

# TSEI Bylaws

## **ARTICLE I – NAME**

The name of this organization, incorporated as a Not for Profit in the State of Illinois, shall be TRANSPORTATION SAFETY EQUIPMENT INSTITUTE hereinafter referred to as “Institute”).

## **ARTICLE II – OFFICES**

The principal office of the Institute shall be located at such place as the directors of the Institute may from time to time designate.

## **ARTICLE III – PURPOSES**

### **SECTION 1 – SPECIFIC PURPOSES**

The Institute has been formed as a non-profit business league as described in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the “Code”) to market, promote and serve the best interests of the vehicular safety equipment and lighting industries by:

- A. Providing and maintaining, for the mutual benefit of industry members, communications as appropriate with federal, state and local governmental authorities, bodies, and agencies having legislative or regulatory functions whose actions may affect vehicular safety equipment and lighting manufacturers.
- B. Promoting the understanding of vehicle safety matters by members of the industry, the media, the government and the public.
- C. Conducting such further activities as may be appropriate for the common benefit of the vehicular safety equipment and lighting industries.

### **SECTION 2 – LIMITATIONS ON PURPOSES**

The Institute holds and may exercise all such powers as may be conferred upon a Not for Profit corporation by the laws of the State of Illinois and may be necessary for the attainment of its purposes. However, at no time shall the Institute carry on any activities not permitted to be carried on by a corporation exempt from tax under Section 501(c)(6) of the Code.

## **ARTICLE IV – NON-PROFIT STATUS**

The Institute shall not operate for pecuniary gain or profit and shall not earn or pay dividends, nor shall any money be raised by it, except for the purposes of defraying the necessary expenses of the Institute and maintaining such reserve and contingent funds that may be deemed advisable for the purpose of the Institute.

## **ARTICLE V – MEMBERSHIP**

### **SECTION 1 – REGULAR MEMBERS**

Established companies in good repute and sound financial condition, actually and substantially engaged in the manufacturing or manufacturing and importing, with engineering personnel and related technical support facilities located in North America, of vehicular safety equipment such as lamps, reflectors, turn signals, marker lights, mirrors, emergency lighting equipment, lighting or other equipment used in connection with safety for highway and off-highway use, shall be eligible for regular membership in the Institute upon nomination by two current Regular Members and approval by the membership. Regular Members shall be entitled to the full privileges of membership as herein provided. A Regular Member shall be represented at Institute business by an officer or appointed representative of the firm or corporation. Each Regular Member company is entitled to one (1) vote in all matters subject to vote.

### **SECTION 2 – ASSOCIATE MEMBERS**

Suppliers to Regular Members, but which suppliers do not themselves produce safety equipment in finished form as their primary business, shall be eligible to become Associate Members upon nomination by two current Regular Members and approval by the Institute. Associate Members may attend meetings, but have no vote in matters subject to vote.

### **SECTION 3 – ACADEMIC MEMBERS**

Educational, research, or consulting organizations with expertise in vehicular safety equipment manufacturing, marketing, distribution, operation, regulation, or related matters shall be eligible to become Academic Members and upon approval by the Institute. Academic Members may attend such meetings as are authorized by the Institute's Board of Directors, but have no vote in matters subject to vote.

### **SECTION 4 – AFFILIATE TRADE PRESS MEMBERS**

Publishers of motor vehicle industry-related trade newspapers and magazines having an interest in reporting TSEI activities to their readership shall be eligible to become Affiliate Trade Press Members upon approval by the Institute. Affiliate Trade Press Members may attend such meetings, social functions, appearances and testimony before governmental bodies and, on occasion, press conferences as are authorized by the Institute's Board of Directors, but have no vote in matters subject to vote.

### **SECTION 5 – HONORARY MEMBERS**

Honorary members may be invited to join the Institute, on the recommendation of the Board of Directors and approval by a majority of the members. Past Officers or Directors of the Institute shall be eligible for consideration as honorary members. Honorary members are eligible to attend membership meetings, but have no vote in matters subject to vote.

### **SECTION 6 – ELECTION TO MEMBERSHIP**

A firm which is qualified for one of the membership categories may, upon nomination by two current Regular Members, make application, which application shall be referred to the Board of Directors for its consideration and recommendation to the membership. All applicants shall agree that if elected to membership they will be bound by the bylaws and all regulations duly enacted by the Board of Directors. The applicant shall be declared elected when a majority of the total membership votes approval of the. Such vote may be conducted by mail, email or other electronic means.

### **SECTION 7 – TERMINATION OF MEMBERSHIP**

Any member may resign from the Institute at any time by giving notice in writing. However, the resignation of a Regular Member or Associate Member shall be effective only upon payment of dues for the current year and the payment of any special assessments or other amounts due prior to the receipt of such notice by the Institute.

Membership of a Regular Member or Associate Member may be terminated at the option of the Institute (provided at least fifteen days' notice has been given to the member by registered letter from the Institute), upon failure to pay any installment of dues or any special assessments within sixty days after the date the same has become payable, but termination shall not operate as a cancellation of any dues or assessments in arrears.

Membership (any member category) may be suspended or terminated for cause; sufficient cause for such action shall be a violation of the bylaws, rules or practices duly adopted by the Institute, or any conduct prejudicial to the interest of the Institute. Such suspensions or expulsion shall be only by a three-fourths vote of the total membership. A statement of the contemplated action shall be sent by registered mail to the last recorded address of the member at least fifteen days before final action is taken thereon, together with a statement of the time and place of the meeting of the Institute at which such action is to be taken. The member shall have the opportunity to appear in person or by telephone and present any defense before action is taken thereon.

Any member terminating his membership in the Institute, or who is suspended, forfeits all claim to the funds and assets of the Institute.

## **ARTICLE VI – DIRECTORS**

### **SECTION 1**

The Board of Directors shall consist of five (5) representatives of Regular Members of the Institute — the President, the Vice President, the Treasurer, and two (2) other directors, usually the two immediate past presidents. No Regular Member shall have more than one representative on the Board of Directors.

## **SECTION 2**

The Board of Directors shall be elected by the Regular Members of the Institute. Prior to the meeting of members for the purpose of electing Directors, the incumbent President shall appoint an Ad Hoc Nominating Committee to nominate a proposed slate of Officers and Directors for the succeeding term. Nominations shall be open to Delegates, Alternate Delegates, and Engineering Representatives. The Regular Members shall vote on the proposed slate.

## **SECTION 3**

Unless earlier terminated in accordance with Section 5 of this Article, the Officers and Directors shall hold office for two years or until their successors are duly elected and assume office. Elections shall be held at the Annual Meeting of even numbered years, and the Officers and Directors will assume their duties immediately.

## **SECTION 4**

The functions of the Board of Directors shall be as follows:

- A. Approve the Institute's program for the coming year.
- B. Formulate and approve budgets for the coming year.
- C. Recommend annual membership dues rates
- D. Recommend special assessments
- E. Hire the Executive Director and Legal Counsel.
- F. Direct the Executive Director through the President.
- G. Oversee annual independent audit and preparation of Form 990

## **SECTION 5**

The term of an Officer or Director shall immediately terminate upon termination of the membership of the Officer or Director's company or upon an affirmative vote of a majority of Regular Members.

## **ARTICLE VII – DUTIES OF OFFICERS**

The President, or in his absence, the Vice President, shall preside at all meetings of members and the Board of Directors, and shall supervise the activities of the Institute and the administrative staff. The Vice President shall perform duties and assignments as directed by the President. The Treasurer shall be responsible for the financial affairs of the Institute and shall present a Financial Report to the members at general meetings of the Institute.

## **ARTICLE VIII – VACANCIES**

In the case of any vacancy in the Board of Directors through death, resignation, disqualification, membership termination or other cause, the remaining Directors by an affirmative recorded vote of a majority of their number may elect a successor. Any Director so elected shall hold office for the unexpired term of the retiring Director or until his successor shall have been duly elected.

## **ARTICLE IX – MEETINGS OF MEMBERS**

### **SECTION 1**

The annual meeting of members for the purpose of electing Directors for the ensuing year and for the transaction of such other business as may come before the meeting shall be held in such, place and at such time, as may be designated by the Board of Directors.

### **SECTION 2**

Special meetings of the members may be called at any time by the President or by the Board of Directors and shall be called by request in writing by any Regular Member if approved by a majority of the Board of Directors. Notice of any such meeting shall be given by the Executive Director or any other officer.

### **SECTION 3**

Special meetings shall be held in such place or places and at such times as may be designated by the Board of Directors.

## **SECTION 4**

Notice of the time and place of holding annual and special meetings shall be sent by mail (postal, overnight, or electronic) or facsimile to each member at its address as the same appears on the records of the Institute, at least thirty days prior to the meeting. The notice of special meeting shall state the object or objects thereof and the time and place of holding such meeting. If conditions warrant, as determined by the unanimous opinion of the Board of Directors, each member may be advised of a special meeting by telephone or facsimile, waiving the thirty-day requirement.

## **SECTION 5**

A majority of Regular Members in good standing present at any meeting in person or by proxy shall constitute a quorum for such meeting for all purposes, including the election of Directors.

## **SECTION 6**

Each Regular Member shall be entitled to one vote, and at any meeting of members, annual or special, Regular Members may vote either in person or by proxy. Whenever the Board of Directors shall deem it advisable, the Board may authorize the mailing, faxing or e-mailing of any proposed resolution to be presented to a meeting of the members, and such vote shall be counted and recorded in the same manner as votes of Regular Members in person. Mailed, faxed or e-mailed votes must be returned to the Executive Director of the Institute within ten (10) days after the ballot and resolution is distributed by the Executive Director.

## **SECTION 7**

Any Regular Member owning, controlling, or operating affiliated or subsidiary companies shall be entitled to only one membership and one vote.

## **SECTION 8**

The Executive Director, subject to the approval of the President, may invite representatives of non-member firms or corporations to any regular or special meeting of the Institute.

## **SECTION 9**

Expenses for special meetings shall be prorated among attendees or otherwise as determined by the Board of Directors.

## **SECTION 10**

Except as otherwise provided in these bylaws, meetings and proceedings of the Institute shall be conducted according to Robert's Rules of Order for parliamentary procedure.

## **ARTICLE X – MEETINGS OF DIRECTORS**

### **SECTION 1**

The Board of Directors shall meet at least once each year, and at any other time deemed advisable. Three Directors shall constitute a quorum at any duly called meeting.

### **SECTION 2**

Notice of the time and place of holding regular and special director meetings shall be sent by mail (postal, overnight, or electronic) or facsimile to each Director at his or her address as the same appears in the records of the Institute, at least ten days prior to the date of such meeting. At any meeting at which every member of the Board of Directors shall be present, although held without notice, any business may be transacted if the meeting has been duly called.

## **ARTICLE XI – FISCAL YEAR**

The fiscal year of the Institute shall begin on January 1 and end on December 31 each year, unless a different fiscal year is adopted by a majority of the, Regular Members upon motion and vote duly recorded in the minutes of the meeting.

## **ARTICLE XII – DELEGATES AND ALTERNATES**

Each member and associate member of the Institute shall designate to the Institute office the name of the person authorized to act as the Delegate of such member to the Institute. Alternate Delegates may also be designated.

## **ARTICLE XIII – COMMITTEES**

### **SECTION 1**

The President shall appoint the following standing committees, if needed, each of which shall consist of not less than three Regular Members, within thirty days following his/her election, subject to the approval of the Board of Directors:

- A. Marketing/Membership
- B. Government Relations
- C. Engineering Product Committees
  - a. Forward Lighting
  - b. Emergency Products
  - c. Driver Information
  - d. Vehicle Conspicuity

### **SECTION 2**

Subject to approval of the Board of Directors, the President shall from time to time appoint such special committees as may be necessary.

### **SECTION 3**

The Board of Directors in consultation with the Treasurer may, at any time as to them in their sole discretion shall deem proper, cause the books of account to be audited by public accountants and shall receive from such accountants a statement of all disbursements and expenses of the Institute. At the same time the Treasurer shall review all delinquent accounts, if such exist, and make determinations as to actions on same in accordance with these bylaws. The books shall be open and available to the Board of Directors at any time.

### **SECTION 4**

Chairmen of standing committees and special committees shall be appointed by the President upon assuming office or on other occasions, shall serve for a term concurrent with that of the President's term, and shall serve as, or designate, a secretary for the committee or meeting thereof.

## **ARTICLE XIV – DUES AND SPECIAL ASSESSMENTS**

### **SECTION 1 – REGULAR MEMBERS**

The dues for Regular Members shall be recommended each year by the Board of Directors as empowered by Article VI, Section 4(C), and must be approved by a two-thirds majority of the Regular Members before billing by the Executive Director. The dues are payable semi-annually, as determined by the Board of Directors. Special assessments shall be recommended by the Board of Directors as empowered by Article VI, Section 4(D), and must be approved by a two-thirds majority of the Regular Members before billing by the Executive Director. Special assessments shall be payable by the date specified by the Board.

### **SECTION 2 – ASSOCIATE MEMBERS**

The dues for Associate Members shall be recommended each year by the Board of Directors as empowered by Article VI, Section 4(C), and must be approved by a two-thirds majority of the Regular Members before billing by the Executive Director. The dues are payable semi-annually, as determined by the Board of Directors.

### **SECTION 3 – ACADEMIC MEMBERS AND AFFILIATE TRADE PRESS MEMBERS**

Academic Members and Affiliate Trade Press Members who are eligible and duly approved for membership by the Institute shall not be assessed annual dues.

## **ARTICLE XV – ADMINISTRATION & LEGAL SERVICES**

## **SECTION 1**

The Board of Directors shall designate an organization or individual (to be known as the “Executive Director”) to carry on the day-to-day affairs of the Institute. The Executive Director may, in turn, with the approval of the Board of Directors, appoint an individual who shall be given the title of Executive Secretary and who will have immediate responsibility for the day-to-day conduct of the Institute’s affairs.

The Executive Director and the Executive Secretary shall assume such duties as the Board of Directors of the Institute, in its discretion, deems appropriate and necessary. The Executive Director may participate in any discussions or meetings held by the Board of Directors, but shall not be considered a member or director of the Institute or the Board of Directors for quorum, voting, or decisional purposes.

## **SECTION 2**

The Executive Director shall collect, deposit, and disburse all funds of the Institute. The Executive Secretary shall carry out the activities as outlined by the Board of Directors and shall act as Secretary at all regular and special meetings, prepare agendas, and issue minutes.

## **SECTION 3**

The Executive Director is authorized to approve payment of Institute approved meeting expenditures and monthly legal retainers. The Executive Director must obtain written approval from the President or Treasurer of the Institute prior to incurring or paying any other expenditure in amounts over \$2,000.

## **SECTION 4**

The Board of Directors shall designate an organization or individual to be known as Legal Counsel. Counsel may attend Institute meetings and advise the Institute on legal matters affecting its operations.

## **ARTICLE XVI – INDEMNIFICATION OF OFFICERS AND DIRECTORS**

### **SECTION 1 – POWER TO INDEMNIFY**

The Institute shall have the power to indemnify any present or former officer or director of the Institute who, by reason of being or having been such officer or director, was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action brought against him or her by or on behalf of the Institute), against expenses, attorney's fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in such action.

### **SECTION 2 – SCOPE OF INDEMNIFICATION**

Indemnification under this Article shall be permitted where the officer or director acted in good faith and in a manner he or she reasonably believed to be in the best interest of the Institute and, with respect to criminal actions, had no reasonable cause to believe his or her conduct was unlawful. Any officer or director who has been successful on the merits in any action, suit, or proceeding described in Section 1 of this Article shall be indemnified from expenses actually and reasonably incurred by him or her in connection therewith.

### **SECTION 3 – AUTHORIZATION & INDEMNIFICATION**

Any indemnification under Sections 1 and 2 of this Article shall be made by the Institute only upon authorization by a disinterested majority of the Board of Directors. Such authorization shall be made upon a determination that the officer or director involved has met the applicable standard of conduct set forth in Sections 1 and 2, and that the expenses incurred were reasonable.

### **SECTION 4 – PURCHASE OF INSURANCE**

The Institute shall have the power to purchase and maintain insurance on behalf of any person who was or is an officer or director against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of this status as such, whether or not the Institute would have the power to indemnify him or her against such liability under this Article.

### **SECTION 5 – OTHER RIGHTS UNCHANGED**

The indemnification provided by this Article shall not alter or affect any other rights to which those seeking indemnification may be entitled, either as to action taken in an official capacity or otherwise. Indemnification

under this Article shall continue as to a person who has ceased to be an officer or director, and shall insure to the benefit of his or her heirs, executors, and administrators.

#### **ARTICLE XVII – AMENDMENTS**

These bylaws may be amended by the affirmative vote of two-thirds majority of the Regular Members present, which group shall not be less than three-fourths of the total Regular Members, at any regular or special meeting, provided that notice by mail (postal, overnight, or electronic) or facsimile of the proposed amendment shall have been submitted to all members at least sixty days before such meeting. Notice may be waived when all Regular Members are present.

These bylaws may be amended by the affirmative vote of a two-thirds majority of the total Regular Members of the Institute by ballot, whether by mail (postal, overnight or electronic) or facsimile, provided that written notice by mail (postal, overnight or electronic) or facsimile of the proposed amendment shall have been submitted to all such Regular Members at least thirty days before such ballots are due to be returned by the members and counted.

At the discretion of the Board of Directors, in the event an amendment is determined to be of an emergency nature, the thirty days' notice of meeting or due date of the ballot may be waived with the provision that each Regular Member is notified and is polled for its vote on the matter under consideration, with at least three-fourths of the total Regular Members casting a vote, and further provided that at least two-thirds of the total Regular Members approve the amendment.

#### **ARTICLE XVIII -- DISSOLUTION AND LIQUIDATION**

Upon the dissolution of the Institute, the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the Institute in accordance with the provisions of the Illinois General Not for Profit Corporation Act, dispose of all the assets of the Institute exclusively for the purposes of the Institute in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(6) or Section 501(c)(3) of the Code (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by a Court of competent jurisdiction of the county in which the principal or registered office of the Institute is then located, exclusively such purposes to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

*JANUARY 1, 2001*  
*OCTOBER 13, 2010*  
*FEBRUARY 22, 2013*