

NOVEMBER/DECEMBER 2006**Calendar of Events****DECEMBER 7, 2006**

CMFI Board of Directors Meeting
Rosewood Restaurant, Rosemont. 6:00
PM

JANUARY 4, 2007

CMFI Board of Directors Meeting
Rosewood Restaurant, Rosemont. 6:00
PM

JANUARY 25, 2007

CMFI Annual Business Meeting
Grazie Restaurant, Des Plaines.
6:00 PM

FEBRUARY 25-28, 2007

SFIC Annual Convention
Mauna Laui Resort, Kona, Hawaii

MAY 1-3, 2007

SFIC Washington Forum
L'Enfant Plaza Hotel, Washington, DC

AUGUST 13-17 2007

SUR/FIN
Cleveland Convention Center



HAPPY THANKSGIVING

REORGANIZATION UPDATE

Rick Delawder, CMFI President
& National Director

As you all know by now, the merger of the three industry associations (NAMF, MFSA, AESF) is about happen in January 2007. The most important change to note with the newly-formed National Association of Surface Finishing (NASF), is that each affiliate member will be asked to cast a vote for a nominating slate. This is **TOTALLY NEW** and it is imperative that each CMFI member votes. There is a weighted measure for each voting class and each NAMF affiliate member vote is actually weighted as five (5) individual votes. Further, with CMFI being one of the three largest affiliates of NAMF, we automatically receive one member on the ballot. It is important to recognize the significance of actually voting. The CMFI, and for that matter the Midwest, needs representation on the national Board. Listed below is the NAMF slate of candidates for the new NASF Board. You have recently received the ballots from NAMF and I urge you to make your voice heard by casting your vote.

As of this writing, The NAMF Nominating Committee has filed the following slate for the NASF Board:

Tony Alcaro (MAMF-NY/NJ)
Bob Burger (MAMF-MI)
Rick Delawder (CMFI)
Tom Gerhardt (UNYAMF)
Jim Jones (SAMF)
*Mike Kelly (OAMF)
Ray Lucas (SWAMF)
J. Kelly Mowry (TAMF)
Jerry Wahlin (MFASC)
Bill Wiggins (MFASC)

*Mike Kelly will automatically become the NASF Past President

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REORGANIZATION UPDATE

(.....continued from page 1)

Eight of the ten nominees will be elected by the memberships of AESF, MFSA and NAMF. The two individuals not voted to the NASF Board will become the co-chairs of the NAMF Council. To review the actual reorganization documents, visit the SFIC web site at www.sfic.org Should you have any questions or concerns regarding the nominating and election process, please contact me at rick@swdinc.com

CMFI TO PARTICIPATE IN 2007 FASTENER SHOW

The CMFI Board of Directors have elected to become an industry supporter of the FASTENER TECH '07 education and trade show. An ad hoc committee was appointed to oversee all the aspects of CMFI's participation in the show which will take place at the Donald E. Stephens Convention Center, Rosemont, IL, June 25-28, 2007. The show will feature exhibits, networking, business intelligence, social programming, and technical education for international manufacturers, distributors and users of fasteners.

Since the fastener industry has a heavy reliance on the suppliers of finishing services and products, it seemed natural for CMFI to have a presence at the show. CMFI will not only organize a metal finishing seminar but will also be an exhibitor at the show. CMFI's exhibit will market our members' services to a very large audience of several thousand potential customers.

Other industry sponsors of the show include the ASM Heat Treating Society, the Mid-West Fastener Association, the National Fastener Distributors Association and the Los Angeles Fastener Association.

NEW PENSION LAW GOES BEYOND PENSIONS

Christopher Nowotarski, CMFI Legal Counsel

Many business owners have probably heard about the recently enacted Pension

Protection Act of 2006 (Pension Act). This new law not only strengthens the pension system, but it also expands opportunities to build nest eggs and plan for the future. It extends and improves over 20 retirement tax savings benefits, adds new rules governing specific charitable donations, imposes tighter controls on exempt organizations, and impacts over a dozen other major tax provisions. A couple of areas that the new law touches on include 401(k) plans and section 529 education plans.

The new law affects 401(k) plans by introducing new rules and by making permanent numerous benefits that had previously been set to expire after 2010. One of the new rules introduced by the Pension Act makes it easier for employers to automatically enroll employees in the company's 401(k) plan.

The new law also ensures that workers have more information about the performance of their accounts and provides greater access to professional advice about investing for retirement. It also makes permanent many taxpayer-friendly changes enacted in 2001. For example, the higher dollar limits for IRA contributions that were previously set to expire in 2010 (\$4,000 starting in 2006, \$5,000 in 2008, inflation adjusted thereafter) are made permanent. Catch-up contribution limits for older workers are also made permanent.

The Pension Act also makes permanent the current ultra-favorable federal income tax treatment of Section 529 plans, which are used to finance college education costs. Section 529 plans distributions will continue to be federal income tax free even after 2010. Prior to passage of the new law, these distributions would have been taxable if made after 2010.

Even though the main purpose of the Pension Protection Act of 2006 is to shore-up traditional defined benefit pension plans, do not be deceived by its name. This is a massive piece of legislation that affects many aspects of financial planning. This article only begins to touch on some of the many favorable changes it includes, and employers and employees alike are encouraged to investigate how they may benefit.

CMFI BYLAWS AMENDMENTS

Because of the newly-formed National Association of Surface Finishers (NASF) which will become effective in January 2007, it is necessary for CMFI to amend its current Bylaws to conform to the anticipated changes brought about by the new direction of the national association. The following are the amendments to the CMFI Bylaws prepared by our legal counsel, Chris Nowotarski. For comparison purposes, members can find the current Bylaws on our web site www.chicagometalfinishers.org by clicking on the "Membership Advantages" section. Then, click into the "Bylaws" listed at the top of that page. Further amendments may become necessary based on the progress of the new NASF.

Amendments

ARTICLE II. MEMBERSHIP. Section 1.2.3.

Participation in NASF Membership. All members in good standing of the Institute shall also become members of the National Association of Surface Finishers ("NASF") and shall receive the services as supplied by the National Association of Surface Finishers.

ARTICLE III. FINANCE. Section 2.1 Dues. The dues for membership in this Institute, which include quarterly dues to the NASF shall be paid at the beginning of each fiscal quarter in an amount as determined by the Board of Directors of the Institute. Notwithstanding anything to the contrary, the minimum dues for membership shall be the amount of dues charged by the NASF. The Institute shall have the right to charge dues in addition to the NASF dues. Any additional dues or revision of the dues shall be published in the Institute newsletter or similar communication to the members at least thirty (30) days prior to the effective date of any change.

ARTICLE III. FINANCE. Section 2.2. Dues Increase. Upon passage of a dues increase from the NASF the yearly increase would be divided by four (4), the quotient raised to the next fifty cents (\$0.50) increment, and automatically billed to the members. This does not preclude a general dues increase.

ARTICLE III. FINANCE. Section 8. Financial Review. At least once each year or as directed by the Board of Directors, a certified or public accountant shall be employed to conduct a financial review by examining the accounts of the Institute, checking the receipts and disbursements in detail and reporting the results of such financial review to the Board of Directors.

ARTICLE III. FINANCE. Section 9. Distribution Upon Dissolution. Upon dissolution of the Institute, any property and assets thereof, after payment of all obligations of the Institute, shall be distributed in accordance with the laws of the state of Illinois and pursuant to a plan of dissolution.

ARTICLE VI. MANAGEMENT—BOARD OF DIRECTORS. Section 2. Number and Tenure.

The Board of Directors shall consist of a President, a Vice President, a Secretary-Treasurer and eight (8) directors. An individual selected to serve on the NASF Board shall be an ex-officio member of the Board. An individual selected by the Board to represent the Institute on the Board of Directors of the National Association of Metal Finishers and the immediate past President shall all automatically serve as one of the eight (8) directors. The remaining directors' positions shall be filled by an election by the members of the Institute at the annual meeting.

ARTICLE X. NATIONAL ASSOCIATION.

Section 1. Membership. The Board of Directors may authorize membership of this Institute in the National Association of Surface Finishers.

Section 2. Delegates. The delegate or delegates to represent this Institute on the Board of Directors of the National Association of Metal Finishers shall be selected by the Board of Directors of this Institute at its November meeting in each year; provided, that the nomination and selection of a delegate shall be by secret ballot; and further provided, however, that the delegate or delegates so selected shall not take office until the annual meeting of the National Association of Surface Finishers at its convention. Each director present shall vote for the appropriate number of candidates from the list of nominees on a single official ballot form.

Section 3. Proxies. For the annual meetings and any other meetings of the general membership of the National Association of Metal Finishers (hereinafter referred to as the "Association") and /or NASF or at any regular or special meeting of the Board of Directors of the Association and/or NASF, at which a mail ballot of the general membership is tallied, called for the purpose of election of officers, proposed amendments to the Bylaws of the Association and/or NASF, and such other business that may come before the meeting, the Senior Delegate of this Institute, or, in his absence, the Junior Delegate of this Institute, shall act as the official proxy for each member in good standing of this Institute, subject to the following:

(a) That the Executive Secretary of this Institute shall, not less than four (4) days after the Association and/or NASF notice of such meeting has been received, advise all members of this Institute of their option to withdraw such official proxy and to cast their own vote directly or by other proxy; and

(b) That the members exercise such option to cast their own vote directly or through their selected proxy by written notice delivered to the Executive Secretary of this Institute prior to the meeting of the Association and/or NASF.

cmfi

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Board of Directors

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Christopher Nowotarski
Stone, Pogrund, & Korey

IN MEMORIAM

Mr. Clifford "Cliff" Peter, Vice President of Milwaukee Plating Company, died October 19 at age 80. Cliff served in the US Navy during WWII, and was a graduate of the University of Wisconsin in 1950 with a Bachelor of Science Degree in Chemical Engineering. He was a member of the Milwaukee Chapter of the AESF, a member of the Contemporary Arts Society, and an avid trap shooter. He is survived by his son Timothy (Gail) and grandchildren Carolyn and Robert.