

BY-LAWS

of the

CHICAGO PAINT AND COATINGS ASSOCIATION, INC.

Organized February 25, 1887
Incorporated May, 10, 1978
(Superseding Prior Organizations Dating from 1887)

ARTICLE I Offices

The corporation shall maintain in the State of Illinois a registered office and a registered agent at such office, and may have other offices within or without the State.

ARTICLE II Membership

SECTION 1. Membership in this Association shall consist of individuals, companies, firms or corporations who are manufacturers of paints, varnishes, lacquers, industrial coatings, water paints and kindred products, such as but not limited to shellac varnishes, removers, thinners, stains, fillers, artists' colors, room coatings, caulking and glazing compounds and putty and manufacturers, brokers or importers of material and equipment used in connection with the manufacture, merchandising or application of paints, varnishes, lacquers, industrial coatings, water paints and related kindred products; and individuals, companies, firms or corporations who are not qualified to be either a Manufacturer or Supplier member of the National Paint and Coatings Association, Inc., under the by-laws of that organization but whose principal activity is the rendering of some sort of service to the paint and coatings industry.

Manufacturer and Supplier Membership

SECTION 2. Manufacturer membership consists of individuals, companies, firms or corporations which are manufacturers of paints, varnishes, lacquers, industrial coatings, water paint and kindred products, such as but not limited to shellac varnishes, removers, thinners, stains, fillers, artists' colors, roof coatings, caulking and glazing compounds and putty.

SECTION 3. Supplier membership consist of manufacturers, brokers or importers of materials and equipment used in connection with the manufacturer, merchandising or application of paints, varnishes, lacquers, industrial coatings, water paints and related kindred products.

Class C Membership

SECTION 4. Class C membership consists of individuals, companies, or corporations which are not qualified to be either a Manufacturer or Supplier members of the National Paint and Coatings Association, Inc., under the by-laws of that organization, but whose principal activity is the rendering of some form of service to this Association or its Manufacturer or Supplier members, which in the opinion the Officers and Directors, justifies their election to membership herein.

Class R Membership

SECTION 5. Class R membership consists of individuals recently retired from companies, firms or corporations identified under Article II, Sections 1, 2 & 3 in the by-laws of the Chicago Paint and Coatings Association. These members do have the right to serve as an officer, board of director member and do have the right to vote on any motion before the membership or the board of directors.

They may be appointed to committees in any capacity. The annual dues shall be \$25.00 per year.

SECTION 6. ELECTION TO MEMBERSHIP. All applicants shall subscribe to the by-laws of the Corporation and the Code of Ethics of the National Paint and Coatings Association Inc., a copy of which (Code of Ethics) is set forth in full in the appendix to these by-laws. All applications for membership shall be in writing, and shall be referred to the Membership Committee immediately, for its recommendation to the Officers and Board of Directors. Membership shall be automatically extended from year to year upon payment of each current installment of dues. Each member company shall designate an individual as its official representative, who shall be a responsible official or executive of the member.

SECTION 7. VOTING RIGHTS. Each member company shall be entitled to one vote and shall designate one of their members to submit this one vote on each matter submitted to the vote of the members.

SECTION 8. RIGHTS. So long as the member remains in a good standing under these by-laws, they shall have all rights and privileges as a member of this Corporation and the Corporation's facilities.

SECTION 9. TERMINATION OF MEMBERSHIP. Any member of any class may resign their membership in this corporation as of the end of the then current fiscal year by delivering in writing to that effect to the Executive Director no less than thirty (30) days in advance of the of the end of the current fiscal year but, such resignation shall not relieve the member of the obligation to pay all accrued dues and all other indebtedness due and owing to this corporation. Termination of one's Manufacturing membership, or termination of one's Supplier membership or one of a manufacturing agent in the National Paint and Coatings Association shall not ipso facto terminate such membership herein. The Officers and Board of Directors of the Chicago Paint and Coatings Association shall review any such National Association terminations and determine membership status in this corporation. The Officers and Board of Directors at their discretion may declare forfeited any membership for good and sufficient reasons. Memberships which have been declared forfeited by the Officers and Board of Directors for non-payment of dues may be reinstated by the Officers and Board of Directors upon payment of all past due membership dues or under such other conditions as the Officers and Board of Directors may determine. If and when a membership shall have been terminated for any reason, no refund shall be made of any dues.

SECTION 10. REINSTATEMENT. Upon written request signed by a former member and filed with the Executive Director, the Officers and Board of Directors may, by the affirmative vote of two-thirds of the Board, reinstate such former member to membership upon such terms as the Board may deem appropriate.

SECTION 11. TRANSFER OF MEMBERSHIP. Membership in this corporation is not transferable or assignable.

SECTION 12. NO MEMBERSHIP CERTIFICATES. No membership certificates of the Corporation shall be required.

ARTICLE III Meetings of Members

SECTION 1. NOTICE OF MEETINGS. Written notice stating the place, date, and hour of any meeting of members shall be delivered to each member company. In case of special meetings, or when required by statute or by these by-laws, the purpose for which the meeting is called shall be stated in the notice.

SECTION 2. PLACE OF MEETING. The Officers and Board of Directors may designate any place as the place of meeting for any regular, annual, or special meetings of the members.

SECTION 3. REGULAR MEETINGS. At least four (4) regular meetings of the members of this Corporation shall be held during each fiscal year at such places and on such dates as the Officers and Directors shall, from time to time, determine.

SECTION 4. ANNUAL MEETING. An annual meeting shall be held on the first Thursday, of May of each year, or on such other date as the Officers and Directors may determine, for the purpose of electing Officers and Board of Directors for the transaction of such other business as may come before the meeting.

SECTION 5. SPECIAL MEETINGS. Special meetings of the members may be called by or at the request of the President, any four Officers and Board of Directors, or not less than one-tenth of the members having voting rights.

SECTION 6. QUORUM. Designated representatives of member companies holding fifteen percent (15%) of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting at any time without further notice. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting; withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 7. GUESTS. Members may bring guests to the various general meetings of this Corporation, but the Officers and Board of Directors shall have the right to limit the number of guests that may attend each meeting.

ARTICLE IV Special Events of the Members

SECTION 1. SUGGESTED SPECIAL EVENTS - The following special events of the members of this Corporation shall be held during each fiscal year at such places and on such dates as the Officers and Board of Directors shall, from time to time, determine. Different events become popular and less popular to the membership over time. The program committee develops an agenda for the special events and it is approved by the board of directors.

The four (4) special events may include the following:

- GOLF OUTING - attended by members and their guests of the corporation
- SUMMER OUTING - attended by members and their guests of the corporation
- JOINT HOLIDAY PARTY - attended by members and their guests of the Chicago Paint & Coatings Association & Chicago Society for Coatings Technology
- SPECIAL EVENT - as developed by the program committee and approved by the board

ARTICLE V Meetings of Officers and Directors

SECTION 1. GENERAL POWERS AND QUALIFICATIONS. The affairs of the Corporation shall be managed by its Officers and Board of Directors. Each Officer and Board of Director shall be a member of this corporation.

SECTION 2. NUMBER. The Board shall consist of the Chairperson, President, President Elect, Vice President the Treasurer and fourteen (14) additional Directors other than the Officers, and shall be elected by the members of this corporation for a term of office of two (2) years. They shall be elected so that by the end of each year, their terms of seven (7) of such Directors so elected shall expire. At each Annual Meeting, the successors to such Directors whose terms expire shall be elected to hold office for terms of two (2) years or until their respective successors have been elected. Membership on the Board shall be divided as evenly as possible between the Manufacturer members on this Corporation and the balance of the membership. No individual, firm or corporations shall have more than three representatives among the Officers and Board of Directors.

SECTION 3. REGULAR MEETINGS. Regular meetings of the Board shall be held immediately before, and at the same place as regular meetings of the members.

SECTION 4. SPECIAL MEETINGS. Special meetings of the Board may be called by or at the request of the President or any four Officers or Board of Directors. The person or persons authorized to call special meetings of the Board may fix the place for holding any special meeting of the Board called by them.

SECTION 5. NOTICE. Notice of any special meeting of the Officers and Board of Directors shall be given at least two days previously thereto by written notice to each Officer or Board of Director. Notice of any special meeting of the Board may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. If the special meeting was called under Article III, Section V, the business transacted at this special meeting shall be valid.

SECTION 6. QUORUM. A majority of the Officers and Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than a majority of the Officers and Board of Directors are present at said meeting, a majority of the Officers and Board of Directors present shall adjourn the meeting to another time without further notice.

SECTION 7. MANNER OF ACTING. The act of a majority of the Officers and Board of Directors present at a meeting at which a quorum is present shall be the act of the Officers and Board of Directors, unless the act of a greater number is required by statute, these by-laws, or the Articles of Incorporation.

SECTION 8. VACANCIES. Any vacancy occurring on the Board of Directors or any directorship to be filled by reason of an increase in the number of Directors shall be filled by the Board of Directors unless the Article of Incorporation, a statute, or these by-laws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

ARTICLE VI **Officers**

SECTION 1. GENERAL. The Officers of this Corporation shall be the Chairperson of the Board, the President, President Elect, Vice President and Treasurer.

SECTION 2. ELECTION. For the Fiscal year ending May 31, 1979, the Officer of the Corporation shall be elected by the initial Board of Directors, as shown in the Articles of Incorporation. Thereafter, the Officers of this Corporation shall be elected by the members at the Annual Meeting of the members and shall hold office for a term of one (1) year or until their respective successors shall have been duly elected. They shall take office on June 1, following the date of their election. Each Board member shall be an employee/retired employee of a member company of this Corporation.

SECTION 3. CHAIRPERSON OF THE BOARD. The Chairperson of the Board shall preside at all meetings of the Board and, during the absence of the President, shall exercise all the powers and discharge all the duties of the President. The Chairperson of the Board shall serve as an ex officio member of the Budget and Finance Committee.

SECTION 4. PRESIDENT. The President shall preside at all meetings of the members and, in the absence of the Chairperson of the Board of Directors, shall preside at all meetings of the Board. Shall be responsible for the general conduct of the Corporation in accordance with the by-laws and as determined by the Board, from time to time.

SECTION 5. PRESIDENT ELECT. During the absence or disability of the President and the Chairperson of the Board, the President Elect shall exercise all functions of the President, Shall perform such duties as may be assigned, from time to time, by the Board, the President. Act as liaison between the Chicago Paint and Coatings Association and the Illinois Paint Council. The President Elect shall serve as the Chairperson for the Program Committee and serve as a member of the Membership Committee.

SECTION 6. VICE PRESIDENT. During the absence or disability of the President, President Elect and the Chairperson of the Board, the Vice President shall exercise all functions of the President and perform such additional duties as may be assigned from time to time, by the Board of Directors or the President. Act as a liaison between the Chicago Paint and Coatings Association and the Chicago Society for Coatings Technology. The Vice President shall serve as the Chairperson of the Budget and Finance Committee and as the Vice Chairperson of the Program Committee.

SECTION 7. TREASURER. If required by the Board, the Treasurer shall be bonded for the faithful discharge of duties in such sum and with such surety or sureties, as the Officers and Board of Directors shall have charge and custody of and be responsible for all funds and for moneys due and payable to this Corporation from any source whatsoever, and deposit all such moneys in the name of this Corporation, in such bank or banks or depositories as shall be designated by the Board. The Treasurer shall serve as a member of the Budget and Finance Committee.

SECTION 8. EXECUTIVE DIRECTOR. The Officers and Board of Directors shall have the power to appoint an Executive Director in order that this Corporation may render more valuable service to its members. The salary and specific duties of the Executive Director shall be fixed, from time to time, by the Board. The Executive Director shall keep the minutes of the meeting of the members and the Board; see that all notices are duly given in accordance with the provision of these by-laws; and in general, perform all duties incident to the Office of Secretary and such other duties as, from time to time may be assigned by the Board. The Executive Director is not an Officer of the Board and does not have voting rights.

SECTION 9. VACANCIES. Any vacancy in any office may be filled by the Board.

SECTION 9.1. The Directors of this Board shall fill a vacancy of an officer position with that of an officer who is next in succession below the vacancy created, with the exception of the Chairman of the Board (see section 9.2). Any unfilled vacancy will be filled from a group of nominated candidates.

The manner of voting for the replacement of any officer when more than one candidate accepts a nomination will be similar to that stated in Article V, Section 8.1 with the following exception. The Chairman of the Board will conduct the count of this vote, along with one other Board Director who is not an officer or candidate as selected by the Board of Directors.

SECTION 9.2. In the event that the vacant position is that of Chairman, then this board will ask the most senior member of the board who has served as an officer up to and including Chairman of the Board to assume responsibility as the new chairman. If this individual should decline the next most senior member of the board as described before will be asked. This order of succession and qualification will be used until the position of Chairman has been filled.

SECTION 9.3. If more than one qualified candidate who will accept a nomination is submitted to the Board of Directors to fill the vacancy of any Director, each member of the Board of the Directors shall cast a single vote for the candidate of their choice. This will be conducted in the following manner:

The Executive Director under direction of the board shall mail a ballot with the names of the candidates along with a self-addressed return envelope. The ballot must be mailed in the provided envelope to be valid and returned within 10 business days of the ballots mailing date as set by the board. The ballots will then be opened and counted only by the President and at least one other officer of the board. The President as to their nomination will notify the candidate who wins the majority of votes. All ballots will be destroyed upon completion of the count.

In the event of a tie and should any outstanding votes still exist and not mailed by the prescribed date, the President will notify all directors by e-mail to return their vote within 5 business days to be counted.

If a tie should exist between two or more candidates, then the President shall issue a second ballot between those that have tied in the same manner as above. In the event of another tie, then the officers of this Board of Directors shall meet on a prescribed date and select a director from those that were tied.

ARTICLE VII

Committees

SECTION 1. NOMINATING COMMITTEE. The President, by and with the consent of the Officers and Board of Directors, shall appoint from among the employees of the members of the Corporation entitled to vote, a Nominating Committee of not less than three (3) members, including a Past President of the Chicago Paint and Coatings Association, Inc., They should meet prior to our Spring Dinner Meeting to prepare a slate of Officers and Board of Directors for the new fiscal year. It shall be the duty of this Committee to nominate candidates for Officers and Board of Directors of this Corporation, and file a written report of their nominations with the Executive Director not less than (20) days prior to the ensuing Annual Meeting of the members. Any twenty-five (25) or more members, in good standing, may make other nominations in writing, over their signatures, and file the same with the Executive Director not less than fifteen (15) days prior to the date of ensuing Annual Meeting of the members. When the time within which nominations may be made has expired, the Executive Director shall mail to each member, at least ten (10) days prior to the Annual Meeting of the members, a written statement showing the nominations made by the Nominating Committee and all other nominations. No nomination may be made from the floor at the Annual meeting of the members of this Corporation.

SECTION 2. The President shall appoint such other committees as may, from time to time, be deemed necessary or desirable in furtherance of the activities of the Corporation. The President of the Corporation shall be an ex officio member of all committees.

ARTICLE VIII

Contract, Check, Deposits and Funds

SECTION 1. CONTRACT. The Board may authorize any Officer or Officers, Agent or Agents of the Corporation, in addition to the Officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, ETC. All checks, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such Officer for Officers of the Corporation and in such manner as shall, from time to time, be determined by the resolution of the Board of Directors.

SECTION 3. DEPOSITS. All funds of the Corporation shall be deposited, from time to time, to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may select.

ARTICLE IX

Books and Records of Accounts

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members. The Officers and Board of Directors, and committees having any of the authority of the Officers and Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled All books and records of the Corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

ARTICLE X

Fiscal Year

The fiscal year of the Corporation shall begin on June 1st and end on May 31st.

ARTICLE XI
Membership Dues

SECTION 1. ANNUAL MEMBERSHIP DUES. The Officers and Board of Directors shall determine, from time to time, the amount of annual dues payable to the Corporation by members of each class.

ARTICLE XII
Seal

The Corporate seal shall have inscribed thereon the name of the Corporation and the word "Corporate Seal, Illinois."

ARTICLE XIII
Indemnification of Officers and Directors

The Corporation shall indemnify each present and future Officer and Board of Director of the Corporation against, and each such Officer and Board of Director shall be entitled without further act on his part to indemnity from the Corporation for, all expenses (including the amount of judgments and the amounts of reasonable settlements made with a view to the curtailment of costs of litigation other than amounts paid to the Corporation itself) reasonably incurred by him in connection with or arising out of any action, suit or proceeding in which he may be involved by reason of his being or having been a Officer or Board of Director of the Corporation, whether or not he continues to be such Officer or Board of Director at the time of incurring such expenses; provided, however, that such indemnity shall not include any expenses incurred by any such Officer or Board of Director in respect of matters as to which he shall be finally adjudged in any such action, suit or proceeding to have been derelict in the performance of his duty as such Officer or Board of Director. The foregoing right of indemnification shall inure to the benefit of their heirs, executors or administrators of each such Officer or Board of Director and shall be in addition to all other rights to which such Office or Board of Director may be entitled as a matter of law.

ARTICLE XIV
Amendments

SECTION 1. These by-laws may be amended at any meeting of the members of this Corporation by a two-thirds vote of the members present, provided such proposed amendment to the by-laws support and is not contrary to the objects of this Corporation and the objects and policies of the National Paint and Coatings Association, Inc., and also provides that the amendment is submitted, in writing, to the Officers and Board of Directors of this Corporation and approved by them, after which it shall be embodied in and form a part of the notice of the meeting at which final action is to be taken. Such notice shall be mailed by the Executive Director to the membership at least five (5) days prior to the meeting.

SECTION 2. In the absence of the approval of the Officers and Directors of this Corporation of such proposed amendment, these by-laws may be amended by a three-fourths vote of the members present, provided they contain all other conditions specified in Section 1 of this Article.