



CAPCO PIPE COMPANY, INC. — A Subsidiary of ASARCO Incorporated
1400 Twentieth Street, South • P. O. Box 55379 / Birmingham, Alabama 35255 • Phone 205 • 933-7281

WARREN T. WHITLEY
President

July 8, 1987

Lloyd Ambler, President
CertainTeed Corporation
P. O. Box 860
Valley Forge, PA 19482

Dear Lloyd:

Enclosed are the Bylaws of the United States Plastic Pipe Association. It has come to my attention that you have expressed an interest in joining with the group, and we hope a review of the Bylaws will encourage you to join. Our next meeting is scheduled for October 2nd in the Dallas-Ft. Worth area, and I sincerely hope that you will be able to attend. We will let you know more details concerning the meeting as time approaches.

Very truly yours,

Warren T. Whitley
President
United States Plastic Pipe Association

WTW/dc

Enclosure

RECEIVED
JUL 13 1987
P. & P. G.
SALES

Circulate - 7/16/87
M. Simmons
FYI - I never expressed
an interest. I honestly don't
believe we should. Please
comment.

7/20
I agree
MS

Thanks
KLS

Quality Piping Materials

CTD028521

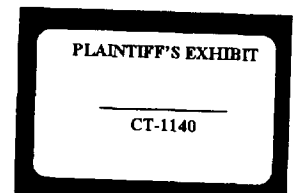


EXHIBIT "A"

BYLAWS

OF

UNITED STATES PLASTIC PIPE ASSOCIATION

ARTICLE I

MEMBERS

Section 1.01. Classes, Qualifications and Admissions of Members and Associate Members. The non-profit corporation (the "corporation") shall have two classes of members. United States corporations, partnerships, and other business entities that produce and/or manufacture locked in gasketed plastic pipe, including those that own at least eighty percent (80%) of the capital stock entitled, absent the occurrence or failure to occur of any specified event or events, to vote for the election of directors of any United States corporation that so produces and/or manufactures locked in gasketed plastic pipe shall be eligible for voting membership in the corporation ("Members").

An initial designation of members shall be made by the Board of Directors prior to the members' first organizational meeting. Applicants for membership that are eligible for membership and have paid such fees or dues as the Board of Directors requires, shall become members of the corporation at that time. After this initial designation of members, each new applicant eligible for membership shall become a member of the corporation upon (a) its submission to and approval by the Board of Directors of a written application, and (b) the payment to the corporation of an initial fee equal to the greater of (i) the amount which would have been such prospective member's dues and pro rata share of additional expenses of the corporation during the two (2) fiscal years immediately preceding such application, determined in accordance with Section 6.01 hereof and as if such prospective member had approved all expenses of the corporation during such period, or (ii) ten thousand dollars (\$10,000.00).

The corporation shall also have an associate class of members. United States corporations, partnerships, and other business entities that supply materials to the locked in gasketed plastic pipe industry, or that own at least eighty percent (80%) of the capital stock entitled, absent the

occurrence or failure to own of any specified event or events, to vote for the election of directors of any United States corporation that supplies materials to the locked in gasketed plastic pipe business shall be eligible for associate membership in the corporation ("Associate members").

Each applicant eligible for associate membership shall become an associate member of the corporation upon (a) its submission to and approval by the Board of Directors of a written application, and (b) the payment to the corporation of an associate membership fee of ten thousand dollars \$(10,000.00).

Section 1.02. Voting Rights. Each member shall be entitled to one vote on each matter submitted to a vote of the members. Associate members shall have no voting rights.

Each member of the corporation shall be entitled to designate in writing to the Secretary of the corporation one active representative and two alternate representatives. Each member shall vote or otherwise act with respect to the corporation only through such member's duly designated active representative, or in his absence or inability to act, through one of such member's duly designated alternate representatives, or by duly executed proxy as hereinafter provided.

Section 1.03. Termination of Membership. The Board of Directors, by affirmative vote of two-thirds (2/3) of the whole number of the Board, may suspend or expel a member or an associate member for failure to comply with any provision of the corporation's Articles of Incorporation or Bylaws or any rule or regulation made thereunder after notice and an appropriate hearing, and may, by affirmative vote of two-thirds (2/3) of the whole number of the Board, terminate the membership of any member who ceases to produce or manufacture locked in gasketed plastic pipe or may terminate any associate member who ceases to supply materials to the locked in gasketed plastic pipe industry, or suspend or expel any member or associate member who shall be in default in the payment of dues or any assessment for a period of three (3) months following the date on which payment of such dues or assessment was due.

Section 1.04. Withdrawal. Any member or associate member may withdraw from membership in the corporation by filing a written notice of such withdrawal with the Secretary and tendering to the Secretary payment of such member's or associate member's pro rata share of all expenses of the corporation incurred, accrued or committed to the date thereof, computed in accordance with the method set forth in Section 6.01; but such withdrawal shall not relieve the member or associate member so withdrawing of the obligation to pay any dues, assessments or other charges theretofore accrued and unpaid, or committed, as of the date of withdrawal.

Section 1.05. Reinstatement. Upon written application signed by a former member or an associate member and filed with the Secretary, and payment of a fee equal to that amount which would have been such former member's or associate member's pro rata share of the expenses of the corporation during the lesser of (i) the period from the withdrawal of such former member or associate member to submission of such written application for reinstatement or (ii) the three (3) fiscal years immediately prior to submission of such application, either payment being determined in accordance with the procedure set forth in Section 6.01 hereof, or the payment of some other reasonable fee determined by the Board of Directors, such former member or associate member shall, if then otherwise eligible for membership or associate membership, in the corporation, be reinstated to membership or associate membership.

Section 1.06. Transfer of Membership. Membership in this corporation is not transferable or assignable, except to any other United States corporation, partnership, or other business entity that is the successor to the business of a member by merger or sale of assets used in the production or manufacture of locked in gasketed plastic pipe and any purported transfer or assignment of such membership not permitted hereby shall be void.

Associate memberships are not transferable or assignable, except to any other United States corporation, partnership, or other business entity that is the successor to the business of an associate member by merger or sale of assets, and any purported transfer or assignment of such associate membership not permitted hereby shall be void.

Section 1.07. Annual Meeting. The annual meeting of members and associate members shall be held on the second Friday in February at 10:00 a.m. if not a legal holiday, and if a legal holiday, then on the next succeeding business day, or at such other time or on such other date as may be fixed by resolution of the Board of Directors. Any business may be transacted at an annual meeting, except as otherwise provided by law or by these bylaws.

Section 1.08. Special Meeting. A special meeting of members and associate members may be called at any time by members having at least (51%) of the votes entitled to be cast at such meeting, by a majority vote of the Board of Directors or by the President/ Chairman of the Board. Only such business shall be transacted at a special meeting as may be stated or indicated in the notice of such meeting.

Section 1.09. Place. The annual meeting of members and associate members may be held at any place within or without

the State of Texas designated by the Board of Directors. Special meetings of members and associate members may be held at any place within or without the State of Texas designated by the Board of Directors or, in the absence of such designation, at any place designated by the President/Chairman of the Board. Any meeting may be held at any place within or without the State of Texas designated in a waiver of notice of such meeting signed by all of the members. Meetings of members and associate members shall be held at the principal office of the corporation unless another place is designated for meetings in the manner provided herein.

Section 1.10. Notice. Written or printed notice stating the place, day and hour of each meeting of members and associate members and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered by the Secretary of the corporation not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, to each member and associate member entitled to vote at such meeting.

Section 1.11. Quorum. Members holding at least a majority of the votes entitled to be cast at the meeting and present in person or by proxy, shall constitute a quorum. Except as otherwise required by law, the articles of incorporation or these bylaws, the vote of a majority of the votes entitled to be cast at any meeting at which a quorum is present shall be the act of the members' meeting.

Section 1.12. Proxies. At all meetings of members and associate members, a member may vote either in person or by proxy executed in writing by such member. Such members' proxies shall be filed with the Secretary of the corporation before or at the time of the meeting. No members' proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable or unless otherwise made irrevocable by law, and in no event shall such proxy remain irrevocable for more than eleven (11) months from the date of its execution.

Section 1.13. Action Without Meeting. Any action permitted or required by law, by these bylaws or by the articles of incorporation of the corporation to be taken at a meeting of members and associate members of the corporation may be taken without a meeting as provided in Section 7.06 of these bylaws.

ARTICLE II

BOARD OF DIRECTORS

Section 2.01. Number and Term of Office. The business and

property of the corporation shall be managed by the Board of Directors, and subject to the restrictions imposed by law, the articles of incorporation or by these bylaws, they may exercise all the powers of the corporation.

The Board of Directors shall consist of 4 active representatives of the members who shall be elected by a majority vote of the members at their Annual Meeting each year. Each director shall hold office for the term of 1 year or until he is removed or until his death or resignation. Directors may serve multiple terms on the Board if the members reelect them. Directors need not be residents of Texas. The associate members shall not be considered for positions on the Board of Directors.

Any vacancy occurring in the Board of Directors by reason of the death, resignation, retirement, incapacity or removal of any director shall be filled by a successor director appointed by a majority vote of the directors then remaining on the Board.

Section 2.02. Removal. Any director elected by the members of the association or appointed by the Board of Directors may for good cause shown be removed by a majority vote of the members.

Section 2.03. Meetings of Directors. The directors may hold their meetings and may have an office and keep the books of the corporation, except as otherwise provided by statute, in such place or places in the State of Texas, or outside the State of Texas, as the Board of Directors may from time to time determine.

Section 2.04. Annual Meeting of Directors. The annual meeting of directors shall be held on the second Friday in February at 11:00 a.m. if not a legal holiday, and if a legal holiday, then on the next succeeding business day, or at such other time or on such other date as may be fixed by resolution of the Board of Directors. Except as otherwise provided by law, the articles of incorporation or these bylaws, no notice shall be required, and any business may be transacted at, an annual meeting of the Board of Directors.

Section 2.05. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places as shall be designated from time to time by resolution of the Board of Directors. Except as otherwise provided by law, the articles of incorporation or these bylaws, notice of such regular meetings shall not be required.

Section 2.06. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the President/Chairman of the Board or by a majority of the directors for the time being in office. Each such special

meeting shall be held at such time and place as shall be designated by the officer or directors calling such meeting.

Section 2.07. Notice. The Secretary shall give notice of each special meeting in person, by telegraph or by facsimile transmission, at least 24 hours before the time of such meeting, or by mail at least one (1) week before the time of such meeting, to each director. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully provided for in these bylaws. Except as otherwise provided by law, the articles of incorporation or these bylaws, neither the business to be transacted at, nor the purpose of, an annual meeting or any regular or special meeting of the Board of Directors need be specified in the notice or written waiver of notice of such meeting.

Section 2.08. Quorum and Voting. A majority of the directors shall constitute a quorum for the transaction of business, but if at any meeting of the Board of Directors there be less than a quorum present, a majority of those present or any director solely present may adjourn the meeting from time to time without further notice. Directors present by proxy may not be counted toward a quorum. The act of a majority of the directors present in person or by proxy at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the articles of incorporation or by these bylaws.

A director may vote in person or by proxy executed in writing by such director. No director's proxy shall be valid after three (3) months from the date of its execution. Each director's proxy shall be revocable unless expressly provided therein to be irrevocable, and unless otherwise made irrevocable by law.

Section 2.09. Order of Business. At meetings of the Board of Directors, business shall be transacted in such order as from time to time the Board may determine. At meetings of the Board of Directors, the President/ Chairman of the Board shall preside. In the absence of the President/Chairman, the presiding officer shall be determined in accordance with Article IV of these bylaws.

Section 2.10. Compensation. Directors as such shall not receive any stated salary for their service, but by resolution of the Board a sum may be paid to cover the directors' expenses of attendance. Nothing contained herein shall be construed to preclude any director from serving the corporation in any other capacity or receiving compensation thereof.

Section 2.11. Presumption of Assent. A director of the

corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action unless his dissent shall be entered into the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation before the minutes are drafted and approved. Such right to dissent shall apply to a director who voted in favor of such action.

Section 2.12. Action Without Meeting. Any action permitted or required by law, by these bylaws or by the articles of incorporation of the corporation, to be taken at a meeting of the Board of Directors or any committee thereof may be taken without a meeting as provided in Section 7.06 of these bylaws.

Section 2.13. Regulations. With respect to any matter not directly provided for in the articles of incorporation or bylaws, and to the extent not inconsistent with applicable law, the Board of Directors may establish regulations at any meeting; such regulations shall be binding upon the members of the corporation, the Board of Directors, and of each committee to the same extent as these bylaws. The Board of Directors may in the same manner amend or revise such regulations.

Section 2.14. Greater Voting Requirements. The affirmative vote of three-fourths (3/4) of the directors present in person or by proxy at a meeting at which a quorum is present shall be required in order for the Board of Directors to (a) approve material budgetary matters; (b) approve publication or dissemination of information compiled in accordance with the purposes of the corporation; (c) approve the making of any public statements on behalf of the corporation; or (d) alter, amend, or repeal these bylaws.

ARTICLE III

COMMITTEES

Section 3.01. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the whole number of the Board of Directors, may designate an executive committee which, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors. Such committee shall consist of 2 or more persons, a majority of whom are directors; the remainder may be directors or representatives of the members; provided, however, that no more than one representative, active or associate, of any member may serve on such committee. The designation of such committee and the delegation thereto of authority shall

not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

Section 3.02. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the corporation may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution or in these bylaws, members of each such committee shall be representatives of the members of the corporation, and the President/Chairman of the Board of the corporation shall appoint the members of such committee. Any member of such a committee may be removed by the person or persons authorized to appoint such member to the committee whenever in their judgment the best interests of the corporation shall be served by such removal.

Section 3.03. Term of Office. Each member of a committee shall continue as such until his successor is appointed and qualified, unless the committee shall be sooner terminated, or such member shall be removed from such committee, or shall cease to qualify as a member thereof, or shall die or resign. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 3.04. Organization. Except as otherwise provided by resolution of the Board of Directors or by these bylaws, one member of each committee shall be appointed Chairman by the person or persons authorized to appoint the members thereof. Unless otherwise provided in the resolution of the Board of Directors designating a committee or in these bylaws, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee. Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board of Directors. Any action permitted or required by law, by these bylaws or by the articles of incorporation of the corporation to be taken at a meeting of any committee may be taken without a meeting as provided in Section 7.06 of these bylaws.

ARTICLE IV

OFFICERS

Section 4.01. Number, Titles and Term of Office. The officers of the corporation shall be a President who shall also serve as Chairman of the Board, one or more Vice Presidents, a Secretary, a Treasurer and such other officers as the Board of Directors may from time to time elect or appoint. Each officer

shall hold office until his successor shall have been duly elected and qualified or until his death, resignation or removal in the manner hereinafter provided. No officer shall be elected for a term exceeding three (3) years, but any officer may be elected to more than one term. Terms shall be staggered, with one officer elected at the annual meeting of the Board of Directors each year; provided, however, that both the Vice President (or Vice Presidents) and the Treasurer may be elected at the same meeting. One person may not hold more than one office. All officers except the Secretary must be directors.

Section 4.02. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 4.03. Vacancies. A vacancy in the office of any officer may be filled by a vote of a majority of the directors.

Section 4.04. Powers and Duties of the President/Chairman of the Board. The President/Chairman of the Board shall be the chief executive officer of the corporation and shall preside at all meetings of members and associate members and of the Board of Directors. Subject to the control of the Board of Directors, and to the extent not inconsistent with the authority delegated by the Board of Directors to any committee, the President/Chairman shall have general executive charge of business and operations of the corporation with all such powers as may be reasonably incident to such responsibilities; he may agree upon and execute all leases, contracts, evidences of indebtedness and other obligations in the name of the corporation; and he shall have such other powers and duties as designated in accordance with these bylaws and from time to time may be assigned to him by the Board of Directors.

Section 4.05. Vice Presidents. In the absence of the President/Chairman, or in the event of his inability or refusal to act, a Vice President designated by the Board of Directors shall perform the duties of the President/Chairman, and when so acting shall have all the powers of and be subject to all the restrictions upon the President/Chairman. In the absence of a designation by the Board of Directors of a Vice President to perform the duties of the President/Chairman in the event of his absence or inability or refusal to act, the Vice President who is present and who is senior in terms of time as a Vice President of the corporation shall so act. The Vice Presidents shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 4.06. Secretary. The Secretary shall, unless the Board of Directors otherwise directs, keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of members and associate members, in books provided for that purpose; he shall attend to the giving and serving of all notices; he may in the name of the corporation attest to all contracts of the corporation and affix the seal, if any, of the corporation thereto; he shall have charge of such books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection of any director upon application at the office of the corporation during business hours, and he shall in general perform all duties incident to the office of Secretary, subject to the control of the Board of Directors. In the event of the absence or inability or refusal to act of the Secretary, an interim secretary shall be selected by a majority vote of the members of the Board of Directors.

The Secretary may also use the services of a professional management association, chosen by the Board of Directors, to assist him in the production and completion of any or all of his aforementioned duties.

Section 4.07. Treasurer. The Treasurer shall have custody of all the funds and securities of the corporation which come into his hands. When necessary or proper, he may endorse, on behalf of the corporation, for collection checks, notes and other obligations and shall deposit the same to the credit of the corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board of Directors, and he may sign all receipts and vouchers for payments made to the corporation, either alone or jointly with such other officer as is designated by the Board of Directors. Whenever required by the Board of Directors, he shall render a statement of his cash account; he shall enter or cause to be entered regularly in the books of the corporation to be kept by him for that purpose full and accurate accounts of all monies received and paid out on account of the corporation; he shall perform all acts incident to the position of Treasurer, including the timely filing of all federal, state and local tax forms, subject to the control of the Board of Directors; and he shall, if required by the Board of Directors, give such bond for the faithful discharge of his duties in such form as the Board of Directors may require. In the event of the absence or inability or refusal to act of the Treasurer, a member of the Board of Directors shall be selected by a majority vote of the members of the Board of Directors present to serve as interim Treasurer.

The Treasurer may also use the services of a management association, chosen by the Board of Directors, to assist him in the production and completion of any or all of his aforementioned duties.

ARTICLE V

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 5.01. Right to Indemnification. The corporation shall indemnify any person or the estate of any deceased person (such person or deceased person being hereinafter referred to as "Person") who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, by reason of the fact that he is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another corporation, partnership, joint venture, trust, sole proprietorship, employee benefit plan or other enterprise, as follows:

(a) if the action, suit or proceeding is not by or in the right of the corporation

(1) against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith to the extent that he has been wholly successful on the merits or otherwise in defense of such action, suit or proceeding, and

(2) against expenses (including attorneys' fees) actually and reasonably incurred by him, and against judgments, penalties (including excise and similar taxes), fines, and amounts paid in settlement by him in connection therewith if he acted in good faith and in a manner he reasonably believed, in the case of conduct in his official capacity, to be in the best interests of the corporation; or, in all other civil cases, to be not opposed to the best interests of the corporation; and, with respect to any criminal action or proceeding, if he acted in good faith and had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, or, with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful;

(b) if the action, suit or proceeding is by or in the right of the corporation

(1) against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith to the extent that he has been wholly successful on the merits or otherwise in defense of such action, suit or proceeding; and

(2) against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement thereof if he acted in good faith and, in the case of conduct in his official capacity, in a manner he reasonably believed to be in the best interests of the corporation; or, in all other cases, to be not opposed to the best interests of the corporation.

(c) Notwithstanding the foregoing provisions of this Article, the corporation shall approve indemnification of any Person to the fullest extent then permitted by law.

Section 5.02. Procedure to be Followed. Any indemnification under paragraph (a)(2) or (b)(2), Section 5.01 of this Article (unless ordered by a court or made pursuant to a determination by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in such paragraph (a)(2) or (b)(2). Such determination shall be made

(a) by a majority vote of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the proceeding;

(b) if such quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all directors, consisting solely of two or more directors who at the time of the vote are not named defendants or respondents in the proceeding.

(c) by special legal counsel selected by the Board of Directors or a committee of the Board by vote as set forth in (a) or (b) immediately foregoing, or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all directors; or

(d) by the shareholders in a vote that excludes the shares held by directors who are named defendants or respondents in the proceeding.

Section 5.03. Authorization of Payment. Authorization of indemnification and determination as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if special

legal counsel makes the latter determination, authorization of indemnification and determination as to reasonableness of expenses must be made

(a) by a majority vote of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the proceeding; or, if such a quorum cannot be obtained,

(b) by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all directors, consisting solely of two or more directors who at the time of the vote are not named defendants or respondents in the proceeding; or, if such a committee cannot be established,

(c) by a majority vote of all directors.

Section 5.04. Payment of Expenses in Advance. Expenses incurred in defending an action, suit or proceeding referred to in Section 5.01 of this Article may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors, by a committee of the Board of Directors, by special legal counsel, or by the shareholders in the manner provided in Section 5.02, upon determination that the facts then known would not preclude indemnification and upon receipt of a written affirmation by the Person of his good faith belief that he has met the standard of conduct necessary for indemnification under applicable law and a written undertaking by or on behalf of the Person to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this section. The written undertaking must be an unlimited general obligation of the Person but need not be secured. It may be accepted without reference to financial ability to make repayment.

Section 5.05. Other Rights. The indemnification provided by these bylaws shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any statute, agreement, vote of disinterested directors, or otherwise both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 5.06. Insurance. The corporation may purchase and maintain insurance on behalf of any Person against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of these bylaws.

Section 5.07. Severability. In the event that any part or portion of this Article shall be judicially determined to be invalid or unenforceable, such determination shall not in any way affect the remaining portions of this Article, but the same shall be divisible and the remainder shall continue in full force and effect.

Section 5.08. Appearance as a Witness or Otherwise. Notwithstanding any other provision of this Article, the corporation may pay or reimburse expenses incurred by a director, officer, or other person in connection with appearance as a witness or other participation in a proceeding at a time when he is not a named defendant or respondent in the proceeding.

Section 5.09. Report to Members and Associate Members. Any indemnification or advance of expenses in accordance with this Article shall be reported in writing to the members and to the associate members with or before the notice or waiver of notice of the next meeting or with or before the next submission to members of a consent to action without a meeting and, in any case, within the 12-month period immediately following the date of the indemnification or advance.

ARTICLE VI

FINANCE AND DISTRIBUTION UPON DISSOLUTION

Section 6.01. Expenses. The Board of Directors shall, in a timely manner, but in no event later than during the last quarter of the preceding fiscal year, cause to be prepared and submitted for its approval an annual budget of expenses for the upcoming fiscal year. The Board of Directors shall thereafter set the amount of dues to be paid by each member and associate member for the upcoming fiscal year, based on dollar volume of business or some other equitable basis as may from time to time be adopted by the Board of Directors. If, during any fiscal year, the expenses actually incurred by the corporation exceed the amount provided for in the budget for such fiscal year, the Board of Directors shall assess each member and associate member of the corporation its proportionate share of the additional expenses.

Section 6.02. Distribution upon Dissolution. Upon dissolution of the corporation, the business and affairs of the corporation shall be wound up and liquidated as rapidly as business circumstances permit; for this purpose, the assets of the corporation shall, if not otherwise provided in any plan of distribution adopted by the corporation and to the extent not inconsistent with law, be applied in this order: (a) to pay or

provide for payment of all amounts owing by the corporation to creditors and for expenses of winding up the corporation's affairs; (b) to pay any funds obtained from assessments for expenses during or for the fiscal year in which dissolution occurs and remaining unexpended after satisfaction of subsection (a) hereof to the members and associate members of the corporation, in their pro rata shares (as determined by the amounts contributed by each member and associate member to the expenses of the corporation during such fiscal year); (c) to pay in kind or the amount of money realized on sale, to the members and associate members of the corporation, in equal shares, any assets of the corporation remaining after satisfaction of subsections (a) and (b) hereof.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 7.01. Offices. Until the Board of Directors otherwise determines, the registered office of the corporation required by the Texas Non-Profit Corporation Act to be maintained in the State of Texas, shall be the registered office named in the original articles of incorporation of the corporation, or such other office as may be designated from time to time by the Board of Directors or by an officer of the corporation authorized by the Board of Directors so to do, in the manner provided by law. Such registered office need not be identical to the principal place of business of the corporation.

Section 7.02. Fiscal Year. The fiscal year of the corporation shall begin on January 1 of each year.

Section 7.03. Seal. The seal, if any, of the corporation shall be such as from time to time may be approved by the Board of Directors.

Section 7.04. Notice and Waiver of Notice. Whenever any notice is required to be given under the provisions of these bylaws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid envelope addressed to the person entitled thereto, at his post office address as it appears on the books of the corporation, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 7.05. Resignations. Any director, officer or committee member may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or if no time is specified at the time of its receipt by the President/Chairman of the Board or Secretary of the corporation.

Section 7.06. Action Without Meeting. Any action permitted or required by law, these bylaws or by the articles of incorporation of the corporation, to be taken at a meeting of the members and associate members, the Board of Directors or any committee designated by the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the members of the corporation or members of the Board of Directors or committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting, and may be stated as such in any document or instrument filed with the Secretary of State.

Section 7.07. Confidential Information. No member or associate member of the corporation shall be required to reveal any confidential or proprietary information, nor shall any member or associate member disclose any information in violation of federal or state law. Except as may be required by applicable federal or state law, no member or associate member of the corporation shall reveal or disclose any information proprietary to the corporation without the prior approval of the Board of Directors.

Section 7.08. Gender. All references in these bylaws to male gender apply equally and to their fullest extent to the female gender as well.

Section 7.09. Legal Counsel and Accountants. The Association shall retain legal counsel and accountants who shall be kept fully advised of and consulted with respect to all the corporation's activities. Legal counsel shall attend all meetings of the corporation, its Board of Directors and its committees. Accountants shall be present at meetings upon the request of the Board of Directors.

Section 7.10. Dues. Dues are to be paid annually by the members and associate members and become due and payable on January 1 of each year. Dues will be set each year by the Board of Directors according to Section 6.01 of these bylaws.

Section 7.11 Guests at Meetings. Each member or associate member is entitled to bring one (1) guest to the annual meeting of members and associate members or to any special meeting of the members and associate members.

ARTICLE VIII AMENDMENTS

Section 8.01. Amendments. These bylaws may be altered, amended, or repealed by the Board of Directors according to the special voting provisions set out in Section 2.14 of these bylaws.

(0740v)

Job Bid - 3/15/03 -
Original price $\$35/1b.$ for 20' - 3/10/03 -
3/11/03 - 5^{th} cut if needed to B. Wilkerson
on 3/15/03 - (3705) no print - Capex printing
Capex @ $\$3453/1b.$ @ 1000000 -
CT told B. Wilkerson he could go to
 $\$35/1b.$ to get close to Capex -
then we raised to $\$36/1b.$ @ 11:35 Am -
lets see we never cut the $\$3705/1b$
price - not to print -

3/23/03 - 3/21/03 - per Earl - we had to meet Capex
prices to get order -
6" - 200 $\$1.43$
8" - 200 $\$2.44$
10" - 200 $\$3.81$

We were at a $\$4400$ premium - on Capex -
we said we could not meet Capex prices -
this happened between 21st + 25th -
on 3/24 - less gave prices to Earl we could
go with - see notes -

on 3/25/03 - per Earl - Print agreed to our
prices - we sent Order acknowledgement on 3/26/03 -