

BY-LAWS OF  
ASSOCIATED WIRE ROPE FABRICATORS

ARTICLE I NAME

Section 1. The name of the Association shall be Associated Wire Rope Fabricators.

Section 2. The Association shall be incorporated under the laws of the State of Texas. The registered office shall be in the State of Texas and the principal place of business shall be in the State of Michigan. The corporation may have such other offices, either within or without the State of Texas, as the board of directors may determine or as the affairs of the corporation may require from time to time.

Section 3. The corporation shall have and continuously maintain in the State of Texas a registered office, and a recognized agent whose office is identical with such registered office as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office and the address of the registered office may be changed from time to time by the board.

ARTICLE II PURPOSE

To promote interests common among companies manufacturing, fabricating or distributing, lifting, rigging and load securement devices and other integral components of wire rope, chain and synthetic products.

To establish, acquire, preserve and disseminate technical information within the industry.

To encourage the development of safety standards for manufacturing, fabricating and distributing of lifting, rigging and load securement devices including promotion of suggested product safety programs and procedures applicable to the industry.

To establish product identification procedures directly related to the industry.

To assist in establishing and maintaining adequate products liability insurance, as well as other insurance needs for the industry.

To consider and deal with common problems of the industry such as those involving production, distribution and service functions of industry members and to advance by all lawful means the common purposes of the industry.

To suggest, promote and distribute safety programs, procedures and materials applicable to the members' workplace.

ARTICLE III MEMBERSHIP

Section 1. Classes of Membership. The Association shall have eight classes of membership: Charter Member, Regular Member, Manufacturing Member, Non-Manufacturing Member, Sponsor Member, Affiliated Member, Branch Member and Retired Individual Member. The board of directors is responsible for determining the correct class of membership for new members. Membership rights and privileges shall be equal between classes except that Retired Individual Members and employees of Affiliated Members and Branch Members are not eligible to serve on the board of directors and as prescribed in Section 3 of this Article.

Section 2. Admission of Members. All classes of membership shall be formally approved by a vote of two-thirds of the Board of Directors. Membership shall be open to all qualified applicants on a non-discriminatory basis. No applicant who meets the requirements shall be arbitrarily denied admission. Qualifications of membership are set forth in the Associated Wire Rope Fabricators Membership Application. The board of directors shall be empowered to interpret membership requirements.

Section 3. Voting Rights. All classes of membership except Retired Members, Affiliated Members and Branch Members shall be entitled to one vote on each matter submitted to a vote of the membership. Neither Retired Members, Affiliated Members nor Branch Members shall have independent voting rights but shall enjoy all other participatory rights in keeping with the purposes of the Association. The voting rights of Affiliated Members and Branch Members shall be exercised by the parent company which shall have one vote.

Section 4. Duration of Membership. Membership in this Association may terminate by voluntary withdrawal as herein provided. Any member may by giving written notice of such intention, withdraw from membership. Withdrawal shall be effective upon fulfillment of all obligations to the date of withdrawal.

Section 5. Suspension and Expulsion. Any membership may be suspended or terminated for cause. Sufficient cause for such suspension or termination of membership shall be violation of the By-Laws or any lawful rule or practice duly adopted by the Association, or any conduct prejudicial to the interests of the Association. Suspension or termination shall be by two-thirds vote of the entire membership of the board of directors; provided a statement of the charges shall have been sent by registered or certified mail to the last recorded address of the member at least twenty (20) days before final action is taken thereon. This statement shall be accompanied by notice of the time and place of the meeting of the board of directors at which the charges shall be considered and the member shall have opportunity to appear in person and/or to be represented by counsel to present any defense to such charges before action is taken thereon. Dues are non-refundable as a result of suspension or termination of membership.

Section 6. Transfer of Membership. Membership in this Association is not transferable without the consent of the board of directors.

#### ARTICLE IV DUES

Section 1. The annual dues for each member of the Association shall be determined by the board of directors.

Section 2. If one member company has controlling interest in another company(s) and those other company(s) present themselves to the marketplace under a name different from that of the company having controlling interest, then the controlled company(s), in order to participate and enjoy the benefits of membership of AWRP, must pay dues separate from the company having controlling interest and also meet all other standards for membership.

Section 3. Members who fail to pay their dues within thirty (30) days from the time the same shall become due shall be notified by the Secretary and, if payment is not made within the next succeeding thirty (30) days shall, without further notice and without hearing, be dropped from the rolls and thereupon forfeit all rights and privileges of membership; provided that the board of directors may by rule prescribe procedures for extending the time for payment of dues and continuation of membership privileges upon request of a member and for good cause shown.

#### ARTICLE V MEETINGS

Section 1. Meetings Shall Be Semi-Annual. There shall be meetings of the Association during the months of April and October, unless otherwise ordered by the board of directors, for election of members of the board of directors, for receiving reports, and the transaction of other business. Notice of such meetings, signed by the Secretary, shall be mailed to the last recorded address of each member at least thirty (30) days before the time appointed for the meeting.

Section 2. Special. Special meetings of the Association may be called by the President or the board of directors, or shall be called by the President upon written request of the majority of members of the Association. Notice of any special meeting shall be mailed to each member at the last recorded address at least thirty (30) days in advance, with a statement of time and place and information as to subject or subjects to be considered.

Section 3. Quorum. No less than fifty (50) voting members present at any meeting of the Association shall constitute a quorum, and, in any case there be less than this number, the presiding officer may adjourn the meeting from time to time until a quorum is present.

Section 4. Rules. The usual parliamentary rules as established by "Roberts Rules of Order" shall govern all deliberations, when not in conflict with these By-Laws.

## ARTICLE VI BOARD OF DIRECTORS

Section 1. The board of directors shall have supervision, control and direction of the affairs of the Association, shall determine its policies or changes therein within the limits of the By-Laws, shall actively prosecute its purposes and shall have discretion in disbursement of its funds. It 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, appoint such agents as it may consider necessary.

Section 2. The board of directors shall consist of a minimum of eleven (11) and a maximum of nineteen (19) individuals each of whom must be employed by a member company. No more than one seat on the board shall be held at any one time by a member affiliated with a related member. Except as otherwise provided by the board of directors, the election process shall be as follows:

- a. Prior to the Fall meeting, the nominating committee (consisting of not less than three individuals) shall select names of director candidates.
- b. Prior to the Fall meeting, by mail ballot, the membership will vote for and elect the appropriate number of directors.

Each newly elected director shall assume his or her duties at the termination of the Fall meeting. Except as otherwise provided by the board, each director will serve a three-year term of office with the exception of those elected to fill an unexpired term of office for the director being replaced. Any director shall be eligible for re-election at any time. When a directorship vacancy occurs due to death, resignation, or other reason, the board may appoint a new director to the vacated position to serve until the next general election of directors to occur at the succeeding Fall meeting. Within the above recited parameters, the board may propose additional directorships to the membership from time to time.

Section 3. Meetings. Except that the board shall have a regular meeting at the time and place of the semi-annual meetings, the board shall meet upon the call of the president at such times and places as he may designate, and shall be called to meet upon the demand of a majority of the directors. Notice of all meetings of the board of directors shall be sent by mail or by electronic means to each member at his last recorded address at least ten (10) days in advance of such meeting.

Section 4. Executive Sessions. By majority vote of all Directors present in person or by proxy, the board reserves the right at any time prior to or during a regular or special board meeting to convert the meeting to Executive Session at which time any attendees may be asked to leave the meeting with the exception of directors, elected officers and past presidents.

Section 5. Quorum. A majority of the whole board shall constitute a quorum at any meeting of the board. Any less number may adjourn from time to time until a quorum is present.

Section 6. Absence. Any member of the board unable to attend a meeting shall, in a letter addressed to the Secretary or President, state the reason for his absence. If a director is absent from two (2) consecutive meetings for reasons which the board has failed to declare sufficient, his resignation shall be deemed to have been tendered and accepted.

Section 7. Compensation. Directors shall receive no compensation for their services, provided that the Chief Association Executive (CAE) shall receive such compensation as is established by the board whether or not he also serves as a director.

Section 8. Officers as Directors. All elected officers who meet the requirements of directorship will automatically become directors of the Association during their term(s) of office.

## ARTICLE VII OFFICERS

Section 1. Officers. The officers of the Association shall be President, Vice-President, Secretary and Treasurer. The board of directors may elect or appoint such other officers as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time, by the board. Any two or more offices may be held by the same person, except as prohibited by laws.

Section 2. Election and Term of Office. The nominating committee (consisting of not less than three individuals) shall present a slate of officers to the board prior to the Fall meeting of the board. The officers shall be elected annually by the board of directors prior to the regular Fall meeting of the board and shall assume duties at the end of the Fall meeting. New offices may be created and filled at any meeting of the board of directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3. Removal. Any officer elected or appointed by the board of directors may be removed by the board, whenever in its judgment the best interest of the Association would thereby be served.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired portion of the term.

Section 5. President. The President shall be the principal elective officer of the Association, shall preside at all meetings of the Association and of the board of directors, and shall be a member ex-officio of all committees, with the right to vote, except the nominating committee. He shall also be at the semi-annual meeting of the Association and at such other times as he deems proper, communicate to the Association or to the board of directors such matters and make such suggestions as may in his opinion tend to promote the welfare and increase the usefulness of the Association, and shall perform such duties as are necessarily incident to the office of President or as may be prescribed by the board of directors. **The President is not charged with the executive or administrative responsibilities or management of Association affairs.**

Section 6. Vice-President. The Vice-President may be delegated by the President to perform his duties, in the event of his temporary disability or absence from meetings, and have such other duties as the President or board of directors may assign. There shall be one Vice-President.

Section 7. Treasurer. The Treasurer shall be knowledgeable of all monies received and expended for the use of the Association, and shall approve disbursements authorized by the board and made by the CAE and such other officers as the board may prescribe. All sums received shall be deposited in the bank or trust approved by the board, and the Treasurer shall make a report at the semi-annual meetings or when called upon by the President. Funds may be drawn only by the President, Vice-President, Secretary, Treasurer and the CAE. The funds, books and vouchers shall, with the exception of the confidential reports submitted by the members, at all times be subject to verification and inspection by the board of directors.

Section 8. Secretary. It shall be his duty to give notice of and attend all meetings of the Association, to keep a record of all proceedings, to attest documents and perform such other duties as are usual for such office or as may be assigned to him by the board of directors. Notice requirements and record keeping duties may be delegated to the CAE.

Section 9. Administration. The administration and management of the Association shall be delegated to the Chief Association Executive (CAE) who shall be appointed by and directly responsible to the board of directors and officers of the Association. He may also be elected as a director of the Association. He shall be the chief executive of the Association, with responsibility for the management and direction of all operations, programs, and affairs of the Association, including employment, and the determination of compensation of members of the staff and supporting personnel, functioning within the framework of policy aims and programs as generally determined by the board. He shall have the authority to execute contracts

on behalf of the Association and shall be assigned such other duties as may be prescribed by the board. The CAE is not an officer of the Association.

Section 10. Bonding. At the discretion of the board of directors, any officer, director, CAE or employee of the Association shall furnish, at the expense of the Association, a fidelity bond, in such sum as the board shall prescribe.

#### ARTICLE VIII COMMITTEES

The President shall annually designate such standing, special or sub-committees as may be required by the By-Laws or as he may find necessary. In addition, the President shall appoint a chairman for each of the designated committees, who shall in turn appoint committee members. Committee chairmanships may be changed by approval of the President.

#### ARTICLE IX FISCAL YEAR

The fiscal year shall commence on the first day of January and shall end on the thirty-first day of December.

#### ARTICLE X SEAL

The Association shall have a seal of such design as the board of directors may adopt.

#### ARTICLE XI DISSOLUTION

The Association shall use its funds only to accomplish the objectives and purposes specified in these By-Laws, and no part of said funds shall inure, or be distributed, to the members of the Association. On dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized charitable, educational, scientific, or philanthropic organizations to be selected by the board of directors.

#### ARTICLE XII PROCEDURE FOR AMENDING BY-LAWS

The By-Laws may be amended by affirmative vote of two-thirds (2/3) of the directors of the corporation; or, if notice of the proposed By-Law changes has been mailed to or otherwise served upon each director at least ten (10) days prior to a regular or special meeting of said directors, the amendment may be effected by an affirmative vote of two-thirds (2/3) of those directors present, provided a quorum of directors is present.

#### ARTICLE XIII GENDER

No significance is to be attached to the use of masculine, feminine or neuter gender, found herein. Each designation or gender shall be construed to include others where appropriate.

#### ARTICLE XIV PROXY

Voting members and voting directors may vote in person or by proxy executed in writing by the member or director, which proxy shall be valid no longer than three months after execution by the member or director, provided that neither members nor directors present by proxy may be counted toward a quorum. The validity of any proxy shall be determined by the board of directors which may designate a credentials committee for that purpose.

#### ARTICLE XV INDEMNIFICATION

BE IT RESOLVED that Associated Wire Rope Fabricators (“the Association”) hereby agrees (to the extent of their insurance coverage and/or by majority vote of the board of directors) to indemnify any officer, director, employee, authorized agent of the Association, or person serving another entity at the request of the Association, in the event he or she is made a defendant or respondent, threatened to be made a defendant or respondent, or is subpoenaed as a witness, in a “proceeding” as

defined below, because the individual is or was an officer, director, employee, authorized agent of the Association, or person serving another entity at the request of the Association, if he or she has:

- a. Conducted himself or herself in good faith;
- b. Reasonably believed he or she was acting in the best interests of the Association; and
- c. Had no reason to believe his or her conduct was unlawful.

“Proceeding” means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding.

Determination of indemnification and the reasonableness and monetary extent thereof in each instance shall be decided by majority vote of a quorum of the Association directors (excluding any directors who are defendants).

Expenses may be paid or reimbursed prior to final disposition of a proceeding:

- a. After the Association receives written affirmation by the prospective defendant or respondent of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification; and
- b. After the Association receives a written undertaking to repay costs advanced if it is ultimately determined that he or she has not met the standard for indemnification. The written undertaking must be an unlimited general obligation but need not be secured.

BE IT FURTHER RESOLVED that indemnification of or advances to an officer, director or agent must be reported to the Association members prior to the next membership meeting which may not exceed one year from the decision or advancement.