

Bylaws of the Transportation Safety Equipment Institute (TSEI)

(Effective 20 July 2022)

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 Board of 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, lighting and conspicuity industries by:

1. 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, regulatory, or enforcement functions whose actions may affect vehicular safety equipment and manufacturers of such equipment.
2. Promoting the understanding of vehicle safety matters by members of the industry, the media, the government, and the public.
3. Conducting such further activities as may be appropriate for the common benefit of the vehicular safety equipment, lighting and conspicuity 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 in North America, of vehicular safety equipment such as lighting, reflective devices, mirrors, conspicuity material, audio and vision/video equipment, and other equipment used in connection with safety for on-highway and off-highway use, are eligible for regular membership in the Institute upon application and approval by the Board. Regular Members shall be entitled to the full privileges of membership as herein provided. For purposes of voting, a Regular Member shall be represented at Institute business by a Delegate and Alternate Delegate. Each Regular Member is entitled to one (1) vote in all matters subject to vote. Parent, subsidiary or affiliate entities that are predominately in different product categories or that have independent engineering personnel and related technical support shall be considered separate entities for purposes of membership.

SECTION 2 – ASSOCIATE MEMBERS

Companies in the following categories, and that have a valid business interest in the activities of the Institute, are eligible to become Associate Members upon application and approval by the Board:

- Suppliers to Regular Members, but which suppliers do not themselves produce safety equipment in finished form as their primary business (e.g., suppliers of light-emitting diodes (LEDs), service providers, material suppliers, etc.)
- Original equipment manufacturers and other supply chain customers
- Aftermarket retailers and distributors
- Fleets
- Academic and research institutions

Associate Members may attend meetings, but have no vote in matters subject to vote.

SECTION 3 – RECIPROCAL AFFILIATION MEMBERS

Similarly tasked organizations who support the Institute, have a valid business interest in the activities of the Institute, and provide a similar reciprocal membership to the Institute may be accepted as Reciprocal Affiliation Members upon approval and under such terms as are established by the Board. Reciprocal Affiliation Members have no vote in matters subject to vote.

The Board shall establish the conditions and benefits of membership as a Reciprocal Affiliation Member. Reciprocal Affiliation Members do not pay dues.

SECTION 4 – MEMBERSHIP APPROVAL

An organization that qualifies under one of the membership categories may make application, which application shall be referred to the Board of Directors for its consideration of membership classification and approval. The Executive Director shall notify the Institute's Regular Members of new applicants at least fourteen (14) days prior to the Board's consideration of the application. As a condition of membership, all applicants shall agree to be bound by these bylaws and all Institute rules and regulations duly adopted by the Board of Directors, and which may be amended from time to time.

SECTION 5 – TERMINATION OF MEMBERSHIP

Any member may resign from the Institute at any time by giving notice to the Executive Director at least thirty (30) days before the end of the TSEI financial year. Resignation of a Regular Member or Associate Member shall not affect the member's liability for dues, special assessments, or other amounts accrued prior to the receipt of such notice by the Institute or the effective date of such resignation, whichever is later.

Membership of a Regular Member or Associate Member may be suspended or terminated upon failure to pay any installment of dues or any special assessments within sixty (60) days after the date the same has become payable, provided at least fifteen days' notice has been given to the member by registered letter from the Institute. Termination shall not operate to relieve the member of its liability for dues, special assessments, or other amounts prior to the receipt of such notice.

In addition, membership (regardless of member category) may be suspended or terminated for cause; sufficient cause for such action may include, but not be limited to, a violation of the bylaws, rules or practices duly adopted by the Institute or Board, or any conduct prejudicial to the interest of the Institute. Such suspensions or termination shall be only by a three-fourths vote of the total membership upon recommendation by the Board. A statement of the contemplated action shall be sent by registered mail to the last recorded address of the member at least fifteen (15) 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 (if the meeting is in person) or remotely and to present any defense before action is taken thereon. Termination for cause shall not operate to relieve the member of its liability for dues, special assessments, or other amounts accrued prior to the receipt of such notice.

ARTICLE VI – DIRECTORS

SECTION 1

The Board of Directors shall consist of no fewer than three (3) and no more than five (5) representatives of Regular Members of the Institute — the President, the Vice President, the Treasurer, and up to two (2) other directors, usually the two immediate past presidents. No Regular Member shall have more than one representative on the Board of Directors. The Executive Director shall also be an ex-officio (non-voting) member of the Board.

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 and Alternate Delegates. The Regular Members shall vote on the proposed slate, which shall be duly elected upon an affirmative vote of a majority of Regular Members voting, either in person or by ballots returned in advance of the meeting.

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. Conduct the business of the association, including managing the affairs and assets of the association and controlling the disbursement of funds, subject to existing laws governing not-for-profit organizations, these bylaws, and the rules, regulations and policies established by the Board.
- b. Formulate and approve budgets for the coming year.
- c. Adopt 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.
- h. Approve membership applications.
- i. Establish and approve policies and position statements in pursuit of the goals and strategic directives of the association, provided such policies and positions are consistent with these bylaws.
- j. Develop and oversee implementation of the strategic plan.

SECTION 5

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

SECTION 6

The Board may, in its sole discretion, determine that any number of attendees, up to and including all attendees, may participate in any meeting of the Board of Directors by means of remote communication. Participation in a meeting held by remote communication shall constitute presence in person at the meeting for all purposes, including quorum and voting. Members of the Board shall receive at least 24 hours advance notice of the remote meeting.

ARTICLE VII – DUTIES OF OFFICERS

The President, or in his or her 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 oversee 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 or her successor shall have been duly elected.

ARTICLE IX – MEETINGS OF MEMBERS

SECTION 1

The annual meeting of members for the purpose of electing Directors 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. Special meetings shall be held in such place or places and at such times as may be designated by the Board of Directors.

SECTION 3

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 consent of the Board of Directors, each member may be advised of a special meeting by telephone, electronic mail or facsimile, waiving the thirty-day requirement.

SECTION 4

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 5

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 6

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 7

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

SECTION 8

The Board of Directors may, in its sole discretion, determine that any meeting (including special meeting) of the members may be held by means of remote communication. Participation in a meeting held by remote communication shall constitute presence in person at the meeting for all purposes, including quorum and voting. Members shall receive at least seven (7) days advance notice of the change to a remote meeting.

ARTICLE X – MEETINGS OF DIRECTORS

SECTION 1

The Board of Directors shall meet in person or remotely 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 Regular Member and Associate Member of the Institute shall designate to the Institute office the name of the persons authorized to act as the Delegate and Alternate Delegate of such member to the Institute.

ARTICLE XIII – COMMITTEES

SECTION 1

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

1. Marketing/Membership
2. Government Relations
3. 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 they 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

Chairpersons 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

SECTION 1 – REGULAR MEMBERS

The dues for Regular Members shall be determined each year by the Board of Directors as empowered by Article VI, Section 4.

SECTION 2 – ASSOCIATE MEMBERS

The dues for Associate Members shall be determined each year by the Board of Directors as empowered by Article VI, Section 4.

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 shall assume such duties as the Board of Directors of the Institute, in its sole discretion, deems appropriate and necessary. The Executive Director is an ex-officio member of the Board 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; carry out the activities as outlined by the Board of Directors; and act as Secretary at all board, 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 recurring 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 or financial transaction in amounts over \$2,000. Recurring expenses that have been pre-approved by the Board do not require approval following the initial approval.

SECTION 4

The Board of Directors shall designate an organization or individual to be known as Legal Counsel. Legal 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 thirty (30) days before such meeting. Notice may be waived when all Regular Members are present.

These bylaws may also 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

Dissolution of the Institute shall be carried out by the Board of Directors in accordance with the Illinois General Not for Profit Corporation Act and other applicable law.

JANUARY 1, 2001

OCTOBER 13, 2010

FEBRUARY 22, 2013

OCTOBER 11, 2019

May __, 2022