

Bylaws for the Association for Manufacturing Excellence

Board of Directors Approved: November 2018

ARTICLE I – Name and Location

The name of the association is the Association for Manufacturing Excellence (hereinafter called “the Association”), an Illinois not-for-profit corporation. The Association’s headquarters and Principal Office and other facilities will be in a location(s) designated by the Board of Directors.

ARTICLE II – Purposes and Objectives

Section 2.1: Purposes and Objectives. The purposes and objectives of the Association pursuant to Section 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) are:

- (a) To undertake educational events and research studies with respect to the functions of manufacturing enterprises and publish the results thereof;
- (b) To provide a forum for education and the exchange of information on the development and application of manufacturing systems, technologies, and practices; and
- (c) To perform any and all such other acts as are lawful, necessary, convenient, and proper to the attainment of these purposes.

Section 2.2: Rules. The following rules shall conclusively bind the Association and all persons acting for or on behalf of it:

- (a) No part of the net earnings of the Association may inure to the benefit of, or be distributable to its Directors, Officers, or other private persons, except that the Association is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein.
- (b) No substantial part of the activities of the Association shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Association shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office. Notwithstanding any other provision of these Bylaws, the Association shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal revenue Law).

ARTICLE III - Membership

Section 3.1: Membership. Membership may be granted to any individual or corporation (both referred to as “Members”) who is interested in and agrees to support AME’s purposes, and who further agrees to abide by these bylaws. The Board of Directors may establish and define classes of membership as necessary.

Section 3.2: Termination of Membership. The Board of Directors may expel any entity or individual member from the Association for conduct contrary to the objectives of the Association by a two-thirds (2/3s) vote; provided a statement of the charges shall have been mailed by certified mail to the last recorded address of the member at least 15 days before final action is to be taken. This statement must be accompanied by a notice of the time and place of the meeting of the Board of Directors at which the charges will be considered, and the member shall have the opportunity to appear in person and/or to be represented by counsel and to present any defense to such charges before action is taken by the Board of Directors.

ARTICLE IV – Dues, Assessments and Fees

Section 4.1: Rates. Membership dues or other assessments shall be at rates approved by the Board of Directors. Fees for programs and services are set by the President and CEO or designated authority within the parameters of the Board of Directors approved budget.

ARTICLE V -- Membership Meetings

Section 5.1: Annual Business Meeting. The Association shall hold membership meetings at such time and place as determined by the Board of Directors. One meeting each year shall be designated as the Annual Business Meeting. At least twenty (20) days notice in writing shall be given to members prior to the Annual Business Meeting.

Section 5.2: Special Meetings. Special Meetings of the Members may be called at any time and place by the Board of Directors. The Board of Directors shall also call a Special Meeting upon written request of twenty-five percent (25%) of all Members in good standing.

Section 5.3. Quorum. The presence in person or by proxy of at least 100 members constitutes a quorum for the transaction of business at any meeting of the members.

ARTICLE VI -- Board of Directors

Section 6.1: Number of Officers and Directors. There shall be a Board of Directors consisting of sixteen (16) members: the five (5) elected Officers, four (4) Regional Directors, six (6) Directors at Large (the Officers, Regional Directors, and Directors at Large collectively referred to in these Bylaws as “Directors”), and the President and CEO. The President and CEO shall serve as an Officer and ex-officio member of the Board without vote.

Section 6.2: General Powers. The Board of Directors shall have supervision, control, and direction of the affairs of AME, shall determine the policies or changes therein within the limits of these Bylaws, and shall actively promote its purposes and have discretion in the disbursement of its funds. The Board of Directors may direct such rules and regulations for the conduct of its business as shall be deemed advisable and may, in the execution of the powers granted, appoint such agents as it may consider necessary. The Board of Directors shall approve the annual budget and authorize expenditures in accordance with the annual program of work and budget guidance, and promote the purposes of the Association with any actions that are within the provisions of these Bylaws and the Illinois not-for-profit corporation act.

Section 6.3: Meetings and Quorum. A majority of the voting members of the Board of Directors shall constitute a quorum at any duly called meeting of the Board, and the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or these Bylaws. The Board of Directors may provide by resolution the time, date, and place for holding regular meetings of the Board without other notice than such resolution. Special meetings of the Board may be called with a minimum of ten (10) days notice by or at the request of the Chair or of five (5) members of the Board.

Section 6.4: Terms. Directors shall serve up to two (2) consecutive two-year terms and may serve one additional term after leaving the Board, up to a maximum of six (6) total years of service. Terms begin at the start of the fiscal year.

Section 6.5: Vacancies. Should any Director at Large position become vacant, the Chair, with the approval of the Board of Directors, may appoint a qualified member in good standing to fill the office for the remainder of the year. Appointment to such position will not limit the number of terms that can be served under Section 6.4.

Section 6.6: Compliance by Mail or Electronic Ballot Approval. The Board of Directors may vote by mail or electronic ballot, provided that all voting members of the Board of Directors entitled to vote on the subject matter vote unanimously in favor of the issue presented.

Section 6.7: Removal. The Board of Directors may, at its discretion, by two-thirds (2/3s) vote, remove any Officer.

Section 6.8: Indemnification. The Association shall indemnify officers, directors and employees to the fullest extent permitted by law, for expenses such parties may incur in the defense of any action brought against them by reason of their being Officers, Directors or employees of the Association. This indemnification may include, upon approval of the Board of Directors, the advancement of costs and expenses incurred with the defense of any such action. However, such indemnification will not be permitted in cases where the Officer, Director or employee has been adjudged by competent authority to be liable for gross negligence or is guilty of misconduct.

ARTICLE VII - Officers and Duties

Section 7.1: Officers. All Officers of the Association shall be members in good standing with the exception of the President and CEO. The Officers shall be a Chair, Chair-Elect, a Secretary, a Treasurer and the Past Chair. The Chair-Elect, Secretary and Treasurer shall be elected by the Board of Directors. All duties of all Officers may be amended from time to time by the Board of Directors.

Section 7.2: Term; Eligibility. The Officers shall take office at the start of the fiscal year and shall hold office for one year or until a successor takes office. Any individual member in good standing is eligible to serve as an Officer of the Association as long as they have served one complete year on the Board of Directors.

Section 7.3: Chair. The Chair shall be the chief elected official of the Association and shall preside at membership, Board of Directors, Executive Committee and other meetings of the Association as required.

Section 7.4: Chair-Elect. The Chair-Elect shall act as Chair in the event of the absence or disability of the Chair or vacancy in the office of Chair. The Chair-Elect shall assume the office of Chair at the end of the Chair's term of office or in the event the Chair is permanently unable to perform his or her duties. The Chair-Elect shall perform such duties as may be prescribed by the Chair or the Board of Directors.

Section 7.5: Secretary. The Secretary shall be responsible for providing notices of Board and Executive Committee meetings, maintaining minutes and maintaining custody of the Association records with the assistance of staff. The Secretary will chair the Governance Committee.

Section 7.6: Treasurer. The Treasurer shall chair the Budget and Finance Committee and oversee the custody, receipt, and disbursement and investment of all funds of the Association and may seek staff assistance and outside vendor assistance in performing these functions.

Section 7.7: Past Chair. The Past Chair shall chair the Nominating Committee and supervise the nominating process, oversee the development of volunteer leaders of the association and assist the Chair as necessary.

Section 7.8: Replacement. In case of death, resignation or inability of any Officer to serve, a successor may be appointed for the balance of the unexpired term by the Chair with the approval of the Board of Directors, except in the case of the Chair, in which case the successor shall be the Chair-Elect.

Section 7.9: President and CEO. The President and CEO is an Officer of the Association. This position is appointed by and serves at the pleasure of the Board of Directors. The President and CEO shall serve as the principal administrative official for the Association and shall conduct the Association's business affairs under the direction of the Chair. The President and CEO shall carry out the programs of the Association as approved by the Board of Directors. The President and CEO may hire such employees, and contract for services, as approved in the Association's budget, to carry out the Association's administrative and business affairs. The President and CEO shall be given such title as may be prescribed by the Board of Directors and shall report to and assume such duties as may be assigned by the Chair. The President and CEO or his/her staff designee shall serve ex-officio without vote on all boards and committees of the Association.

ARTICLE VIII- Executive Committee

Section 8.1: Number. There shall be an Executive Committee consisting of the five (5) elected Officers, and the President and CEO who serves as an ex-officio member without vote.

Section 8.2: Authority. The Executive Committee acts for the Board of Directors in times when the Board is not in session. The Executive Committee assumes the duties of the Board with the exception of duties reserved for the Board in these Bylaws or by law. The Executive Committee attends to the confidential matters of the Board in relation to staff compensation and other sensitive matters.

Section 8.3: Quorum. A majority of the voting members of the Executive Committee shall constitute a quorum at any duly called meeting of the Committee. The Chair shall call such meetings of the Executive Committee as the business of the Association may require. A meeting of the Executive Committee may be called at any time on the request of three (3) voting members of the Executive Committee.

ARTICLE IX - Nominating Committee

Section 9.1: Number. At the first meeting of the Board of Directors after the beginning of each fiscal year, the Chair, with the approval of the Board of Directors, shall name a Nominating Committee consisting of a minimum of five (5) individual representatives of the membership, at least one (1) of whom shall be a member of the Board, in addition to the Past Chair, who shall chair the committee.

Section 9.2: Election Process. The Nominating Committee will present for approval to the Board of Directors a slate of Officers and Directors at Large. The Board of Directors, after approval of the slate, will submit the slate of Directors at Large to the membership. If there are no further nominations to the slate signed by at least 100 voting members within thirty (30) days, the Directors at Large on the slate will be considered elected.

If further nominations are made, an election for Directors at Large will be held in accordance with Association's policies and procedures.

Article X- Voting

Section 10.1: Elections of Officers and Directors. Election of the Officers, Directors-at-Large, and Regional Directors of the Association shall be done and announced to the membership prior to the beginning of the next fiscal year.

Section 10.2 Voting:

- a) Voting members of the Association shall be entitled to cast one vote in any matter voted on by the membership.
- b) In any election for Directors at Large, the voting members shall be entitled to cast one vote for each open position.
- c) Unless otherwise provided, the Board of Directors by a two-thirds (2/3s) vote may submit any matter to the membership for a vote.
- d) Unless otherwise provided, any election or other matter voted on by the membership shall be decided by a simple majority of votes cast.
- f) There shall be no proxy voting.

ARTICLE XI – Committees, Commissions, Task Forces and other Governance Entities

Section 11.1: Standing Committees. In addition to the Executive Committee, there will be four standing committees of the association: the Nominating Committee, the Governance Committee, the Budget and Finance Committee, and the Audit Committee.

Section 11.2: Additional Committees and Governing Entities. The Chair, with the approval of the Board of Directors, may establish such Committees, sub-Committees, task forces or other governing entities as needed, and appoint the Chair and members of all committees as approved by the Board.

ARTICLE XII – Regions

Section 12.1: Establishment. Regional organizations may be established by Regional Governance Policy whenever the Board of Directors may approve such policy, subject to such requirements as to membership, organization, procedures, and financial responsibility that the Board of Directors may, from time to time, prescribe. Regional organization members must be members of AME. No

regional organization may use the association's name without the written authorization of the Board of Directors.

Section 12.2: Election to the Association's Board of Directors. In the fourth quarter of the year, the nine (9) existing region presidents (the Presidents' Council, collectively referred to as the "Council") shall elect four (4) Regional Directors to the Association's Board of Directors under the terms and conditions outlined in Article VI of these Bylaws. To be eligible to serve on the Association's Board of Directors, the region president must have served as a region president for six (6) months. One of the four (4) directors shall serve as Council Chair and one shall serve as Council Vice Chair for one-year terms. At the end of the one-year term, the Council Vice Chair will assume the duties of the Council Chair and another Council Vice Chair will be elected.

Section 12.3: Region Duties. The Regions of the Association shall conduct meetings, programs and activities to promote the purposes of the Association. Regions shall abide by the provisions of these Bylaws and corresponding policies and procedures.

Section 12.4: Organization. Each Regional Organization shall have a regional board, and abide by the Regional Governance Policy.

Section 12.5: Changes to Regions. Regions shall be established, terminated, or changed with the approval of the Board of Directors upon such terms and conditions as it may establish. Upon termination of a Region, all funds, assets and records of the Region shall be returned to the Association headquarters.

ARTICLE XIII- Amendments

Section 13.1: Amendments. These Bylaws may be amended or repealed by a two-thirds (2/3s) vote of the Board of Directors. Notice of such proposed changes must be sent in writing to the Board thirty (30) days prior to the scheduled vote. The Board of Directors may propose amendments on its own initiative or upon petition of any ten percent (10%) voting members addressed to the Board.

ARTICLE XIV– Business Rules

Section 14.1: Fiscal Year. The fiscal year of the Association shall end on the 30th day of September in each year and shall commence on the 1st day of October.

Section 14.2: Association Accounts. The accounts of the Association shall be audited yearly by an independent auditor approved by the Board of Directors or its designee.

ARTICLE XV- Dissolution

In the event of the dissolution or final liquidation of the Association, its remaining net assets shall be distributed to such organizations classified as exempt organizations under section 501(c) (3) of the Internal Revenue Code of 1986, as amended, as the Board of Directors in the exercise of its discretion may determine, and no part of such net assets may inure to the benefit of any individual, Member, Board Member or similar person.

ARTICLE XVI – Use of Electronic Communication

Unless otherwise prohibited by law, (a) any action to be taken or notice delivered under these Bylaws may be taken or transmitted by electronic mail or other electronic means; and (b) any action or approval required to be written or in writing may be transmitted by electronic mail or other electronic means.