

# National Fire Sprinkler Association

## By-Laws (last revised June 2015 )

### Article I – Mission and Purpose

The mission statement of the Corporation shall be “To protect lives and property from fire through the wide-spread acceptance of the fire sprinkler concept.”

In fulfilling this mission, it shall be the purpose of the Corporation to promote and enhance the business of manufacturing and installing fire sprinkler systems and fire sprinkler devices, and to foster and promote the recognition of the fire sprinkler industry as a unique identity in itself and to conduct such programs and undertake such projects and services as are in keeping with these objectives.

Such projects and services may include but not be limited to:

#### Engineering Services

To act on behalf of its members in the promotion of uniform product and installation standards and to improve the art and science of fire protection engineering and to act as a voice for the fire sprinkler industry in the standards making community, both foreign and domestic.

#### Building and Fire Codes

To promote the acceptance of fire sprinklers among the building regulatory bodies including the Model Code Organizations and Federal and State Agencies.

#### Legislation

To represent the industry in such legislative matters as may be, from time to time, determined to be in keeping with the objectives and purposes of the Corporation.

#### Federal Liaison

To maintain liaison with Federal regulatory bodies which may include, but not be limited to, the United States Fire Administration, the National Bureau of Standards, the Federal Trade Commission and others.

#### Insurance

To provide such programs and services as, from time to time, serve the purposes of the Corporation and its members.

#### Field Programs

To maintain a coordinated nationwide field service program designed to promote and enhance the fire sprinkler market and to serve the goals and objectives of the Corporation and its member firms.

#### Membership

To seek the broadest possible participation of all firms which manufacture and/or install fire sprinklers and/or provide related equipment or services, and to promote harmonious relations among members.

#### Collective Bargaining

To act as collective bargaining agency, and to enter into collective bargaining and other agreements on behalf of those members of this Corporation that have, or may in the future, authorize the Corporation in writing to represent it as its collective bargaining representative on behalf of its sprinkler installation employees and to maintain proper relations with all appropriate labor organizations.

#### Education

To conduct educational programs and/or seminars on Regional and/or National bases for the purpose of executing the general purpose expressed in this Article.

#### Membership Services

To provide services intended to enhance the business of the fire sprinkler industry. Examples may include, but not be limited to, publication of periodicals, newsletters, technical and management-oriented journals and papers, advice on compliance with OSHA and other safety requirements, affirmative action programs, supplementary installation rules as promulgated by insurance engineering authorities, fire marshals, building officials, or other authorities having jurisdiction.

It may also include the development of engineering certification programs to improve the skills, knowledge, and standing of fire protection system designers and technicians.

## **Article II - Membership**

### **Sec. 1 – Membership**

Any person, firm or corporation, trade association, or professional society engaged in the sale, design, installation, maintenance, promotion, and/or regulation of fire sprinkler systems or their components shall be eligible for membership in the Corporation.

### **Sec. 2 – Classes of Membership**

#### **A. Sprinkler Manufacturer**

A Sprinkler Manufacturer Member is a firm or corporation which manufactures and sells fire sprinkler devices in the United States.

#### **B. Sprinkler Contractor**

A Sprinkler Contractor Member is a firm or corporation which installs, maintains, or repairs fire sprinkler systems in the United States.

#### **C. Sprinkler Contractor National in Scope**

A Sprinkler Contractor Member with offices in a majority of states or all Regional Areas of the Association can, upon request of the contractor member and approval of the Board of Directors, be designated a Sprinkler Contractor National in Scope.

#### **D. Supplier And Manufacturer**

A Supplier And Manufacturer Member is any person, firm, or corporation which manufactures, sells or distributes materials or services whose end use is intended for inclusion in fire sprinkler systems, but who is not eligible for other classes of membership as defined in Section 2, Subsections A, B, or C.

#### **E. Affiliated National Fire Sprinkler Organization**

An Affiliated National Fire Sprinkler Organization is an organization outside the United States whose goals and objectives are similar to NFSA.

#### **F. Trade and Professional Association**

A Trade or Professional Association, society or institute whose principal service is to the construction or fire protection industries.

#### **G. Subscriber Member**

A Subscriber member is a person, firm or corporation, trade association or professional society not eligible for membership under Section 2, Subsections A, B, C, D, E, or F.

Any person, firm or corporation may hold multiple memberships in accordance with classes of membership as defined herein.

### **Sec. 3 – Approval of Membership Application**

Eligible firms, individuals, or corporations shall be approved for membership under any class defined in Article II, Section 2 by a majority vote of the Board of Directors at any regular or special meeting, a quorum being present.

The Board of Directors may empower the President to approve applications for membership, either at any time or such times as the applicant or the Corporation would be prejudiced or inconvenienced by a delay in approval until the next meeting of the Board of Directors. The Board of Directors may terminate any such authorization.

### **Sec. 4 – Termination of Membership**

The membership of any member of the Corporation may be terminated at any time by any of the following methods:

**A.** By voluntary written resignation of such member, to take effect on the date the Board of Directors shall accept such resignation at any regular or special meeting; or

**B.** By termination of such membership by the action of the majority of all Directors of the Corporation present at a regular or special meeting of the Board of Directors for which such member shall have received at least three (3) days prior written notice that the termination of its membership will be considered, and at which such member shall have the right to have a representative present during the discussion of a proposition to terminate such membership; or

**C.** When any member has not paid its dues for a period of four (4) months, its membership may be terminated by the Board of Directors.

No member shall, upon termination of membership by any of the foregoing methods, have any further right or privilege in the affairs or property of the Corporation, except that if membership is terminated under

Subparagraph 'B' above, the Board of Directors may authorize the refund to the terminated member of a *pro rata* share of its dues representing the future portion of the fiscal period for which dues have been paid.

## **Article III – Councils**

### **Sec. 1 – Contractors Council**

There shall be a Contractors Council composed of up to twelve (12) Council members elected from twelve (12) geographic areas designated by the Board of Directors. A Sprinkler Contractor National in Scope member shall appoint an individual to serve as a Council member on the Contractors Council. There shall also be a "Director At Large" elected to the Contractors Council by Association sprinkler contractor members from throughout the country. Contractors Council members shall take office at the end of the Contractors Council meeting following each area election. Where the Chair has designated a nonvoting sprinkler contractor representative to the Board in accordance with Article V Section 1, that individual shall be recognized as a voting member of the Contractors Council.

In the event a sprinkler contractor member maintains a branch office or offices within a designated geographical area, the branch office in that area shall have the right to one vote in the election within that area. In the event there exists more than one branch office of the same sprinkler contractor or contractor national in scope member within such area, the member's main office shall designate which branch shall cast the vote. No branch office of any sprinkler contractor member or contractor national in scope shall have the right to vote in the Director At Large election. Sprinkler contractors national in scope shall have one automatic seat on the Contractors Council and the Board of Directors. Sprinkler contractors national in scope may have a maximum of one additional seat if elected as a Area Director or Director At Large.

### **Sec. 2 – Sprinkler Manufacturers Council**

There shall be a Sprinkler Manufacturers Council. Any firm or corporation approved for membership in the Corporation as a Sprinkler Manufacturer shall designate an individual to serve as a Councilman on the Sprinkler Manufacturers Council.

Each Council member shall have one vote with respect to Manufacturers Council matters. However, in the situation where there is more than one representative on the Council from an overall corporate entity, this entity is limited to one vote.

### **Sec. 3 – Suppliers and Manufacturers Council**

There shall be a Suppliers and Manufacturers Council composed of twelve (12) Council members. Council members shall be elected from the Suppliers and Manufacturers membership to serve staggered 3-year terms. Suppliers and Manufacturers Council members shall take office at the beginning of the Suppliers and Manufacturers Council meeting following their election.

### **Sec. 4 – Nominations and Elections of Council Members**

Nominations for Contractors and Suppliers And Manufacturers Council members shall be conducted during the month of November and shall be closed on November 30. Elections shall be conducted during December and shall be closed on December 31.

### **Sec. 5 – Chair & Vice Chair**

The membership of all Councils shall elect their own respective Chairs and Vice Chairs. The elected Chair and Vice Chair shall be seated at the end of the February meeting of the Board of Directors. A majority vote with a quorum present in person or represented by proxy at the time of a vote is required. The Chair and Vice Chair position of a Council is not allowed to be held by an Officer of the Corporation.

In the event that a current Chair or Vice Chair of a Council is elected to an Officer of the Corporation, there will be a special election at the next Board meeting to fill the vacant position. This meeting will be chaired by the remaining Chair or Vice Chair that was not elected as an Officer. The new elected position(s) will be seated at the end of that Board meeting.

The Vice Chair will perform all of the duties of the Chair in the case where the Chair is absent from a Council or Board Meeting.

### **Sec. 6 – Quorum Councils**

A majority of the membership of the Sprinkler Manufacturers, Contractors, and Suppliers And Manufacturers Councils in person or represented by proxy is required to conduct business at any meeting of each such Council. Each Council member shall be entitled to one (1) vote on any matter duly coming before the meeting, such vote to be cast either in person or by proxy.,

### **Sec. 7 – Removal**

Any Council member may be removed at any time for cause by a vote of two-thirds (2/3) of the Directors present at any special meeting called for that specific purpose.

**Sec. 8 – Meetings**

A. Meetings of the Sprinkler Manufacturers Council and the Contractors Council shall be held at such times and places as to be convenient to the meetings of the Board of Directors. Such meetings shall be called and notices shall be given in the same manner as provided for by Sec. 2 and Sec. 3 of Article V of these By-Laws.

B. The scheduling and call of meetings of the Suppliers And Manufacturers Council shall be in accordance with procedures adopted by such Council at its first meeting or from time to time thereafter.

C. Rules of Order. Unless otherwise provided in these Bylaws, “Roberts Rules of Order (Revised)” as applied in its abbreviated version shall govern the transaction of business at all meetings.

**Sec. 9 - Proxy Voting**

- A. A Council Member may appoint a proxy to vote or otherwise act for the Member by authorizing such proxy in writing to the secretary of the council.
- B. An appointment of a proxy is effective when received by the secretary. An appointment is valid for one month unless a different period is expressly provided in the appointment form.
- C. An appointment of a proxy is revocable by the Council Member.

**Article IV – Powers and Duties of Councils**

**Sec. 1 – Sprinkler Manufacturers Council**

The Sprinkler Manufacturers Council shall have purview over those affairs of the Corporation germane to the sprinkler manufacturing interests of the industry. This shall include, but not be limited to product standards, building codes, marketing statistics, fire records, legislation, public relations, and other such functions as are consistent with Article I.

**Sec. 2 – Contractors Council**

The Contractors Council shall have purview over those affairs of the Corporation germane to the contracting interests of the industry. This shall include, but not be limited to, labor relations, installation standards,

building codes, legislation, and other such functions as are consistent with Article I.

**A. Labor Relations Advisory Committee**

There shall be a Labor Relations Advisory Committee operating under the “Labor Relations Advisory Committee Operating Policy,” which shall report to the Contractors Council.

**Sec. 3 – Suppliers And Manufacturers Council**

The Suppliers And Manufacturers Council shall have purview over those affairs of the Corporation germane to the Suppliers And Manufacturers interests of the industry. This shall include, but not be limited to, product standards, installation standards, building codes, marketing statistics, fire records, legislation, public relations, and other such functions as are consistent with Article I.

**Article V – Board of Directors**

**Sec. 1 – Selection of Directors**

There shall be up to twenty-six (26) Directors as follows:

- A. Up to seven (7) Directors shall be from the Sprinkler Manufacturers Council.
- B. Up to fifteen (15) Directors shall be from the Contractors Council.
- C. The elected Chair and Vice Chair of the Suppliers and Manufacturers Council shall be a Director.
- D. The President shall be a Director, *ex officio*.
- E. The Chair of the Future Leadership Committee shall serve as a nonvoting Director.
- F. Where the elected Chair is from the Contractors Council, the Chair shall have the ability to designate a sprinkler contractor representative from the geographic area of the Chair to serve as a member of the Board and provide representation for that geographic area with voice but no vote.

**Sec. 2 – Meetings of the Board of Directors**

Three (3) meetings of the Board of Directors shall be held annually, either in person or through electronic means. Meetings shall be held on the third Thursday of February, June and October or at such times and places as may be determined by the Directors. All regularly scheduled meetings of the Board of Directors shall be open to Council and Committee Members. All regularly

scheduled meetings of the Board of Directors shall be open to any member of the Corporation in good standing provided advance notice has been given to the Secretary and their attendance is approved by the Chair or President. Any member of the Association in good standing can address the Board at a regularly scheduled meeting, provided at least 30 days notice has been given to the Secretary and approval has been granted by the Chair or the President.

Rules of Order. Unless otherwise provided in these Bylaws, "Roberts Rules of Order (Revised)" as applied in its abbreviated version shall govern the transaction of business at all meetings.

Special meetings may be called by the Chair of the Board, and shall be called by the Chair or the Secretary of the Corporation upon the written request of three (3) Directors.

Notice of all meetings shall be given to all Directors by the Secretary by regular or electronic mail. Such notice shall be given or sent not less than seven (7) days before the meeting.

Meetings may be held at any time without notice if all the Directors are present or if those not present waive, in writing, notice of the meeting before the meeting.

### **Sec. 3 – Quorum**

A majority of the Directors shall constitute a quorum for the transaction of business at all meetings, except as otherwise provided by law. If, however, such majority shall not be present at any meeting, Directors present and entitled to vote shall have the power to adjourn the meeting from time to time without notice other than the announcement at the meeting, until the requisite number of Directors shall be present. At such adjourned meeting at which the requisite number of Directors shall be present, any business may be transacted which might have been transacted at the meeting as originally called.

### **Sec. 4 – Voting**

Each Director shall, at each meeting of the Directors, be entitled to one (1) vote in person or by proxy on any matter duly coming before the meeting. All questions shall be decided by a majority of votes cast, except as otherwise provided by statute, the Certificate of Incorporation or these By-Laws.

A Director may appoint a proxy to vote or otherwise act for the Director by authorizing such proxy in writing to the secretary of the council.

An appointment of a proxy is effective when received by the secretary. An appointment is valid for one month unless a different period is expressly provided in the appointment form.

An appointment of a proxy is revocable by the Director.

### **Sec. 5 – Vacancies**

If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification or removal from office, a successor Director shall be elected by the Sprinkler Manufacturers, Contractors, or Suppliers And Manufacturers Council, as the case may be, in accordance with Article V, Section 1, Subparagraphs "A," "B," and "C." Any successor Director shall hold office until the expiration of the term of the Director whom he succeeded.

### **Sec. 6 – Removal of Directors**

Any Director may be removed at any time for cause by a vote of two-thirds (2/3) of the Directors present at any special meeting called for that specific purpose. A quorum shall be present.

### **Sec. 7 – Additional Powers**

In addition to the powers and authorities by these By-Laws expressly conferred upon it, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by Certificate of Incorporation or by these By-Laws directed or required to be exercised or done by the members or their representatives.

### **Sec. 8 – Informal Action**

Any action required or permitted to be taken at any meeting of the Board of Directors or any Council or Committee may be taken without a meeting if, prior to such action, a written consent thereto is signed by all members of the Board or of the Council or Committee, as the case may be, and such written consent is filed with the minutes of the proceedings of the Board or such Council or Committee. Electronic transmission of consent is considered written consent.

## **Article VI – Terms of Office**

### **Sec. 1**

Each Sprinkler Contractor Director shall assume office at the beginning of the February meeting of the Board of Directors immediately following his election and shall serve for a term of three (3) years.

**Sec. 2**

Each Sprinkler Manufacturer Director shall assume office at the beginning of the February meeting of the Board of Directors immediately following his or her election or appointment by the Sprinkler Manufacturers Council and shall serve for a term of two (2) years.

**Sec. 3**

The Supplier And Manufacturer Director shall assume office at the beginning of the February meeting of the Board of Directors immediately following his or her election by the Supplier And Manufacturers Council and shall serve for a term of two (2) years.

**Sec. 4**

The Chair and Vice Chair of the Councils shall serve for terms of two (2) years, but no Chair or Vice Chair of any Council shall serve for more than two consecutive terms or four (4) years.

**Sec. 5**

No corporate entity shall have more than four (4) representatives on the Board of Directors.

**Article VII – Officers**

**Sec. 1 – Number**

The officers of the Corporation shall be a Chair and Vice Chair of the Board of Directors, a President, Vice Presidents, a Treasurer, and a Secretary. The Chair and Vice Chair of the Board of Directors and the Treasurer shall be unsalaried. The President shall be salaried and his compensation shall be determined from time to time by the Finance Committee. The compensation of all other officers shall be determined by the President, with the approval of the Finance Committee.

**Sec. 2 – Chair of the Board**

The Chair of the Board shall be elected by the Board of Directors from among the members of the Board of Directors. The Chair shall preside over Board of Directors' meetings and shall exercise those additional powers and duties as are prescribed in Article V, Sec. 3, Article VIII, and Article X.

The Chair shall be a member *ex officio* of all standing and *ad hoc* committees.

**Sec. 3 – Vice Chair**

The Vice Chair of the Board shall be elected by the Board of Directors from among the members of the Board of Directors. The Vice Chair shall act as Chair of the Board at Board of Directors' meetings in the absence

of the Chair and shall assume the position and duties of the Chair of the Board in the event of absence, resignation or death of the Chair.

**Sec. 4 – President**

The President shall be elected by the Board of Directors and shall be a full-time member of the staff of the Corporation. The President shall be the chief executive officer of the Corporation and shall, subject to the authority of the Board of Directors, have the management and direction of its business and affairs. He or she shall perform all the duties normally incident to his office, and shall have such other powers and duties as may, from time to time, be prescribed by the Board of Directors.

The President shall be a member *ex officio* of all standing and *ad hoc* committees.

In the event of the death, resignation, retirement, removal or permanent disability of the President, the Executive Committee shall within seven (7) calendar days recommend to the Board of Directors a candidate to succeed the immediate past President.

The Board of Directors shall, within ninety (90) days of the death, resignation, retirement, removal, or the commencement of permanent disability of the President, elect a successor President. A majority vote of all the members of the Board of Directors shall be required to elect a successor President.

**Sec. 5 – Vice President**

Vice Presidents shall be elected by the Board of Directors on the recommendation of the President. The number of Vice Presidents shall be determined by the Board of Directors. Vice Presidents shall assist the President in the general management of the business and the affairs of the Corporation and shall have such powers and perform such duties as may, from time to time, be prescribed by the President and subject to the approval by the Board of Directors, and shall report directly to the President.

**Sec. 6 – Secretary**

The Secretary shall be elected by the Board of Directors on the recommendation of the President and shall be a full-time member of the staff of the Corporation. The Secretary shall attend all meetings of the Board of Directors and act as clerk thereof, and record all votes and the minutes of all proceedings, and shall perform like duties for any Council or Committee meetings when required. He or she shall cause to be given notice of all

Council or Directors' meetings and shall perform such other duties as pertain to this office. He or she shall keep in safe custody the seal of the Corporation and, when authorized by the Board of Directors, affix it when required to any instrument.

#### **Sec. 7 – Treasurer**

The Treasurer shall be elected by the Board of Directors from among the members of the Board of Directors. The Treasurer shall Chair the Finance Committee, oversee the preparation of budgets and financial statements, and present an account of the Corporation's finances at each regularly scheduled meeting of the Board of Directors.

#### **Sec. 8 – Term of Office**

The officers of the Corporation shall be elected and seated at the end of the February meeting of the Board of Directors, to hold office for two (2) years. No officers, with the exception of the President, Vice Presidents, and Secretary, shall serve for more than two consecutive terms or exceed four (4) years in their elected offices.

### **Article VIII – Board of Directors Committees**

#### **Sec. 1 – Executive Committee**

There shall be an Executive Committee, which shall be authorized to act on behalf of the Board of Directors between regularly scheduled meetings of the Board and shall report for ratification such actions at the next regularly scheduled Board Meeting. The Executive Committee shall be composed of the Chair, Vice Chair and Treasurer of the Board, and the Chairs of the Sprinkler Manufacturers, Contractors, and Suppliers And Manufacturers Councils, unless the Chair of any of the Councils is from the same corporate entity as a Board officer, in which case the Chair of the Board shall appoint a member of the respective Council who is a Director to serve on the committee, subject to ratification by the Board of Directors. No member of the Executive Committee, other than the Chair, Vice Chair and Treasurer of the Board, may serve on the Finance or Audit Committee while serving on the Executive Committee.

#### **Sec. 2 – Finance Committee**

There shall be a Finance Committee, which shall be authorized to act on behalf of the Board of Directors on financial matters as prescribed by the Board. The Committee shall be composed of the Treasurer who serves as Chair, the Chair and Vice Chair of the Board plus up to five (5) Directors, Council or Committee

members, appointed by the Chair of the Board of Directors subject to the ratification of the Board of Directors, such that at least three (3) members are Sprinkler Contractors or Sprinkler Contractors National in Scope and at least two (2) members are Sprinkler Manufacturers or Suppliers. No corporate entity shall have more than one representative on the Committee.

#### **Sec. 3 – Audit Committee**

There shall be an Audit Committee consisting of six members of the Board, none of whom shall be an officer of the Association as defined in Article VII, and one of whom shall be a member of the then-current Finance Committee who shall serve without a vote. No other member of the Finance Committee shall serve on this Committee. The Chair and the membership of the Audit Committee shall be named annually by the Chair of the Board, with no members being eligible to serve more than three consecutive 1-year terms. The Audit Committee shall meet at least annually with the outside Auditor of the Association who will conduct an annual financial audit and shall report to the Board on its meeting(s), including the results of any other audit(s). The audit Committee shall annually recommend the outside Auditor for the Association.

#### **Sec. 4 – Nominating Committee**

There shall be a Nominating Committee composed of the Chair of the Board and up to four (4) Directors appointed by the Chair of the Board of Directors, subject to the ratification of the Board of Directors, such that each of the following classes of membership is represented: Sprinkler Manufacturer, Sprinkler Contractor or Sprinkler Contractor National in Scope, and Supplier And Manufacturer. Names of recommended candidates from the Nominating Committee shall be sent to the Board of Directors at least one Board meeting prior to the February election.

#### **Sec. 5 – Future Leadership Committee**

There shall be a Future Leadership Committee composed of a Chair and Vice Chair appointed by the Chair of the Board. The committee shall promote and support the development of future leadership within the Association.

#### **Sec. 6 – Engineering and Standards Committee**

There shall be a Engineering and Standards (E&S) Committee operating under the "Engineering and Standards Operating Policy" which shall report to the Board of Directors.

## **Sec. 7 – Other Committees**

The Chair of the Board may appoint, subject to ratification by the Board of Directors, other standing or special committees of the Directors of not less than three (3) members. The Board of Directors may also designate other standing or special committees of the Corporation, provided that each such other committee shall report directly to the President and shall contain, except for regional committees, in its membership at least one (1) Director. Each committee of the Board or other committees shall have such jurisdiction, powers, durations, and duties as may be prescribed, from time to time, by the Board of Directors. Vacancies in any committee may be temporarily filled by the President until the next meeting of the Directors, at which time the Board of Directors may appoint another person to fill the vacancy until the next meeting of the Board. A majority of the members of any committee shall constitute a quorum at any meeting.

## **Article IX – Dues**

Dues shall be determined by the Board of Directors at the October meeting of the Directors and shall become effective on January 1 of the following year. Special assessments for any purpose consistent with Article I may be approved by the Directors at any regular or special meeting.

## **Article X – Financial Matters**

### **Sec. 1 – Bank Accounts**

All monies of the Corporation shall be deposited in such bank or banks as may be directed by the Board of Directors.

### **Sec. 2 – Checks**

All checks, notes, drafts or other obligations for the payment of monies out of the Corporation's regular account shall be signed by any one (1) of the following officers: The Chair of the Board, the President, or the Treasurer. All instruments for the withdrawal of monies from savings bank deposits shall be signed by any two (2) of the following officers: The Chair of the Board, the President, or the Treasurer. All checks for the payment of monies out of the Corporation's disbursement account shall be signed by any one (1) of the following officers: The Chair of the Board, the President, or the Treasurer.

### **Sec. 3 – Securities**

All bonds or other securities owned by the Corporation and in the custody of any financial institution shall be held or disposed of only by the authority of any two (2) of the following officers: The Chair of the Board, the President, or the Treasurer.

### **Sec. 4 – Bonds**

The elected officers and the members of the staff of the Corporation shall be covered by a fidelity bond or bonds in a minimum amount of \$25,000.00, and the cost thereof shall be paid by the Corporation.

## **Article XI – Collective Bargaining**

### **Sec. 1 – Authority of Corporation to Represent Members**

Each member of the Corporation that presently authorizes in writing the Association or that in the future authorizes the Corporation in writing to represent it in collective bargaining with Unions engaged in the installation of automatic sprinkler equipment and related fire control devices shall be deemed to have designated the Corporation (or a committee to which authority has been delegated by the Board of Directors) to act as the Collective Bargaining Representative of such member with respect to the rates of pay, wages, hours, working conditions, and fringe funds of their installation employees and to enter into agreements, commitments or undertakings as to such matters with said labor organizations.

The agency of the Corporation thus granted shall continue during the membership of such member. In addition, any member may, upon written request, designate the Corporation (or such committee) to act as the Collective Bargaining Representative of such member with respect to the rates of pay, wages, hours and working conditions of its installation employees. Any contract, commitment, or undertaking made by the Corporation pursuant to any designation under this Section shall be binding for the remainder of the term thereof upon any member whose membership may have been terminated under Section 4 of Article II hereof. The specific authority for collective bargaining conferred by this section of these By-Laws shall be the only source of such authority and shall be deemed to limit any general language in Article I hereof or in the Certificate of Incorporation.

### **Sec. 2 – Collateral Agreements**

The authority granted by members under Section 1 hereof shall also authorize the Corporation to make collateral agreements with any such labor organization

or any such employees, as the case may be, including specifically trust agreements and plans for payment of welfare, pension, and other benefits to such employees or to the employees represented by any such labor organization.

### **Sec. 3 – Exclusive Authority**

The terms and conditions of any agreement, commitment or undertaking entered into between the Corporation and a labor organization pursuant to the authority granted by members under Section 1 hereof cannot be changed, modified, amended, varied or waived during the term thereof by any member or members of the Corporation, individually or collectively, but only by a written instrument executed by a duly authorized representative of the Corporation.

## **Article XII – Dissolution**

### **Sec. 1 – Dissolution by Members**

Subject to the law of Delaware, the Corporation may be dissolved at any time by a vote of the Directors at regular or special meetings of the Board of Directors, provided that the notice of such meetings shall refer to the proposal to vote upon dissolution. The vote for dissolution must be by two-thirds (2/3) of the Directors present.

### **Sec. 2 – Distribution of Corporate Property Upon Dissolution**

Upon the dissolution of the Corporation, after paying or adequately providing for its debts and obligations, the remaining assets and property, if any, shall be applied and distributed as follows in the order specified:

1. Each member of the Corporation in good standing shall be entitled to a refund of the unearned portion of the annual dues for the number of months remaining in the fiscal period for which dues were paid after the adoption of the resolution of dissolution;
2. The net assets of the Corporation remaining, if any, shall be divided among the members of the Corporation in such a way that each such member shall receive that proportion of said assets which the total amount of dues paid by that member to the Corporation for the

past five (5) years (including the year in which dissolution occurs) bears to the total amount of dues paid by all members for the same period.

## **Article XIII – Miscellaneous**

### **Sec. 1 – Offices**

The Association shall be incorporated in the State of Delaware but shall have offices and other places of business as the Board of Directors may determine.

### **Sec. 2 – Seal**

The Seal of the Corporation shall be circular in form and shall bear the name of the Corporation and the year and state of its incorporation.

### **Sec. 3 – Waiver of Notice**

Any member, officer or Director may, in writing, waive any notice required to be given under these By-Laws.

### **Sec. 4 – Fiscal Year**

The Corporation's fiscal year shall be the calendar year.

## **Article XIV – Amendments**

Subject to the limitation imposed by law; these By-Laws may be amended by any of the following methods:

- A. By the action of all the Directors of the Corporation in accordance with Sec. 8 of Article V, or
- B. By the vote of a majority of all the Directors of the Corporation at a regular or special meeting, the notice of which shall have contained the substance of the proposed amendment.