

Bylaws of Plumbing Manufacturers International

ARTICLE I

Name and Location

- Section 1. Name. The name of this organization shall be "Plumbing Manufacturers International" (hereinafter "PMI").
- Section 2. Organization. PMI is an Illinois not-for-profit corporation.
- Section 3. Principal Office. The principal office of PMI shall be in a location designated by action of the Board of Directors.

ARTICLE II

Purposes

The purposes of PMI, which directly or indirectly shall involve products of the plumbing industry, shall be to:

- (a) Provide a central organization through which the industry may undertake those lawful activities which can be conducted most effectively and efficiently by cooperative effort;
- (b) Collect and disseminate data, statistics, technical information and such other information as may be authorized by PMI and consistent with law;
- (c) Promote broader acceptance of the products of the industry through such activities as public relations, marketing research, standards, technical education and promotional programs;
- (d) Represent the interests of the industry in contacts with various government and regulatory agencies, legislative bodies, standards setting groups, code making bodies and other organizations; and
- (e) Do all lawful acts and things necessary and proper to promote and protect the welfare of the industry and advance the legitimate common interests of the members.

ARTICLE III

Powers and Limitations

- Section 1. Powers. PMI shall have such powers as are now or may hereinafter be granted by the Illinois General Not For Profit Corporation Act of 1986, as amended from time to time, or any successor statute.
- Section 2. Limitations. The Organization shall carry on activities and/or expend funds to influence legislation or for other political purposes to the extent permitted by law for a corporation exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986 or corresponding section of any future federal tax code. No services shall be rendered specifically for an individual member. No part of the net earnings of PMI, if any, nor any distribution of assets on dissolution, shall inure to the benefit of any members, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II of these Bylaws.

ARTICLE IV
Membership

- Section 1. Classes. The classes, eligibility requirements and privileges of membership shall be as follows:
- (a) Regular Membership. The regular membership of PMI shall consist of any legal entity of whatever form, including subsidiaries or divisions thereof, having as a principal function the manufacture of a significant quantity of one or more plumbing industry products that are marketed and sold within the territorial limits of the United States and Canada. For the purpose of these Bylaws, "manufacture" shall include the following: the production of industry products by the transformation of raw or prepared materials, or the addition of value to or assembly of industry products from parts manufactured by others if said parts use molds, or tooling, or other equipment supplied, or owned, or specially designed by or for the party doing the assembling.
 - (b) Allied Membership. The Board of Directors in its discretion may establish one or more categories of allied membership. For any such category established hereunder, the Board of Directors shall set allied membership qualifications for such category, establish dues, assessments and fees, set application and procedural requirements and fix the rights, privileges and duties of allied membership, except that allied members, referred to hereinafter as "allied members," shall not have the right to vote, the right to hold office or such other rights or privileges as may have been, or may be, denied them or restricted from time to time by the Board of Directors and shall not be considered members or within the membership of PMI for the purpose of these Bylaws. The allied membership of PMI shall consist of any legal entity of whatever form, including subsidiaries or divisions thereof, that (i) meets the allied membership qualifications for its category set by the Board of Directors; (ii) supports the objectives of PMI; and (iii) is not otherwise eligible for regular membership.
- Section 2. Procedures for Application. Applications for membership must be submitted in writing in a form approved by the Board of Directors and shall include a statement that the applicant will abide by the Bylaws of PMI after its admission to membership and pay all dues and assessments properly levied upon it. The application, together with appropriate documents providing proof of eligibility, shall be addressed to the CEO/Executive Director of PMI at its principal office. The CEO/Executive Director shall forward the application to the Board of Directors. The application shall be deemed approved upon receiving an affirmative vote of the Board of Directors, provided that the Board of Directors shall not reject an applicant whose application is properly submitted and who meets the eligibility requirements.
- Section 3. Resignation, Suspension and Expulsion of Members.
- (a) Resignation: Any member may resign at any time by giving written notice of resignation to the CEO/Executive Director, such resignation to be effective on the date specified by the member, or if the date on which it is to become effective is not specified, immediately upon receipt of such notice by the CEO/Executive Director; provided that such member shall remain liable for its proportionate share of all obligations incurred by PMI prior to such resignation's effective date or the date on which the CEO/Executive Director receives the notice of resignation, whichever last occurs. Such resigning member also shall remain liable for all unpaid dues and assessments for the full fiscal year in which the resignation was received and which were duly levied upon the resigning member prior to the effective date or receipt of the resignation, whichever last occurs. If the resignation is received within 30 days after any regular or special meeting of PMI at which dues or assessments are approved to be levied upon the resigning member, the resigning member shall be relieved of the obligation to pay the dues or assessments approved at such meeting.
 - (b) Suspension: If any member fails or refuses to pay dues, fees, assessments or other financial obligations within a period of three months from the due date, the Board of Directors shall be so notified in writing with a copy to the member in arrears. If the dues

and assessments remain unpaid within 30 days of the date of such notice, the Board of Directors may suspend the membership of the offending member until it pays all delinquent dues and assessments and fulfills any other related conditions imposed on it by the Board of Directors, at which time it shall be reinstated as a member in good standing. The member so suspended shall have no rights or privileges of membership, shall not be entitled to attend any meetings of PMI or to receive any mailings or notifications of meetings and shall not be considered a member for purposes of establishing any quorum hereunder, but shall continue to be obligated to pay all dues and assessments properly levied.

- (c) Expulsion: The Board of Directors may expel a member from PMI for reasons stated in Section 3(b) hereinabove, or for conduct which is contrary to the purposes of PMI; provided, however, that the member under consideration for expulsion shall be afforded full due process which, among other things, shall include being informed of the basis for the proposed expulsion and being provided reasonable notice and an opportunity to respond at a hearing by the Board of Directors. Written notice of the decision of the Board of Directors shall be given to the member.

ARTICLE V **Membership Meetings**

- Section 1. Regular Annual Meeting. The organization shall hold a fall meeting each year, which shall be the annual meeting.
- Section 2. Special Meetings. Special meetings of the organization may be called whenever the Board of Directors or the President shall deem it necessary or upon the request in writing to the President of at least ten members.
- Section 3. Quorum. A majority of all eligible voting members of the organization present, either in person or by proxy, shall constitute a quorum, but any number less than a quorum may adjourn a meeting.
- Section 4. Voting. Every member of the organization shall be entitled to one vote on each matter brought to a vote at any membership meeting. A member may authorize only one representative to cast a vote for the member and such representative may vote in person or by proxy. Any action may be taken by PMI at any meeting where a quorum is present upon a vote of a majority of those voting, unless otherwise provided the PMI's Certificate of Incorporation, these Bylaws or law.
- Section 5. Action by Members without a Meeting. Any action required to be taken at a meeting of the members, or any other action which may be taken at a meeting of members, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by either:
- (a) All members entitled to vote with respect to the subject matter thereof; or
 - (b) Members having not less than the minimum number of votes that would be necessary to authorize such action at a meeting at which all members entitled to vote thereon were present and voting.
- If consent is signed by less than all, then the consent becomes effective only if:
- (a) At least five (5) days prior to the effective date of such consent, notice in writing of the proposed action is delivered to all members entitled to vote on the issue; and
 - (b) After the effective date of such consent, prompt notice in writing of the taking of the action without a meeting is delivered to members entitled to vote who have not consented in writing.

ARTICLE VI
Committee

- Section 1. Authority to Create. The Board of Directors may create committees to consider matters particularly related to one or more products/issues, define their powers and duties, and dissolve them. The product(s)/issue(s) represented by the committee and used to define the scope of eligibility of its membership shall be clearly identified.
- Section 2. Purpose and Scope. Each committee shall define its purpose and develop its own proposed program and scope of activities, which shall be submitted to the Board of Directors for approval. The Board of Directors shall grant approval unless in the opinion of the Board of Directors the proposed activities are not in the best interest of PMI as a whole or adversely affect other members of PMI, not members of the committee, or on the advice of legal counsel. Committees shall have no authority to bind PMI unless specific authorization therefore is given by the Board of Directors. The chair or other officer of each committee shall report regularly to the Board of Directors regarding its activities and shall submit any recommendations to the Board of Directors, including requests for funding as necessary, for Board of Directors approval.
- Section 3. Organization. The President shall appoint the chair or other officers of all committees unless otherwise provided by PMI's Certificate of Incorporation, these Bylaws or law. There shall be a term limit of two (2) years to those appointments. If there are no other candidates, the individual may be considered for re-appointment. In all roll call Committee votes, no more than one (1) vote per member will be counted
- Section 4. Meetings. Meetings shall be held on the call of the committee chair with approval of PMI's President or by PMI's President upon such notice as is provided for hereinafter. Agendas and minutes or reports shall be prepared and maintained for all meetings. The committees may make such rules as they see fit for the conduct of their own meetings not inconsistent with these Bylaws or applicable PMI policies.
- Section 5. Voting and Quorum. A majority of the members of the committee shall constitute a quorum. Any action may be taken by the committee upon a vote of a majority of those voting where a quorum is present. Participation may be in person or by telephone. Alternates to committees may be designated by committee members to serve with the approval of the chair of the committee, and with such approval, shall have all rights of the committee member designating the alternate while the alternate is serving.
- Section 6. Dissolution of a Committee. A committee may be dissolved upon the action by the Board of Directors.

ARTICLE VII
Board of Directors

- Section 1. Board of Directors. The management of PMI and its affairs shall be vested in a Board of Directors consisting of the President, Vice President, and Secretary-Treasurer and the Immediate Past President as an ex officio nonvoting member, plus four directors at large ("Directors"). Two (2) Directors shall be elected by the members annually for two (2) year terms and may be re-elected to serve one or more additional terms. No person shall be eligible to be a member of the Board of Directors unless he or she is an individual member of PMI or an employee of a PMI member. No person shall be eligible to be a member of the Board of Directors if he or she is an individual member of PMI or an employee of a PMI member which already has another of its employees serving as a member of the Board of Directors. No PMI member may have more than one employee serving as a member of the Board of Directors at one time. Directors serve as members of the Board of Directors in their individual capacities and are not the designees of their respective employers or PMI members, nor will their service as members of the Board of Directors be deemed to be Board of Directors memberships held by the PMI members themselves. If any member of the Board of Directors shall cease to be a member or an employee of a member, such

person shall notify the President accordingly and shall then cease to be a Director. Any vacancy on the Board of Directors, whether that of an officer, an ex officio, or an at large member, may be filled by the remaining members of the Board of Directors for the balance of the term of the member vacating the Board of Directors.

- Section 2. Election and Qualification of At Large Directors. Two (2) Directors shall be elected annually at the annual meeting of the membership of PMI for two (2) year terms or until their successors have been duly elected and have assumed office. Directors so elected shall assume office on the first of January immediately following their election.
- Section 3. Powers. The Board of Directors shall have and may exercise all powers in the management of affairs of PMI not specifically reserved to the members including without limitation, the power to make rules and regulations to govern PMI and the power to effect any or all of the purposes for which PMI is organized.
- Section 4. Regular Meeting. A regular meeting of the Board of Directors shall be held prior to the regular annual membership meeting of the organization at a time and place selected by the Board of Directors, or if the Board of Directors fails to make such selection, as determined by the President.
- Section 5. Additional Meetings. Additional meetings of the Board of Directors may be called by the President or by any three members of the Board of Directors.
- Section 6. Quorum. A majority of all the members of the Board of Directors in office at the time of any meeting shall constitute a quorum, but any number less than a quorum may adjourn a meeting. Action may be taken by the Board of Directors at any meeting where a quorum is present upon a vote of a majority of those voting, unless otherwise provided by PMI's Certificate of Incorporation, these Bylaws or law. Participation may be in person or by telephone. No member of the Board of Directors may act by proxy on any matter.
- Section 7. Action by Unanimous Written Consent. Any action which may be taken at a meeting by PMI's Board of Directors may be taken by written consent provided unanimous approval of the proposal from all entitled to vote thereon is received from or confirmed in writing with each member of the Board of Directors.

ARTICLE VIII

Officers

- Section 1. Officers. Board Officers are defined as the President, Vice President, Secretary-Treasurer and Immediate Past President.
- Section 2. Election. The officers shall be elected annually at the annual meeting of the membership of PMI and shall assume office on the first of January immediately following their election. The officers shall hold office for one (1) year or until their successors have been duly elected and have assumed office. No officer of this organization shall receive any compensation for service as an officer. Any officer vacancy may be filled by the remaining members of the Board of Directors for the balance of that officer's term.
- Section 3. President. The President shall preside at all membership meetings and at all meetings of the Board of Directors, shall appoint the chairpersons and members of all committees, unless otherwise provided by PMI's Certificate of Incorporation, these Bylaws or law, and shall be an ex officio member of all committees except the Nominating Committee. The President shall have all powers as may be reasonably construed as attaching to the office of president of an international trade association.
- Section 4. Vice President. The Vice President shall exercise the duties of the President in the absence of the President.
- Section 5. Secretary-Treasurer. The Secretary-Treasurer shall exercise the duties of the President in the absence of the President and Vice President. The Secretary-Treasurer shall be

responsible for PMI's records and perform such other duties as usually pertain to the offices of Secretary and Treasurer, which duties shall be deemed delegated to the CEO/ Executive Director unless, and then only to the extent that, they are reassumed by the Secretary-Treasurer with the approval of the Board of Directors. Reports of receipts and disbursements of PMI shall be presented at each regular meeting. The Secretary-Treasurer shall be a member of any budget committee and shall see that an annual audit of PMI's financial transactions is conducted by a certified public accountant approved by the Board of Directors.

- Section 6. Nominating Committee Prospective Board Members will be nominated by a committee comprised of the Board Officers and chaired by the Immediate Past President. The Nominating Committee will vet candidates and present them to the Board at-Large for review. The slate will then be presented to the Membership at the General Membership Meeting for election.

ARTICLE IX **CEO/Executive Director**

- Section 1. CEO/ Executive Director. The Board of Directors of Directors may employ a CEO/ Executive Director who shall not be a member of, or connected with the business of a member of, PMI. The CEO/ Executive Director shall have general responsibility for the administration of PMI's programs; shall maintain all organization files, accounts and records; and shall be responsible for agendas, minutes and reports for all regular and special meetings of PMI and its committees and all regular and additional meetings of the Board of Directors. The CEO/ Executive Director shall have the care and custody of all funds belonging to PMI and shall cause the same to be deposited in a bank approved by the Board of Directors; shall prepare a quarterly financial report to the Secretary-Treasurer indicating thereon all receipts and disbursements of PMI funds as well as the status of all investments; may be bonded in such amount as may be established by the Board of Directors; shall execute and implement all policies and programs approved by the Board of Directors; shall establish and maintain liaison with governments, legislators and governmental agencies as well as executives of plumbing related industry associations; shall keep all information obtained from and about member companies in strict confidence; and shall have such other duties as from time to time may be assigned by the Board of Directors. The CEO/Executive Director shall be compensated for professional services, and shall be responsible to and serve at the pleasure of the Board of Directors.

- Section 2. Staff Meeting Attendance. An organization staff representative shall attend all meetings of the membership, committees, and Board of Directors except in case of emergency, in unusual circumstances or at the will of the President. A staff representative shall also attend all other organization meetings whenever possible.

ARTICLE X **Legal Counsel**

- Section 1. Legal Counsel. The organization shall retain legal counsel. It is the desire of the membership that legal counsel be present during at least membership, Board of Directors of Directors, and committee meetings, provided that where legal counsel is unable to be present or to provide a substitute or where the subject matter to be discussed at the meeting as explained in advance to legal counsel in writing is such that in legal counsel's opinion counsel need not attend such meeting, an authorized meeting may be held. In the absence of legal counsel, no subject other than those which appear on the agenda distributed in advance of the meeting and as explained in writing to legal counsel shall be discussed.

ARTICLE XI
Dues and Assessments

- Section 1. Procedure for Levying Dues. The annual dues of the organization shall be levied from time to time upon recommendation of the Board of Directors and approval by a two-thirds vote of the members present and voting thereon at any regular or special meeting of PMI.
- Section 2. Special Assessments and Fees. In addition to the annual dues, special assessments and fees may be levied on:
- (a) All members upon recommendation of the Board of Directors and approval by a two-thirds vote of the members present and voting thereon at any regular or special meeting of PMI; and
- Section 3. Budget. The Board of Directors annually shall adopt a budget detailing expenditures and anticipated income, and may amend such budget from time to time as may be warranted. Except for meeting expenses covered by registration fees and expenses for special projects covered by special assessments, funds of PMI shall not be disbursed nor obligations incurred more than 1% in excess of the approved annual budget without specific prior approval by the Board of Directors.
- Section 4. Dues of Affiliated Members. Whenever two or more members are affiliated with a common parent, or with each other, through stock ownership or otherwise, such member with the highest annual sales shall pay PMI's Basic Annual Dues, and each of the other affiliated members shall pay such dues as may be determined by the Board of Directors.
- Section 5. Fiscal Year. The budget and fiscal year of PMI shall be the calendar year.

ARTICLE XII
Notice

- Section 1. Notice of Membership and Board of Directors Meetings. Notice of the regular annual meeting of the members and notice of the regular meeting of the Board of Directors shall be given by the CEO/Executive Director between ten (10) and forty (40) days prior to the meeting.
- Section 2. Notice of Other Meetings. Notice of all other meetings, including special meetings of the members and additional meetings of the Board of Directors, shall be given whenever possible at least ten (10) days before the meeting but in no event shall notice be given less than five (5) days prior to the meeting unless the meeting participants determine otherwise.
- Section 3. Waiver of Notice. Notice may be waived by anyone entitled to receive notice either before or after a meeting. Attendance at a meeting shall constitute a waiver of notice of that meeting.

ARTICLE XIII
Property Rights

Membership in PMI does not vest any member with any right, title or interest in funds, assets or other property of PMI. The title to all funds, assets or property of PMI shall at all times be vested in PMI. In no instance shall an individual member have any proprietary right, title or interest therein.

ARTICLE XIV
Amendment

- Section 1. The Bylaws of PMI may be amended at any meeting of the members where a quorum is present, in person or by proxy, upon the affirmative vote of at least two-thirds of all members present; provided that notice of the meeting contains notice of at least the substance of the proposed amendment(s). A duly noticed proposed amendment need not

be accepted or rejected in its entirety but may be adopted with such modifications as the members then present approve by two-thirds vote.

Section 2. The Board of Directors is authorized to correct article and section designations, punctuation, and cross references and to correct typographical errors in the Bylaws provided that no such corrections alter the meaning of the Bylaws as approved by the membership.

ARTICLE XV **Dissolution**

This organization may be dissolved upon recommendation of the Board of Directors and approval by a two-thirds vote of the members present, in person or by proxy, and voting thereon at any regular or special meeting of PMI, provided that the notice of such meeting contains notice of the proposal to dissolve PMI.

Before such dissolution shall become effective, the Board of Directors must provide for payment of all PMI debts and obligations. The proposal to dissolve shall include a plan for the distribution of any remaining funds, investments and other assets of PMI which shall be distributed to such organization or organizations which are then qualified as exempt within the meaning of Section 501(c)(3), or Section 501(c)(6) of the Internal Revenue Code of 1986 or of corresponding provisions of then existing federal revenue laws, provided, however, such distribution shall be made to an organization then qualified as exempt within the meaning of Section 501(c)(6) only if the purposes and objectives of such organization are similar to and consistent with the purposes and objectives of PMI.

ARTICLE XVI **Indemnification**

Section 1. Persons Indemnified. Each person who at any time has served or serves as director, officer, staff member or other duly authorized representative of PMI shall be indemnified by PMI for:

- (a) Reasonable expenses, including, but not limited to legal fees and disbursements and amounts of judgments, fines or penalties, actually and necessarily incurred in connection with any civil, criminal, administrative or other investigation, proceeding, claim, action, or suit in which such person becomes involved or is threatened with becoming involved, by reason of any act or omission on his or her part in his or her capacity as director, officer, staff member, or other authorized representative of PMI ("action" being hereinafter used to mean any investigation, proceeding, claim, action or suit); and
- (b) Reasonable payments made by such persons as a prejudgment settlement or in satisfaction of any post-judgment order of fine or penalty imposed in connection with any action in which such person becomes involved by reason of any act or omission on his or her part in his or her capacity as director, officer, staff member or other authorized representative of PMI.

Provided, however, that no director, officer, staff person or other duly authorized representative of PMI shall be indemnified for the above outlined expenses if (1) the pertinent action shall be settled by agreement predicated on the existence of such person's willful misconduct or negligence; (2) such person shall be adjudged in such actions to have engaged in willful misconduct or criminal act or omissions, or to have acted negligently in the performance of his or her duties to PMI, unless any such misconduct or negligence did not relate to matters of sufficient consequence to warrant the withholding of the indemnity herein provided; or (3) any such judgments or settlements are payable to PMI itself.

Section 2. Determination. The Board of Directors, acting, if feasible, by a quorum consisting of persons not parties to or involved in such action, shall make the final and conclusive determination of all matters under the provisions of this Article and, when making such determination, may rely on the written opinion of PMI's legal counsel.

Section 3. Expenses. If so decided by the Board of Directors, acting in accord with Section 2 above, expenses incurred which are subject to indemnification hereunder may be advanced by PMI prior to final disposition of the action, provided that PMI shall first receive assurances from the recipient of such advances that such advances will be repaid if it shall ultimately be determined by the Board of Directors that the recipient is not entitled to indemnification.

Section 4. Rights. The rights of indemnification herein provided shall be in addition to any other rights to which those to be indemnified may otherwise be entitled by agreement, action of the Board of Directors, operation of law or otherwise, and shall be available whether or not the claim asserted against such person is based upon matters which antedate the adoption of this Article.

Section 5. Force and Effect. If any word, clause or provision of this Article XVII or any indemnification made hereunder for any reason shall be determined to be invalid, the remaining provisions hereof shall not be affected thereby, but shall remain in full force and effect.

Amended November 1975	Amended March 1976
Amended June 1976	Amended October 1976
Amended September 1983	Amended September 1985
Amended October 1987	Amended September 1989
Amended March 1990	Amended September 1990
Amended September 1998	Amended March 1999
Revised and Adopted March 10, 1999	Revised and Adopted March 6, 2001
Revised with new identity September 18, 2011	
Revised at 2013 Fall Conference October 2013	
Revised at 2014 Fall Conference October 2014	
Revised at the 2015 Conference October 2015	
Revised at the 2016 Conference October 2016	
Revised at the 2017 Annual Conference November 2017	
Revised at the 2018 Annual Conference November 2018	