



THE **ADHESIVE** AND **SEALANT** COUNCIL, INC.

SECURING THE FUTURE®

**BYLAWS OF
THE ADHESIVE AND SEALANT COUNCIL, INC.**

(Effective August 1, 2011)

A Delaware Corporation

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Effective March 15, 2010

**BYLAWS
OF
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A Delaware Corporation**

Article I

1. NAME.

The name of the organization is The Adhesive and Sealant Council, Inc. (the "Council"), a nonprofit trade association incorporated in the State of Delaware.

2. PURPOSES.

The purposes of the Council include:

- a) providing opportunities for dialogue, education, advancement and improvement of all aspects of the adhesive and sealant industry through meetings, seminars, communications, publications, and other programs and activities;
- b) serving as a facilitator and providing forums which allow member companies to understand and address government relations issues which may impact their operations; aiding in the formulation of ethically responsible positions;
- c) monitoring government relations issues that potentially may impact member companies and providing opportunities for building a consensus approach to addressing these issues;
- d) cooperating on behalf of the adhesive and sealant industry with others interested or involved in that industry or in related industries, directly or through their associations, in matters involving the business, technical and governmental affairs of the adhesive and sealant industry; and
- e) promulgating policies and conducting activities to serve the interests of the adhesive and sealant industry, provided that those policies and activities are consistent with applicable tax exemption requirements that the Council not be organized for profit and that no part of its net earnings inure to the benefit of any private individual.

Article II

1. MEMBERSHIP QUALIFICATIONS.

Membership in the Council is available to firms or individuals that meet the eligibility requirements of a membership class and that agree to pay applicable dues and assessments.

2. MEMBERSHIP CLASSES.

The Council has four classes of membership:

- a) **Manufacturer Membership** is available to firms that are manufacturers of adhesives or sealants for sale in North America (including toll producers) or use in their manufacture of self-adhesive tapes, labels, or similar products for sale in North America.
- b) **Supplier Membership** is available to the following classes of firms:
 - i. Companies that sell raw materials, packaging materials, or processing, packaging, or application/dispensing equipment to manufacturers of adhesives or sealants;
 - ii. Companies that sell application/dispensing equipment to adhesive and sealant end-users;
- c) **Affiliate Membership** is available to the following classes of firms:
 - i. Market research consultants or technical consultants (i.e. service suppliers) who are affiliated with and work in the adhesives and sealants industry. The following types of organizations not eligible for membership include but are not limited to: merger and acquisition companies; insurance brokers, recruiters, outplacement firms, and other general business service providers not specific to the adhesives and sealants industry; trade associations, professional societies, and other non-profit entities; end-users; government agencies; and individuals.
 - ii. Distributors that buy and resell finished adhesives or sealants and/or equipment to end-users.
 - iii. Companies that would qualify for manufacturer or supplier membership but have their adhesive or sealant industry sales and manufacturing operations located outside of North America.

d) Honorary Membership

Honorary Membership is recognition for an individual who has:

- Contributed exceptional service and leadership to the ASC (typically to individuals who have served on the ASC Board of Directors), OR
- Contributed original research or whose significant achievements and high standing have been of such character as to have materially aided and advanced the adhesive and sealant industry.

Individuals are appointed to an Honorary Membership by the Board of Directors under terms established by the Board.

3. APPLICATION.

Firms submit written applications for membership in the Council. Notice of applications is provided to Council membership to obtain information on whether an applicant firm meets the eligibility requirements of a membership class. Acceptance of applications is determined by the Board of Directors based upon whether an applicant firm meets the eligibility requirements and will pay the required dues and assessments.

4. RESIGNATION.

A member company may resign, effective at the end of the calendar year, by filing a written resignation with the Council headquarters.

5. EXPULSION.

A member may be expelled by a two-thirds vote of the Board of Directors for reasons the Board determines are adequate. Any member proposed for expulsion is given thirty days' written notice including the reasons for the proposed expulsion, opportunity to contest the proposed expulsion in writing or in person before the Board of Directors, and final written notice of the Board's decision.

Article III

1. DUES AND ASSESSMENTS.

Dues and assessments for each class of membership in the Council are proposed by the Board of Directors and approved by vote of the Manufacturer Member Representatives.

2. DELINQUENCY.

Any member of the Council that is delinquent in dues for a period of two quarters is notified of the delinquency, automatically has all rights and privileges of membership suspended, and is proposed to the Board of Directors for expulsion.

3. REFUNDS.

No dues will be refunded. Resignation or expulsion does not relieve a member from liability to pay its dues for the fiscal year in which it resigned or was suspended or expelled.

Article IV

1. MEMBER REPRESENTATIVES.

Manufacturer Member Representatives may serve as directors and officers and may vote on all matters coming before the Council membership by requirement of law or of these bylaws or by referral from the Board of Directors. Supplier Member Representatives may elect directors and serve as directors, but do not vote on other matters coming before the Council membership. Affiliate Member Representatives may elect directors and serve as directors but do not vote on any matters coming before the Council Membership.

2. MEETINGS.

An annual meeting of the Council is held once a year at a time and place determined by the Board of Directors. Fifteen days' written notice of the annual meeting, including a description of the matters to be considered, is given to Manufacturer, Supplier and Affiliate Member Representatives. Additional meetings of the Council are held, upon notice, at other times and places determined by the Board.

3. VOTING.

The presence of forty percent of the Manufacturer Member Representatives constitutes a quorum. A majority of the Manufacturer Member Representatives where a quorum is present is necessary to make a decision except where some other number is required by law or by these bylaws. Mail voting is permitted.

Article V

1. DIRECTORS.

The Board of Directors is the governing body of the Council. It is a policy-making group manages the affairs of the Council. It elects officers and members of the Executive Committee and approves the annual budget.

2. TERMS.

The Board of Directors consists of a minimum of fifteen Directors, with a target size of twenty Directors, a majority of which represent manufacturer member companies, each serving a three-year term, provided, however, that the Board may set shorter terms for some elections solely to facilitate staggered Director terms.. Member Representatives or other individuals may

be elected to serve as Directors. The President shall be a member of the Board, but without a vote. Directors may serve consecutive terms.

3. NOMINATION AND ELECTION.

At least sixty days before the annual meeting of the Council, the Nominating Committee promulgates to the Manufacturer, Supplier and Affiliate Member Representatives a slate of nominees for the Board to fill available seats.

Additional qualified nominees are promulgated if their written nominations are received at the headquarters of the Council at least thirty-five days before the annual meeting and signed by at least twenty percent of the Manufacturer or Supplier Member Representatives. Directors are elected from the nominees by the Manufacturer and Supplier Member Representatives at the annual meeting or by mail ballot or electronic voting before the annual meeting of the Council.

4. VACANCIES AND OPENINGS.

If a vacancy occurs on the Board for any reason, or if a need arises to add one or more additional directors, the Nominating Committee within thirty days nominates a new director and the Board elects a new director at its next meeting or by mail ballot or phone or electronic voting who serves the remainder of the vacated term.

5. MEETINGS AND VOTING.

The Board of Directors meets at whatever times and places it determines. The presence of two-thirds of the representatives of manufacturer member companies constitutes a quorum, provided that a majority of directors present are representatives of manufacturer member companies. A majority of directors where a quorum is present is necessary to make a decision except where some other number is required by law or by these bylaws. Mail voting is permitted.

6. REMOVAL.

A director may be removed for adequate reason by a two-thirds vote of the Manufacturer Member Representatives. If a director misses three consecutive meetings, the Executive Committee shall meet within 30 days of the third meeting to assess the situation and decide whether he/she shall be retained on the Board.

7. COMPENSATION.

Directors, with the exception of the President, do not receive compensation for their services. Reimbursement for expenses is subject to approval by the Board of Directors.

8. SELECTION OF NEW ASC PRESIDENT.

When the need arises to select a new President, the Executive Committee shall be responsible for defining the composition of a Search Committee, which shall assume the responsibility of selecting and recommending a preferred candidate to the Board of Directors for final approval.

Article VI

1. OFFICERS.

The officers of the Council are a Chairman of the Board, a President, and a Treasurer.

2. TERMS.

Officers, except for the President, must be Manufacturer Member Representatives who are elected directors. No individual may hold more than one office at the same time. Officers, except for the President, serve for two years. Officers, except for the President, may not serve consecutive terms.

3. NOMINATION AND ELECTION.

At least ninety days before the annual meeting of the Council, the Nominating Committee promulgates to the Board of Directors a slate of nominees for officers who are also directors. Officers, except for the President, are elected from the nominees by the Board of Directors.

4. DUTIES.

The officers perform those duties that are usual to their positions and that are assigned to them by the Board of Directors. In addition, the Treasurer is the financial officer of the Council and acts in place of the Chairman of the Board when the Chairman is not available; and the President, who is engaged by the Executive Committee with the approval of the Board of Directors, is the Council's chief executive officer and serves as corporate secretary.

5. VACANCIES.

If a vacancy occurs among the officers, other than the President, for any reason, the Nominating Committee within thirty days nominates a new officer to fill the unexpired portion of the term and the Board elects a new officer at its next meeting.

6. REMOVAL.

An officer, other than the President, may be removed for adequate reason by a two-thirds vote of the Board of Directors.

7. COMPENSATION.

Officers, other than the President, do not receive compensation for their services. Reimbursement for expenses is subject to approval by the Board of Directors.

Article VII

1. EXECUTIVE COMMITTEE.

The Executive Committee interprets and implements policies established by the Board of Directors. It consists of the officers of the Council and other directors of the Council (who are nominated and elected to the Executive Committee by the same procedures used to nominate and elect officers), and the immediate Past Chairman who is a member of the Executive Committee for two years following the end of his/her term as Chairman.

2. COMMITTEES.

The Chairman of the Board appoints a Nominating Committee and whatever other committees are necessary.

3. AUDITORS.

Auditors are engaged by the President and are approved by the Board of Directors.

4. GENERAL COUNSEL

A General Counsel is engaged by the President.

Article VIII

1. FISCAL YEAR.

The fiscal year of the Council begins on January 1 and ends on December 31.

Article IX

1. AMENDMENTS.

Amendments to these bylaws are proposed by the Board of Directors and considered at any meeting of the Council membership or by mail ballot or electronic voting if the Manufacturer Member Representatives have been given a minimum of thirty days' written notice of the proposed amendments.

Article X

1. INDEMNIFICATION.

The Council indemnifies and will defend its officers, directors, members, Member Representatives, staff and agents against liability claimed to have resulted from actions taken by them on behalf of the Council and in good faith, to the extent permitted by law.

Article XI

1. ANTITRUST COMPLIANCE POLICY.

It is the policy of the Council to comply strictly with the letter and spirit of all applicable trade regulations and antitrust laws. Any activities of the Council or Council-related actions of its officers, directors, members, Member Representatives or staff which violate these regulations and laws are contrary to Council policy.

2. IMPLEMENTATION.

The antitrust compliance policy of the Council includes the following:

- a) Meetings are conducted pursuant to agendas distributed in advance to attendees; discussions are limited to agenda items; there are no substantive discussions of Council matters other than at official meetings; minutes are distributed to attendees promptly.
- b) All Council activities or discussions are avoided which might be construed as tending to (1) raise, lower or stabilize prices; (2) regulate production; (3) allocate markets; (4) encourage boycotts; (5) foster unfair trade practices; (6) assist in monopolization; or in any way violate applicable trade regulations and antitrust laws.
- c) General Counsel attends Board of Directors and Member Representative meetings at the discretion of the Board of Directors. Attendance of Counsel at other meetings is at the discretion of the President.
- d) Council officers, directors, members, Member Representatives or staff who participate in conduct which the Board of Directors, by two-thirds majority vote, determines to be contrary to the Council antitrust compliance policy are subject to disciplinary measures up to, and including, expulsion.