority to amend the Articles of Incorporation, amend or repeal the bylaws, elect or remove officers of the organization, change dues or assessments, adopt a plan of merger or a plan of consolidation, or to sell, lease, exchange, mortgage, pledge or otherwise dispose of all or substantially of the property or assets of the organization.

Article VI Officers

Section 1. Elected Officers. The elected officers of this organization shall be a president, president-elect and secretary/treasurer to be elected by the membership at the annual meeting of the members and to service until their successors have been duly elected and assume office. The president-elect shall automatically succeed to the presidency.

Section 2. Qualifications for Office. Any contractor member or appointed agent of a non-individual contractor member which is in good standing and who is a member of the board of directors shall be eligible for nomination and election to any elective office of this organization. Senior members are not eligible to serve as officers.

Section 3. Nomination and Election of Officers. The nominating committee, acting in accordance with these bylaws, shall present to the board of directors, for their consideration a nomination for each of the elective offices of the organization (except the office of president) no later than the last meeting of the board of directors held prior to the end of the calendar year. Subsequently, the nominating committee shall then present to the membership, at least three (3) weeks before the annual meeting of the members one (1) nomination for each of the elective offices of the organization except the office of president. Additional nominations may be made from the floor at the annual meeting.

Section 4. Term of Office. Each elected officer shall take office at the board meeting immediately following the annual meeting of the members. Each officer shall serve for a term of one (1) year or until his or her successor is duly elected and qualified. Each elected officers shall serve concurrently as a member of the board of directors.

Section 5. Re-Election. No elected officer, except the secretary/treasurer, having served one full term, shall be eligible for re-election to the same office, until at least one (1) year shall have elapsed. The secretary/treasurer may serve two (2) successive terms.

Section 6. Vacancies and Removals. Vacancies in any elective office may be filled for the balance of the term thereof by the board of directors at any regular or special meeting. The board of directors, in its discretion, by a two-third (2/3) vote of all its members, may remove any officer from office for cause.

Articles VII Duties of Officers

Section 1. President. The president shall serve as chairperson of the board of directors. He or she shall also serve as a member, ex-officio, with right to vote, on all committees except the nominating committee. He or she shall be able to create and make appointment to committees with the approval of the board of directors. At the annual meeting of the members and at such other times as he or she shall deem proper, the president shall communicate to the members such matters and make such suggestions as may in his or her opinion tend to promote the welfare and increase the usefulness of the organization. He or she shall perform such other duties as are necessary incident to the office of president as may be prescribed by the board of directors.

Section 2. President-Elect. The president-elect shall succeed to the presidency. His or her duties shall be as delegated by the board of directors. The president-elect shall perform the duties of the president in the event of the president's inability to serve. The president-elect shall submit to the board of directors a plan of action for his term as president; the plan shall be submitted at the fall meeting prior to the annual meeting where the president-elect shall succeed to the presidency. In addition, the president-elect shall be the co-chair of the nominating committee and a member of the finance committee.

Section 3. Secretary/Treasurer. The secretary/treasurer shall supervise the executive vice president in conducting correspondence and keeping the accounts of the organization. He or she shall perform such duties as the president or board of directors may direct, and shall perform such other duties as usually pertain to that office. Additionally, the secretary/treasurer serves as the chair of the finance committee.

Article VIII Executive, Staff and Counsel

Section 1. Appointment of Staff. The board of directors may employ a staff head that shall have the title of executive vice president and whose terms and conditions of employment shall be specified by the board.

Section 2. Authority and Responsibility of Staff. The executive vice president shall be the chief executive of the organization responsible for all management functions. He or she shall manage and direct all activities of the organization as prescribed by the board of directors and shall be responsible to the board.

Section 3. Legal Counsel. The board of directors shall employ qualified legal counsel who shall attend the annual meeting of the members and the board of directors meetings and such other meetings as the board of directors and counsel deem appropriate for the protection of organization and its members.

Article IX Committees

Section 1. Standing Committees. Standing committees and councils of the organization shall include the following:

1.1. Executive Committee, as defined in Article V, Section 11.

1.2. Nominating Committee shall consist of five (5) persons. Two (2) of the members shall be the president-elect and immediate past president who shall be co-chairs of the committee. If the office of president-elect or if the office of the immediate past president is vacant, then the secretary/treasurer shall serve as co-chair of the committee. The three (3) other members shall not be directors and shall include one contractor member, one manufacturer member and one associate member. Senior members shall be eligible to serve on the nominating committee in the category in which they (or their employer) were first members.

1.3. Finance Committee shall be responsible for the financial affairs of the organization. The secretary/treasurer shall be the chair of the committee. The committee shall include the president, president-elect plus as many others as the secretary/treasurer deems fit. The finance committee shall monitor the financial status of the organization relative to stated budgetary goals and established financial policies. The committee shall develop the operating budget, in consultation with other committees and present the budget to the board of directors for approval. Said budget shall be available for review by any member upon request. The committee will meet two (2) times a year, at the fall and annual meeting, to review the budget.

1.4. Membership Committee, shall develop programs to recruit new members as well as retain current members. The Membership Committee shall conduct interviews for companies that submit membership applications and report the information obtained during the interview to the Board of Directors.

1.5. Program Planning Committee shall develop and provide educational and professional opportunities to our member companies and their employees, including, but not limited to the planning of the annual and fall meetings of the organization.

1.6. Validation Committee shall monitor and facilitate the organization's Validation Program. The Validation Committee shall utilize sub-committees for each different

validated product, service, entity or other program. Each sub-committee shall be composed of at least one (1) manufacturing member, one (1) associate member and one (1) contractor member.

1.7. Alliance Committee shall monitor, promote and serve as the liaison with other organizations in which SWR Institute has formed an alliance.

1.8. Technical Resource Committee shall develop new SWR Institute publications as determined by the Board of Directors and shall review current SWR Institute manuals and publications to determine if comprehensive updates are needed. The Technical Resource Committee shall also create other educational offerings for members as determined by the Board of Directors.

1.9. Foundation Committee shall monitor, promote and serve as the liaison to the Sealant, Waterproofing and Restoration Foundation, a Missouri not-for-profit corporation.

1.10. Safety Committee shall monitor, promote and serve as the liaison with the Occupational Safety and Health Administration and other governmental safety and health agencies. The Safety Committee shall also determine current topics to be addressed at the organization's annual and fall meetings and to be included in the organization's publications.

1.11. Brand Awareness Committee shall develop active marketing and promotional campaigns that will enhance the visibility and credibility of the SWR Institute and its products and services to the various markets served by its members.

1.12. Past Presidents Council. All past presidents of the organization shall be members of the council. The immediate past president shall preside at meetings. Meetings of the council may be called by either the immediate past president, or any three (3) members of the council, upon providing the council at least ten (10) days prior written notice of the meeting including an agenda.

Section 2. Ad Hoc Committees. The president with approval of the board of directors, may create additional committees as needed from time to time.

Section 3. Appointment of Members to Committees. The president, upon approval of the board of directors, may make appointments to the standing and ad hoc committees consistent with these bylaws.

Section 4. General. Except as stated herein, each committee shall consist of five (5) or more members, at least one of whom is also a director and all of whom shall serve at the pleasure of the board of directors. The president shall appoint a chairperson to each committee. Any such committee shall have the full authority to conduct the business of that committee, subject to review and approval of the board of directors. Any action required or permitted to be taken at a meeting of a committee may be taken without a meeting if all members of the committee consent in writing to the proposed action. Committee meetings may be held via teleconference or similar communications equipment as long as all persons participating can hear each other.

Article X

Dues, Fees, Assessments and Finances

Section 1. Annual Dues. The board of directors shall establish the annual dues of members by vote of three-fourth (3/4) of all directors. The directors may, by three-fourth (3/4) vote, establish classifications of members for dues purposes and establish different dues for different classes. The board of directors may make special arrangements for payment of dues by new members, or by other members, for limited periods of time as in its sole discretion seem justified.

Section 2. Assessments. The board of directors may levy special assessments on the same proportionate basis as annual dues by vote of three-fourth (3/4) of all directors; payable as specified by the directors.

Article XI Property, Rights and Privileges

The organization may acquire by purchase or gift any real and personal property for the organization's own use. No gifts shall be accepted, except only upon three-fourth (3/4) vote of the board of directors, nor shall any gift be accepted which imposed conditions or financial, political or other burdens upon the organization contrary to its objectives and purposes and contrary to its best interests.

Article XII Indemnification

Any person made a party to or threatened with any civil, criminal or administrative action, suit or proceeding by reason of the fact that he or she is or was a director or officer of the association may be indemnified by the association, against the reasonable expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection with such action, suit or proceeding, or in connection with any appeal therein, except as to matters as to which such director or officer is guilty of negligence or misconduct in the performance of his or her duties. Such indemnification shall not be deemed exclusive of any other rights to indemnification to which such director or officer may be entitled apart from this bylaw. The organization may purchase and maintain insurance against any liability asserted against any director and incurred by said director in such capacity, or arising out of his or her status as such, whether or not the organization would have the power to indemnify him or her against such liability.

Article XIII Amendments

These bylaws may be amended or repealed by a quorum of the regular members present at any meeting of the members duly called and regularly held, notice of such proposed changes having been sent in writing via mail, hand delivery, fax or email to the members ten (10) days before such meeting.

Article XIV Dissolution

Upon dissolution, provision shall be made for payment of all bills and obligations, current or future, and a plan adopted for distribution of any excess funds. All funds remaining after payment of bills and obligations, shall be dedicated exclusively to proposed enumerated in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the "Code"). The board of directors shall endeavor to distribute remaining funds to organizations which are exempt from federal income taxation under Code Section 501(c)(6) and which are engaged in activities related to the field of sealant, waterproofing and restoration, or to such other organization or organizations organized and operating exclusively for charitable, religious, educational or scientific purposes as shall at any time qualify as an exempt organization under Code Section

501(c)(6). Any of such assets not so disposed of shall be disposed of by the Circuit Court of the County in which the principal office of the corporation is then located exclusively for such purposes or to such organizations as said court shall determine which are organized and operated exclusively for such purposes.

Approved by Members on March 1, 2011.