

The Society of the
Plastics Industry, Inc.



1275 K Street, N.W.
Washington, D.C. 20005
(202) 371-5222
Fax: (202) 371-6576
Larry L. Thomas
President

November 30, 1993

To: SPI MEMBER COMPANY VOTING REPRESENTATIVES

**Re: SPI Board and Committee Restructuring Proposal
Notice of Proposed Amendment of SPI Bylaws
Ballot to be Returned by January 7, 1994**

Following a year of intensive discussion and study, the Board of Directors, at its October 1, 1993, meeting, unanimously approved a proposal that would bring about a restructuring of the composition, structure, and format of the SPI Board of Directors, Board Committees, and Board meetings.

I am enclosing for your review a copy of my memorandum to the SPI Board, dated September 1, 1993, and a report of the SPI Board of Directors Restructuring Task Force also dated September 1, 1993. It is this report, along with Attachment A thereto, relating to the role and duties of Division and Section representatives to the SPI Board and of Directors-at-Large, as well as to the composition and duties of the SPI Board Nominating Committee and guidelines for the Executive Committee, which received Board approval on October 1.

I am also enclosing a complete set of the SPI Bylaws with proposed amendments necessary to accomplish the various elements of the restructuring plan, which are submitted to the membership for approval in accordance with Article XIII of the Bylaws. For your ease of reference, new material in the SPI Bylaws is shaded and material to be deleted is interlined.

As you review these materials I hope that you will not hesitate to call me if you have any questions or if there is any information you need that I can provide. The current SPI Board and I believe that this proposal will enable SPI to more efficiently and effectively deal with the challenges confronting our industry now and for the years ahead. It strengthens our leadership for the responsible advancement of the entire plastics industry and enhances our role as the official spokesman for the plastics industry in the United States. I urge you to bring about this change by voting favorably on the enclosed ballot and returning it no later than January 7, 1994.

Sincerely,

A handwritten signature in black ink, appearing to read 'Larry L. Thomas', is written over a horizontal line.

Larry L. Thomas

Enclosures

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The Society of the
Plastics Industry, Inc.



1275 K Street, N.W.
Washington, D.C. 20005
(202) 371-5222
Fax: (202) 371-6576
Larry L. Thomas
President

September 1, 1993

TO: SPI BOARD OF DIRECTORS

Re: Board and Committee Restructuring Proposal

As you will recall, a Restructuring Task Force (see enclosed list) was appointed at the March Board meeting to further review and refine a proposed restructuring of SPI's Board of Directors and its committees. This Task Force was created in response to concerns about an earlier proposal that called for a smaller, all at-Large Board. Enclosed are its final recommendations which will be considered and acted upon at the October 1 Board of Directors meeting. Depending upon the outcome of that meeting, revised bylaws will be prepared to reflect any changes and sent out for appropriate balloting by the full membership.

The current recommendations fully recognize the importance of a large, diverse Board with representation by SPI's Divisions/Sections balanced by at-Large positions. It also recognizes the need for a smaller, yet equally well-balanced, Executive Committee elected by the Board of Directors as a senior-level decision-making body for the organization. The recommended restructuring is outlined in detail on the following pages. Here are a few of the major points in the proposal:

- The Board will consist of one representative from each of the Divisions and Sections (currently 30) and the NPE Chairman (ex officio), plus Directors at Large in a number not to exceed the number of Division and Section Directors, plus the five SPI Officers. Divisions and Sections will nominate their representatives under certain guidelines.
- There will be five standing Board Committees (plus the Processors Committee): Issues Management, Finance, Operations, Membership and Plastics Mobilization.
- The Executive Committee (15 Directors plus the 5 SPI Officers elected by the Board of Directors), which is to be broadly representative of the industry by business segment and by geography, has authority for governance of SPI except for those functions specifically reserved to the Board of Directors.
- Guidelines are established for: The Role, Composition and Duties of the Nominating Committee, Executive Committee, Division/Section Representatives, and at-Large Representatives.
- Three Board meetings will be held each year: two in Washington D.C. and one in a resort location. Washington meetings will be compressed into no more than one and a half days; resort meetings will cover two and one-half days. (This format will be subject to further fine-tuning.)

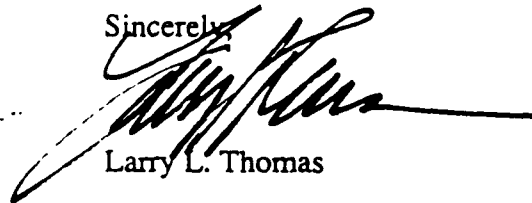
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- To improve communications, an executive summary of Board and Executive Committee actions will be circulated to all Directors within two working days of these meetings to facilitate reporting by Directors at Division/Section meetings, etc.

The information in the following pages is the product of extensive discussions by the Task Force and subsequent drafts. I believe the recommendations as presented here represent a sincere effort to address a range of concerns that had been expressed earlier. I encourage you to review this information so that constructive discussion can be held and decisions made during the upcoming Board meeting. If you have any questions, please feel free to contact me.

In closing, I want to extend a special thanks to the Chairman and members of the Restructuring Task Force who gave considerable time and effort to developing these recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry L. Thomas", written over a horizontal line.

Larry L. Thomas

Enclosures

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September 1, 1993

SPI BOARD OF DIRECTORS RESTRUCTURING TASK FORCE

Watts Humphrey, The Conair Group (Chairman)
Richard Davidovich, Scott Polymers, Inc.
Ross Fasick, DUPONT Company
Rip Gage, Gage Industries, Inc.
Fred Heine, Acromark, Inc.
Bill Joyce, Union Carbide Corp.
John Kretzschmar, Blako Industries, Inc.
Mike Naylor, Rubbermaid, Inc.
Jerry Purcell, The Budd Company
Leon Slocumb, Acro Extrusion
Harley Thomas, Vinyl Plastics, Inc.
Carl Wessinger, Wess Plastics, Inc.

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**PROPOSAL OF THE SPI BOARD OF DIRECTORS
RESTRUCTURING TASK FORCE CONCERNING THE COMPOSITION,
STRUCTURE AND FORMAT OF THE SPI BOARD OF DIRECTORS,
BOARD COMMITTEES AND BOARD MEETINGS**

I. BOARD OF DIRECTORS

A. COMPOSITION

- One representative from each of the Divisions and Sections (currently 30) and the NPE Chairman, ex officio; plus
- Directors at Large in a number not to exceed the number of Division and Section Directors; plus
- The five SPI officers.

B. SELECTION OF DIRECTORS

- Guidelines will be prepared specifying the role and duties of SPI Division and Section Directors in terms of serving as a link between the Divisions and Sections and the overall organization. (*See Attachment A*)
- The Division or Section representative may be, but is not limited to, the Division or Section Chairman.
- Each Division and Section Representative and each Director at Large shall be elected to a three-year term and is eligible to serve no more than two consecutive terms without a minimum hiatus of a year.
- The terms of the Division and Section directors following reorganization shall be staggered so that no more than one-third shall be beginning new terms in any given year.
- Directors at Large will continue to be nominated by the Nominating Committee and elected, along with the officers, by the SPI membership. (*See Attachment A*)
- All Directors shall be drawn from the Company Member category of membership.

C. BOARD COMMITTEES

- The Board shall be divided into five committees, relatively equal in size, plus the Processors Committee. Each committee, except for the Finance Committee which shall be composed entirely of Executive Committee members, shall count among its members at least two members of the Executive Committee, one of whom shall be the chair of that committee.

- Each of the five Board Committees shall be appointed by the Chairman of the Society with the goal of achieving balance on each committee by geography and industry segment. The Chairman also shall appoint the chairman of the Processors Committee.
- The committees shall be as follows:

Issues Management Committee shall identify and provide policy leadership on issues affecting the industry. In conjunction with the affected industry segments, the Committee will analyze the problems inherent in the issues, define objectives and programs necessary to further and protect the industry's interests, and coordinate its own resources with those of appropriate SPI Operating Divisions and Sections for the efficient and effective execution of necessary programs in the fields of federal and state governmental affairs and public relations activities as the latter relate to issues management topics.

Finance Committee shall be responsible for reviewing the annual operating budget and periodic financial reports of the Society and shall present its recommendations to the Executive Committee for approval and to the full Board of Directors for ratification. The Committee shall recommend policies concerning management of the financial resources of the Society, systems for internal financial control, establishment of membership dues, allocation of funds, and the general dues structure, including those revisions to the structure deemed necessary to provide the required revenue.

Operations Committee shall monitor and review the overall effectiveness of the operations of the SPI and make recommendations thereon, including consideration of whether certain operating units should be consolidated with others, and shall consider the formation of new operating units and make recommendations thereon to the full Board of Directors. The Committee shall also oversee the Society's sponsorship of trade shows. Members of this Committee are expected to become knowledgeable and gain full understanding of the operations of SPI and its units and trade shows. The Committee shall undertake long-range planning for the Society in areas assigned to it by the Executive Committee.

Membership Committee shall study, coordinate, and recommend policies and programs for the development of new Society members and the retention of existing members. It shall review the membership programs of the Society's operating units to provide guidance and assistance. It also shall be responsible for the appointment of a Credentials Committee which shall consist of the chairmen of all of the Society's Sections and the chairman of the Membership Committee. The Credentials Committee shall review the Society's monthly credentials report and approve/disapprove proposed new members listed in the report. The Committee also shall present to the full Board of Directors at each of its meetings a list of new members, resignations, suspensions and reinstatements for final approval, along with the Committee's recommendation concerning all other matters relating to membership activities.

Plastics Mobilization Committee shall provide leadership in developing an infrastructure that will reach out to and involve all segments of the industry in the Society's advocacy, outreach, and environmental benefit (Product Stewardship) programs. It will further develop programs that identify, inform, and involve activists and coordinate the resources necessary to maintain and expand industry-wide interest and participation.

Processors Committee shall consist of all Directors who are employed by member companies who process plastics materials. The Committee shall review proposed actions to be taken by the Society that may have particular impact on processor members and make recommendations to the Board and Executive Committee on behalf of all processor member companies.

D. AUTHORITY AND DUTIES OF THE BOARD OF DIRECTORS

The Board of Directors shall have the following duties and authority:

- To actively consider and discuss the affairs of the Society and of the industry during its meetings, to recommend to the Executive Committee such courses of action as will further the objectives and purposes of the Society, and to assist in the successful accomplishment of these goals;
- To elect the Society's Executive Committee;
- To ratify Finance and Executive Committee approval of the Society's annual budget;
- To approve any changes in dues rates;
- To approve the formation or termination of Divisions, Service Committees, Market Councils, Sections, and Special Purpose Groups;
- To create new committees of the Board of Directors where appropriate and necessary;
- To ratify appointments made by the SPI Chairman under the powers given to him to make such appointments;
- To act upon applications for membership in the Society and on all other matters affecting membership status; and
- To decide upon the dates and places of meetings of the Board of Directors.

II. EXECUTIVE COMMITTEE

A. COMPOSITION

- The Executive Committee shall consist of 20 members --the 5 SPI officers plus 15 additional members. Each of the members shall be Directors of the Society.

B. SELECTION

- The members of the Executive Committee shall be nominated by the 5 officers of SPI (according to a set of guidelines approved by the Board of Directors which assures industry balance), and elected by the Board of Directors. (See Attachment A)

C. AUTHORITY AND DUTIES OF THE EXECUTIVE COMMITTEE

The Executive Committee:

- Shall be the policy-making and supervisory body of the Society. It shall establish and direct the policies governing property and operations of the Society, be responsible for the expenditure of its funds, and exercise all the powers of the Society except as otherwise specified.
- Shall establish the agenda for the Board of Directors and be responsible for strategic planning for the organization with regard to national and international issues affecting the Society.
- Shall be authorized to direct the expenditures of the Society's funds within the Society's existing budget and finances as it deems appropriate for the particular project, or to approve the institution of a separate fund to defray expenses in furtherance of a one-time or continuing project.
- Shall receive for consideration and action at its meetings all reports, resolutions, communications and other matters presented by the Board of Directors, officers of the Society, and other members.
- Shall appoint and direct the activities of the Society's President.

III. MEETINGS

A. FREQUENCY

- The Board shall normally meet three times a year, unless events require a special meeting(s).

B. LOCATION

- Two meetings shall be held in Washington, D.C.; one in a relaxed/resort setting.

C. FORMAT

- Washington, D.C., meetings generally will be a maximum of 1 1/2 days in length.

Day #1

8:00 - 10:00 a.m.	Processors Committee Breakfast Meeting
10:00 a.m. - 12:00 noon	Board of Directors Opening Session (Discussion of Key Issues)
12:00 noon - 1:00 p.m.	Board of Directors Luncheon
1:00 - 5:00 p.m.	Board Committee Meetings
7:00 - 10:00 p.m.	Reception and Dinner

Day #2

8:00 - 10:00 a.m.	Board of Directors Meeting (Committee Reports and Board Recommendations)
10:00 a.m. - 12:00 noon	Executive Committee Meeting

(Summary of Day #2 Executive Committee actions/discussions faxed to all Directors within two business days per Item IV below.)

- Resort/relaxed setting meetings generally will be a maximum of 2 1/2 days in length.

Day #1

1:00 - 3:00 p.m.	Processors Committee Meeting
3:00 - 5:00 p.m.	Board of Directors Opening Session (Discussion of Key Issues)
7:00 - 8:00 p.m.	Reception (Dinner on your own)

Day #2

7:30 - 10:30 a.m.	Board Committee Meetings
10:30 - 11:30 a.m.	New Directors Orientation
10:30 - 11:30 a.m.	Spouses Issues Briefing
12:00 noon	Golf Tournament
7:00 - 10:30 p.m.	Reception and Dinner Dance

Day #3

8:00 - 10:00 a.m.	Board of Directors Meeting (Committee Reports and Board Recommendations)
10:00 a.m. - 12:00 noon	Executive Committee Meeting

(Summary of Day #3 Executive Committee actions/discussions faxed to all Directors within two business days per Item IV below.)

IV. BOARD COMMUNICATIONS

- A summary of Executive Committee actions/discussions shall be prepared and faxed to all Board members within two business days for use in reporting on Board activity to Operating Unit meetings. When appropriate, the Summary will be followed by hard copy in the U.S. mail for overheads. The Summary shall be published in the next available issue of SPI's monthly newsletter, *SPI Scope*.

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Role and Duties of Division & Section Representatives

Divisions and Sections are expected to nominate representatives to SPI's National Board of Directors who will:

- Attend and participate in all National Board Meetings. Divisions and Sections shall be responsible for ensuring that their representatives are prepared to fulfill this obligation, replacing any individual who is negligent (misses more than two consecutive National Board meetings) in this regard. No substitution is permitted for a Director who cannot attend an SPI Board meeting.
- Be an active conduit of information, both to and from the National Board. In regard to the latter, representatives are expected to regularly report on National Board actions and discussions during Division/Section meetings and conferences. The representative shall be a member of the Division governing body or Section governing body.
- Be from among the most senior Company executive levels represented within their respective Operating Unit.

Role and Duties of Directors at Large

Directors at Large are expected to attend and participate in all National Board meetings. The Nominating Committee shall replace any Director at Large who misses more than two consecutive Board meetings. No substitution is permitted for a Director who cannot attend an SPI Board meeting.

Composition and Duties of the Nominating Committee

The Nominating Committee shall be expanded in size from five to eight to allow for broader industry representation. It is recommended that:

- The Chairman appoint the immediate past Chairman of the Society to chair the Nominating Committee.
- Of the eight members, three should be processors, three should be material suppliers, and two should be from the machinery/moldmaker/other segments.
- The Nominating Committee consist only of current directors (excluding Directors whose terms are expiring, but who are eligible for renomination).
- The Nominating Committee shall avoid nominating more than one Director from any single company.
- In selecting nominees for Directors at Large, the Nominating Committee shall strive to achieve an overall Board balanced by geography and industry segment and representative of the leadership of the industry. Directors should be either the CEO or senior management of the plastics operations of a member company, capable of making decisions and commitments for the company.

Executive Committee Guidelines

In regard to the Executive Committee of the Board:

- All members shall be selected from the Board of Directors.
- It shall be balanced by industry segment (i.e., approximately eight processors, eight material suppliers, and four machinery/moldmaker/other).
- In nominating members to the Executive Committee, the officers shall:
 - Strive to select senior level representatives who exhibit leadership on industry-wide matters.
 - Avoid choosing more than one member from a single member company.

APPENDIX

ANALYSIS OF COMMENTS RECEIVED FROM SPI BOARD RESTRUCTURING TASK FORCE MEMBERS

Following the meeting of the SPI Board Restructuring Task Force on May 27, 1993, a new restructuring proposal was submitted to the members of the Task Force and the Executive Committee for review and comment. Comments were requested by August 15, 1993. A number of valuable and insightful comments were received, which have been incorporated as described below. The proposal was approved by all Task Force members.

1. Several comments suggested that the Board should meet following the Board Committee meetings but prior to the final Executive Committee meeting. This suggestion has been adopted as reflected in the suggested meeting format contained in the Proposal.
2. A comment suggested the reinsertion of guidelines for the Nominating Committee in regard to the selection to senior-level executives with appropriate geographic and industry segment balance. This has been added to the Attachment under the heading "Composition and Duties of the Nominating Committee."
3. A comment suggested that Directors whose terms are expiring but who are eligible for renomination should be excluded from the Nominating Committee. As this was consistent with the Executive Committee discussions in March, this point has been reinstated.
4. Several comments suggested that the same attendance and participation requirements should be included for Directors at Large as well as Division and Section representatives, and that any Director missing more than two consecutive meetings (rather than three) be replaced. Attachment A has been modified to reflect this.
5. Two comments questioned the size of the Executive Committee, suggesting that it be smaller. A great majority of the Task Force approved the proposed Executive Committee consisting of 20 (15 members plus the 5 officers), recognizing that this number is needed in order to achieve a representative balance of the industry.
6. The authority of the Executive Committee was also questioned by two commenters. The broad authority of the Executive Committee was overwhelmingly approved and affirmatively supported by the Task Force members, on the basis that a balanced, yet smaller decision-making body could more effectively debate and decide upon key industry strategy and action. It is envisioned that in its decisions the Executive Committee, meeting as it does in close proximity with the full SPI Board, will have ample input from the broadly-representative SPI Board.
7. One comment questioned the size of the overall Board of Directors, suggesting an at-large contingent of perhaps 75-80% of the Division/Section total. The current proposal is to have a number of at-large Directors "up to" a number equal to the total number of Section and Division directors. Thus, it is expected that the Nominating Committee will have discretion to nominate fewer at-large Directors if it feels that an appropriate balance can be achieved with a smaller number.

8. A comment questioned the duties of the Operations Committee of the Board, asking whether it is the intent that this Committee serve as an internal audit committee. In response, the description of the Operations Committee has been rewritten to emphasize that its scope extends to the overall operations of SPI, but does not envision specific performance audits of operating units.
9. One comment suggested that the Board meeting format be modified to delete the afternoon that is currently reserved for golf, tennis, or other recreational activities. This issue has been debated many times over the past several years, with a clear majority preferring, in the past, that the resort meetings of the Board include a free afternoon for the participants. It should be noted that, under the Proposal, only one meeting of the Board per year will be held at a resort location, the other two being in Washington where the meetings will run consecutively.
10. One comment suggested that Division or Section representatives to the Board be a member of the governing Board of the Division or Section. This has been inserted into the proposal.
11. A comment suggested that each of the Board Committee Chairmen should be a member of the Executive Committee. The proposal has been modified to require this.
12. A comment suggested that Divisions and Sections should be able to replace a Board representative who, although attending National Board meetings, is not attending the Division or Section Board meetings to report. Each Division or Section would be free to amend its own bylaws to make provisions to provide for this occurrence if they so desire. It should be noted that all Division and Section bylaws will need to be amended in any event to provide for the selection of the Division or Section representative to the SPI Board consistent with the proposal.
13. One comment suggested that the Nominating Committee cannot nominate, as a Director at Large or as an Officer, a representative of a member company if that member company is already represented on the Board through Division or Section representation. It is felt that such a limitation would unduly restrict and hamper the efforts of the Nominating Committee to achieve a proper balance on the Board of Directors. The fact that a company has a representative on the SPI Board through a Division or Section should not automatically disqualify that company from sending a senior management representative to the Board as a Director at Large. In any event, under the proposal, no more than one director from any single company could be nominated as a Director at Large, and the Executive Committee is limited to one member per company.

**PROPOSED SPI BYLAWS,
AMENDED TO REFLECT CHANGES SET FORTH
IN 1993 RESTRUCTURING PROPOSAL¹**

ARTICLE I.

PURPOSE

The purpose of this Society shall be to provide leadership for the responsible advancement of the entire plastics industry. The Society, as a not-for-profit organization, shall, in furtherance of this basic purpose, have the following objectives:

- To represent and serve as the official spokesman for the plastics industry in the United States;
- To promote the effective use and application of plastics, consistent with the public interest;
- To provide and stimulate authoritative organized research, education, and information within the industry and with other industries, government bodies, and interested organizations;
- To provide a means for mutual communication and organization of groups within the industry to initiate and pursue programs of common technical, marketing, or management interest;
- To mobilize and finance voluntary, staff and professional expertise to provide the required range of services to members; and
- To maintain liaison and cooperate with other plastics and allied trade and professional associations in the United States and in other countries throughout the world.

The bylaws changes described herein have been made in accordance with a Restructuring Plan and Guidelines adopted by the SPI Board of Directors on October 1, 1993. Proposed new matter is shaded. Matter proposed to be deleted is interlined.

ARTICLE II. MEMBERSHIP

Section 1. CLASSES OF MEMBERSHIP

- a. *Company Membership:* Any corporation, partnership, or sole proprietorship shall be eligible for "Company Membership" in the Society, provided it:
 - (1) Processes plastics materials for sale in the United States as plastics products or for use as manufacturing components; or
 - (2) Manufactures plastics materials, adjuvants, or processing equipment (including tools and molds) for the plastics industry of the United States.
 - (3) A Division of a company may be eligible for Company Membership provided special circumstances indicate that admission would be equitable and such action is taken in accordance with specific guidelines established by the Board of Directors to govern cases of this type.
- b. *Associate Company Membership:* Any corporation, partnership or sole proprietorship which is not eligible for Company Membership in the Society shall be entitled to participate as an Associate Member, provided it:
 - (1) Purchases plastics products for use as manufacturing components or for resale;
 - (2) Serves the plastics industry as a distributor or sales agent for plastics products, materials, adjuvants, or processing equipment (including tools and molds).
- c. *Professional Membership:* Any publishing, educational, research, consulting partnership, or corporation which devotes a significant part of its efforts to the plastics industry, or renders professional services to the industry, shall be eligible for Professional Membership in the Society.

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- d. *Individual Professional Membership:* Any individual engaged in educational, government, research, or professional pursuits directly related to the development or utilization of plastics, and who is not employed or affiliated with an organization eligible for a company, associate or professional membership in the Society, shall be eligible for individual, professional membership.
- e. *Retired Individual Membership:* Any individual previously active in Society affairs as a representative of a Company, Associate Company or Professional Member, or as an Individual Professional Member, but who has retired from active day-to-day participation in the plastics industry in these former capacities, shall be eligible for this class of membership.
- f. *Honorary Membership:* The Board of Directors of the Society shall be empowered to elect to honorary membership in the Society any individual whose contributions to the plastics industry are deemed to be so unique, and of such a high order, as to warrant special recognition by the bestowal of this honor.

Section 2. RIGHTS AND BENEFITS OF MEMBERS

Company Members shall be the only class of members entitled to vote on Society matters. Only representatives of Company Members shall be eligible for election as Officers or Directors of the Society. Representatives of Company, Associate Company or Professional Members and Individual Professional Members are entitled to hold office and participate in Council, Section and Committee activities, and, subject to the bylaws of individual Divisions, Committees and Special Purpose Groups, to participate in the activities of these operating units.

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Section 3. APPLICATIONS

Applications for membership shall be filed with the Society's Membership Department on a written application form provided by the Society. Any applications so filed shall be reviewed promptly by the Society's Credentials Committee and shall be approved unless that Committee finds that the applicant does not meet the qualifications applicable to the class of membership sought.

Following such approval, the applicant shall be notified immediately. Although the approval of the Credentials Committee is subject to ratification by the Board of Directors, the application is deemed approved and will become effective as of the date of notification.

Section 4. RESIGNATIONS

Any member in good standing may withdraw from the Society after fulfilling all obligations to it, by giving written notice of such intention to the Society's Membership Department at least thirty (30) days before the effective date of such withdrawal. Any notice so given shall be presented to the Board of Directors at its first duly constituted meeting following receipt of such notice by the Membership Department. Any member so withdrawing shall, by the act of such withdrawal, cease to have any further interests in the funds, assets, and activities of the Society and shall not be entitled to any refunds of any type or in any amount.

Section 5. SUSPENSION AND REINSTATEMENT

Any member who is in default in the payment of dues for a period of ninety (90) days after such dues become payable may, in the absence of good cause found to exist by the Board of Directors, be suspended from membership by a majority vote of the directors present at the duly constituted meeting of the Board. Any member so suspended shall, until reinstatement, forfeit all rights and privileges of membership in the Society; provided, however, that suspension shall not relieve a member from the requirement of fulfilling all obligations to the Society theretofore incurred. A suspended member shall be reinstated to good standing upon payment in full of all dues and other amounts owing and payable at the time of suspension.

ARTICLE III.
FEES, DUES AND OTHER CHARGES

Section 1. DUES

The annual dues and a payment schedule for each class of membership of the Society shall be fixed and determined by the Board of Directors. Such additional schedules of charges for other services or activities as it deems appropriate and proper may be established by the Board.

Section 2. SPECIAL PROJECT FUNDS

~~The Board of Directors or~~ The Executive Committee, ~~acting on behalf of the Board,~~ shall be empowered, upon presentation of a written request by the voting members of any operating unit of the Society, to approve the institution of a separate fund to defray expenses in furtherance of one-time or continuing projects of such unit which are deemed proper by the ~~Executive Committee. Board.~~

No such special project funds in excess of five thousand dollars (\$5,000) shall be approved or established unless there shall have been presented to the ~~Executive Committee Board~~ written evidence that no less than 75% of the voting members of the operating unit favor the project, and are committed to pay their proportionate share of the monies to be raised; provided, further, that the shares of the membership so committed shall total no less than 75% of the fund to be collected.

Section 3. REGISTRATION FEES

In those instances where operating units of the Society schedule meetings or other functions where it is necessary to charge registration fees to cover the expense of such functions, the amount charged shall be established by those assigned the responsibility for arranging these activities.

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ARTICLE IV.
SOCIETY MEETINGS

Section 1. ANNUAL MEETINGS

The annual meeting of the Society shall be held before the end of the Society's fiscal year at a time and place fixed by the Board of Directors.

Section 2. SPECIAL MEETINGS

Special meetings of the Society, or of voting members, may be called by the Board of Directors.

Section 3. NOTICE OF MEETINGS

A notice stating the time, place, and purpose of each meeting, signed by the President, shall be mailed to the last recorded address of each member not less than twenty days, nor more than sixty days, prior to the time fixed for the meeting. Such notice shall state any equitable limitation on meeting attendance, other than by voting members, that may be deemed necessary to assure orderly proceedings.

Section 4. QUORUM

The presence in person or by proxy of one-third of the voting representatives of Company Members of the Society entitled to vote, or if one-third is thirty or more, the presence in person or by proxy of thirty such members, shall constitute a quorum for the transaction of business.

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Section 5. VOTING

Each voting representative of a Company Member present, in person or by proxy, shall be entitled to one vote.

Section 6. DESIGNATION OF VOTING REPRESENTATIVES

Each Company Member shall designate, in writing, to the Society's Membership Department a representative who shall be entitled to vote for the member at Society meetings. An alternate representative shall also be named for each Company Member.

Section 7. PLACE OF MEETINGS

Society meetings may be held within or outside the State of New York, and within or outside the United States of America.

ARTICLE V. BOARD OF DIRECTORS

Section 1. AUTHORITY POWERS AND DUTIES

The Board of Directors shall have the following duties and authority:

- (1) To actively consider and discuss the affairs of the Society and of the industry during its meetings, to recommend to the Executive Committee such courses of action as will further the objectives and purposes of the Society, and to assist in the successful accomplishment of these goals;
- (2) To elect the Society's Executive Committee;

- (3) To ratify Finance and Executive Committee approval of the Society's annual budget;
- (4) To approve any changes in dues rates;
- (5) To approve the formation or termination of Divisions, Service Committees, Market Councils, Sections, and Special Purpose Groups;
- (6) To create new committees of the Board of Directors where appropriate and necessary;
- (7) To ratify appointments made by the SPI Chairman under the powers given to him to make such appointments;
- (8) To act upon applications for membership in the Society and on all other matters affecting membership status; and
- (9) To decide upon the dates and places of meetings of the Board of Directors.

~~General management of the property, funds and business of the Society shall be the responsibility of the Board of Directors which shall consist of not less than twenty members. The Board of Directors shall be responsible for:~~

- ~~(1) Coordinating the activities of all operating units of the Society;~~
- ~~(2) Effecting the preparation of an audited financial statement reflecting the Society's operations, said statement to be made available to the members of the Board within ninety (90) days after the close of each fiscal year;~~
- ~~(3) Establishing general policies and operating procedures for the Society, including, but not limited to, policies governing the undertaking of special projects affecting the plastics industry as a whole, the way in which product standardization or certification programs are to be conducted by the operating units, and other matters of similar import;~~

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- ~~(4) Approving the formation or termination of Society Divisions, Service Committees, Market Councils, Sections, and Special Purpose Groups, where prerequisites for forming or terminating such operating units are met, or are no longer being met, as the case may be, in accordance with these bylaws;~~
- ~~(5) Reviewing and approving bylaws, membership standards, annual plans and programs, basic objectives, and Special Project Fund proposals of Society Divisions, Service Committees, Market Councils, Sections and Special Purpose Groups;~~
- ~~(6) Approving Society financial reports, budgets, and investment plans;~~
- ~~(7) Approving the selection of auditors, banking establishments, and investment counsellors for the Society;~~
- ~~(8) Creating new committees of the Board of Directors in accordance with Article VIII, Section 2, where appropriate and necessary;~~
- ~~(9) Ratifying appointments made by the Chairman under the powers given him to make such appointments.~~
- ~~(10) Appointing the President of the Society; and~~
- ~~(11) Designating the time and place of general membership meetings of the Society, as well as meetings of the Board of Directors.~~

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Section 2. COMPOSITION

The Board of Directors shall be composed of the Society's Immediate Past Chairman, elected officers of the Society, Directors elected by each Division and Section, and a number of ~~twenty-one~~ Directors at Large equivalent to at least 66 2/3% but not more than 100% of the combined number of Divisions and Sections in existence at the beginning of each calendar year, said number to be determined each year by the Nominating Committee. In addition, the Chairman of the National Plastics Exposition will be an ex-officio member of the Board of Directors.

Section 3. TENURE

- a. *Division, Section Directors:* Division Chairmen and Section Chairmen, or, alternatively, a member of the Division or Section governing body elected by the Division or Section to serve as a Director in lieu of the Chairman, shall serve and hold office as Directors for a ~~minimum of two years and a maximum of three years~~ term. Such terms shall conform to the Society's fiscal year in accordance with Article XIII. ~~XII.~~ Such Directors may be elected to succeed themselves for one additional term of three years. ~~The election of Division and Section representatives to the Board shall be staggered with one-third of such Directors to be elected each year. Upon the expiration of two a full terms, Division and Section Directors shall not be entitled to hold such office for the next succeeding term; provided, however, that any such Director shall be eligible for election as a Director at Large immediately upon the expiration of his term as a Division Chairman or Section Chairman, as the case may be. No substitution is permitted for a Division or Section Director who cannot attend an SPI Board meeting. Division and Sections shall replace any individual Director who misses more than two consecutive SPI Board meetings.~~

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- b. *Directors at Large:* Except as is otherwise specifically provided in this Section, Directors at Large shall be elected for a three-year term by a majority vote of those Company Members of the Society casting mail ballots in accordance with Article VII of these Bylaws, and shall assume their duties at the beginning of the next succeeding fiscal year of the Society. The election of Directors at Large shall be staggered with one-third of such Directors to be elected each year. Directors at Large may be elected to succeed themselves for one additional term. After the expiration of two full terms, No Director at Large shall be eligible for election to such office for a succeeding three-year term until at least one ~~two~~ years subsequent to the expiration of his immediately preceding term as a Director at Large.; ~~provided, however, that a Director at Large elected by the Board of Directors pursuant to Section 4 of this Article shall be eligible for election to a next succeeding full term.~~ No substitution is permitted for a Director at Large who cannot attend an SPI Board meeting. The Board shall replace, in accordance with the procedure in Section 4, any Director at large who misses more than two consecutive SPI Board meetings.

Section 4. UNEXPIRED TERMS

If, at any time, the number of Directors at Large shall fall below the number authorized under Section 2 of this Article, the Board of Directors shall elect, as soon as practicable, from a slate of nominees presented by the Nominating Committee, new Directors at Large sufficient to bring the total number of Directors at Large up to the ~~required~~ number ~~determined by the Nominating Committee in accordance with Section 2 of this Article.~~ Directors at Large so elected shall hold office for the unexpired term of their predecessors.

Section 5. PERSONS ELIGIBLE

Any executive of a Company Member of the Society shall be eligible to be a Director at Large.

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Section 6. MEETINGS

The Board of Directors shall hold two regular meetings each year. The Spring meeting shall be the Board's Annual Meeting, and shall immediately precede the Annual Meeting of the Society. Special meetings of the Board of Directors may be called by the Chairman or at the request of not less than one-fourth of the total number of Directors.

Section 7. QUORUM AND VOTING

The presence in person of at least one-fourth of the Directors holding office shall constitute a quorum for the transaction of business. Except as otherwise provided in these Bylaws, the Board shall act by a majority vote of those Directors present in person.

Section 8. ANNUAL REPORT

The Board of Directors shall cause to be prepared an Annual Report on the activities and operations of the Society. This report shall include all pertinent and relevant financial data bearing on past operations and plans for the following year.

ARTICLE VI. OFFICERS

Section 1. ELECTED OFFICERS

The Elected Officers of the Society, all of whom must be executives of Company Members, shall be a Chairman, a Vice Chairman, a Secretary and a Treasurer, who shall be elected by the Company Members of the Society, and the Immediate Past Chairman, who shall be the most recent Past Chairman willing to serve.

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The Chairman, Vice Chairman, Secretary, and Treasurer shall be elected by a majority vote of those voting representatives of Company Members casting mail ballots in accordance with Article VII of these Bylaws, and shall assume their duties at the beginning of the next succeeding fiscal year of the Society. Each officer so elected shall hold office for a term of one year, or until his successor shall have been duly elected and shall have assumed the duties of office. The Chairman and Vice Chairman shall not serve in the same office for more than two consecutive one-year terms and the Secretary and Treasurer shall not serve in the same office for more than three consecutive one-year terms.

Section 2. APPOINTED OFFICERS

The ~~Executive Committee Board of Directors~~ shall appoint a President and such other officers as it may deem desirable, assigning to them such duties and responsibilities as are not in conflict with the duties and authority of the elected officers. The terms of office for those officers appointed shall be determined by the ~~Executive Committee. Board of Directors.~~

Section 3. DUTIES OF OFFICERS

- a. The *Chairman* shall serve as the chief executive officer of the Society, and shall preside at the Annual Meeting and all meetings of the Board of Directors, and the Executive Committee. The Chairman shall provide policy guidance to the President on operating and administrative matters and may represent the Society before the general public, governmental agencies, legislative bodies, business groups and other appropriate organizations.
- b. The *Vice Chairman*, in the absence of the Chairman, shall perform the duties of that office. ~~The Vice Chairman shall be the Chairman of the Board's Communications and Education Committee.~~

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- c. The *Secretary* shall oversee the preparation and serving of all notices of the Society and the Board of Directors and attest and affix the corporate seal of the Society to all documents and instruments requiring the same. The Secretary shall ensure that proper care is given to the Society's books and papers. ~~The Secretary shall be Chairman of the Board's Membership, Organization and Marketing Committee.~~
- d. The *Treasurer* shall ensure that sound accounting principles and practices are followed by the staff who have fiduciary responsibility. The Treasurer shall report on the financial condition of the Society at its Annual Meeting and at meetings of the Board of Directors and the Executive Committee, when required. The Treasurer shall serve as the Chairman of the Board's Finance Committee.
- e. The *President* shall be directly responsible to the Executive Committee. He shall serve as the chief administrative officer and direct the operations of the Society. He shall:
 - (1) Have full authority and responsibility for the employment, retention and supervision of all members of the Society's headquarters and field staff and all other individuals and organizations retained to assist with the Society activities;
 - (2) Develop and recommend policies to the Executive Committee and the Board of Directors;
 - (3) Develop, recommend, and implement programs for members, membership development, operations, and organizations in accordance with approved policies of the Society's Board of Directors;
 - (4) Solicit the participation of key members in the Society's activities;
 - (5) Prepare and recommend the Society's annual operating budget to the Board of Directors and its Finance Committee; and administer and maintain control over the approved budget within the limits prescribed by the Board of Directors;

- (6) Prepare meeting notices and agenda for the Board of Directors and all its committees; and
 - (7) Represent the Society before the general public, governmental agencies, legislative bodies, business groups and other appropriate organizations.
- f. Other officers, if any, shall have such titles, powers, and duties as the ~~Executive Committee Board of Directors~~ may, from time to time, assign to them.

ARTICLE VII. ELECTION OF DIRECTORS AT LARGE AND OFFICERS

Section 1. BALLOTING

The election of Directors at Large and Officers shall be by written ballot mailed by the Secretary to all Company Member voting representatives at least thirty (30) days before the Annual Meeting of the Society. The ballots shall contain the list of nominees prepared by the Nominating Committee (as constituted in accordance with Article ~~IX, VIII~~ Section 1~~g~~ of these Bylaws), and such other candidates as may be nominated by written petition of fifty or more Company Members of the Society. Voting Representatives of Company Members shall cast their votes by returning their ballots to the office of the Society, attention of the Secretary, so that the same will arrive on or before five days prior to the date set for the Annual Meeting of the Society. The Secretary shall retain all ballots received by him unopened and, at the Annual Meeting, shall deliver such ballots to the Inspectors of Election.

Section 2. INSPECTORS OF ELECTION

The Chairman shall appoint three Inspectors of Election at each Annual Meeting who shall canvass all ballots and proxy statements and report in writing on the results of their canvass to the Chairman.

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ARTICLE VIII.
EXECUTIVE COMMITTEE

Section 1. AUTHORITY AND DUTIES

General management of the property, funds, and business of the Society shall be the responsibility of the Executive Committee, except with respect to those matters where authority expressly resides in the Board of Directors as described in Article V. The Executive Committee:

- (1) Shall be the policy-making and supervisory body of the Society. It shall establish and direct the policies governing property and operations of the Society, be responsible for the expenditure of its funds, and exercise all the powers of the Society except as otherwise specified.
- (2) Shall establish the agenda for the Board of Directors and be responsible for strategic planning for the organization with regard to national and international issues affecting the Society.
- (3) Shall be authorized to direct the expenditures of the Society's funds within the Society's existing budget and finances as it deems appropriate for the particular project, or to approve the institution of a separate fund to defray expenses in furtherance of a one-time or continuing project.
- (4) Shall receive for consideration and action at its meetings all reports, resolutions, communications and other matters presented by the Board of Directors, officers of the Society, and other members.
- (5) Shall appoint and direct the activities of the Society's President.

Section 2. COMPOSITION AND TENURE

The Executive Committee shall be composed of the elected officers of the Society and the Immediate Past Chairman; the President, who shall have no vote in the Committee's deliberations; and fifteen Directors of the Society elected by the Board of Directors. Candidates for election shall be nominated by the five officers of the Society taking into account guidelines established by the Board. Members of the Executive Committee shall serve a one-year term and may succeed themselves so long as they remain Directors of SPI. Vacancies on the Executive Committee may be filled by the five officers of SPI, subject to ratification by the Board of Directors.

ARTICLE IX VIII. COMMITTEES OF THE BOARD OF DIRECTORS

Section 1. PERMANENT COMMITTEES

The Membership Committee, Operations Committee, Finance Committee, Issues Management Committee, Plastics Mobilization Committee, Processors Committee, and the Nominating Committee ~~Executive Committee, Processors Committee, Communications and Education Committee, Nominating Committee, Membership, Organization and Marketing Committee, and the Issues Management Committee~~, shall be permanent Committees of the Society's Board of Directors and shall be directly responsible to the Board. The powers, duties, composition, and organizational requirements for such Committees shall be as follows:

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a. *Membership Committee*

- (1) *Powers and Duties.* The Membership Committee shall study, coordinate, and recommend policies and programs for the development of new Society members and the retention of existing members. It shall review the membership programs of the Society's operating units to provide guidance and assistance. It also shall be responsible for the appointment of a Credentials Committee which shall consist of the chairmen of all of the Society's Sections and the chairman of the Membership Committee. The Credentials Committee shall review the Society's monthly credentials report and approve/disapprove proposed new members listed in the report. The Committee also shall present to the full Board of Directors at each of its meetings a list of new members, resignations, suspensions and reinstatements for final approval, along with the Committee's recommendation concerning all other matters relating to membership activities.
- (2) *Composition and Tenure.* The Membership Committee shall be composed of a Chairman and at least seven other Directors appointed by the SPI Chairman, subject to the approval of the Board of Directors. The Committee Chairman and at least one other member shall be members of the Executive Committee. Members of the Committee shall serve a one-year term, subject to reappointment at the pleasure of the Chairman.

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b. *Operations Committee*

- (1) *Powers and Duties.* The Operations Committee shall monitor and review the overall effectiveness of the operations of the SPI and make recommendations thereon, including consideration of whether certain operating units should be consolidated with others, and shall consider the formation of new operating units and make recommendations thereon to the full Board of Directors. The Committee shall also oversee the Society's sponsorship of trade shows. Members of this Committee are expected to become knowledgeable and gain full understanding of the operations of SPI and its units and trade shows. The Committee shall undertake long-range planning for the Society in areas assigned to it by the Executive Committee.
- (2) *Composition and Tenure.* The Membership Committee shall be composed of a Chairman and at least seven other Directors appointed by the SPI Chairman, subject to the approval of the Board of Directors. The Committee Chairman and at least one other member shall be members of the Executive Committee. Members of the Committee shall serve a one-year term, subject to reappointment at the pleasure of the Chairman.

a. ~~*Executive Committee*~~

- ~~(1) *Powers and Duties.* The Executive Committee, subject to ratification of its actions by the Board, shall be empowered to manage the affairs of the Society between meetings of the Board of Directors, by exercising all the powers and duties of the Board of Directors as specified in these bylaws, and shall direct the activities of the Society's President. The Executive Committee shall be responsible for strategic planning for the organization, and shall recommend policies and financial and operational programs to the Board of Directors, based upon its own studies, as well as upon recommendations submitted by the President or any of the operating units of the Society.~~

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~~(2) — Composition and Tenure.~~

~~(a) — The Executive Committee shall be composed of the elected officers of the Society and the Immediate Past Chairman; the President, who shall have no vote in the Committee's deliberations; and fifteen Directors of the Society appointed by the Chairman, subject to approval of the Board of Directors. Those Directors appointed to the Committee by the Chairman shall serve a one-year term, subject to reappointment at the pleasure of the Chairman.~~

c. ~~(b.)~~ Finance Committee.

(1) *Powers and Duties.* The Finance Committee shall be responsible for reviewing the annual operating budget and periodic financial reports of the Society, and shall present its recommendations to the full Executive Committee for approval and to the Board of Directors for ratification. The Finance Committee shall recommend policies concerning management of the financial resources of the Society, systems for internal financial control, establishment of membership dues, allocation of funds, and the general dues structure, including those revisions to the structure deemed necessary to provide the required revenue.

(2) *Composition and Tenure.* The Finance Committee shall be composed of the Society's Treasurer and at least seven members of the Executive Committee appointed by the Chairman subject to the approval of the Board of Directors. Those Directors appointed to the Committee by the Chairman shall serve a one-year term, subject to reappointment at the pleasure of the Chairman.

~~(3) — Meetings. The Executive Committee shall hold at least four regular meetings each year. Special meetings may be called by the Chairman, or at the request of three Committee members.~~

e. ~~Communications and Education Committee~~

(1) ~~Powers and Duties.~~ The Communications and Education Committee shall provide leadership in identifying broad industry needs in the areas of communications and education as they relate to member company requirements, public perception, worker training/recruitment, societal relations and outreach to public/private educational institutions. The committee will define objectives and make recommendations to the Board of Directors on programs supportive of the society's Strategic Operating Guidelines in these areas.

(2) ~~Composition and Tenure.~~ The Communications and Education Committee shall be composed of seven or more Directors of the Society appointed by the Chairman, subject to the approval of the Board of Directors. Members of the Committee shall serve a one year term, subject to reappointment at the pleasure of the Chairman.

d. f. *Issues Management Committee.*

(1) *Powers and Duties.* The Issues Management Committee shall identify and provide policy leadership in identifying broad on issues affecting the industry. In conjunction with the affected industry segments, the Issues Management Committee will analyze the problems inherent in the issues, define objectives and programs necessary to further and protect the industry's interests, and, upon approval of the Board of Directors, coordinate its own resources with those of appropriate operating divisions and sections for the efficient and effective execution of necessary programs in the fields of public, federal, and state governmental relations.

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- (2) *Composition and Tenure.* The Issues Management Committee shall be comprised of a Chairman and at least seven other ~~five or more~~ Directors of the Society, and the Chairmen of its Subcommittees and Issue Coordinators, who need not be Directors of the Society. The Chairman and members of the Board of Directors ~~Society~~ serving on the Issues Management Committee and the Chairman of each of its Subcommittees shall be appointed to one-year terms by the Chairman of the Society, subject to approval of the Board of Directors. To provide continuity, no more than half of these appointees shall be rotated off the Committee in any given year.
- (3) *Officers.* The Issues Management Committee shall elect its other officers as appropriate from its members.
- (4) The Issues Management Committee may establish or eliminate such Subcommittees as it deems necessary and appropriate, subject to Board approval.

e. ~~Membership, Organization and Marketing Committee~~

- ~~(1) *Powers and Duties.* The Membership, Organization and Marketing Committee shall be responsible for the appointment of a Credentials Committee which shall consist of the chairmen of all of the Society's Sections. The Credentials Committee shall review and pass on new membership applications which shall then be presented to the Board of Directors by the Membership, Organization and Marketing Committee, along with the Committee's recommendations concerning all other matters affecting membership status. The Committee shall also study, coordinate and recommend policies and programs for the development of new Society members and the retention of existing members. It shall review the membership programs of the Society's operating units to provide guidance and assistance. The Committee shall review the organization of staff and member groups and advise the Board and Executive Committee regarding changes that may be necessary to adjust to new industry challenges and opportunities.~~

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~~(2) *Composition and Tenure.* The Membership, Organization and Marketing Committee shall be composed of seven or more Directors of the Society appointed by the Chairman subject to the approval of the Board of Directors. Members of the Committee shall serve a one-year term, subject to reappointment at the pleasure of the Chairman.~~

e. *Plastics Mobilization Committee*

- (1) *Powers and Duties.* The Plastics Mobilization Committee shall provide leadership in developing an infrastructure that will reach out to and involve all segments of the industry in the Society's advocacy, outreach, and environmental benefit (Product Stewardship) programs. It will further develop programs that identify, inform, and involve activists and coordinate the resources necessary to maintain and expand industry-wide interest and participation.
- (2) *Composition and Tenure.* The Membership Committee shall be composed of a Chairman and at least seven other Directors appointed by the SPI Chairman, subject to the approval of the Board of Directors. The Committee Chairman and at least one other member shall be members of the Executive Committee. Members of the Committee shall serve a one-year term, subject to reappointment at the pleasure of the Chairman.

f. ~~b.~~ *Processors Committee*

- (1) *Powers and Duties.* The Processors Committee shall be an advisory committee to the Board of Directors, the Executive Committee and other Board Standing Committees. It shall review proposed actions to be taken by the Society that may have particular impact on the processor members and make recommendations to the Board and Executive Committee on behalf of all processor member companies. As such, the Committee shall provide an opportunity and a forum for the various Operating Units within the Society to participate in the planning of the Society at the Board level. The Committee shall normally meet immediately prior to the Society's Board Meetings and at any other special meetings as needed.
- (2) *Composition and Tenure.* The Processors Committee shall be composed of all Board members from processor companies. Its chairman shall be appointed to a one-year term by the Chairman of the Society, subject to reappointment at the pleasure of the Chairman.

g. ~~d.~~ *Nominating Committee*

- (1) *Powers and Duties.* The Nominating Committee shall be responsible for preparing a single slate of candidates for Directors at Large, and for the offices of Chairman, Vice Chairman, Secretary, and Treasurer; and for submitting the full slate to the Society's Secretary for preparation of a mail ballot in accordance with Article VII of these Bylaws. The Nominating Committee shall interview and obtain acceptance from those to be nominated before the preparation and submission of its slate of nominees. ~~The Committee shall not nominate more than one Director at Large from a single member company.~~

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- (2) *Composition and Tenure.* The Nominating Committee shall be composed of eight current ~~five past or outgoing~~ Directors of the Society, excluding Directors whose terms are expiring but who are eligible for renomination. Members of the Nominating Committee are appointed by the Chairman, subject to the approval of the Board of Directors, and shall reasonably represent all industry segments in accordance with guidelines established by the Board. Members of the Committee shall serve a one-year term, subject to reappointment at the pleasure of the Chairman for no more than one additional term.
- (3) *Officers.* The Chairman of the Nominating Committee shall be the Immediate Past Chairman of the Society. ~~appointed by the Chairman subject to approval of the Board of Directors.~~

Section 2. OTHER COMMITTEES

The Board of Directors may, in its discretion, form such other Committees as are deemed necessary to deal with specific tasks or projects, or to provide needed advisory services. Committees so formed shall be appointed by the Chairman, who shall also appoint a Chairman, subject to approval of the Board of Directors. The terms of office for members and officers of such Committees shall expire upon completion of the specific task or project undertaken.

Section 3. QUORUM AND VOTING

The presence in person of at least three members shall constitute a quorum for the transaction of business by any permanent Committee of the Board of Directors. Such Committees shall act by a majority vote of those members present.

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Section 4. MEETINGS AND NOTICES

All Committees shall meet as often as required to accomplish their tasks, as well as during board meetings. Such meetings shall be called by the Chairman of the Committee who shall be responsible for notifying members of all meetings, regular or special.

Section 5. ADMINISTRATION

The Society's President shall provide or arrange for administrative support for Board Committees which shall include, when needed, the employment of outside consultants or advisors.

ARTICLE X. ~~IX~~ OPERATING UNITS OF MEMBERS

Members of the Society and representatives thereof may join together as operating units within the Society, provided their activities are consistent with overall Society objectives as determined by the Board of Directors. Such units shall be established, designated and function in accordance with the following Sections of this Article.

Section 1. DIVISIONS

- a. *Criteria For Establishment.* Divisions shall be major business-oriented groups formed by Company Members with common material, product, or processing interests organized to pursue common technical or marketing objectives. Establishment and continuation of a Division shall be subject to the approval of the Society's Board of Directors, and shall be based on a satisfactory showing that the Division has the following characteristics, and meets all of the criteria for Division status implied thereby:

- (1) *Bylaws* approved by the Society's Board of Directors including basic provisions for membership, organization structure and terms of office.
- (2) *An Organization Structure* which includes a governing body and, if appropriate, subdivisions organized by product, activity and/or geographic categories.
- (3) *Objectives and Activities* of both a technical nature (e.g., standards, test methods) and a marketing nature (e.g., promotion, public relations, market information).
- (4) *Annual Financial and Operating Plans* to be funded from Division or Society funds.
- (5) *Operating and Administrative Procedures* approved by the Division governing body.

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- b. *Membership and Officers.* Divisions shall, in their bylaws, define their own membership standards, subject to approval by the Society's Board to assure uniformity and consistency. Members of the Society may join as many Divisions as they desire so long as their eligibility for membership in each Division can be established according to the Division's approved membership standards.

Each Division shall have a Chairman, duly elected from among the representatives of Company Members to a ~~minimum of two-year and maximum of three-year~~ terms pursuant to the Bylaws of that Division, who shall also serve as a member of the Society's Board of Directors, or alternatively, a Director elected by the Division shall serve in lieu of the Chairman for a ~~three-year term~~. ~~To provide for those occasions when the Chairman or the Director elect, as the case may be, is unable to attend a Board meeting, the Division shall have the power to elect one alternate at such a time as it holds its regular election. This alternate shall be entitled to attend and participate fully in Board meetings when so authorized.~~

Division Chairmen and Directors may ~~not~~ serve no more than two consecutive full terms in this capacity. Each Division may have other officers for such terms as is deemed desirable and are in accordance with the Division Bylaws.

- c. *Funding.* Consistent with the provisions of Article III, Section 2, of these Bylaws, Divisions may raise their own funds by dues or assessments for special projects that will be of benefit primarily to the members of the particular Division, provided that all such projects are consistent with the basic objectives of the Society.
- d. *Administration.* The Society shall assign a staff member to each Division to serve as the Division's Administrator and its Secretary. The primary function of the staff member so assigned shall be to afford the Division full support in its activities.

Section 2. SPECIAL PURPOSE GROUPS

- a. *Criteria For Establishment.* Special Purpose Groups shall be those operating units formed by Company Members with a common material, product, or processing interest but with limited specific technical or marketing objectives. In all other respects the characteristics and qualifying criteria for this status shall be the same as those set forth for Divisions in the preceding Section of this Article. Establishment and continuation of a Special Purpose Group shall be subject to approval by the Society's Board of Directors.
- b. *Membership and Officers.* Special Purpose Groups shall, in their Bylaws, define their own membership standards, subject to approval by the Society's Board to assure uniformity and consistency. As in the case of Divisions and all other operating units described in this Article, members of the Society shall be entitled to belong to as many Special Purpose Groups as they wish so long as their eligibility in each Group of interest to them can be properly established.

Each Special Purpose Group shall have a Chairman, duly elected to a two-year term pursuant to the Bylaws of the Group. Each Group may have such other officers for such terms as is deemed desirable, and in accordance with the Group's Bylaws.

- c. *Administration.* The Society shall assign a staff member to each Special Purpose Group to serve as a Group administrator and its Secretary. The primary function of the staff member so assigned shall be to afford the Group full support in its activities.
- d. *Duration.* A Special Purpose Group may be a permanent operating unit within the Society if its objectives, though more limited than those of a Division, are necessarily continuing. In those cases where Special Purpose Groups have achieved their original objectives, they may choose to disband, become a part of some other appropriate operating unit of the Society, or expand their activities so as to qualify for Division status.

Section 3. SERVICE COMMITTEES

- a. *Criteria for Establishment.* Service Committees shall be formed from among the representatives of members of the Society who have an interest in, and can contribute to a specific Society service, as distinguished from a membership interest in particular product lines or markets. Such Committees shall normally be formed, and where appropriate, continued on a permanent basis to deal with industry, educational, regulatory, safety, traffic, or other interests of a similar nature.

Service Committees shall be charged with the responsibility for (1) recommending policies and programs in their assigned or chosen area of expertise, (2) rendering the service they are designed to provide in cooperation with the Society's staff, (3) coordinating with Divisions, Special Purpose Groups and other operating units so that these other units will be aware of the availability of the services being provided, and will not inadvertently or otherwise duplicate such services unnecessarily, and (4) reporting to the Board on their activities.

- b. *Operations.* Service Committees shall adopt bylaws whenever the nature of their activity dictates that the committee will be a continuing one. Such bylaws shall be subject to approval by the Board of Directors of the Society.

The President of the Society shall coordinate Service Committee plans and budgets into the overall budget of the Society and include them in the general fund budget submitted to the Board of Directors for consideration.

- c. *Membership and Officers.* Service Committee membership eligibility may be defined in Committee Bylaws but will normally be open to representatives of any interested member of the Society. In addition, Service Committee membership shall be open to designated representatives of Divisions and Special Purpose Groups, or other operating units, wherever this is appropriate.

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Each Service Committee shall have a Chairman and such other officers as its bylaws (or, in the absence thereof, its customs or operating practices) provide. Committee Chairmen may be elected to serve for as many terms of two years or less as the Committee's governing rules permit.

- d. *Administration.* The President shall assign a staff member, and/or such consultants or specialists as is deemed appropriate to each Service Committee to aid it in rendering the expected service to the membership.

Section 4. MARKET COUNCILS

- a. *Criteria for Establishment.* Market Councils shall be formed by groups of Company and Associate Members, and operating unit representatives interested in a particular major plastics products market. Such Councils shall serve to provide a means of communication between producers, suppliers and end-users of the plastics products of interest.

Market Councils shall have bylaws which shall include provisions for membership, organizational structure, and officers, and which shall be subject to approval of the Society's Board of Directors.

- b. *Membership and Officers.* Market Councils may define their own membership standards in their bylaws. Each Council shall have a Chairman and such other officers as may be duly elected pursuant to its bylaws. These officers shall be elected for terms of no more than two years duration, it being left, however, to each such Council to determine in its own bylaws the number of such terms any or all officers may serve consecutively.
- c. *Administration.* The President shall assign to each Market Council a member of its staff to serve as the Council's Market Specialist.

Section 5. SECTIONS

- a. *Criteria for Establishment.* Sections shall be formed by Company and Associate Company Members interested in promoting and enhancing their common business interests, and in promoting the growth of the Society in a particular geographic region. Section activities should supplement and be consistent with the overall activities of the Society.

Each Section shall have bylaws which shall include provisions for membership, organizational structure, and officers. The bylaws of each Section shall be subject to approval of the Society's Board of Directors.

Sections shall adopt annual financial programs and generally shall be expected to bear the cost of their own activities.

- b. *Membership and Officers.* Sections shall define their own membership standards, subject to approval by the Society's Board.

Each Section shall have a Chairman, duly elected from among the representatives of Company Members to a ~~minimum two-year and a maximum~~ three-year term pursuant to the Section Bylaws, who shall also serve as a member of the Society's Board of Directors, or alternatively, a Director elected by the Section shall serve in lieu of the Chairman. ~~To provide for those occasions when the Chairman or the Director elect, as the case may be, is unable to attend a Board meeting, the Section shall have the power to elect one alternate at such time as it holds its regular election. This alternate shall be entitled to attend and participate fully in Board meetings when so authorized.~~

Section Chairmen and Directors may ~~not~~ serve no more than two consecutive full terms in this capacity. Each Section may have such other officers for such terms as is deemed desirable, in accordance with the Section Bylaws.

- c. *Administration.* Section offices shall be established subject to approval of the Board of Directors, and staffed under the direction of the Society's President. The Society's headquarters' staff shall also provide guidance and assistance to Sections.

Article XI. ~~X~~
THE SOCIETY'S STAFF

Section 1. HEADQUARTERS, SECTION AND FIELD STAFF

The Society shall employ such full-time and part-time staff members, specialists and consultants or other outside services, as may be required to carry out its functions and obligations. The members of the staff, including all persons or concerns retained to service the needs of operating units, shall be under the immediate supervision and direction of the President who shall have full authority and responsibility for staff organization and management.

The basic role of the staff shall be to assist and support the efforts of members in carrying out the Society's objectives. In addition, the Staff shall perform such general administrative functions as are assigned by the President.

The staff shall include such administrators and specialists as may be deemed necessary to provide services required by the various operating units. Those staff administrators assigned to provide general services to any operating unit shall be expected to make use of any specialists available on the staff for such services as are within their particular expertise.

Where special offices of the Society are established to serve a Section, such offices shall be staffed as may be necessary.

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Section 2. LEGAL COUNSEL

The Society, through the President, shall retain a General Counsel whose office shall have such responsibilities as may be assigned by the President. The General Counsel's office shall provide general advice relative to the Society's legal problems, and shall have the responsibility for reviewing all agendas, minutes and other documents deemed to be of legal significance required by, or produced for operating units.

When required, the Society shall make the services of its General Counsel's office available to operating units on questions which arise involving their activities. Such service shall be provided at the expense of the Society so long as it concerns matters deemed routine or "in the course of ordinary business" by the President. When such services are deemed to be extraordinary in the opinion of the President or the Executive Committee of the Society, the operating unit involved shall be required to reimburse the Society for any charges incurred as a result of such extraordinary activity, or due to the necessity for retaining associate counsel. Operating units may not retain legal counsel independently for special projects without the approval of the President and the Executive Committee.

Article ~~XII~~, ~~XI~~

SEALS, TRADEMARKS, OTHER INDICIA

The Society shall have the sole right to adopt and control completely the use of its Seal, and such other seals, trademarks or other indicia as it may deem suitable and appropriate.

The ~~Executive Committee Board of Directors~~ may approve the use of the Seal by any member company to identify itself as a member of the Society; provided however, that the Seal may be used by members only to indicate their membership in the Society in correspondence, advertising material, publications or similar activities, where the use is exclusively and directly related to the conduct of the member's business. Except as authorized by the ~~Executive Committee Board of Directors~~, the Seal may not be used by any member for product identification purposes, in standardization or certification programs, or for similar applications. Further, the Seal may not be used in any way to imply SPI's approval, endorsement, or sponsorship of any political candidate or cause.

Article XIII. ~~XII.~~

FISCAL YEAR

The Fiscal year of the Society shall begin on the first day of June each year and shall end on the thirty-first day of May of the succeeding year.

Article XIV. ~~XIII.~~

AMENDMENTS OF BYLAWS

These Bylaws may be amended, repealed or altered, in whole or in part, by a majority vote of the Company Members present at any duly called and organized meeting of the Society, or by a majority vote of those responding to a mail ballot, providing a notice of the substance of proposed changes is mailed to all such Company Members at least thirty (30) days prior to the time fixed for the meeting at which a vote will be taken, or the time fixed for a return of mail ballots, as the case may be. In those cases where bylaws changes are made the subject of a mail vote, those eligible to cast ballots shall mail the same to the Secretary in care of the Society's headquarters office. At the time fixed for the counting of the vote, the Secretary shall open the ballots, canvass the same, and report in writing to the membership on the results.

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**BALLOT CONCERNING PROPOSED BYLAW AMENDMENTS
TO EFFECT THE RESTRUCTURING OF
THE SPI BOARD OF DIRECTORS AND BOARD COMMITTEES**

Please return no later than January 7, 1994.

Mail in self-addressed, stamped envelope to:

**The Society of the Plastics Industry, Inc.
1275 K Street, N.W., Suite 400
Washington, DC 20005
Attn: Secretary**

Or Fax to: (202) 371-6576

Please vote the enclosed ballot and mail it in the enclosed self-addressed, stamped envelope to the above address no later than January 7, 1994. If you wish, the ballot may be faxed to the above number.

The undersigned SPI Company Member Voting Representative hereby casts their ballot concerning the proposed bylaws amendments to effect the restructuring of the SPI Board of Directors and Board Committees to reflect the restructuring plan approved by the SPI Board of Directors on October 1, 1993, as outlined in the enclosed document. *(Please place a checkmark below, date and sign the ballot and return.)*

- ☐ FOR
- ☐ AGAINST

Signature

Name of Company Voting Representative

Company

Date

CTL010064