

# Polyurea Development Association Bylaws

## Article I Name and Location of Corporation

The name of this organization is Polyurea Development Association. 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 polyurea industry; to develop methods for improving the conditions and advancing the best interests of the polyurea industry; to create lasting good will between the members and those who manufacture, specify, apply and purchase polyurea 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 whatever.

## Article III Membership

**Section 1. Qualification.** Membership in this organization shall be composed of any person, corporation, partnership or association engaged in or interested in the polyurea industry, provided that only one membership shall be granted to each business entity. Each subsidiary entity shall secure separate membership. Anyone qualifying for more than one category of membership will be obligated to pay the highest level of membership.

**Section 2. Raw Material Supplier Membership.** Raw Material Supplier membership in this organization shall be limited to persons, corporations, partnership or associations, which provide the raw materials used to manufacture polyurea products.

**Section 3. Raw Material Distributor Membership.** Raw Material Distributor membership in this organization shall be limited to persons, corporations, partnership or associations, which distribute the raw materials used to manufacture polyurea products.

**Section 4. Equipment Supplier Membership.** Equipment Supplier membership in this organization shall be limited to persons, corporations, partnership or associations, which manufacture equipment that is used in the installation of polyurea products.

**Section 5. Equipment Distributor Membership.** Equipment Distributor membership in this organization shall be limited to persons, corporations, partnership or associations, which sell and distribute equipment used in the installation of polyurea products.

**Section 6. Formulator/System Supplier Membership.** Formulator/System Supplier membership in this organization shall be limited to persons, corporations, partnership or associations, which manufacture products using polyurea materials.

**Section 7. Consultant Membership.** Consultant membership in this organization shall be limited to persons, corporations, partnership or associations, which provide consultation services to those entities involved in the polyurea industry.

**Section 8. Contractor/Applicator/OEM Membership.** Contractor/Applicator/OEM membership in this organization shall be limited to persons, corporations, partnership or associations, which install polyurea materials or utilize polyurea materials in the manufacturing of products.

**Section 9. Academic/Government/Student Membership.** Academic/Government/Student membership in this organization shall be limited to persons, corporations, educational institutions, partnership or associations, which are interested in the polyurea industry.

**Section 10. Engineer/Architect/Materials Specification Professional Membership.**

Engineer/Architect/Materials Specification Professional membership in this organization shall be limited to persons, corporations, partnerships or associations that support the design, development or maintenance of physical structures through the identification and specification of building materials and systems.

**Section 11. Independent Sales Representative.** Independent Sales Representative membership in PDA shall be limited to persons, corporations, partnerships or associations which represent, in an independent contractor capacity, material, equipment or contractor suppliers to the polyurea industry and do not derive income from the purchase and resale of material or equipment related to the polyurea industry.

**Section 12. Honorary Membership.** Honorary membership may be conferred upon any individual interested in the polyurea 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 13. 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 accurately identify the category of membership for which applicant qualifies and shall include an agreement by the applicant to abide by the organization's bylaws and to pay all duly levied dues and assessments for that category which applicant shall hold membership. The application shall be accompanied by payment of the initial fees and dues. Membership shall be granted if the applicant is found to be qualified for membership. Membership shall be dependent upon continued payment of all assessments and annual dues. Members are strongly encouraged to actively participate in PDA meetings, committees and other functions.

**Section 14. 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 Director at least ten (10) days prior to the meeting. Upon expulsion, all rights of the members in the organization or in its property and uses thereof shall cease.

**Section 15. Reinstatement.** A former member may be reinstated by a 2/3 vote of the Board of Directors after presenting proof of qualifications, paying current dues and arrearages and meeting such other criteria as may be imposed by the Board of Directors.

**Section 16. Resignation.** Any member may resign by sending a letter of resignation to the Executive Director, but such action shall not relieve the member so resigning of the obligation to pay any dues, or other charges theretofore assessed.

**Section 17. Inspection of Corporate Records.** The membership ledger, the books of accounts and minutes of proceedings of the members, the board of directors and of executive committees of directors shall be open to inspection upon the written request of any member within five (5) days of such request during ordinary business hours if for a purpose reasonably related to his interests as a member.

**Section 18. Inspection of Bylaws.** The association shall keep in its principal office for the transaction of business the original or a copy of these bylaws as amended or otherwise altered to date, certified by the secretary, which shall be open to inspection by the members at all reasonable times during business hours.

**Section 19. Associate Member** Associate Membership in PDA shall be limited to persons, corporations, partnerships or associations which represent ancillary goods and services provided to the polyurea industry used to prepare, assist or enhance the application of polyurea.

## **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.

**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. Written notice of such special meeting shall be given at least ten (10) days prior thereto.

**Section 3. Notice of Meetings.** Written and / or email notice of the annual meeting of the organization shall be mailed to the last known address of each member not less than fourteen (14) days nor more than forty (40) days before the date of the meeting.

**Section 4. Voting.** At all meetings of the organization, each member 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. Elections and Mail Voting.** All election processes of the organization and such other voting matters as may be determined by the Board of Directors may be conducted by mail, facsimile, Email or such other method as may be expedient for presentation of information to the membership and solicitation of responses.

**Section 6. Quorum of Members.** At any annual or special meeting of the members, quorum shall consist of forty-percent (40%) of the members.

**Section 7. 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 approved by these bylaws.

## **Article V Board of Directors**

**Section I. 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 (i) president, (ii) president-elect, (iii) secretary/treasurer, (iv) immediate past president, (v) nine (9) North American directors who shall have been duly elected, (vi) four (4) International directors, who shall have been appointed by the president and approved by the existing board of directors, and (vi) an Alliance Director who shall be appointed by the board of directors of Polyurea Development Association Europe, A.I.S.B.I. (referred to herein as "PDA Europe").

**Section 3. Manner of Election and Term of Office.** Except for the International Directors, which shall be appointed by the President, and the Alliance Director, who shall be appointed by PDA Europe, all other Directors shall be elected by the membership through a simple vote count the results of which will be announced to the membership.. All Directors, either elected or appointed shall serve for terms of two years, half to be elected or appointed each year. The

officer directors shall be elected as defined in Article VI of these bylaws. The Alliance Director shall serve a term of one (1) year.

**Section 4. Re-Election.** Board of directors may serve, if duly re-elected by the membership, for two consecutive terms. If a director has served two consecutive terms they then must wait at least one (1) year before being eligible for re-election. The Alliance Director may serve consecutive terms.

**Section 5. Nominations.** The nominating committee, acting in accordance with these bylaws, shall solicit the names of nominees and shall present to the board of directors, for their consideration a slate of nominees no later than ninety (90) days prior to the annual meeting. Subsequently, the proposed slate shall then be presented to the membership, at least four (4) weeks before the annual meeting of the members. Additional nominations may be solicited from the membership and included for final balloting upon confirmation of qualifications.

The nominating committee shall be 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. The three (3) other members shall be from the general membership and shall not be directors. The nomination committee shall determine the eligibility of a nominee to serve.

**Section 6. Quorum of the Board.** At any meeting of the board of directors a majority of the directors shall constitute a quorum. The number of international directors and the Alliance Director shall not be included in any calculation for purposes of determining a quorum of the Board. Any number less than quorum may adjourn a meeting.

**Section 7. Meetings.** The board of directors shall have at least four (4) 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. At the board's discretion, board meetings via teleconference, web-based or other technological equivalent allowing interaction of the board for PDA purposes can fulfill the requirement for yearly board meetings as needed outside the annual board meeting. Special meetings of the board of directors may be called by the president, or by any three (3) members of the board of directors. If a director is absent from two (2) meetings in any one (1) fiscal year for reasons which the Board shall determine to be insufficient, his or her resignation from the Board shall be deemed to have been rendered and accepted, and such director shall be so notified.

A director who may be absent from a meeting may designate a representative to attend such a meeting for the purpose of gathering and presenting information, however such representative shall not be eligible to cast votes nor shall such representative's presence be counted in determining a quorum of the Board. Designation of a representative attendee shall not be considered by the Board in determining whether an absence is for sufficient reason under the two (2) absentee rule stated herein.

Unless otherwise indicated by the Board of Directors for all or part of a meeting, Board of Director meetings will be open for attendance of members or other approved visitors.

**Section 8. Notice of Meetings.** Notice of each annual meeting of the board of directors shall be mailed not less than ten (10) days nor more than forty (40) days prior to the date of the meeting. Electronic notice of meetings via email may also be employed. Notice of special meetings shall be mailed at least five (5) days before the meeting. Notice shall be sent to the last known mailing address of each director, except that, in the case of special meetings, notice may be sent by fax or email. 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.

**Section 10. Vacancies and Removal.** Any vacancy occurring on the board of directors between annual meetings shall be filled by the President with the approval of the board of

directors. A director so selected to fill a vacancy shall serve the un-expired 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. Any vacancy in the Alliance Director position shall be filled by the board of directors of PDA Europe.

**Section 11. Executive Committee.** The president, president-elect, past-president 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 all 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-elect, and secretary/treasurer to be elected by the membership and to serve until their successors have been duly elected and assume office. The president-elect shall automatically succeed to the presidency at the expiration of the current president's term and the retiring president shall assume the office of past-president.

**Section 2. Qualifications for Office.** Any member that is in good standing shall be eligible for nomination and election to any elective office of this organization.

**Section 3. Nomination and Election of Officers.** A nominating committee as defined in Article V, Section 5 shall prepare and submit to the members at least four (4) weeks prior to the annual meeting a nomination for each of the elective offices of the organization.

**Section 4. Term of Office.** Each elected officer shall take office at the board meeting immediately following the annual meeting of the members. The office of President-Elect requires a three year commitment; one (1) year as President-Elect, one (1) year as President and one (1) year as Past-President. The office of Secretary-Treasurer requires service for a two (2) year term. Each elected officer shall serve concurrently as a member of the board of directors.

**Section 5. Re-Election.** No elected officer, having served one full term, shall be eligible for re-election to the same office, until at least one (1) year shall have elapsed.

**Section 6. Vacancies and Removals.** Vacancies in any elective office except President may be filled for the balance of the term thereof by the President with the approval of the board of directors at any regular or special meeting. In the event of a vacancy in the office of President, the President-Elect shall fulfill the responsibilities of the office during the vacancy. 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. The president will not vote in the annual ballot elections so that he or she has the ability to serve as a tie-breaker in appropriate cases. 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 designated 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 an annual review of the organization's strategic, action and long term plans and 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. Past-President.** The Past-President shall serve on the board of directors, the executive committee and the nominating committee. He or she shall render such advice and guidance as may be appropriate based on past experience in service with the organization, conduct and submit to the board of directors, on or before the semi-annual "Membership Workshop", an annual review of the bylaws to assure conformance with and between current operations and procedures, and in addition shall perform such other duties as may be prescribed by the board of directors.

**Section 4. Secretary/Treasurer.** The secretary/treasurer shall supervise the executive director 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. The secretary/treasurer shall render an annual report to the board of directors and/or membership within 60 days after the close of the fiscal year. Additionally, the secretary/treasurer serves as the chair of the finance committee.

**Section 4.1. Finance Committee.** The Finance Committee shall be a standing committee 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 for vote at the annual meeting. The committee will meet two (2) times a year to review the budget.

## **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 director and whose terms and conditions of employment shall be specified by the board.

**Section 2. Authority and Responsibility of Staff.** The executive director 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 the association and its members.

## **Article IX**

## Committees

**Section 1. Standing Committees.** Standing committees of the organization shall include:

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

**Section 1.2. Nominating Committee**, as defined in Article V, Section 5.

**Section 1.3. Finance Committee**, as defined in Article VII, Section 4.1.

**Section 1.4. Membership Committee** shall be a standing committee responsible for monitoring, cultivating and achieving the membership goals of the board of directors.

**Section 1.5. Program Planning Committee** shall develop the programs for the association's annual meeting and any other industry meeting the association might undertake.

**Section 1.6 Education Committee** shall develop and provide educational and professional opportunities to our member companies and their employees, including, but not limited to the planning the annual and fall meetings of the organization and the developing and editing of the publications of the organization. The Education Committee may utilize sub-committees as needed to effectively accomplish its objectives.

**Section 1.7 Industry Relations Committee** shall develop and implement strategies and programs for advancing the awareness and acceptance of the association and polyurea technology to the broadest audience.

**Section 1.8 Strategic Alliance Committee** shall facilitate this corporation's obligations pursuant to the Strategic Alliance Agreement with PDA Europe and to coordinate the efforts of the parties to promote the development of the polyurea industry. The Strategic Alliance Committee shall be composed of the following: two (2) members of the board of directors for this corporation, two (2) members of the board of directors for PDA Europe, one (1) advisor or executive director for this corporation, and one (1) advisor or executive director for PDA Europe. The Strategic Alliance Committee shall meet at least once per year via conference call, internet or in person. During the even numbered calendar years, the president of this corporation shall appoint one of its committee members to serve as the chairperson of this committee. During the odd numbered calendar years, PDA Europe shall appoint one of its committee members to serve as the chairperson of this committee.

**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.

**Section 5. Chapters.** Members in good standing may form local chapters which may be recognized by the organization upon proper application and compliance with guidelines and requirements established by the Board of Directors.

## 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.

**Section 3. Annual Report.** An annual report to members shall be rendered within sixty (60) days after the close of the fiscal year. Such report shall indicate the current financial condition of the organization including revenues, expenditures and projected expenses.

**Section 4. Contracts, Deeds, Etc, How Executed.** The board of directors, except as in these bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances; and unless so authorized by the board of directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose in any amount, provided, however, that any deeds or other instruments conveying lands or any interests therein shall be executed on behalf of the corporation by the president or vice president, or by any agent or attorney so authorized under letter of attorney or other written power which was executed on behalf of the corporation by the president or vice president.

**Section 5. Fiscal Year.** The board of directors shall have the power to fix and from time to time change the fiscal year of the corporation. In the absence of action by the board of directors, however, the fiscal year of the corporation shall end each year on the date which the corporation treated as the close of its first fiscal year, until such time, if any, as the fiscal year shall be changed by the board of 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. Upon proper qualification and compliance with all rules and regulations of the organization, members shall enjoy all rights and privileges regarding the property of the organization.

## **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 shall 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 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 association may purchase and maintain insurance against any liability asserted against officers and directors which may be asserted by virtue of serving in such capacity or which may arise because of such status, whether or not the association would have the power to indemnify 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 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 purposes enumerated in Section 501(c)(6) of the Internal Revenue Code of 1954. The board of directors shall endeavor to distribute remaining funds to organizations which are exempt from federal income taxation under Section 501(c)(6) and which are engaged in activities related to the field of sealant and waterproofing, 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 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.

*First Approved November 2000*

*New headquarters address added August 2001*

*Updates approved by vote of the membership, May 15, 2002 (Kansas City, MO)*

*Changes to: Article III, Section 1, last sentence added.*

*Article III, Section 10, new section added, remainder renumbered to reflect change.*

*Article V, Section 7, last two paragraphs added*

*Updates approved by vote of the membership, August 21, 2003 (Reno, NV)*

*Changes to: Article III, Section 10, added new member category and renumbered remainder of section.*

*Updates approved by vote of the membership, March 10, 2005 (Biloxi, MS)*

*Changes to: Article IV, Section 6 Quorum of Members & Section 7 Rules of Order.*

*Article VII, Section 1 President, Section 2 President-Elect & Section 3 Past-President.*