

# **CHICAGO METAL FINISHERS INSTITUTE**

## **BYLAWS**

*as Amended and Revised to February, 2007*

### **ARTICLE I**

#### **Name, Principal Office, Purposes and Seal**

**Section 1. Title.** The name of this corporation is CHICAGO METAL FINISHERS INSTITUTE, hereinafter referred to as the "Institute."

**Section 2. Principal Office.** The location of the principal office of the Institute shall be in the Greater Chicago Metropolitan Area and State of Illinois.

**Section 3. Purposes.** The Institute is organized for the following purposes and objectives:

- (a) To promote, in all lawful ways, the development, efficiency and general welfare of the metal finishing industry and to foster a spirit of good will, confidence and friendliness among those persons active in said industry or related thereto by common business interests.
- (b) To the extent that it shall be lawful, to collect or disseminate accurate information in respect to wages paid, operating costs, production data, industry practices, shipping, sales and other matters affecting the industry.
- (c) To develop standards of quality for the finishing of articles processed by members of the industry.
- (d) To collect, at the discretion of the Board of Directors, monthly credit reports and to disseminate credit information among all members participating in the furnishing of such information.
- (e) To represent the membership in matters of local, regional and national importance affecting the industry.
- (f) To cooperate with and seek the cooperation of the National Association of Metal Finishers with whom this Institute is affiliated.
- (g) To establish and maintain good public relations to promote the best interests and welfare of the industry.

**Section 4. Corporate Seal.** The Board of Directors shall provide a corporate seal, held by the Executive Secretary, and which shall be in the form of a circle and shall have subscribed thereon the name of the Institute and the words "Corporate Seal, Illinois."

### **ARTICLE II**

#### **Membership**

**Section 1.1. Eligibility - Class I Member.** Any proprietorship, partnership or corporation of good business reputation, owning and/or operating a facility engaged in the business of electroplating, metal finishing and allied arts, in the State of Illinois or any contiguous state, where no metal finishing association, affiliated with the National Association of Metal Finishers exists, subject to the provisions of the following sections of this Article, shall be eligible for membership as a Class I Member.

**Section 1.2. Contributing Sponsors.** Any proprietorship, partnership or corporation of good business reputation owning and/or operating a facility related to the metal finishing industry by common business interests, subject to the provisions of the following sections of this Article, shall be eligible for membership as a Contributing Sponsor.

**Section 1.2.1. Offices.** All members in good standing shall be eligible to hold office in the Institute as an officer per Article V or as a Director per Article VI of this Constitution.

**Section 1.2.2. Voting.** All members in good standing shall be eligible to vote in any election or on any other matter brought before the membership at a regular or special meeting thereof.

**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.

## **Section 2. Definitions for the Purposes of this Article II.**

**Section 2.1. Member.** A proprietorship, partnership or corporation owning and/or operating one or more facilities shall for all purposes be considered as a singular member. Each legal entity whether operating in a combination with others or under ownership of common stockholders or ownership of a holding company shall individually be required to apply for and qualify for membership to be eligible for the benefits of this Institute.

**Section 2.2. Good Business Reputation.** Good business reputation is defined as a company, its owners, officers and/or directors having exhibited financial responsibility and have and will continue to conduct business in a manner consistent with the spirit of the Code of Ethics of this Institute.

**Section 2.3. Code of Ethics.** The Code of Ethics of this Institute shall consist of the following rules:

**RULE 1.** No member of the Institute shall make or cause or knowingly permit to be made or published any false, materially inaccurate, or deceptive statement by way of advertisement, or otherwise, concerning the grade, quality, quantity, thickness of deposit, substance, character, nature, or finish or preparation of any product of the Industry or the credit terms, policies, or services of any member of the Industry, or otherwise, having the tendency or capacity to mislead or deceive customers or prospective customers.

**RULE 2.** No member of the Institute shall willfully induce or attempt to induce the breach of existing contracts between competitors and their customers by any false or deceptive means, or interface with or obstruct the performance of any such contractual duties or services by any such means, with the purpose and effect of hampering, injuring, or embarrassing competitors in their business.

**RULE 3.** No member of the Institute shall defame a competitor by falsely imputing to him dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representation, or by falsely disparaging the grade or quality of his goods or services.

**RULE 4.** No member of the Institute shall brand or mark or pack any product of the Industry in any manner which has a tendency to or does deceive or mislead purchasers with respect to the brand, grade, quality, quantity, origin, size, substance, character, nature, finish, thickness of deposit, material content or preparation of such product of the Industry.

**RULE 5.** No member of the Institute shall procure, otherwise than with the consent of any member of the Industry, any information concerning the business of such member which is properly regarded as a trade secret or as confidential within its organization.

**RULE 6.** No member of the Institute shall imitate or simulate the trademark, trade name, package, wrapper or label of a competitor's product to such a degree as to deceive or have a tendency to deceive customers.

**RULE 7.** No member of the Institute or its operating or managing officers shall be convicted of a felony involving business conduct or violation of environmental regulations which shall be considered as having damaged the reputation of this Institute, its members or the metal finishing industry.

**Section 3. Application for Membership.** Application for membership shall be made in writing on the form supplied by the Institute which shall include such information as shall be deemed necessary from time to time by the Board of Directors and accompanied by the application fee as provided for in Article III. An applicant shall be admitted to membership only upon approval by majority vote of the entire Board of Directors.

**Section 4. Withdrawals.** Any member desiring to resign his membership shall give thirty (30) days notice in writing of his intention to resign, and such notice shall be accompanied by payment of all dues and assessments and a pro rata share of all obligations incurred by the Institute previous to the date of the receipt of such notice by the Institute, or such resigning member shall make provision for the payment thereof satisfactorily to the Board of Directors.

**Section 5. Suspension or Expulsion.** By a two-thirds vote of the Board of Directors at any regular or special meeting, any member may be suspended or expelled for failing to observe any provision of the Bylaws or any rule or regulation made thereunder, or for doing any act prejudicial to the interests of the Institute or any of its members (other than for non-payment of dues and assessments); provided such member has had ten (10) days notice in writing of the meeting and of the charge lodged against him and is given an opportunity to be heard at the meeting, and provided also that in case the accused member shall be one of the Board of Directors he shall not be entitled to participate in the deliberations of the Board after the hearing of the evidence presented in support and in defense of the charge being tried.

**Section 6. Honorary Membership.** (a) Honorary membership shall consist of those persons who shall have rendered special or outstanding service to the Institute or have been affiliated with the Institute through a member company for long periods of time and shall have retired from active participation in the metal finishing industry; and (b) such Honorary Member shall be so designated only upon approval of a two-thirds vote of the entire Board of Directors; and (c) such Honorary Member shall not be required to pay any dues as required of members under the provisions of these Bylaws nor shall he be eligible to vote at any meeting.

## **ARTICLE III**

### **Finance**

**Section 1. Entrance Fee.** The application fee for Class I membership shall be forty dollars (\$40.00) and one quarter's dues, payable when application is submitted. Contributing Sponsors are not required to pay an application fee, however, annual dues must accompany the application when submitted. All fees and payments are fully refundable if the application is not approved by the Board of Directors.

**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.

**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.

**Section 3.1. Payment of Dues.** Quarterly payment of dues shall be made to the Institute within thirty (30) days after receipt of invoice. The Board of Directors may grant alternate payment of dues schedules to members upon request.

**Section 3.2. Payment of Charges.** Monthly payment of charges and assessments shall be made to the Institute within thirty (30) days after receipt of invoice.

**Section 4. Special Assessments.** To meet any extraordinary expense of the Institute an equitable assessment may be levied by a majority vote of the members of the Institute at any regular or special meeting provided notice of such proposal be mailed to each member in good standing at least ten (10) days prior to the date of such meeting.

**Section 5. Review of Accounts.** At each meeting of the Board of Directors, the Treasurer shall advise the Board of the names of all members who are sixty (60) and ninety (90) days or more delinquent in the payment of dues, charges or assessments.

**Section 6. Delinquencies.** A member shall be notified, by certified mail (return receipt requested) of impending suspension by the Executive Secretary when any dues, charges and/or assessments are unpaid for a period of 90 days. Such suspension will automatically be invoked if those dues, charges and/or assessments are not paid within thirty (30) days from the date of notification, unless the Board of Directors is notified of extreme hardship by the delinquent member so that alternative action may be taken by the Board.

**Section 7. Fiscal Year.** The first fiscal year of the Institute shall be from the date of its organization to December 31, 1935, and thereafter the fiscal year of the Institute shall correspond to the calendar year.

**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.

**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 IV**

### **Meetings of Members**

**Section 1. Annual Meetings.** The annual meeting of members of the Institute shall be held on the fourth Thursday in the month of January in each year at such time and place as shall be fixed by the President and the Board of Directors of the Institute; provided, however, that the date for any such annual meeting may, at the discretion of the Board of Directors, be changed upon written notice in accordance with the provisions of Section 4 of this Article IV.

**Section 2. Regular Meetings.** Regular meetings of members shall be held on the fourth Thursday of the month or on such other day or date as shall be scheduled by the Board of Directors, provided notice of each such meeting be served pursuant to the provisions of Section 4 of this Article IV.

**Section 3. Special Meetings.** Special meetings of the members may be called either by the President, any six members of the Board of Directors, or a majority of the Institute's members in good standing, at such time and place as they shall designate upon written notice mailed to each member not less than three (3) days (exclusive of Saturday and Sunday) prior to such special meeting.

**Section 4. Notice of Meetings.** Notice of each annual or regular meeting shall be mailed to each member by the Secretary at least ten (10) days prior to said meeting.

**Section 5. Quorum.** A quorum of all meetings of the Institute shall be one-fourth of the members in good standing.

**Section 6. Voting.** No member may cast more than one vote on any question or subject considered at any meeting of the Institute.

## **ARTICLE V**

### **Officers of the Institute**

**Section 1. Officers.** The officers of this Institute shall consist of President, Vice President, and a Secretary-Treasurer, all of whom shall be members of the Board of Directors. They shall be elected by the members at the annual meeting of the Institute, and they shall serve for a term of one (1) year or until their successors are elected and qualified.

**Section 2. President.** The President shall be the principal executive officer of the Institute and shall supervise all of the business interests and welfare of the Institute. He shall preside at all meetings of the members and of the Board of Directors and shall be ex officio a member of each committee except the Nominating Committee. He may, with the Vice President or Secretary-Treasurer or any other officer of the Institute authorized by the Board of Directors, execute checks, contracts, or other instruments approved by the Board of Directors; and, in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President shall have the right to vote when the vote is by ballot and in all other cases where his/her vote would change the result.

**Section 3. Vice President.** The Vice President shall assist the President in the performance of his duties. In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. He shall perform such other duties as from time to time may be assigned to him by the President or the Board of Directors.

**Section 4. Secretary-Treasurer.** The Secretary-Treasurer shall keep books or records of all receipts and disbursements, shall keep and maintain all minutes of the meetings of the members and the Board of Directors, shall see that all notices are duly given in accordance with the provisions of these Bylaws and shall prepare and present monthly financial statement to the Board of Directors. In the event an Executive Secretary is employed by the Institute, the Secretary-Treasurer may delegate the duties of the office to the Executive Secretary and supervise such functions, except as to reporting the finances of the Institute to the Board of Directors.

**Section 5. Executive Secretary.** An Executive Secretary may be employed by the Board of Directors of this Institute. His/her duties shall be that of administering the office of the Institute, and to keep all records, conduct all correspondence, invoice for monies due the Institute, receive and deposit monies to the Institute's bank account, attend all meetings of the Board of Directors and members, prepare and keep true copies of all minutes of the meetings of the Board of Directors and members, transmit copies of minutes to each director prior to each meeting of the Board of Directors, prepare monthly financial statements for the Board of Directors, prepare and forward meeting notices and informative bulletins, and perform such additional duties as may be assigned by the President or Board of Directors.

**Section 6. Vacancies.** A vacancy in any office or on the Board of Directors, other than the office of President, because of death, resignation, removal, disqualification, election of a director to an office, election of an officer or director as a delegate to the National Association pursuant to the provisions of Article X, Section 2 of these Bylaws and his/her assuming such office or otherwise, may be filled by the Board of Directors for the unexpired portion of the term at any regular or special meeting.

## **ARTICLE VI**

### **Management -- Board of Directors**

**Section 1. General Powers.** The affairs of this Institute shall be managed by its Board of Directors. Unless otherwise provided, a majority vote of the Directors in attendance at a legally constituted meeting of the Board of Directors shall be required to adopt any proposition.

**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.

The elected directors shall serve staggered two (2) year terms with no more than four directors being elected in any year except if a vacancy in the position of director should occur. The term of any director elected by the membership to fill a vacancy shall expire at the time when the term of the person whose vacancy he/she filled would have expired.

**Section 3. Representation.** No member may have more than one (1) representative on the Board of Directors; provided, however, that no person shall be disqualified from serving as an officer or director of this Institute as a representative of a member because of an ownership interest in or being an officer of another member company, partnership or corporation having a representative on the Board of Directors.

**Section 4. Regular Meetings.** The regular meetings of the Board of Directors shall be held on the first Thursday in each month at such time and place as shall be designated by a majority vote of the Board of Directors, except, as otherwise provided by a majority vote of the Board of Directors. All food and beverage expenses incurred at meetings of Board of Directors shall be billed to each Director's company of employment on a pro rata basis on the monthly Institute invoice whether or not the Director was present at the meeting. Any officer or director who shall be absent from a total of three or more regular or special meetings of the Board of Directors in a tenure year will be automatically declared unqualified to serve and replaced per Article V, Section 6 unless the officer or director is excused by Board action at the meeting from which he/she is absent, due to prior notification to any officer or director of his/her inability to attend and the reason therefore.

**Section 5. Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or any four (4) directors. The person or persons authorized to call special meetings of the Board may fix the time and place for such meeting provided notice be given in writing and mailed at least three (3) days prior to the date of such meeting (excluding Saturdays and Sundays) to each director. Any director may waive notice of any meeting.

**Section 6. Quorum.** A majority of the elected and ex officio members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board.

**Section 1. Nominating Committee.** A Nominating Committee of five (5) Institute members in good standing shall be

## **ARTICLE VII**

### **Nominations**

appointed by the President not less than ninety (90) days prior to the Annual Meeting. The Committee shall consist of two (2) members selected from the Board of Directors, exclusive of officers, one of whom shall be designated as Chairman, and three (3) from the membership at large.

**Section 2. Duties of the Nominating Committee.** The Nominating Committee, after reviewing the current roster of members of this Institute and the roll of officers and members of the Board of Directors during the preceding five (5) years, shall consider candidates for officers and directors of the Institute. Upon indication of willingness of candidates to serve, the committee shall select and prepare a slate of nominees for presentation to the membership of the Institute at the next annual meeting.

**Section 3. Notice of Nominations.** The Nominating Committee shall file its slate of officers and directors with the Secretary-Treasurer or Executive Secretary not less than thirty (30) days prior to the Annual Meeting. The Secretary-Treasurer or the Executive Secretary shall, in writing, at least fourteen (14) days prior to the Annual Meeting, notify each Institute member of the names of the nominees, and the date, time and place of the forthcoming elections and of the provisions of Section 4 of this Article VII and shall attach to such notice a proxy form for such meeting.

**Section 4. Additional Nominations.** Additional nominations may be made by written petition signed by ten (10) or more Institute members in good standing and filed with the Secretary or Executive Secretary at least five (5) days prior to the Annual Meeting. No other nominations shall be considered at the Annual Meeting except to fill a vacancy created by withdrawal or disqualification of any candidate.

## **ARTICLE VIII**

### **Committees**

**Section 1. Standing Committees.** The standing committees of the Institute shall be as follows: Membership and Attendance; Program; Reward Fund; Historian; Awards; Legislative Action; Water Pollution; Ethics; Air Pollution.

**Section 2. Committee Appointments.** The President shall appoint all committees.

**Section 3. Special Committees.** Special committees deemed necessary may be appointed by the President, or in the absence of such appointment, by the Board of Directors.

**Section 4. Special Representatives.** Special representatives of this Institute may be selected by the Board of Directors to attend conventions or participate as members of governmental or industrial committees concerned with problems affecting the metal finishing industry. The expenses of any such special appointee may be defrayed by the Institute by action of the Board of Directors.

**Section 5. Ethics Committee.**

- (a) The Ethics Committee shall consist of five (5) members consisting of two (2) directors and three (3) from the general members to be appointed by the President for a term of three (3) years.
- (b) Upon a written, signed complaint filed with the Executive Secretary, any breach of the Code of Ethics of this Institute shall be referred to the Ethics Committee for investigation and hearing within thirty (30) days from the date of referral.
- (c) All charges and investigations by the Ethics Committee shall be treated as strictly confidential.
- (d) During any hearing of charges by the Ethics Committee or the Board of Directors, the charged party shall be authorized to have counsel present and to present evidence in defense of the charges.
- (e) Upon completion of investigation and/or hearing, the Ethics Committee shall present any of the following recommendations to the Boards of Directors in writing with a copy to be mailed to the party charged:
  - (i) No action to be taken;
  - (ii) Censure;
  - (iii) Suspension of membership for three (3) months to a maximum of one (1) year;
  - (iv) Termination of membership.
- (f) Upon receipt of the findings and recommendations of the Ethics Committee, the Board of Directors shall place the same on the agenda for the regular or special meeting immediately following the filed report and any action taken thereon shall be by two-thirds (2/3) vote of the entire Board of Directors.
- (g) All charges, investigations, reports and the action of the Board of Directors shall be deemed to be treated as confidential by all Committee and Board Members.

## **ARTICLE IX**

### **Legal and Audit**

**Section 1. General Counsel.** The Board of Directors shall have the authority to employ legal counsel for the Institute and to cause to be submitted to him, from time to time, any legal matters affecting the Institute or the membership at large, and to fix the fees for his services.

**Section 2. Accounting.** The Secretary-Treasurer and the Executive Secretary shall, by the March meeting of the Board of Directors in each year, appoint an accountant, certified or public, to examine the books and records of this Institute within a reasonable time thereafter, and to prepare and present a financial statement of his analysis to the Board of Directors; provided, however, that the fee for such service shall be approved by the Board of Directors.

## **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.

## **ARTICLE XI**

### **Amendments**

The Bylaws of this Institute may be amended by the Board of Directors of this Institute at any regular or special meeting subject to the following procedures:

- (a) After presentation of the proposed amendment or amendments in writing no action thereon shall be taken by the Board of Directors in less than sixty (60) days thereafter;

- (b) After presentation of the proposed amendment to the Board of Directors, the Executive Secretary shall mail a copy thereof to each member of this Institute not less than thirty (30) days prior to any action thereon by the Board of Directors, together with the date of the meeting at which such amendment will be considered;
- (c) In the event the Board of Directors receives objections to the proposed amendment in writing from not less than twenty (20) members prior to the Board meeting such proposed amendment may only be adopted by a majority vote of Institute members in good standing present at the next regular or special meeting of members;
- (d) Any amendment must be approved by at least a three-fourth (3/4) vote of the duly elected and acting members of the Board of Directors;
- (e) Notwithstanding the above, any amendment to these Bylaws effecting a change in dues for membership or provisions for special assessments as set forth in Article III of these Bylaws shall require confirmation by majority vote of Institute members in good standing present at any regular or special meeting following notice as provided in Subsection (b) above;
- (f) Notwithstanding the provisions contained in Subsections (a) through (e) of this Article XI, the name of this Institute, as provided in Article I, Section 1 of these Bylaws shall be changed only by an amendment approved by the Board of Directors and adopted by a majority vote of the members of this Institute in good standing present at any regular or special meeting, provided the general membership shall receive notice of the proposed amendment not less than thirty (30) days prior to such meeting.

## **ARTICLE XII**

### **Conduct of Meetings**

**Section 1. Rules of Order.** Upon all matters relating to the government and conduct of the Business of this Institute, for which no provision has been made in these Bylaws, *Robert's Rules of Order* shall govern.

**Section 2. Order of Business.** The order of business at meetings of the Board of Directors or membership shall be as follows:

- (a) Reading of Minutes of Previous Meeting
- (b) Review of Financial Statement
- (c) Report of Expenditures
- (d) Report on Communications
- (e) Reports of Committees, Officers and Staff
- (f) Unfinished Business
- (g) Elections
- (h) New Business
- (i) Adjournment

## **ARTICLE XIII**

### **CMFI Reward Fund**

**Section 1. Eligibility.** A reward shall be paid to any individual who shall furnish information leading to the arrest and conviction of any person(s) who shall hereafter commit any crime of removing or attempting to remove any property from the premises occupied by any member in good standing. A reward shall also be paid for information leading to the arrest and conviction of any person(s) receiving or aiding in the concealment of such stolen property.

**Section 2. Reward Committee.** A Reward Committee consisting of a Chairman and three (3) members shall be appointed by the President each year. It shall be the responsibility of this Committee to determine the eligibility of any

person or persons for a reward and to recommend to the Board of Directors of this Institute the amount of each such reward. This Committee shall have the continuing duty to provide plant security education for the membership.

Section 3. Required Minimum Fund for Rewards. A minimum balance of five hundred dollars (\$500.00) shall at all times be retained in the General Fund to insure that the purposes of Sections 1 and 2 of this Article XIII shall be accomplished at all times.

## **ARTICLE XIV**

### **Insurance**

**Section 1. Insurance Trust.** The Board of Directors is authorized to establish group insurance programs available to all members in good standing of this Institute and to cause to be executed, by the proper officers, insurance agreements and declarations of trusts without incurring any liability for this Institute.

#### Section 2. Trustees

- (a) **Appointment.** The Trustees required by any insurance trust agreement shall be appointed by the Board of Directors of the Institute at its regular meeting in the month of February, subject to removal for any reason by two-thirds vote of the Board of Directors at any regular or special meeting.
- (b) **Term of Office.** Each Trustee shall be appointed for a term of ten (10) years, and he/she shall serve until his or her successor is duly appointed; provided, that the terms of office for one (1) of the Trustees shall expire every two (2) years; and further provided that as of February 1, 1973, the unexpired term of office for all then acting Trustees shall be doubled.
- (c) **Eligibility.** No person shall be appointed or qualified to hold office as a Trustee unless he/she is an officer, director or employee of a member of the Institute actively participating in a group insurance program established by this Institute.
- (d) **Vacancies.** In the event an office of Trustee is vacated by resignation, inability to serve, removal from office by action of the Board of Directors for any reason, or by reason of ineligibility under the provision of Subsection (c) of this Article XIV, the Board of Directors of this Institute may, at any regular or special meeting, appoint a successor Trustee to serve for the unexpired portion of the term subject to the powers of the Board of Directors set forth in Subsection (a) of this Article XIV.

Section 3. Insurance Trust Accounting. After the end of each fiscal year, the Board of Directors shall appoint a committee of three, each of whom shall be a participant in the life and medical insurance plan to obtain and supervise the preparation of an accounting review, acceptable to the Board of Directors, for each insurance trust under the control of the Trustees, pursuant to the provisions of this Article XIV. The fees for such accounting service are to be paid from funds in the respective trusts or programs.

## **ARTICLE XV**

### **Bertram A. Stone Memorial Award**

The C.M.F.I. Bertram A. Stone Memorial Award has been established and will be awarded at the discretion of the Awards Committee.