

Adopted: 9/17/85
Amended: 3/14/86
Revised: 9/20/87
Amended: 3/14/90
Revised: 4/24/91
Revised: 3/17/93
Revised: 9/11/93
Revised: 3/15/95
Amended: 3/22/03
Amended: 3/28/17

BYLAWS

OF

WATER QUALITY ASSOCIATION

INDEX TO WQA BYLAWS

Article I. Name, Organization and Location

- Section 1. Name
- Section 2. Organization
- Section 3. Location

Article II. Industry, Objectives, Powers and Limitations

- Section 1. Industry
- Section 2. Objectives
- Section 3. Powers
- Section 4. Limitations

Article III. Membership

- Section 1. Membership
- Section 2. Categories
- Section 3. Manufacturer/Supplier/Retail Members
- Section 4. Dealer Members
- Section 5. International Manufacturer/Supplier/Retail Members
- Section 6. International Dealer Members
- Section 7. Allied Members
- Section 8. Consultant Members
- Section 9. Lifetime Members
- Section 10. Honorary Members
- Section 11. Application for Membership
- Section 12. Termination of Membership
- Section 13. Readmission
- Section 14. Transfer of Membership

Article IV. Meetings of Members

- Section 1. Annual Meetings
- Section 2. Other Regular Meetings
- Section 3. Special Meetings
- Section 4. Quorum
- Section 5. Notice of Meetings
- Section 6. Voting
- Section 7. Order of Proceedings
- Section 8. Robert's Rules
- Section 9. Informal Action by Members
- Section 10. Telephone Conference Meetings

| | |
|---------------|---|
| Article V. | Board of Directors |
| | Section 1. Management |
| | Section 2. Quorum |
| | Section 3. Voting |
| | Section 4. Meetings |
| | Section 5. Notice |
| | Section 6. Terms of Office |
| | Section 7. Vacancies |
| | Section 8. Resignation of Directors |
| | Section 9. Removal of Directors |
| | Section 10. Informal Action by Directors |
| | Section 11. Telephone Conference Meetings |
| | Section 12. Conflict of Interest |
| Article VI. | Officers |
| | Section 1. Officers |
| | Section 2. President |
| | Section 3. Vice-President |
| | Section 4. Secretary |
| | Section 5. Treasurer |
| | Section 6. Fidelity Bond |
| | Section 7. Terms of Office |
| | Section 8. Vacancies |
| | Section 9. Resignation of Officers |
| | Section 10. Removal of Officers |
| Article VII. | Administrative Staff |
| Article VIII. | Board of Governors |
| Article IX. | Nominating Committee |
| | Section 1. Nominating Committee |
| | Section 2. Duties of Nominating Committee |
| | Section 3. Preparation of the Slate of Nominees |
| | Section 4. Substitute Nominees |
| | Section 5. Additional Nominations |
| Article X. | Committees |
| Article XI. | Initiation Fees, Dues and Assessments |
| | Section 1. Initiation Fees |
| | Section 2. Dues |
| | Section 3. Assessments |

| | |
|----------------|-----------------------------------|
| Article XII. | Fiscal Year |
| Article XIII. | Budget |
| Article XIV. | Contracts, Checks, Bank Accounts |
| | Section 1. Execution of Contracts |
| | Section 2. Checks, Drafts, Etc. |
| | Section 3. Deposits |
| Article XV. | Order of Business |
| Article XVI. | Limitation of Liability |
| Article XVII. | Amendments |
| Article XVIII. | Indemnification |
| | Section 1. Persons Indemnified |
| | Section 2. Determination |
| | Section 3. Expenses |
| | Section 4. Rights |
| | Section 5. Force and Effect |
| Article XIX. | Dissolution |

BYLAWS
WATER QUALITY ASSOCIATION

ARTICLE I

Name, Organization and Location

Section 1. Name. This corporation is named Water Quality Association (“WQA”).

Section 2. Organization. WQA is an Illinois not-for-profit corporation.

Section 3. Location. WQA shall maintain a registered office and a principal office in or near Chicago, Illinois, unless changed by the Board of Directors. WQA may have offices other than its principal office at such locations as are determined by the Board of Directors.

ARTICLE II

Industry, Objectives, Powers & Limitations

Section 1. Industry. The term “industry” as used in these Bylaws means the water quality improvement industry as defined from time to time by the WQA Board of Directors.

Section 2. Objectives. In furtherance of the purposes set out in its Articles of Incorporation the objectives of WQA shall be:

- (a) To promote increased use of industry products and services.
- (b) To analyze and inform the membership of conditions affecting or which may affect the industry.
- (c) To represent the interests of the industry in contacts with government, other organizations and the public.
- (d) To conduct educational and research activities.
- (e) To gather, analyze, publish and disseminate to the industry, government and the public information relevant to the industry.
- (f) To foster programs and services which will enhance the efficient and economic performance of the industry.

- (g) To promote more truthful advertising of industry products and more ethical business practices.
- (h) To engage in any lawful activity which will enhance the welfare of the industry and the members of WQA.
- (i) To do any and all lawful acts to perform and furnish any and all lawful services which may be deemed to be useful or desirable in order to effectuate any of the above objectives or to conduct any of the above activities.

Section 3. Powers. WQA shall have such powers as are now or may hereinafter be granted by the Illinois General Not For Profit Corporation Act of 1986, as amended from time to time, or any successor statute.

Section 4. Limitations. WQA shall carry on activities and/or expend funds to influence legislation or for other political purposes to the extent permitted by law for a corporation exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986 or corresponding section of any future federal tax code. No services shall be rendered specifically for an individual member. No part of the net earnings of WQA, if any, nor any distribution of assets on dissolution, shall inure to the benefit of any members, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the objectives set forth in this Article II.

ARTICLE III

Membership

Section 1. Membership. WQA membership is open to all firms or individuals meeting the eligibility and membership application requirements of these Bylaws.

Section 2. Categories. WQA shall have the following categories of membership:

- (a) Manufacturer/Supplier/Retail (voting member)
- (b) Dealer (voting member)
- (c) International Manufacturer/Supplier/Retail (non-voting member)
- (d) International Dealer (non-voting member)
- (e) Allied (non-voting member)
- (f) Consultant (non-voting member)
- (g) Lifetime (non-voting member)
- (h) Honorary (non-voting member)

Additional categories of membership may be established by the Board of Directors with prescribed voting and other rights upon the affirmative vote of at least two-thirds of all members of the Board.

Section 3. Manufacturer/Supplier/Retail Members. Any individual, firm, corporation or other entity engaged in the manufacture, supply, assembly or wholesale of water quality industry products or equipment, whose business includes the marketing and selling of such products and equipment in or into the United States or Canada and who is not predominately reselling and servicing such products and equipment as a dealer to consumers, businesses and other end users is eligible for manufacturer/supplier/retail membership. Membership in this category includes but is not limited to any entity that markets and sells such products and equipment as a manufacturer/supplier/retail in or into the residential, commercial, industrial or retail channels of trade in the United States or Canada.

Section 4. Dealer Members. Any individual, firm, corporation or other entity predominately engaged in the marketing, resale and servicing of water quality industry products or equipment as a dealer to consumers, businesses and other end users in the United States and Canada is eligible for dealer membership. Membership in this category includes but is not limited to any entity that markets, resells and services such products and equipment as a dealer in or into the residential, commercial, industrial and retail channels of trade in the United States or Canada.

Section 5. International Manufacturer/Supplier/Retail Members. Any individual, firm, corporation or other entity engaged in the manufacture, supply, assembly or wholesale of water quality industry products or equipment, whose business includes the marketing and selling of such products and equipment entirely outside the United States and Canada and who is not predominately reselling and servicing such products and equipment as a dealer to consumers, businesses and other end users is eligible for international manufacturer/supplier/retail membership. International Manufacturer/Supplier/Retail Members shall have all the rights and privileges of Manufacturer/Supplier/Retail Members except holding elective office and voting rights.

Section 6. International Dealer Members. Any individual, firm, corporation or other entity predominately engaged in the marketing, resale and servicing of water quality industry products or equipment as a dealer to consumers, businesses and other end users entirely outside the United States and Canada is eligible for international dealer membership. Membership in this category includes but is not limited to any entity that markets, resells and services such products and equipment as a dealer in or into the residential, commercial, industrial and retail channels of trade entirely outside the United States and Canada. International Dealer Members shall have all the rights and privileges of Dealer Members except holding elective office and voting rights.

Section 7. Allied Members. Any individual, firm, or professional organization/association engaged in a field of endeavor directly related to the water quality improvement industry, who supports the objectives of WQA and who is not otherwise eligible for membership is eligible for allied membership. Allied Members shall have all the rights and privileges of Dealer Members and Manufacturer/Supplier/Retail Members except holding elective office and voting rights.

Section 8. Consultant Members. Any third party professional or other service provider engaged in providing consulting services to entities within the water quality

improvement industry and who is not otherwise eligible for membership is eligible for consultant membership. Consultant Members shall have all the rights and privileges of Dealer Members and Manufacturer/Supplier/Retail Members except holding elective office and voting rights.

Section 9. Manufacturer Representative Members. Any independent sales agent or representative serving two or more manufacturer/supplier/retailers of water quality industry products or equipment and who maintains place of business and organization separate and apart from, and independent of, the manufacturer/supplier/retailers for which it serves as agent or representative is eligible for manufacturer representative membership. Manufacturer Representative Members shall have all the rights and privileges of Dealer Members and Manufacturer/Supplier/Retail Members except holding elective office and voting rights.

Section 10. Lifetime Members. The Board of Directors may at its discretion confer Lifetime Membership upon individuals who are or have been active within the industry and have rendered exemplary service to WQA, and whose knowledge and accomplishments in the industry or fields related to it entitle them to special recognition. A Lifetime Member shall have all the rights and privileges of Dealer Members and Manufacturer/Supplier/Retail Members but shall be exempt from paying dues, holding elective office, and voting rights.

Section 11. Honorary Members. The Board of Directors may at its discretion confer Honorary Membership upon individuals whose occupation is outside the industry, but whose contributions to mankind, through research or education, or exemplary services in or related to the industry are meritorious. An Honorary Member shall be permitted to attend any public convention of WQA. An Honorary Member shall have all the rights and privileges of Dealer Members and Manufacturer/Supplier/Retail Members but shall be exempt from paying dues/registration fees, holding elective office, and voting rights.

Section 12. Application for Membership. Application for membership in WQA shall be made in writing or on-line as instructed and set forth by WQA and shall state the name, place and nature of business of the applicant, its qualifications for membership; that it agrees to adhere to the latest versions of the WQA Bylaw provisions applicable to it, the Code of Ethics and the Antitrust Compliance Statement; and that it agrees to pay any dues and assessments. Upon receipt by WQA of a properly completed application form accompanied by the applicable dues and assessments, and upon determination that the applicant is eligible for membership, the applicant shall become a member.

Section 13. Termination of Membership.

(a) Voluntary Termination of Membership. Any member may resign at any time by giving written notice of its resignation to WQA. Any resignation shall take effect at the time specified therein, or, if the time when it shall become effective is not specified, immediately upon its receipt by WQA. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(b) Involuntary Termination of Membership. The membership of any member may be terminated for good cause which may include, among other reasons, any one (1) or more of the following reasons:

1. Arrearage in dues, fees, assessments or other financial obligations to WQA for a period of at least three (3) consecutive months after notice thereof has been sent to the member in arrears. . Membership is subject to suspension or termination at the discretion of WQA under this provision.

2. A final decision by the Board of Governors that a member has violated the WQA Code of Ethics.

3. A final decision by a federal or state court or regulatory agency that a product performance or product benefit claim by a member for one (1) or more of its water quality improvement industry products has violated federal or state law.

4. Violation of any provision of these Bylaws applicable to it.

(c) Request for Involuntary Termination. Any member except one who is employed by WQA in a staff capacity or who provides services to WQA on a continual basis may file a request for involuntary termination of the membership of another member for any of the reasons set out in subsection (b) above.

1. Requests for involuntary termination of membership must be filed with WQA in writing no later than one (1) year from the date the event or action forming the basis of the request occurred.

2. Upon receipt of a valid and complete request for involuntary termination of membership, the Executive Director will so advise the President, the Board of Governors and the WQA member who is the object of the request (subject member).

3. All valid and complete requests for termination of membership shall be referred to and be determined by a Special Membership Committee (“SMC”) consisting of five (5) persons selected by the Board of Governors by random lot from a pre-qualified list of WQA members. The President shall appoint one SMC member as Chairman and one as Vice Chairman of each SMC. Each SMC will function in accordance with procedures approved by WQA’s Board of Governors which, among other things, shall provide that the SMC hearing and its deliberations will be confidential, and both the requesting member and the subject member shall have the opportunity to fully and fairly present their respective positions to the SMC.

4. All decisions by the SMC will be final unless appealed to the WQA Board of Governors. SMC decisions shall be promptly communicated in writing to the requesting member, the subject member, WQA’s Board of Governors and WQA’s Executive Director, and shall contain a notice of any right to appeal and how to do so.

5. An SMC decision to terminate a membership may be appealed to the WQA Board of Governors only by the subject member. Any

request for an appeal to the WQA Board of Governors must be received by WQA's Executive Director within thirty (30) days after the date of the SMC decision and be in a manner approved by WQA. The President will determine when and in what form (special meeting, regular meeting, telephone conference call or letter ballot) the Board of Governors will consider the appeal. The SMC, the subject member and the member who filed the original termination request shall have the opportunity to fully and fairly present their respective positions on appeal. In considering and deciding an appeal, the Board of Governors may adopt such procedures as are appropriate and consistent with these Bylaws. A decision by the Governors shall be final and shall be promptly communicated in writing to the SMC, the subject member, the member who filed the original termination request and WQA's Executive Director.

6. The effective date of a membership termination shall be thirty (30) days after the date of a SMC decision or on the date of a Board of Governors decision.

(d) Except as otherwise may be provided in these Bylaws, any member whose membership is terminated, either voluntarily or involuntarily, shall remain fully liable for any unpaid dues or assessments previously levied against such member.

(e) A member involuntarily terminated pursuant to these Bylaws may apply for membership in WQA only after the expiration of a period from one (1) to five (5) years as determined by the SMC or Board of Governors, as the case may be.

Section 13. Readmission. Any member whose membership was terminated, either voluntarily or involuntarily, shall be eligible to for readmission for membership in WQA by submitting a properly executed application, provided; however, that the basis for the original termination, if involuntary, no longer exists. If such member reapplies for membership, fees and dues should be based on an appropriate dues level for a readmitted member in accordance with the current membership fee structure and the circumstances of the termination.

Section 14. Transfer of Membership. Membership in WQA is not transferable or assignable.

ARTICLE IV

Meetings of Members

Section 1. Annual Meetings. At a time and place designated by resolution of the Board of Directors there shall be an annual meeting of members of WQA for the purpose of electing directors, receiving reports and the transaction of other business.

Section 2. Other Regular Meetings. There shall be such other regular meetings of the members of WQA at such places and times as the Board may, from time to time,

determine. Notice for such meetings shall be given to all members as set forth in Section 5 below.

Section 3. Special Meetings. Special meetings of the members of WQA may be called by the President, the Board of Directors or by members entitled to vote having fifty (50) of the votes entitled to be cast at such a meeting. Special meetings shall be held in the Chicago, Illinois, metropolitan area, or the Board of Directors shall from time to time pass resolutions stating when and where such meetings shall be held.

Section 4. Quorum. All eligible voting members present in person or by proxy shall constitute a quorum at any meeting of WQA.

Section 5. Notice of Meetings. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose for which the meeting is called, shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, or in the case of a removal of one or more directors, a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than twenty (20) nor more than sixty (60) days before the date of the meeting, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each member of record entitled to vote at such meeting.

Any meeting of the members may be held without notice if a waiver of notice is signed by all of the members of the corporation, or if all members are present at the meeting, unless a member present at the meeting is there for the purpose of objecting to the holding of the meeting because proper notice was not given.

Section 6. Voting. Each voting member shall be entitled to one vote at any annual or special membership meeting of WQA on each matter coming before the meeting for a vote; except that voting with respect to election of directors shall be by membership category as provided in Article V. Voting on all questions submitted to a vote of the members shall be in such manner as is determined by the person presiding at the meeting or by a majority vote of the members. In connection with any vote by secret written ballot, the person presiding at the meeting where the vote is to be taken shall appoint two tellers to distribute, collect and count the ballots.

Section 7. Order of Proceedings. The order of proceedings for annual meetings of WQA shall be in accordance with Article XV unless otherwise determined by the Board of Directors. Any question as to the priority of business shall be decided by the officer presiding without debate.

Section 8. Robert's Rules. The parliamentary rules laid down in the latest edition of Robert's Rules of Order shall govern all proceedings of meetings of members when not in conflict with these Bylaws. The rules of proceedings or any one of them may be altered or suspended at any meeting by a majority vote of the members present.

Section 9. Informal Action by Members. Any action required to be taken at a meeting of the members, or any other action which may be taken at a meeting of members, may

be taken without a meeting if consent in writing setting forth the action so taken shall be signed either by:

(a) All the members entitled to vote with respect to the subject matter thereof, or

(b) By the members having not less than the minimum number of votes that would be necessary to authorize such action at a meeting at which all members entitled to vote thereon were present and voting.

If consent is signed by less than all, then the consent becomes effective only if:

(a) At least five (5) days prior to the effective date of such consent, notice in writing of the proposed action is delivered to all members entitled to vote on the issue and

(b) If, after the effective date of such consent, prompt notice in writing of the taking of the action without a meeting is delivered to members entitled to vote who have not consented in writing.

Section 10. Telephone Conference Meetings. Members entitled to vote may participate in any meeting through use of conference telephones or other communications equipment by which all members of the meeting are able to communicate with each other. Participation in such a meeting shall constitute attendance and presence in person.

ARTICLE V

Board of Directors

Section 1. Management. The affairs of WQA shall be under the direction of a Board of Directors consisting of twenty-four (24) directors, fifteen (15) of whom shall be elected by the manufacturer/supplier/retail members and nine (9) of whom shall be elected by the dealer members, all of which shall be accomplished in accordance with the procedures described in Section 6 below for transitioning the Board from its present make up of ten (10) directors elected by the manufacturer/supplier/retail members, two (2) directors elected by the commercial/industrial members, nine (9) directors elected by the dealer members, two (2) directors elected by the retail channel members, and one (1) director elected by the international members. In the election of directors by dealer members, consideration shall be given to geographical representation. In the election of directors by manufacturer/supplier/retail members, consideration shall be given to representation from the diversity of manufacturer/supplier/retail members serving the residential, commercial, industrial and retail channels of trade as well as geographic representation.

The Board of Governors from time to time may reassess the size, representation and makeup of the Board of Directors in light of the business of WQA, its sections and its membership and may make recommendations of amendments to this Section 1 for consideration by the Board of Directors. The consideration and adoption of such recommendations by the

Board of Directors shall be undertaken in accordance with the procedures of Article XVII of these Bylaws.

Section 2. Quorum. A quorum of the Board shall consist of thirteen directors.

Section 3. Voting. Each director shall be entitled to one vote on each matter submitted to a vote of the Board of Directors.

No director may act by proxy on any matter.

A director who is present at a meeting of the Board of Directors at which action on any matter is taken is conclusively presumed to have assented to the action unless his or her dissent or abstention is entered into the minutes of the meeting or unless he or she files a written dissent or abstention before the adjournment of the meeting or immediately thereafter.

Section 4. Meetings. There shall be two regular meetings of the Board of Directors every year, one of which meetings normally shall be held in connection with the annual meeting of the members of the WQA. The exact time, date and place of regular meetings shall be determined by the Board of Directors. Additional meetings of the Board may be held at the direction of the President of the Board, or at the written request of at least eight of its members and on such notice as shall be prescribed in these Bylaws.

Section 5. Notice. Written notice of meetings of the Board shall be given by mail to each member of the Board of Directors of meetings of the Board, addressed to the last known address of each member of the Board. Notice of such meetings shall be mailed at least ten (10) days prior to the meeting.

Section 6. Terms of Office. At the annual meeting of members in 2018 and at every annual meeting thereafter, the members shall elect eight (8) directors, five (5) of whom shall be elected by the manufacturer/supplier/retail members and three (3) of whom shall be elected by the dealer members.

Section 7. Vacancies. If a directorship of the Association becomes vacant because of death, physical or mental incapacitation or otherwise, the remaining directors shall elect a replacement for the unexpired portion of that Director's term from the same category of members as the former director whose vacancy is being filled. The Board of Governors shall determine when a vacancy exists, immediately notify the directors thereof and nominate a replacement director.

Section 8. Resignation of Directors. Any director may resign at any time by giving a written notice of resignation to the Executive Director of WQA. Any such resignation shall take effect at the time specified therein, or if such time is not so specified, immediately upon its receipt by the Executive Director.

Section 9. Removal of Directors. A director may be removed from the Board of Directors if he or she fails to attend three (3) consecutive regular meetings of the Board of Directors, or for cause, upon the affirmative vote of two-thirds of the votes of members entitled to vote for directors, present and voted either in person or by proxy. Such removal shall be

effective at such time as the members may determine. The notice of any members' meeting at which such action is contemplated shall contain a notice of the proposed removal, and the director whose status is being challenged shall be notified thereof in writing, by the Executive Director at least thirty (30) days prior to the date of such meeting. Removal shall occur only after the director has been given notice as stated above and reasonable opportunity for defense has been afforded, and such director, if removed, may appeal from the decision of the members to the annual meeting of the members, provided that notice of intent to appeal is provided to the Executive Director at least ten (10) days in advance of the meeting. A person shall also cease to be a director at such time as the member to whom that director is associated may cease to be a member of WQA.

Section 10. Normal Action by Directors. Any action required to be taken at a meeting or any action which may be taken at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the directors.

Section 11. Telephone Conference Meetings. Directors may participate in action at any meeting through the use of conference telephones or other communications equipment by means of which all persons participating in the meeting are able to communicate with each other. Participation in such a meeting shall constitute attendance and presence in person.

Section 12. Conflict of Interest. A conflict of interest may exist where a director is directly or indirectly a party to a transaction, if the other party to the transaction is an entity in which the director has a material financial interest or of which the director is an officer, director or general partner.

Where a possible conflict of interest exists relative to any matter presented to the Board of Directors for consideration, the director thereby affected shall ensure that the material facts of transaction are known or disclosed to the directors, committee members or members who authorize, approve or ratify the transaction.

Section 13. Compensation. Directors and officers of the corporation shall serve without compensation other than reimbursement for actual expenses.

ARTICLE VI

Officers

Section 1. Officers. The Board of Directors shall annually elect from among its members a President, a Vice President, a Secretary and a Treasurer of WQA.

Section 2. President. The President shall preside at all annual meetings of WQA and all meetings of the Board of Directors, and shall be an ex officio member of all committees. The President shall generally supervise the affairs of WQA, performing such additional duties as these Bylaws may prescribe or as may be assigned by the Board of Directors.

Section 3. Vice President. The Vice President shall assist the President in the performance of his or her duties and shall perform such other acts and duties as these Bylaws may prescribe or as may be assigned by the Board of Directors.

Section 4. Secretary. The Secretary shall supervise the corporate matters of WQA and perform such additional duties as these Bylaws may prescribe or as may be assigned by the Board of Directors.

Section 5. Treasurer. The Treasurer shall supervise the financial matters of WQA, account for all receipts and disbursements, and submit an annual certified audit to the Board of Directors. The Treasurer shall submit a report of the financial condition of WQA at all annual meetings of the Board and of the members, and at such other times as requested by the Board. The Treasurer shall also perform such additional duties as these Bylaws may prescribe or as may be assigned by the Board of Directors.

Section 6. Fidelity Bond. The Treasurer, the Executive Director, and any person entrusted with the handling of funds or property of WQA shall, at the discretion of the Board of Directors, furnish, at the expense of WQA, a fidelity bond approved by the Board, in such a sum as the Board shall prescribe.

Section 7. Terms of Office. The terms of the President, Vice President, Secretary and Treasurer shall be for one year and until their respective successors have been elected and qualified.

Section 8. Vacancies. If an office of the Association becomes vacant because of death, physical or mental incapacitation or otherwise, the remaining directors shall elect a replacement for the unexpired portion of that officer's term from the same category of members as the former officer whose vacancy is being filled. The Board of Governors shall determine when a vacancy exists, immediately notify the directors thereof and nominate a replacement officer.

Section 9. Resignation of Officers. Any officer may resign at any time by giving written notice of resignation to the Executive Director. Any such resignation shall take effect at the time specified therein, or if such time is not so specified, immediately upon its receipt by the Executive Director.

Section 10. Removal of Officers. An officer may be removed from office if that officer fails to attend three (3) consecutive regular meetings of the Board of Directors, or for cause, upon the unanimous vote therefore of all (other than the officer whose removal has been proposed) the members of the Board of Directors. Such removal shall be effective at such time as the Board may determine. The notice of any Board meeting at which such action is contemplated shall contain a notice of the proposed termination, and the officer whose status is being challenged shall be notified thereof in writing, by the Executive Director at least thirty (30) days prior to the date of such meeting. In addition, a person shall cease to be an officer at such time as the member with whom that officer is associated may cease to be a member of WQA and any appeal with respect to such cessation of membership has been completed.

ARTICLE VII

Administrative Staff

Section 1. Executive Director. The Executive Director shall be the chief administrator of WQA and shall be appointed by the Board of Directors and shall serve at the pleasure of the Board. The Executive Director shall carry out the policies of WQA; direct all staff activities; prepare the agenda for, attend or delegate another to attend all meetings of, and record all proceedings of WQA; consult with the chairmen of all committees; prepare and publish the programs of, and be present at, the conventions and meetings of WQA; present for approval by the Board of Directors an annual budget; collect all monies due WQA and promptly deposit same to its credit; prohibit WQA from incurring any unauthorized indebtedness; pay all proper charges against WQA; and submit to the Treasurer financial reports in such frequency and detail as requested with a summary thereof to each member of the Board of Directors; have charge of the books and records of WQA and make them available for a certified audit annually or as otherwise specified, as directed by the Treasurer, and perform such other duties as may be specified elsewhere in these Bylaws or as may be assigned by the Board of Directors.

ARTICLE VIII

Board of Governors

There shall be a seven (7) member Board of Governors consisting of the President, the Vice President, the Secretary and the Treasurer of WQA and three (3) at large Governors. Officers and at large members of the Board of Governors shall be elected from among the directors at the first meeting of the Board of Directors following the annual meeting of members in each year and hold office until the annual meeting of members in the following year and until their respective successors have been elected and qualified. The Board of Governors shall have and exercise, as permitted by law, the authority of the Board of Directors in the management of WQA between meetings of the Board of Directors, except that the Board of Governors shall not have any authority of the Board of Directors with respect to (1) amending, altering or repealing the Bylaws; (2) electing, appointing or removing any member of the Board of Governors or any director or officer of the corporation; (3) amending the Articles of Incorporation; (4) adopting a plan of merger or adopting a plan of consolidation with another corporation; (5) authorizing the sale, lease, exchange or mortgage of any significant portion of the property and assets of the corporation; (6) authorizing the voluntary dissolution of the corporation or revoking proceedings therefore; (7) adopting a plan for the distribution of the assets of the corporation; or (8) amending, altering, repealing or taking any action inconsistent with any resolution or action of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed.

ARTICLE IX

Nominating Committee

Section 1. Nominating Committee. There shall be a Nominating Committee consisting of the four (4) officers, the two (2) most recent Past Presidents of WQA who are still members, or represent members, of WQA, and two (2) at large members. The at large members of the Nominating Committee shall be appointed by the President with the advice and consent of the Board of Governors and such appointments shall be made to help ensure a broad representation of members serving on the Nominating Committee. A quorum shall consist of five (5) members. The members of the Nominating Committee may participate in any meeting of the Committee by conference telephone call or mail and such participation shall constitute presence in person at such meeting.

Section 2. Duties of Nominating Committee. The Nominating Committee shall meet at least seventy-five (75) days prior to the annual meeting of the members and shall nominate one or more nominees for each directorship to be filled. The Committee shall consider nominees with due consideration for the diversity of manufacturer/supplier/retail members serving the residential, commercial, industrial and retail channels of trade as well as the geographic diversity of both manufacturer/supplier/retail members and dealer members. The Committee's nominations shall be reported to the President and the Executive Director.

Section 3. Preparation of the Slate of Nominees. The Executive Director shall transmit to the members the slate of nominees for directorships to be filled as presented by the Nominating Committee, together with pertinent biographical information for each nominee, at least forty (40) days prior to the annual meeting of the members.

Section 4. Substitute Nominees. In the event a nominee becomes unable to serve, the Nominating Committee, at the call of its chairman, shall select an alternate candidate and transmit to the members its amended report as soon as feasible but in no case later than a time immediately prior to the opening of the annual meeting of the members.

Section 5. Additional Nominations. Any twenty-five members may nominate a candidate for a directorship to be filled by preparing and disseminating to the President, the Executive Director, and to members a written nomination together with pertinent biographical information and a signed letter from each nominee confirming his willingness to serve. Such material must be received by the President and the Executive Director and by members prior to the opening of the annual meeting of members. Nominations shall be deemed closed at the opening of that session.

ARTICLE X

Committees

A majority of the Board of Directors may appoint or authorize the Board of Governors or the President to appoint such standing or special committees or member sections as deemed necessary to further the objectives of WQA.

ARTICLE XI

Initiation Fees, Dues and Assessments

Section 1. Initiation Fees. The Board of Directors may establish initiation fees for applicants for membership in WQA.

Section 2. Dues. The annual dues for each category of membership shall be determined from time to time by the Board of Directors.

Section 3. Assessments. The Board of Directors by an affirmative vote of at least 80% of its total membership may levy special assessments on any category of members not exempt from paying dues.

ARTICLE XII

Fiscal Year

The fiscal year of WQA shall be from January 1 through December 31.

ARTICLE XIII

Budget

An annual budget for each fiscal year shall be prepared by the Treasurer and Executive Director and shall be presented to the Board of Governors for its adoption. The Executive Director shall not authorize expenditures for periods of time exceeding those for which such budgets have been adopted unless first approved by the Board of Governors.

ARTICLE XIV

Contracts, Checks, Bank Accounts

Section 1. Execution of Contracts. The Board of Directors may authorize any officer(s) or agent(s) of WQA, in addition to the officer or officers so authorized by the Bylaws, to execute and deliver any contract or other instruments in the name of and on behalf of WQA. Such authority may be general or confined to specific instances as the Board may determine. Unless authorized by the Board or expressly permitted by these Bylaws, no officer or agent or employee shall have any power or authority to bind WQA by any contract or engagement or to pledge its credit or to render it pecuniarily liable for any purpose or for any amount.

Section 2. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of WQA, shall be signed by such officer(s) or agent(s) of WQA and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by

the Board, such instruments shall be signed by the Treasurer and countersigned by the President or a Vice President of WQA.

Section 3. Deposits. All funds of WQA not otherwise employed shall be deposited from time to time to the credit of WQA in such financial institutions as the Board of Directors may designate or as may be designated by any officer or officers of WQA to whom such power of designation may be delegated by the Board

ARTICLE XV

Order of Business

Unless otherwise determined by the Board of Directors, the order of business at each meeting of WQA shall be as follows:

1. Roll Call
2. Reading of the Minutes of the preceding meeting
3. Treasurer's Report
4. Reports of the various committees
- 5: Old Business
6. New Business

ARTICLE XVI

Limitation of Liability

Nothing herein shall constitute members of WQA as partners for any purpose. No officer, director, governor, member, regent, agent, or employee of WQA or of any member shall be liable for the act or the failure to act on the part of any other officer, director, governor, member, regent, agent, or employee of WQA.

ARTICLE XVII

Amendments

These Bylaws may be amended or altered, in whole or in part, at any duly constituted meeting of the Board of Directors upon the affirmative vote in favor of any proposed amendment of at least two-thirds of all members of the Board. Notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each director entitled to vote at such meeting within the time provided in these Bylaws for the giving of notice of the meeting. A duly noticed proposed change need not be accepted or rejected in its entirety, but may be adopted with such modifications as the Board of Directors may deem appropriate, by two-thirds vote of all members of the Board of Directors.

ARTICLE XVIII

Indemnification

Section 1. Persons Indemnified. Each person who at any time has served or serves as governor, director, officer, staff member, or other duly authorized representative of WQA or his or her heirs, executors, administrators, successors, assigns, or other legal representative, shall be indemnified by WQA for:

- (a) Reasonable expenses, including, but not limited to counsel fees and disbursements and amounts of judgments, fines or penalties; actually and necessarily incurred in connection with any civil, criminal, administrative or other investigation, proceeding, claim, action, or suit in which such person becomes involved or is threatened with becoming involved, by reason of any act or omission on his or her part in his or her capacity as governor, director, officer, staff member or other authorized representative of WQA (“action” being hereinafter used to mean any investigation, proceeding, claim, action or suit); and
- (b) Reasonable payments made by such persons as a prejudgment settlement or in satisfaction of any post judgment order of fine or penalty imposed in connection with any action in which such person becomes involved by reason of any act or omission on his part in his capacity as governor, director, officer, staff member or other authorized representative of WQA.

Provided, however, that no governor, director, officer, staff person or other duly authorized representative of WQA shall be indemnified for the above outlined expenses if (1) the pertinent actions shall be settled by agreement predicated on the existence of such person’s willful misconduct; (2) such person shall be adjudged in such actions to have engaged in willful misconduct or criminal acts or omissions, in the performance of his duties to WQA, unless any such misconduct did not relate to matters of sufficient consequence to warrant the withholding of the indemnity herein provided; or (3) any such judgment or settlements are payable to WQA itself.

Section 2. Determination. The Board of Governors or Board of Directors acting, if feasible, by a quorum consisting of persons not parties to or involved in such action, shall make the final and conclusive determination of all matters under the provisions of this Article XVIII and, when making such determination, may rely on the written opinion of WQA’s legal counsel.

Section 3. Expenses. If so decided by the Board of Governors or Board of Directors acting in accord with Section 2 above, expenses incurred which are subject to indemnification hereunder may be advanced by WQA prior to final disposition of the action, provided that WQA shall first receive assurances from the recipient of such advances that such advances will be repaid if it shall ultimately be determined by the Board that the recipient is not entitled to indemnification.

Section 4. Rights. The rights of indemnification herein provided shall be in addition to any other rights to which those to be indemnified may otherwise be entitled by agreement, vote of governors or directors, operation of law or otherwise, and shall be available whether or not the claim asserted against such person is based upon matters which antedate the adoption of this Article XVIII.

Section 5. Force and Effect. If any word, clause or provision of this Article XVIII or any indemnification made hereunder shall for any reason be determined to be invalid, the provisions hereof shall not otherwise be affected thereby, but shall remain in full force and effect.

It is the intent of the Board of Directors that the persons identified in this Section 1 shall be indemnified for liabilities arising out of their action on behalf of the corporation to the fullest extent permitted by the General Not For Profit Corporation Act of Illinois of 1986, as amended from time to time, or any successor statute and other applicable law. Insurance may be purchased by the corporation to protect those persons from such liabilities.

ARTICLE XIX

Dissolution

Upon the dissolution of WQA, after payment of all indebtedness of WQA, any remaining funds, investments and other assets of WQA shall be distributed to such organization or organizations which are then qualified as exempt within the meaning of Section 501(c)(3), or Section 501(c)(6) (but only if the purposes and objectives of such organization(s) are similar to the purposes and objectives of WQA) of the Internal Revenue Code of 1986 or of corresponding provisions of then existing federal revenue laws, as may be determined by affirmative vote of two-thirds of the then members of WQA.