

The specific and primary purpose for which this corporation is formed is to engage in research, development and dissemination of information and techniques relating to the use of aerosol packaged products, and to promote the common business interests of persons and firms engaged in the manufacture and distribution of products packaged in aerosol containers.

This corporation is organized pursuant to the General Non-Profit Corporation Law of the State of California. This corporation does not contemplate pecuniary gain or profit to the members thereof and it is organized for non-profit purposes.

The authorized number and qualifications of members of the corporation, the different classes of membership, if any, the property, voting and other rights and privileges of members, and their liability to dues and assessments and the method of collection thereof, shall be as set forth in the Bylaws.

ARTICLE I

NAME

Section 1. The name of this Association shall be “Western Aerosol Information Bureau, Inc.”

Section 2. The Association shall exist as a non-profit corporation. All financial obligations will be assumed and all Association activity shall be undertaken by the Association in its corporate capacity.

ARTICLE II

TERM

The term “Association” shall refer to the Western Aerosol Information Bureau, Inc.

ARTICLE III

OBJECTIVES

The objectives of the Association shall be to engage in research, development and dissemination of information and techniques relating to the use of aerosol-packaged products and to promote the mutual interests of persons and firms engaged in, or allied with, the products packaged in aerosol containers.

ARTICLE IV

MEMBERS

The Association shall have two classes of members; they are the General members and the International members. The General members shall have equal rights, interests and privileges. Only General members shall have the right to vote and be elected to the Board of Directors. The International member shall not have any place of business within the borders of the United States of America. No member shall have any interest or property right in the assets of the Association and no member shall hold more than one membership in the Association.

Section 2. Membership shall be limited to any individual corporation, partnership or other type of business entity which is engaged in:

- a. The business of manufacturing, processing, packaging or marketing aerosol-packaged products.
- b. The business of supplying ingredients, equipment, devices, containers or other materials which are used in manufacturing, processing or packaging aerosol-packaged products.
- c. Supplying services which are directly related to the development, manufacturing, processing, packaging, or marketing of aerosol-packaged products.
- d. Any business showing a positive interest in the continuing success of the aerosol industry.

Section 3. The Board of Directors shall determine the dues structure for its members, General and International, and the times at which these dues shall become payable. The International members shall be assessed dues at a value equal to one-half the dues of the General members.

Section 4. The Board of Directors shall determine the initiation fees, if any, to be paid for membership.

Section 5. An application for membership must be made on forms approved by the Board of Directors and supplied by the Association and must be duly signed. Each application for membership must be accompanied by the initiation fee, if any are required, and dues for the first year, which amount, in the event of rejection, shall be returned to the applicant. Upon an affirmative vote of a majority of the members of the Board of Directors, the applicant shall be elected to membership and shall be entitled to receive a membership certificate.

Section 6. Termination of membership occurs:

- a. By resignation of the member, or
- b. By affirmative action of a majority of the Board of Directors following non-payment of financial obligations due the Association for a period of sixty (60) days after such financial obligations become payable, or
- c. By affirmative action of a majority of the Board of Directors determining that the member is no longer eligible under these Bylaws.

Section 7. Membership in the Association shall entitle the member, or its representative, to participate in the activities of the Association, subject to the provisions of these Bylaws. A member may be represented in various phases of the Associations activities by such representative or representatives as the member may select, subject to such qualification as may be imposed from time to time by the Board of Directors; provided, however, that not more than one representative of any member shall be entitled to vote on the same question. Not more than one representative of the same member may hold membership on the Board of Directors at the same time.

ARTICLE V

MEETINGS OF MEMBERS

Section 1. Regular meetings of members of the Association shall be held, no less than two times per year, at the call of the Board of Directors. The meeting held in the Fall season of each year shall be known as the annual meeting and shall be held for the purpose of electing Directors and transacting such other business as may come before it. Written notice of such meetings shall be sent to each member of the Association at least two weeks prior to the holding thereof. The Board of Directors may, to meet emergency situations, postpone or cancel any regular meeting.

Section 2. Upon authorization of a majority of the Board of Directors, or the written request of not less than 20% of the voting power of the Association, the Secretary shall call a special meeting of the Association. The notice of the Secretary shall state the purpose for which the special meeting is called and no other business shall be transacted. Written notice of such meeting shall be sent to each member of the Association at least two weeks prior to the date of the meeting. Such written notice shall specify the place, the day and the hour of the meeting.

Section 3. One-third of the total number of members in good standing on the Association rolls shall constitute a quorum at any meeting of the members of the Association. Except as otherwise provided by law, by Articles of Incorporation, or by these Bylaws, no business shall be transacted in the absence of a quorum.

Section 4. No single vote shall be split into fractional votes.

Section 5. Meetings shall be governed by *Robert's Rules of Order*, as such rules may be revised from time to time insofar as such rules are not inconsistent or in conflict with these Bylaws, with the Articles of Incorporation of this Association, or with the law.

ARTICLE VI

BOARD OF DIRECTORS

Section 1. The Board of Directors shall be composed of the following members:

- a. Twelve (12) members shall be elected by the Association from among its membership for terms of three years in such a manner that the term of four (4) of the said twelve (12) members shall expire each year: and
- b. Each retiring President shall become a member immediately following the termination of his term as President and shall remain a member for a term of one year.

Section 2. The Board of Directors shall exercise the powers of the Association, control its property, and conduct its affairs, except as otherwise provided by law.

Section 3. Directors shall serve without compensation.

Section 4. The Board of Directors shall hold not less than six (6) meetings per year held in alternate months, with the meetings at such specific times and places as the Board may, from time to time, determine. Special meetings may be called at any time by the President and shall be called by the Secretary at the request of four members of the Board of Directors. Such request for a special meeting must be in writing, addressed to the Secretary and shall state the purpose for such meeting. Notice of the time and place of meetings, both regular and special, shall be delivered to each Director personally or by mail not less than seven (7) days prior to any such meeting. Any Board member who does not attend two consecutively scheduled Board meetings shall be contacted by the President. If that Board member does not attend three consecutively scheduled Board meetings, the Board of Directors shall meet to determine appropriate action.

Section 5. Seven (7) members of the Board of Directors shall constitute a quorum for the transaction of business. In the absence of a quorum, the Board shall transact no business, except as otherwise expressly provided in these Bylaws, in the Articles of Incorporation, or by law, and the only motion the Chair shall entertain is a motion to adjourn.

Section 6. Meetings of the Board of Directors shall be governed by *Robert's Rules of Order* as such rules may be revised from time to time insofar as such rules are not inconsistent or in conflict with these Bylaws, with the Articles of Incorporation, or with the law.

ARTICLE VII

ELECTION OF OFFICERS AND DIRECTORS

Section 1. The Board of Directors each year shall appoint a Nominating Committee consisting of five members. This committee shall nominate candidates from the general membership for the Board of Directors, which, in accordance with these Bylaws, is to be filled at the next annual meeting. No name shall be placed into nomination without the nominating individual having obtained the consent of the candidate prior to nomination by the Nominating Committee. Said nominations shall be reported to the full membership in writing at least one month prior to the annual meeting and requested nominations from the membership are to be received by the Board of Directors two weeks prior to the annual meeting. At the annual meeting the membership shall elect, in accordance with these Bylaws, the persons nominated by the Nominating Committee and the general membership, for the vacancies on the Board. The person so elected shall take office during the annual meeting at which they are elected.

Section 2. The Officers of the Association shall be elected from among the Board of Directors during the annual meeting. The Board of Directors must select its officers from a minimum of two candidates for each of the following positions: President, Vice President, Secretary and Treasurer.

Section 3. The Board of Directors may fill by appointment any office of membership on the Board of Directors, which may become vacant. The new Board Member shall serve the unexpired term of the resigning Board Member.

ARTICLE VIII

OFFICERS

Section 1. The Officers of the Association shall be a President, Vice President, Secretary, and Treasurer, each of whom shall be elected by the members of the Board of Directors for a term of one year and thereafter until their successors are duly elected and qualified. In addition the Board, in its discretion, may elect one or more Assistant Secretaries and an Assistant Treasurer to serve for such terms as it may designate.

Section 2. The President shall preside at meetings of the membership and of the Board of Directors. The President shall be a member of all committees, except the Nominating Committee. The President automatically shall become a member of the Board of Directors for a term of one year immediately following the termination of his/her term as

President. The President may sign, with the Secretary or any other proper officers of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly designated by the Board of Directors or by these Bylaws, or by law, to some other officer or agent of the Association. The President shall perform such other duties as may be prescribed by the Board of Directors from time to time.

Section 3. The Vice President shall succeed the President in the event of a vacancy in that office. The Vice President shall assist the President and in the absence of the President from any meeting, shall act for and discharge the necessary duties of the President.

Section 4. The Secretary shall keep the minutes of the meetings of the members and the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the Association and see that the seal is properly affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these Bylaws; keep a register of the members of the Association and of their addresses; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors. The Secretary may appoint the Administrative Assistant to share some of these duties.

Section 5. If required by the Board of Directors, the Treasurer shall give bond for the faithful discharge of his/her duties in such sum and with such surety or sureties, as the Board of Directors shall determine. The Treasurer shall have charge and custody of and be responsible for all sums and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever and deposit all such monies in the name of the Association in such banks, trust companies or other depositories as shall be selected by the Board of Directors; and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

Section 6. The Board of Directors may prescribe the duties of an Assistant Secretary or an Assistant Treasurer each of whom shall hold office at the pleasure of the Board of Directors.

Section 7. Officers shall serve without compensation.

ARTICLE IX

COMMITTEES

Section 1. In addition to the committees elsewhere described in these Bylaws, there shall be the following standing committees of the Association:

- a. Budget
- b. Bylaws Review
- c. C.S.M.A. Liaison
- d. Eco Expo
- e. Membership
- f. Membership Meetings
- g. Nominating Committee
- h. Paint Industry Liaison
- i. Public Relations and Media
- j. Regulatory Affairs
- k. Ways and Means

Section 2. The Board of Directors shall have authority to create additional standing committees or to abolish any of the above.

Section 3. The President shall be authorized to appoint the Chairman of all standing or special committees who in turn shall appoint the membership of such committees unless a different method of appointment is specified in these Bylaws or in the action taken by a majority of the Board of Directors in creating a particular committee.

Section 4. The duties of each standing committee and special committee shall be as, from time to time, assigned to it by the President or by the Board of Directors.

ARTICLE X

AMENDMENT OF BYLAWS

Amendments to these Bylaws may be made by the affirmative vote of not less than two-thirds of the members present at any meeting of the Association; provided however, a quorum as described in Article V, Section 3 is present and, provided that written notice of the proposed amendment together with the text thereof shall have been approved by the Board of Directors and mailed by the Secretary to each member of the Association a least two weeks prior to the meeting at which it is proposed to consider the same.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 1. The fiscal year of the Association shall be from November 1st to October 31st, unless changed by the Board of Directors.

Section 2. Except as otherwise provided by law, checks, drafts, promissory notes, orders for payment of money and other evidences of indebtedness of the Association shall be signed by the Treasurer or any other officer. Any expenditure of Two Thousand Five Hundred Dollars (\$2,500.00) or more, not approved in the annual budget, must first have the specific approval of the Board of Directors.

Section 3. The Association shall keep and maintain adequate and current accounts of its properties and business transactions including accounts of its assets, liabilities, receipts, disbursements, gains and losses. All books and records of the Association shall, at all reasonable times, be open to inspection by any Director. Every Director shall have the absolute right any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Association. Such inspection may be made in person or by agent or attorney, and the right of inspection includes the right to make copies or extracts.

Section 4. The books of account and the minutes of the meetings of Directors, members and standing committees shall be open to inspection at any reasonable time on the written demand of any member of the Association, and shall be exhibited at any time when required by the demand of ten percent of the members of the Association. Such inspection may be made in person or by agent or attorney, and the right of inspection includes the right to make copies or extracts. Demand for inspection, other than at a members meeting, shall be made in writing, addressed to the President or the Secretary of the Association.

Section 5. Should any Officer or Director of this Association be sued, either alone or with others, because he/she is or was a Director or Officer of the Association, in any proceeding arising out of the Director or Officer's alleged misfeasance or nonfeasance in the performance of the Director or Officer's duties or out of any alleged wrongful act against the Association or by the Association, indemnity for the Director or Officer's reasonable expenses, including attorney's fees incurred in the defense of the proceeding, may be assessed against the Association, its receiver or its trustee, by the Court in the same or a separate proceeding, if (1) the person sued is successful in whole or in part, or the proceeding against the Director or Officer is settled with the approval of the Court; and (2) the Court finds that the Director or Officer's conduct fairly and equitably merits such indemnity. The amount of such indemnity shall be so much of the expenses, including attorney's fees, incurred in the defense of the proceeding, as the Court determines and finds to be reasonable.