



AGENDA

**BOARD OF TRUSTEES MEETING
2014 NTMA FALL CONFERENCE
THE ROOSEVELT, NEW ORLEANS, LA
MEETING ROOM: CHAMBERS I & III**

**THURSDAY, OCTOBER 23, 2014
8:00 AM – 10:00 AM**

PRESIDING: Ted Toth, NTMA Chairman of the Board

8:00 AM	Call to Order	<i>Ted Toth</i>
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8:01 AM	Announcement of a Quorum	<i>Ken Seilkop</i>
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8:05 AM	Approval of Minutes (Saturday, March 8 th & Thursday, August 28 th)	<i>Toth/Trustees</i>
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8:10 AM	Report of the Chairman of the Board	<i>Ted Toth</i>
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8:20 AM	President's Report	<i>Dave Tilstone</i>
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8:30 AM	Report of the Treasurer (2014 Financial Report/2015 Proposed Budget) ✓ 2015 Budget Vote	<i>Dave Sattler/ Doug DeRose</i>

Team Reports

Trustees will have an opportunity to comment and/or ask questions regarding the team reports before voting on any actions proposed.

9:00 AM	<ul style="list-style-type: none"> ▪ Workforce Development Leadership Team <i>Kevin Ahaus</i> ▪ Membership Value Leadership Team <i>Paul Sapra</i> ▪ Industry Advocacy Leadership Team <i>Paul Bonin</i> ▪ Governance Leadership Team <i>Ted Toth</i> <ul style="list-style-type: none"> • Budget & Finance Team <i>Ron Overton</i> • Audit Team <i>Sam Griffith</i> ✓ CPA Firm Vote • Nominating Team <i>Roger Atkins</i> ✓ Re-election of Audit Team Members ✓ 2015 Foundation Team Nomination - New Officer Vote ✓ 2015 Executive Team Nomination - New Officer Vote
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Board Review Action Team Report

Dave Dysinger

Board Reports

Trustees will have an opportunity to comment and/or ask questions regarding the Board reports before voting on any actions proposed.

9:30 AM	<ul style="list-style-type: none"> ▪ Foundation Board <i>Jeff Kelly</i>
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9:40 AM **Old Business** *Ted Toth*
 ▪ Reserve Fund *(Vote)*

9:45 AM **New Business** *Ted Toth*
 ▪ Chapter Dissolution *(Vote)*
 ➤ Puget Sound
 ➤ Fort Wayne
 ➤ Saginaw Valley
 ➤ PA Dutch
 ▪ Bylaw Review Action Team *(New Bylaws Vote)*

9:55 AM **Approval and Ratification of All Action by the Executive Team and Officers** *Ted Toth*

10:00 AM **Adjournment** *Ted Toth*

Executive Summary

2015 Budget

The 2015 Budget reflects a net surplus of \$43K. Total revenue is budgeted at \$4.4M, which is a gain over the 2014 forecast of \$160K. Expenses are budgeted to be \$4.4M which is an increase of \$136K over the forecast. The forecast presented is through July 2014 and will be updated prior to the board meeting at the Fall Conference.

- Grainger affinity income is budgeted to increase modestly by 2.0% over the 2014 forecast
- Dues growth based on starting point of 1,321 members with net growth of 15 members and attrition of 10%
- Meeting revenue increase from new events in 2015
- Contributions of \$85K from GAAF \$50K and NRL \$35K
- NTMA U Tuition increase \$30K due to 200 students expected in both semesters in 2015
- Sponsorship increase of \$41K due to new events of \$26K, NRL \$46K, Chapter Leadership Summit of \$5K, offset by decrease in Fall Conference (\$37K) and Grainger (\$5K)
- Board Team Leaders added \$28K of additional expense to the budget in the following areas: board training \$13K, Tech Team meeting costs \$3K, Tech Team liaison \$12K
- New staff positions added for NTMA U registrar \$35K, incorporating chapter support \$50K into Membership sales staff restructuring (both moved from professional fees); 2% merit increase included
- Fringe benefits budgeted at 22% of salaries and wages, 4% increase over 2013 rates
- Health insurance 9.8% of wages, \$152K of fringe benefits, 22% increase over 2014 forecast
- Travel increase due to new events \$19K, existing events \$11K, membership/development \$28K, NTMA U \$4K
- Professional fees are up due to reclass of IT support \$66K from equipment, NRL event \$14K; offset by reduction of NTMA support by (\$28K), and chapter support (\$50K) both reallocated to wages
- Bad debt budgeted at 2012 level due to additional sales staff, and dues restructuring
- Surveys and projects increase due to surveys and reports of \$9K, board training \$13K; offset by reduction of membership signature events (\$10K), strategic planning (\$2K)
- Textbooks & other decrease due to reduced NTMA U LMS cost (\$18K)
- Meeting costs increase due to new events \$32K, NRL \$10K, NRL Event \$11K, existing events \$29K; offset by Fall Conference (\$65K) and Purchasing Fairs 1&2 (\$34K)
- Income taxes projected \$77K by CPA firm
- New events net a surplus of \$57K: Tech Seminars budgeted at surplus \$60K, Emerging Leaders conference and EMO added at breakeven, AMT Tech added at deficit (\$4k)
- Fall Conference net surplus budgeted at \$88K, MFG budged to breakeven
- CAPEX of \$45K made up of NTMA U costs, office improvements of \$10K and furniture of \$5K

**National Tooling Machining Association
2015 BUDGET V. 2014 FORECAST (JULY)
For the Twelve Months Ending 12/31/2014**

	2012	2013	2014	2015	BUDGET VS	NOTES
	ACTUAL	ACTUAL	FORECAST	BUDGET	FORECAST VARIANCE	
Revenues						
Dues	\$1,701,019	\$1,835,375	\$1,868,802	\$1,898,464	\$29,662	Growth is based off 1,321 members, 10% attrition and 15 net new members; dues restructure reduce budget revenue (\$7K)
Textbooks	66,002	81,686	73,009	80,000	6,991	Projecting increase in sales to equal 2013 level
Non Textbooks	27,760	58,076	35,427	37,300	1,873	NRL competition \$3K
Chapter Support	0	0	27,848	30,000	2,152	Increase in fees from Cleveland \$4K and Akron \$2K offset by termination of Toledo contract (\$5K)
Advertising	81,612	166,244	147,524	157,500	9,976	Record \$17K, NRL \$5K, Directory \$2K; offset by decline in E-Trends (\$6K) and Website (\$8K) for Multiview reflected in Royalty Income
Meeting Revenue	302,499	396,404	500,913	623,545	122,632	New events Increase due to Multiview Income \$15K, due to addition of E-Trends and Website Ads; Grainger currently budgeted 2.0% higher than 2014 forecast, \$20K
Royalties, Interest & Other	1,094,611	1,350,072	1,083,782	1,117,148	33,366	
Distributions from Subsidiary	6,075	7,125	154,963	8,000	(146,963)	No dividend expected from insurance program
Grants	15,000	241,292	10,000	10,000	0	NIMS contribution offset by expense
Contributions	34,650	57,785	55,568	85,000	29,432	\$50K from GAAF; \$35K from NRL
Tuition Income - NTMA-U	57,431	107,547	129,962	160,000	30,038	Increase due to expected enrollment of 200 students for both semesters in 2015
Sponsorships	137,448	176,054	201,097	242,000	40,903	Increase from New events \$26K, NRL \$46K, Chapter Leadership Summit \$5K, offset by decrease in Fall Conference (\$37K)
Total Revenue	3,524,107	4,477,660	4,288,895	4,448,957	160,062	
Expenses						
Salaries	1,074,557	1,416,842	1,465,037	1,549,756	84,719	New staff positions added for NTMA U registrar \$35K, incorporating chapter support \$50K into Membership sales staff restructuring (both moved from professional fees); 3% merit increase included
Fringe Benefits	154,454	255,672	259,127	336,297	77,170	Fringe benefits budgeted at 22% of total wages, prior year was 18%
Telephone	28,148	33,651	34,338	34,680	342	
Postage	20,035	41,287	50,391	51,050	659	
Bank Fees & Service Charges	0	0	4,992	5,891	899	
Supplies & Printing	66,417	104,911	91,996	98,520	6,524	New events increase by \$18K, offset by decrease to existing events of (\$11K)
Travel	141,720	136,337	270,652	332,475	61,823	Increase due to new events \$19K, increase in existing event costs \$11K, membership/business development \$28K, NMTA U \$4K
Professional Fees	710,805	541,458	565,404	568,196	2,792	Increase due to IT reclass \$66K, NRL Event \$14K, offset by reduction of two NTMA U (\$28K) positions and chapter support position (\$50K)
Bad Debts	57,435	91,929	87,820	69,712	(18,108)	Budgeted at 2013 level due to new dues structure and membership staffing
Building Costs	6,788	7,564	11,689	12,000	311	
Equipment Costs	51,345	70,318	83,794	8,500	(75,294)	Reallocated IT support to professional fees (\$66K), reduction of CRM cost (\$6K)
Depreciation Costs	49,651	79,256	95,994	105,030	9,036	NTMA U courses \$9K, office painting and improvements \$2K, Website enhancements \$2K, offset by (\$5K) in fully depreciated assets
Affinity Program	233,163	307,428	296,364	304,995	8,631	30% of budgeted affinity income from Grainger Increase due to surveys & reports of \$9K, board training \$13K; offset by reduction of membership signature events (\$10K), strategic planning (\$2K)
Surveys & Projects	105,031	81,160	70,276	77,468	7,192	
Awards, Dues & Other	76,345	47,504	61,641	64,450	2,809	NRL Event
Textbooks & Other Sales	828	90,024	90,708	72,641	(18,067)	Decrease in NTMA U LMS cost (\$18K)
Rent Expense	40,396	56,304	59,204	59,800	596	
Interest Expense - LOC	71,397	868	87	0	(87)	
Meeting Costs	489,649	610,736	595,283	577,549	(17,734)	Increase due to new events \$32K, NRL \$10K, NRL Event \$11K, existing events \$29K; offset by Fall Conference (\$65K), Purchasing Fairs 1&2 (\$34K)
Sub-Total Expenses	3,378,164	3,973,249	4,194,797	4,329,010	134,213	
Federal & State Income Taxes	46,328	71,794	75,000	77,000	2,000	Projection by CPA firm
Total Expenses	3,424,492	4,045,043	4,269,797	4,406,010	136,213	
Operating Excess Revenue (Expense)	99,615	432,617	19,098	42,947	23,849	
Other Income & Expenses						
Write off Obsolete Inventory	5,821	0	0	0	0	
Write down equity investment in MSI	9,020	0	0	0	0	
Realized Loss on Investment	0	454	0	0	0	
Total of Other Income & Expenses	(14,841)	(454)	0	0	0	
Excess Revenue (Expense)	\$84,774	\$432,163	\$19,098	\$42,947	\$23,849	



2015 FOUNDATION TEAM NOMINIATIONS

Paul Bonin – Michiana Chapter

Gary McAfee – Akron Chapter



MANUFACTURING AMERICA'S FUTURE

CHAPTER DISSOLUTIONS

There will be a vote during the BoT Meeting at the Fall Conference to dissolve the following Chapters:

Puget Sound

There has been an extended period of time of inactivity

Fort Wayne

There has been an extended period of time of inactivity

Saginaw Valley

There has been an extended period of time of inactivity

PA Dutch

There has been an extended period of time of inactivity



MANUFACTURING AMERICA'S FUTURE

2015 SLATE - EXECUTIVE TEAM NOMINATIONS

Herb Homeyer – Chairman

Dave Sattler – Vice Chairman

Ken Seilkop – Treasurer

Matt Wardle - Secretary



NATIONAL TOOLING AND MACHINING ASSOCIATION

Reserve Fund

The NTMA Reserve Fund is to be comprised of three separate Board Restricted funds with defined purposes, goals and sources. The Reserve Fund will be invested in accordance with NTMA's then current Investment Policy.

EXHIBIT A

FUND 1: EMERGENCY RESERVE FUND ("ERF")

The term "emergency" is defined as: "a budgeted revenue shortfall that exceeds 10% of annual revenue and puts the financial stability of the association at risk." A minimum of \$2.0MM from this fund is prohibited from being used as collateral for any purpose.

- **Purpose**
The ERF is to cover unexpected budgeted revenue shortfalls (e.g. a significant reduction in affinity program revenue, or dues revenue, or the like).
- **Goal**
Set aside a minimum of \$2.0MM. Should be fully funded by end of 2014.
- **Source**
Funds from what has heretofore been referred to as the building fund and also the off-shore insurance entity.
- **Accessing Funds**
Approval of an actual majority of the total Board of Trustees after 30-day notice has been given.
- **Initial Funding**
The initial funding represents the funding for the ERF that comes from the proceeds remaining from the sale of the building in Ft. Washington, Maryland "the building fund" which fund had specific uses that were established by the Trustees but were never formalized and said fund is hereby terminated. There is an outstanding promissory note from NTMA to the "building fund." The balance of the payments under that note shall be directed first to the ERF if it is not funded up to \$2.0MM, then to the LOC if it is not fully funded at 10% of the then annual budgeted revenue and then to the SPO until the note is completely paid.
- **Fund Amendment**
Amendment of the ERF requires an actual majority of the total Board of Trustees.



NATIONAL TOOLING AND MACHINING ASSOCIATION

Reserve Fund

The NTMA Reserve Fund is to be comprised of three separate Board Restricted funds with defined purposes, goals and sources. The Reserve Fund will be invested in accordance with NTMA's then current Investment Policy.

EXHIBIT B

FUND 2: OPERATING LINE OF CREDIT ("LOC")

The LOC is a fund that provides internal cash borrowing on a short term basis to cover NTMA operating costs during slow cash generation periods. Each advance from the LOC is required to be paid back in-full within 12 months of the original advance. The LOC is reviewed annually by ET to ensure money is being paid back promptly and is not being used as a long-term loan.

- **Purpose**
To provide an alternative to borrowing cash for operations on a short-term basis from a financial institution (historically cash flow tapers off during the late 4th quarter of the calendar year).
- **Goal**
Set aside 10% of annual budgeted revenue. Should be fully funded by end of 2014.
- **Source**
Funds from the off-shore insurance entity. There is an outstanding promissory note from NTMA to the "building fund." The balance of the payments under that note shall be directed first to the ERF if it is not funded up to \$2.0MM, then to the LOC if it is not fully funded at 10% of the then annual budgeted revenue and then to the SPO until the note is completely paid.
- **Accessing Funds**
On the approval of the CFO.
- **Notification**
Upon accessing the funds the President and Executive Team are to be notified.
- **Fund Amendment**
Amendment of the LOC requires an actual majority of the total Board of Trustees.



NATIONAL TOOLING AND MACHINING ASSOCIATION

Reserve Fund

The NTMA Reserve Fund is to be comprised of three separate Board Restricted funds with defined purposes, goals and sources. The Reserve Fund will be invested in accordance with NTMA's then current Investment Policy.

EXHIBIT C

FUND 3: SPECIAL PROJECTS/OPPORTUNITY FUND ("SPO")

The term "special project/opportunity" is defined as: "an endeavor that NTMA should undertake that can provide a benefit to the overall membership of the association." Use of these funds do not necessarily have to be consistent with NTMA's tax status. However, if they are not, the proposed use of these funds must be reviewed with tax counsel, the Executive Team and the Budget & Finance Team before the money is expended to determine the tax impact of unrelated business income.

- **Purpose**
Provide a source of cash to start a new program or fund a project that otherwise could not be done by NTMA because it was not in the budget and did not have funding, which would result in NTMA missing out on a potential growth opportunity.
- **Goal**
Set aside \$600,000
- **Initial Funding**
Once the ERF and LOC have been appropriately funded, any excess funds from the off-shore insurance entity funds will be deposited into this fund.
- **Future Funding**
Funds are taken from annual operating surplus; no more than 10% per year to be added to the SPO fund. There is an outstanding promissory note from NTMA to the "building fund." The balance of the payments under that note shall be directed first to the ERF if it is not funded up to \$2.0MM, then to the LOC if it is not fully funded at 10% of the then annual budgeted revenue and then to the SPO until the note is completely paid.
- **Accessing Funds**
Up to a maximum of \$200,000 of the SPO is available, in whole or in part, to be used in any 24 month period, net of repayments, if any, of previously used funds during that period, on the approval of a "Super Majority" (maximum number of actual members minus 1) of the Executive Team. After 24 months from the initial draw of funds, additional funds of up to \$200,000 will be available in subsequent 24 month intervals. Upon considering the use of the funds the Trustees and the Budget and Finance Team is to be notified and their comments and suggestions to be considered. Use of any funds in addition to the \$200,000 during a 24 month period requires the approval of an actual majority of the total Board of Trustees after a 30-day notice has been given.
- **Fund Amendment**
Amendment of the SPO requires an actual majority of the total Board of Trustees.

**Guide to the Proposed Changes to the Code of Regulations (a.k.a. the Bylaws) Based on
Recommendations from the Board Structure Review Action Team (BSRAT)**

The Recommendations:

1. Increase Executive Team to a minimum and maximum of seven (7) members
2. Two (2) of the seven (7) Executive Team members will be from outside the industry
3. The two (2) external members will receive an honorarium for their service
4. All Executive Team members, including the two (2) external members will be voting Trustees
5. Executive Team votes will require a 2/3 majority vote
6. Shorten the Executive Team term from five (5) years to three (3) years; can serve up to two 3 year terms
7. Executive Team members will not be officers of the corporation and will not have titles, except the Chairman and Vice Chairman ***Reference page five (5) of this document for explanation from the attorney regarding officer positions
8. Past Chairmen would no longer serve as an Ex-Officio Trustee after expiring off the Executive Team
9. The Chairman and Vice Chairman will be voted in by a 2/3 majority vote of the Executive Team; only regular members are eligible to be Chairman and Vice Chairman
10. The Chairman and Vice Chairman will each serve a one (1) year term, and may serve multiple terms; there is no automatic rotation from Vice Chairman to Chairman
11. The President (staff) will be the President of the corporation (corporate officer)
12. The CFO (staff) will be the Secretary/Treasurer of the corporation (corporate officer)
13. The Executive Team will perform a self-evaluation in comparison to the strategic plan and notify the Nominating Team what strengths are needed from the incoming Executive Team members
14. The Nominating Team will search for both regular and external candidates that meet the needs and have the capability and willingness to serve
15. The Nominating Team will present the Executive Team candidates to the Executive Team for input, prior to notifying the Trustees
16. Require five (5) Executive Team members for a quorum

Guide to Proposed Changes to the NTMA Code of Regulations based on BSRAT Recommendations

- *Corporation* and *NTMA* updated to *Association* in multiple locations per recommendation of the attorney.
- *Four (4) weeks* updated to *thirty (30) days* for consistency in multiple locations.
- *Board* updated to *Board of Trustees* for clarity in multiple locations.
- References to *Officer* positions remove in multiple places. Chairman, Vice Chairman, Regular Executive Team Member, and External Executive Team Member update in multiple places. [Reference recommendation # 7.](#)
- Article I – *Independence*, OH updated to *Greater Cleveland*, OH since the current physical location is no longer in Independence.
- Article II, Section 4 – *Past Presidents* removed since you must have been from a member company to be a Past Service Member.
- Article II, Section 10 – updated the last word to *meeting* due to a previous mistype.
- Article II, Section 12 – updated *Secretary* to *Secretary-Treasurer* since this would now be a combined position. [Reference recommendation # 12.](#)
- Article III, Section 4C was added for consistency.
- Article III, Section 6 – wording added to specify that an Executive Team Member can no longer represent a Chapter, Non-Affiliated Group, or At-Large Area as their Trustee while they are an Ex-Officio Trustee. Each Executive Team member is an Ex-Officio Trustee while on the Executive Team. Sentences removed that referred to Past Chairmen continuing to serve as an Ex-Officio Trustee once they are no longer on the Executive Team. [Reference recommendation # 4 & 8.](#)
- Article III, Section 7C was added for consistency.
- Article III, Section 8A – wording updated for clarity and to specify that External Executive Team members have separate eligibility requirements.
- Article III, Section 8B – wording updated for clarity.
- Article III, Section 8C – wording added to be consistent with Article III, Section 6 for Chapters, Non-Affiliated Groups, and At-Large Areas to refill a Trustee position vacated by someone being elected to the Executive Team.
- Article III, Section 11 - *and a majority of the Executive Team shall constitute a quorum thereof* moved to Article IV, Section 1M and is changed to five (5) members of the Executive Team for a quorum. [Reference recommendation # 16.](#)
- Article IV – Title updated
- Article IV, Section 1 - *The Executive Team shall consist of seven (7) individuals.* [Reference recommendation # 1.](#)
- Article IV, Section 1 - *work in conjunction with the Nominating Team to match candidates for service on the Executive Team* added. [Reference recommendation # 13 & 15.](#)
- Article IV, Section 1 - *All Executive Team Members will be reimbursed by the association for travel and incidental expenses associated with their service on the*

Executive Team. Added per recommendation of the attorney. This was already the case just not spelled out in the Code of Regulations.

- Article IV, Section 1 - *The Chairman shall be an ex-officio member of all Teams* moved to Article IV, Section 1D.
- Article IV, Section 1A was added. [Reference recommendation # 2 & 7.](#)
- Article IV, Section 1B was added. [Reference recommendation # 7.](#)
- Article IV, Section 1C was added. [Reference recommendation # 2 & 3.](#)
- Article IV, Section 1D was Article V, Section 5. The last two sentences were added. [Reference recommendation # 9 & 10.](#)
- Article IV, Section 1E was part of Article V, Section 6. The last sentence was added. [Reference recommendation # 9 & 10.](#)
- Article IV, Section 1F was added. [Reference recommendation # 10.](#)
- Article IV, Section 1G was previously Article V, Section 2. Sentence on staggering added to allow some shorter than 3 year terms in the beginning.
- Article IV, Section 1H was added. [Reference recommendation # 9.](#)
- Article IV, Section 1I was Article V, Section 4. [Reference recommendation # 6.](#)
- Article IV, Section 1J was Article V, Section 3. Last sentence added to specify the majority vote required for such action.
- Article IV, Section 1K – vacancies filled by Trustee appointment was previously in Article IV, Section 1. Wording added to serve the balance of the term left to ensure proper staggering.
- Article IV, Section 1L was Article IV, Section 2A.
- Article IV, Section 1M was in Article III, Section 11. The quorum requirement was changed from a majority to five (5) members due to concern of the required proportion of External and Regular Executive Members allowed for a vote to take place. [Reference recommendation # 16.](#)
- Article IV, Section 1N is restating Article III, Section 6. [Reference recommendation # 4.](#)
- Article IV, Section 1O was added. [Reference recommendation # 5 & 9.](#)
- Article IV, Section 2 was Article V, Section 9. The last two sentences were added per the recommendation of the attorney and to specify that the President’s responsibilities as an Officer must be authorized by the Board of Trustees, Executive Team, the Code of Regulations, or by Statute. [Reference recommendation # 11.](#)
- Article IV, Section 3 was added to authorize the principal financial officer of the association as the Secretary-Treasurer Officer position and to specify the responsibilities and other recommendations from the attorney, and to specify that the Secretary-Treasurer’s responsibilities as an Officer must be authorized by the Board of Trustees, Executive Team, the Code of Regulations, or by Statute. [Reference recommendation # 12.](#)
- Article IV, Section 4 was added to show how the Nominating Team should work to find candidates for the Executive Team. [Reference recommendation # 13, 14, & 15.](#)
- Article IV, Section 6 – MSI Board and Insurance Board language removed since those boards are no longer functioning.
- Previous Article V, Section 1 removed. [Reference recommendation # 7.](#)
- Previous Article V, Section 2 is now Article IV, Section 1G and 1H.
- Previous Article V, Section 3 is now Article IV, Section 1J.

- Previous Article V, Section 4 is now Article IV, Section 1I with revisions.
- Previous Article V, Section 5 is now Article IV, Section 1D with additions.
- Previous Article V, Section 6 is now Article IV, Section 1E with revisions. [Reference recommendation # 7.](#)
- Previous Article V, Section 7 is removed. [Reference recommendation # 7.](#) Officer duties of the Treasurer are now included in Article IV, Section 3. Reference to team membership removed due to the Secretary-Treasurer position now being held by a staff member. [Reference recommendation # 12.](#)
- Previous Article V, Section 8 is removed. [Reference recommendation # 7.](#) Officer duties of the Secretary are now included in Article IV, Section 3. Reference to team membership removed due to the Secretary-Treasurer position now being held by a staff member. [Reference recommendation # 12.](#)
- Previous Article V, Section 9 is now Article IV, Section 2 with changes as mentioned above.

Explanation of Requirements for Officer positions per the NTMA Attorney

Ohio's statutes provide that nonprofit corporations must have a President, a Secretary, and a Treasurer. Additionally, such a non-profit corporation may, but is not required to, have other officers, each of whom may be designated by such other titles as may be provided in the articles, regulations, bylaws, or resolutions of the directors.¹

One person may hold two or more offices, and none of the officers need be a director and/or trustee of the non-profit.

In terms of the officers' required duties, unless the articles or regulations otherwise provide, Ohio law states that "all officers, as between themselves and the corporation, have such authority and perform such duties as are determined by persons authorized to elect or appoint them."² As such, the President and Secretary-Treasurer of NTMA are only legally required to perform the tasks assigned to them by the Executive Team and Board of Trustees.

There are several Ohio statutes which refer to actions which are to be performed by authorized officers of the non-profit corporation. These include signing a resolution to dissolve the non-profit corporation and ensuring the filing of required corporate documents with the Ohio secretary of state.³ The "authorized officer" for these purposes, however, can be any individual selected by the Board of Trustees to complete a certain task; such as ensuring that all required corporate documentation is properly filed with the State.

In terms of official corporate records, there is an Ohio statute regarding what will be considered prima facie evidence of a non-profit's corporate minutes. That statute requires that, in order for such minutes to be considered as authentic by a court of law, they must be certified to be true by the secretary or an assistant secretary of a non-profit corporation.⁴ This would only arise if litigation, banking transactions and or corporate transactions (e.g. merger/acquisitions) necessitated NTMA's corporate minutes. It is for these purposes that non-profits normally assign the duty of maintaining corporate minutes to the secretary. NTMA's code of regulations follows this best practice by ensuring that the Secretary-Treasurer is the records keeper of NTMA's corporate minutes.

¹ Ohio Rev. Code Ann. § 1702.34(A).

² Ohio Rev. Code Ann. § 1702.34(B)(1).

³ Ohio Rev. Code Ann. § 1702.47.

⁴ Ohio Rev. Code Ann. § 1702.53.

Additional Recommendations for Trustee Consideration

- The candidates for the Executive Team should be identified in the thirty (30) day notice of vote sent out to the Trustees
 - Change of tradition
- An Implementation Action Team should be formed to work out any additional details, create and work through an implementation timeline
 - Not specifically addressed by the BSRAT. Recommend the Board of Trustees instructs the Executive Team to form an Implementation Action Team to implement the approved changes in a given timeframe.
- The Executive Team will review their performance annually. This would be a peer review by fellow Executive Team members and subject to review by the Board of Trustees.
 - Not specifically addressed by the BSRAT. Recommend the Implementation Action Team specify the details to ensure accountability.
- Ensure accountability through a system of checks and balances
 - Not specifically addressed by the BSRAT. Recommend the Implementation Action Team specify the details to ensure accountability. This would include accountability of the corporate officers, Executive Team, Trustees, and other teams as applicable.
- A Bylaws Review Action Team should be formed for a thorough review of the bylaws.
 - The BSRAT only addressed changes to the bylaws needed to coincide with our recommendations and changes needed that were very obvious. Recommend another action team be formed for a thorough bylaw review. Recommend that the bylaws are reviewed on a regular schedule in the future.
- Executive Team and Trustee training
 - Not specifically addressed by the BSRAT. Recommend that an action team is formed to recommend initial training and periodic refresher training for Trustees and Executive Team members.
- Update Governance Policy Document
 - Not specifically addressed by the BSRAT. Recommend that the Implementation Action Team update this document or another team is formed to update this document.

CODE OF REGULATIONS
Amended ~~October 09, 2014~~

National Tooling and Machining Association
(A Non-Profit Ohio Corporation)

ARTICLE I: OFFICES

The principal office of the ~~corporation~~association shall be located in Greater Cleveland~~Independence~~, Ohio. The ~~corporation~~association shall maintain a statutory office in the state of Ohio, and may establish such other offices as determined by the Board of Trustees.

ARTICLE II: MEMBERSHIP

A. NTMA Vision and Mission

The ~~Corporation~~association shall have a Vision and Mission Statement which will be maintained in current form. The basis for the Vision and Mission will be the strategic business plan approved by the Board of Trustees.

B. NTMA Values

Ethical Behavior: We will always operate with integrity and be guided by legal and fairness standards in all our business practices.

Commitment to Excellence: We will continually measure ourselves against the best practices in associations and perceived value to members, and create and monitor improvement programs.

Development of People. We will encourage a culture of teamwork with unity of purpose through developing key skills such as listening, effective communication and project leadership.

Section 1. MEMBERSHIP. Membership is on an annual basis and continues from year to year. Members may resign at any time by submitting written notice to ~~the association's~~NTMA offices and paying accrued dues to the end of the membership year. Dues are payable annually and in advance, however, quarterly installments are acceptable.

Section 2. REGULAR MEMBERS. Any proprietorship, partnership, corporation or other business entity in the United States of America accepting ~~the association~~NTMA's Mission, Vision, and Values and primarily engaged in

precision custom manufacturing, through tooling or machining, is eligible to become a regular Member. For purposes of this paragraph, “precision custom manufacturing” is defined to include companies engaged in:

- Die building
 - Die building and production
 - Mold building
 - Mold building and production
 - Precision machining
 - Special tooling
 - Special tooling and production
 - Special machine building
 - Special machine building and production
 - Precision fabricating
 - Rapid prototyping
 - Design
- Such other activities as may be approved by the Board of Trustees.

Section 3. ASSOCIATE MEMBERS. The maximum number of National Associates permitted in the organization at any time shall not exceed 5 percent of the total regular membership, excepting temporary fluctuations in regular membership. Any proprietorship, partnership, corporation, or other business entity located in the United States of America and regularly engaged in providing materials, services or supplies to the contract metalworking industry shall be eligible to become a national associate member of this ~~corporation~~association. No person, firm, or corporation eligible for membership as a regular member shall be eligible for associate membership. The Board of Trustees shall have the power to determine categories, classifications, and eligibility of applicants for membership.

National Associate members shall be entitled to receive such publications and services of the ~~corporation~~association as the Board of Trustees shall designate, either specifically or by general category, to attend general membership meetings of the ~~corporation~~association and, upon the invitation of ~~the Chairman of the Board, Vice Chairman, or a Regular Executive Team Member~~an officer of the ~~corporation~~association or ~~t~~Team Leader, shall be permitted to attend trustee meetings or ~~t~~Team meetings respectively.

Section 4. PAST SERVICE MEMBERS. Any former owner, officer, employee, or widow/widower of any former owner, officer, or employee not active in the management of a member company or of a former member company shall be eligible to become a past service member of this ~~corporation~~association, provided that the company was a regular member of the ~~corporation~~association in good standing for at least three years and still was a member of the ~~corporation~~association in good standing at the time of retirement from the company, or the company's withdrawal from the industry. Such eligibility shall

remain in effect up to or until such individual is employed in a ~~NTMA~~ member company or a company eligible for ~~NTMA~~ membership in the association.

Notwithstanding the above, all ~~Past Presidents/p~~Past Chairmen of the Board shall be eligible for the ~~p~~Past ~~s~~Service membership category.

Past service members shall have all the privileges of regular members except those of voting, holding elective office, attendance at closed sessions, and the right to confidential information.

Section 5. EDUCATOR MEMBERSHIPS.

- A. Individual Educators employed in metalworking and technological institutions such as colleges, universities, or vocational programs are eligible for Individual Educator memberships; however, Educator memberships are limited to two per institution at one location.
- B. Educational Institution membership is available to any college, university, or vocational program actively engaged in metalworking and technology oriented training and education. Membership permits two principal contacts.

Educator/Educational Institution members shall be entitled to receive such publications and services of the ~~corporation~~association as the Board of Trustees shall designate, either specifically or by general category, to attend general membership meetings of the ~~corporation~~association and, upon the invitation of the Chairman of the Board, Vice Chairman, or a Regular Executive Team Member~~an officer~~ of the ~~corporation~~association or ~~t~~Team leader, shall be permitted to attend trustee meetings or ~~t~~Team meetings respectively.

The Board of Trustees shall approve a dues schedule for Educator Memberships from time to time.

Section 6. MEMBERSHIP REQUIREMENTS. The Board of Trustees shall have power to determine the classification and eligibility of applicants for membership.

Section 7. APPLICATION FOR REGULAR AND PAST SERVICE

MEMBERSHIP. All applications for regular or past service membership shall be submitted to the ~~association~~NTMA in a form approved by the Board of Trustees, and shall be accompanied by the initiation fee, if required. Applications for regular and past service membership shall be submitted using either of the following alternative procedures:

- A. Submit by mail or e-mail to all trustees the name and address of the applicant. Unless objection is heard from one or more trustees giving

particulars of the objection within ten (10) days from the date of receipt of such notification, the applicant shall be declared elected to membership. If an objection is received within the ten-day period, consideration of the application shall be taken up under the procedure in Subsection B below at the next meeting of the Board of Trustees.

B. Submit by mail or e-mail to all trustees the name and address of the applicant at least fifteen (15) days before the next meeting of the Board of Trustees. Present the name and address of the applicant at a meeting of the Board of Trustees for consideration. Upon the affirmative vote of two-thirds (2/3) of the trustees present and voting that the applicant meets the criteria for membership set forth in these regulations, the applicant shall be elected to membership.

Section 8. WITHDRAWAL OF MEMBERS. Withdrawal in good standing may not be effective until all obligations of the resigning member have been met in full. The Board of Trustees shall be notified of resignation by mail or e-mail in the periodic trustee letter or by announcement at a trustee meeting.

Section 9. MEETINGS OF MEMBERS. In the event of a meeting of the membership, the meeting shall be governed by Robert's Rules of Order. The vote of the majority of the members present and voting at any regularly constituted meeting shall be the act of the members.

Section 10. NOTICE OF MEETINGS OF MEMBERS. Notice of all meetings of members shall be mailed to the members not less than thirty (30) days before any such ~~meeting~~.

Section 11. QUORUM. At all meetings of the membership, fifty-one percent of the current membership (51%), represented in person or by proxy, shall constitute a quorum.

Section 12. PROXIES. A member may be represented and vote by a written proxy; provided, however, that the holder of such written proxy must be a regular member or an officer of a regular member of the ~~corporation~~ association and such proxy must be filed with the Secretary ~~Treasurer of the meeting~~ prior to the time set for calling the meeting to order.

Section 13. MAIL BALLOT. Any action which may be taken by the membership of the ~~corporation~~ association at a meeting may be taken by mail or e-mail ballot, provided that in any case where voting is by a majority of members voting in a mail or e-mail ballot, a ballot shall be sent by registered or certified mail to each member entitled to vote at least forty (40) days prior to the day ballots are to be counted, together with (a) written explanation of the matter upon which the vote is requested, and (b) a notice of the day on which ballots

will be counted. Only those ballots which are received prior to the close of business on the day named for counting ballots will be counted. Any member may request a mail or e-mail ballot on an issue by application to the trustee.

ARTICLE III: THE BOARD OF TRUSTEES

Section 1. NUMBER OF TRUSTEES. The number of trustees of all classes of this ~~corporation~~association elected or appointed hereunder (not including alternate trustees) shall be not less than fifteen (15).

Section 2. CLASSES OF TRUSTEES. There shall be five classes of trustees:

- A. Chapter trustees
- B. Trustees-at-large
- C. Alternate trustees
- D. Ex-officio trustees
- E. Non-affiliated Group trustees

Section 3. CHAPTER TRUSTEES.

- A. The Board of Trustees shall recognize qualified local groups as “chapters” and shall prescribe geographical boundaries for such chapters. All ~~corporation~~association members then and thereafter having their principal places of business in such territory, shall be deemed to belong to the chapter so established.
- B. The regular members of the ~~corporation~~association in each newly-recognized chapter shall elect one (1) trustee and one (1) alternate trustee to serve until their successors are elected.
- C. Local chapters shall notify the ~~association~~NTMA of all elections and vacancies in the office of trustee or alternate trustee. In the event that the place of either the trustee or the alternate trustee representing any chapter becomes vacant, the affected chapter shall be entitled to elect and certify a new trustee or alternate trustee to serve the unexpired term.

Section 4. TRUSTEES-AT-LARGE. The Board of Trustees may from time to time determine the geographic regions which are to be represented by the trustees-at-large.

- A. The trustees-at-large shall represent all regular members who are located in all areas outside of recognized chapters. Trustees-at-large shall be elected by a majority vote of the members in the geographic region.

B. The ~~corporation~~association's trustee-at-large for those areas not covered will be elected by the Board of Trustees.

C. In the event that the place of trustee representing the at-large geographic region becomes vacant, the members of the affected geographic region shall be entitled to elect and certify a new trustee to serve the unexpired term.

Section 5. ALTERNATE TRUSTEES AND APPOINTED

REPRESENTATIVES. If a trustee shall be absent from any meeting, the alternate shall act in the trustee's place. Whenever the regularly elected trustee and alternate trustee of a chapter find that they will not be able to attend a meeting, the trustee, with the concurrence of the alternate trustee, may appoint a ~~s~~Substitute representative of a member company in good standing from the chapter to represent same at the meeting. The trustee, prior to the meeting, shall notify the ~~association~~NTMA of the ~~s~~Substitute appointment.

Section 6. EX-OFFICIO TRUSTEE. Any individual who is elected as an Executive Team Member shall cease to serve as a chapter trustee, alternate trustee, trustee-at-large, or non-affiliated group trustee and officer of the corporation at a time when not a trustee shall become an ex-officio trustee of the corporation with voting privileges for his or her term of office. The chapter, at-large geographic region, or non-affiliated group that an elected Executive Team member represented as a trustee, alternate trustee, trustee-at-large, or non-affiliated group trustee shall fill his or her vacancy pursuant to the processes identified in Article III, Sections 3(C), 4(C), and 7(C). ~~Any past chairman of the Chairman of the Boardboard of the corporationassociation shall also be an ex-officio trustee for so long as this person remains a manager or responsible executive of a regular member of the corporationassociation in good standing, but not longer than threefive (25) years, following the expiration of this person's term as Chairman of the Board or the Expiration of this person's term as a Regular Member of the Executive Team, whichever is later.~~

Section 7. NON-AFFILIATED GROUP TRUSTEES. The Board of Trustees may from time to time determine that a non-affiliated group which represents the industry in a local area shall be represented by a ~~n~~Non-affiliated ~~g~~Group trustee. A ~~n~~Non-affiliated ~~g~~Group is an organization which agrees to support ~~the association~~NTMA's Vision, Mission, and Values, and whose membership contains a minimum of eight regular ~~NTMA~~ members of the association.

A. The ~~n~~Non-affiliated ~~g~~Group trustee shall represent all regular members of the ~~corporation~~association who are part of the non-affiliated group.

B. Non-affiliated ~~g~~Group trustees shall be elected by regular members of the ~~corporation~~association.

C. In the event that the place of trustee representing the non-affiliated group becomes vacant, the affected non-affiliate group shall be entitled to elect and certify a new trustee to serve the unexpired term.

Section 8. ELIGIBILITY REQUIREMENTS.

A. To be eligible for service as a trustee, alternate trustee, ~~trustee-at-large, non-affiliated group trustee, or Regular Executive Team Member officer,~~ a person must be an owner or executive of a regular member ~~or member of a group recognized pursuant to Article III, Section 7~~ who is authorized to represent the member in all proper deliberations and actions of the ~~corporation~~ association. ~~The eligibility restrictions outlined above shall not apply to External Executive Team Members, as defined in Article IV, Section 1(C).~~

B. A trustee, alternate trustee, ~~trustee-at-large, non-affiliated group trustee, or Executive Team Member officer~~ shall become ineligible to continue as trustee, alternate trustee, ~~trustee-at-large, non-affiliated group trustee, or Executive Team Member officer~~ and their term thereby immediately and automatically terminated under the following circumstances:

- (1) If the member this person represents ceases to be a regular member in good standing ~~of the association or group recognized pursuant to Article III, Section 7;~~
- (2) If this individual is removed for cause by action of the Board of ~~Trustees;~~
- (3) If the person terminates the connection with the member ~~of the association or group recognized pursuant to Article III, Section 7~~ which was represented at the time the trustee ~~or officer~~ was elected; or
- (4) Upon resignation of the trustee.

C. In the event of a vacancy on the Board of Trustees by reason of disqualification, resignation, death, ~~election to the Executive Team,~~ or otherwise ~~of a trustee, alternate trustee, trustee-at-large, or non-affiliated group trustee, the chapter, at large geographic region, or non-affiliated group shall be entitled to elect a replacement pursuant to the processes identified in Article III, Sections 3(C), 4(C), and 7(C),~~ ~~the alternate trustee representing the chapter shall immediately and automatically take the place of the trustee whose place became vacant.~~ ~~Further vacancies occurring may be filled out by the Board of Trustees.~~

D. All trustees are subject to the Code of Regulations.

Section 9. MEETINGS OF THE BOARD OF TRUSTEES. The Board of Trustees will meet at all national meetings.

The Board of Trustees can be called into a special session by petition of not less than one-third (1/3) of the trustees, with ~~thirty (30) days~~ ~~four (4) weeks~~ written notice and an agenda. The Board of Trustees may also be convened at the call of the ~~Chairman~~ Chairman of the Board, so long as at least thirty (30) days' written notice of the meeting is given and an agenda is provided at least thirty (30) days in advance.

- A. The Board of Trustees shall be governed by Robert's Rules of Order. For all votes of the Board of Trustees, a Quorum (Section 11) is required and from that Quorum the vote of a majority of the trustees present and voting at any regularly constituted meeting shall be the act of the trustees, unless a greater majority is required by law or this Code of Regulations. The Chairman of the Board may designate a Parliamentarian at each meeting who is knowledgeable in Parliamentary Procedure to assist in the conduct of each meeting.
- B. Any resolution approved by the Board of Trustees involving the appropriation of funds shall become effective only when approved by the Budget and Finance Team and the Executive Team. The budget shall not be subject to floor amendment and shall require a straight up or down vote of trustees. Any subsequent amendments to the budget that require additional expenditures are permitted only if the source of revenue to fund the additional expenditures has been identified by the Budget & Finance Team and approved by the Executive Team.
- C. Trustees shall be permitted to speak at meetings. Other than trustees, attendees shall be permitted to speak when approved by motion of the Board of Trustees. The ~~Chairman~~ Chairman of the Board is permitted to recognize ~~Team~~ leaders who are not trustees to speak as part of the agenda. The ~~Chairman~~ Chairman of the Board is also permitted to invite other non-trustees or non-members (e.g., auditors, lawyers) to speak from time to time, so long as such speakers are part of the meeting agenda.

Section 10. MAIL BALLOTS. The Board of Trustees may vote by mail- or e-mail upon any matter which has been submitted to them in writing by the association ~~NTMA~~ as directed by the Chairman of the Board, provided that a resolution adopted in such manner shall become effective only when approved in writing by unanimous vote of all ~~T~~ Trustees entitled to vote.

Section 11. QUORUM. Forty percent (40%) of the members of the Board of Trustees shall constitute a quorum, ~~and a majority of the Executive Team shall constitute a quorum thereof.~~

Section 12. NOTICE OF MEETINGS. Notice of any meeting of the Board of Trustees shall be in writing and shall be mailed to the members of the Board of Trustees not less than ~~thirty (30) days~~ four (4) weeks in advance of any such meeting, provided, however, that a meeting of the Board of Trustees may be held at any time or place upon waiver of notice in writing signed by all of the members of said Board of Trustees.

ARTICLE IV: EXECUTIVE TEAM, CORPORATE OFFICERS, CHAIRPERSON, PRESIDENT, AND OTHER CORPORATE FUNCTIONAL TEAMS

Section 1. — EXECUTIVE TEAM. The Executive Team shall consist of ~~not fewer than five (5) nor more than seven (7) individuals~~ members. ~~The elected officers and the immediate past chairman of the corporation shall automatically be members of the Executive Team, and remaining vacancies on the Executive Team shall be filled by appointment by the Board of Trustees.~~ During the interim between meetings of the Board of Trustees, the Executive Team shall exercise the powers of the Board of Trustees, subject to the review of all Executive Team actions at the next Board of Trustees meeting. The Executive Team shall assume responsibility for the operation of the ~~corporation~~ association, within the policies established by the Board of Trustees and the Code of Regulations. The Executive Team shall assist and counsel in the management of the affairs of the ~~a~~ Association and its executive office, see that actions directed by the Board of Trustees are carried out, work in conjunction with the Nominating Team to match candidates for service on the Executive Team, see that all teams are functioning within their respective purposes and scopes, and see that matters are referred to the proper teams. The Executive Team shall develop, update, and refine a Policy Manual for governance of the ~~corporation~~ association, which shall include a conflict of interest policy. The Executive Team shall ensure that a ~~s~~ Strategic pPlan is in place for the ~~corporation~~ association. All Executive Team Members will be reimbursed by the association for travel and incidental expenses associated with their service on the Executive Team.

~~The Chairman shall be an ex-officio member of all Teams and Sub-Teams.~~

A. Executive Team Members. The Executive Team Members shall consist of:

1. Regular Executive Team Members;
2. External Executive Team Members; and
3. The Chairman of the Board.

4. The Vice Chairman of the Board

- B. Regular Executive Team Members. Regular Executive Team Members must meet the eligibility requirements outlined in Article III, Section 8(A). Only Regular Executive Team Members are eligible to serve as Chairman of the Board and Vice Chairman of the Board.
- C. External Executive Team Members. Two (2) individuals who are not associated with a business that would qualify for regular membership in the association shall serve as External Executive Team Members. The purpose of selecting External Team Members is to broaden the perspective and increase the effectiveness of the Executive Team by adding members with skills not necessarily possessed by Regular Executive Team Members. No professional who in his or her present regular course of business receives fees or compensation for services rendered to the association or its member companies shall be eligible for service as an External Executive Team Member. It is the clear intention of this clause to eliminate any conflict of interest that would impede the ability of a member of the Executive Team from performing his or her duties on behalf of the Association. External Executive Team Members may receive an honorarium, in an amount to be determined by the Regular Executive Team Members, for their service on the Executive Team.
- D. Chairman of the Board. The Chairman of the Board shall preside at all meetings of the association and of the Board of Trustees, and shall be entitled to vote at all such meetings. The Chairman of the Board shall be an ex-officio member of all teams and shall appoint the chairman and members of standing, ad hoc, and/or special teams. Any Chairman of the Board may be elected to succeeding terms, not to extend past his or her term or terms of service on the Executive Team.
- E. Vice Chairman of the Board. The Vice Chairman of the Board shall perform the duties of the Chairman of the Board during the Chairman of the Board's absence or inability to perform the same. In case of a vacancy in the office of the Chairman of the Board, the Vice Chairman of the Board shall perform the duties of the Chairman of the Board until such vacancy is filled. Any Vice Chairman of the Board may be elected to succeeding terms, not to extend past his or her term or terms of service on the Executive Team.
- F. Term of Chairman and Vice Chairman. The Chairman of the Board and Vice Chairman of the Board shall serve a term of one (1) year.
- G. Election of Executive Team Members. Executive Team Members shall be elected annually at the fall meeting of the Board of Trustees and

installed in office at the annual convention of the association. The elections of Executive Team Members should be staggered so that no more than three Executive Team Positions are up for election in any given year.

H. Election of Chairman of the Board and Vice Chairman of the Board. The Chairman of the Board and the Vice Chairman of the Board shall be elected by the Executive Team Members.

I. Term of Service. All Executive Team Members shall be elected for a three (3) year term of service and continue in office until their successors are duly elected and qualified. Any Executive Team Member may be elected to a succeeding term, provided that no elected Executive Team Member shall serve more than two (2) terms (or a period exceeding six (6) years) as an Executive Team Member.

J. Removal. Any one or more of the Executive Team Members may be removed either with or without cause, at any time, by recommendation of the Executive Team and subsequent approval by the Board of Trustees. The approval of the removal of an Executive Team Member shall be accomplished by a majority vote of the Board of Trustees at any regular meeting or special session of the Board of Trustees.

K. Vacancies. Any vacancies on the Executive Team shall be filled by appointment by the Board of Trustees for the balance of the term left by the vacating Executive Team Member.

L. Meetings. The Executive Team shall meet at least four times yearly. All Executive meetings shall be governed by Robert's Rules of Order.

M. Quorum. ~~A majority~~ Five (5) members of the Executive Team shall constitute a quorum thereof.

N. Voting. Each Executive Team Member shall be a voting member of the association for their respective term or terms of service as ex-officio trustees pursuant to Article III, Section 6.

O. Majority Requirement. Any action taken by vote of the Executive Team shall only be accomplished by a supermajority two-thirds vote.

Section 2. PRESIDENT. The association shall employ and fix the compensation of a President who shall be selected by the Executive Team and approved by the Board of Trustees and shall thereafter serve as the principal executive officer of the association. The President shall be responsible for the day-to-day management and operation of the association and shall incur such obligations for the account of the association as are authorized by the Board of

Trustees. The Executive Team shall review the performance of the President prior to the Annual Conference each year and include any salary amounts attributable to the President in the budget of the association with the Board of Trustees' right of approval remaining in their approval of the overall budget. The President shall select, employ, and fix the compensation of all staff employees, within the limitations of the budget fixed by the Board of Trustees. The President shall be bonded and may sign, with the Secretary-Treasurer or any other proper employee of the association authorized by the Board of Trustees, any deeds, mortgages, bonds, contracts, or other instruments that have been expressly authorized by the Board of Trustees, Executive Team, this Code of Regulations, or by Statute to be executed. The President shall serve at the pleasure of the Executive Team.

Section 3. SECRETARY-TREASURER. The President of the association shall employ and fix the compensation of a Secretary-Treasurer. The Secretary-Treasurer shall be the principal financial officer of the association, and the President shall review the performance of the Secretary-Treasurer prior to the Annual Conference each year. The Secretary-Treasurer shall ensure that the President and all corporate employees handling funds or assets of the association are bonded and may sign, with the President or any other proper employee of the association authorized by the Board of Trustees, any deeds, mortgages, bonds, contracts, or other instruments that have been expressly authorized by the Board of Trustees, Executive Team, this Code of Regulations, or by Statute to be executed. The Secretary-Treasurer shall ensure that minutes of all Board of Trustee, Member meetings, and team meetings are categorized in a searchable fashion. In addition, the Secretary-Treasurer shall ensure that minutes are taken at all team meetings. The Secretary-Treasurer shall serve at the pleasure of the President.

Section 2. MEETINGS.

A. The Executive Team shall meet at least four times yearly. All Executive meetings shall be governed by Roberts Rules of Order.

Section 4. NOMINATING TEAM.

A. The Nominating Team shall work in conjunction with the Executive Team to match candidates to serve as Regular and External Members of the Executive Team. The Nominating Team shall seek out candidates who are competent and meet the specific governance needs defined by the vision and strategic plan of the association.

B. The Nominating Team shall vet potential candidates for the Executive Team to determine their willingness and competency to serve. Once the Nominating Team has selected potential candidates, it shall present the list of potential candidates to the Executive Team for review prior to presenting the candidates to the Board of Trustees for a vote.

C. All Nominating Team meetings shall be governed by Robert's Rules of Order.

Section 53. AUDIT TEAM AND BUDGET & FINANCE TEAM.

- A. The Audit Team shall be nominated by the Nominating Team and elected by the Board of Trustees. The Audit Team shall report directly to the trustees and may review all activities, including those of the Executive Team.
- B. The Budget & Finance Team shall be appointed by the ~~Chairman~~Chairman of the Board and shall report to the Executive Team. In the event of a disagreement between the Budget & Finance Team and Executive Team, the Budget & Finance Team may go directly to the trustees for resolution.
- C. All Audit and Budget Team meetings shall be governed by Robert's Rules of Order.

Section 64. FOUNDATION BOARD, ~~MSI BOARD, AND INSURANCE BOARD.~~

- A. The National Tooling & Machining Foundation Board shall be nominated by the Executive Team and elected by the Board of Trustees. The Foundation Board shall report directly to the Board of Trustees.
- ~~B. The NTMA representatives on the MSI Board shall be nominated by and elected by the Executive Team and shall report to the Executive Team.~~
- ~~C. The Insurance Board shall be nominated by and elected by the Executive Team and shall report directly to the Executive Team.~~

Section 75. OTHER STANDING TEAMS AND BOARDS. The Executive Team may from time to time appoint or eliminate other ~~t~~Teams or boards with such titles and duties as may be deemed appropriate and in the best interest of this ~~corporation~~association.

Section 86. AD HOC TEAMS. The Chairman of the Board, the Executive Team, ~~the President~~ and ~~t~~Team leaders may from time to time appoint or eliminate ~~a~~Ad h~~Hoc~~ ~~t~~Teams with such titles and duties as may be deemed appropriate and in the best interests of the ~~corporation~~association. ~~Ad h~~Hoc ~~t~~Teams may make recommendations to the Executive Team or other ~~t~~Teams, but do not have the authority to enter into commitments on behalf of the ~~corporation~~association.

ARTICLE V: OFFICERS

Section 1. TITLES OF OFFICERS. ~~The elected officers of the corporation shall be chairman of the board, one or more vice chairmen of the board, the number of whom shall be determined by the Board of Trustees, a secretary and a treasurer. Additional officers may be appointed from time to time by the Board of Trustees.~~

Section 2. ELECTION AND INSTALLATION OF OFFICERS. ~~Officers shall be elected annually at the fall meeting of the Board of Trustees and installed in office at the annual convention of the Association.~~

Section 3. REMOVAL OF OFFICERS. ~~Any one or more of the officers may be removed either with or without cause, at any time, by recommendation of the Executive Team and subsequent approval by the Board of Trustees.~~

Section 4. TERMS OF OFFICE. ~~All officers shall continue in office until their successors are duly elected and qualified. Any officer may be elected to a succeeding term, provided that no elected officer shall serve more than three (3) consecutive terms in the same office.~~

Section 5. CHAIRMAN OF THE BOARD. ~~The Chairman of the Board of the corporation, shall preside at all meetings of the corporation and of the Board of Trustees, and shall be entitled to vote at all such meetings. This individual shall appoint the chairman, vice chairmen, and members of standing and special Teams. The Chairman of the Board shall be an ex-officio member of all Teams and Sub-Teams.~~

Section 6. VICE CHAIRMAN OF THE BOARD. ~~The Vice Chairman of the Board shall perform the duties of the Chairman of the Board during the Chairman of the Board's absence or inability to perform the same. In case of a vacancy in the office of the Chairman of the Board, the Vice Chairman of the Board shall perform the duties of the Chairman of the Board until such vacancy is filled. The Vice Chairman shall also oversee the strategic development for the following year. In the absence or inability of the Vice Chairman of the Board, the Treasurer of the Board shall perform the duties herein before provided for the Vice Chairman of the Board. Should none of the said officers be present at any meeting, a chairman pro tem shall be named by the trustees present to preside at such meeting.~~

Section 7. TREASURER. ~~The Treasurer shall be the principal financial officer of the corporation and shall be subject to the direction of the Board of Trustees. The Treasurer shall furnish such bond or security at the expense of the corporation as may be required by the Board of Trustees. The Treasurer shall obtain annually, at the expense of the corporation, a certified audit for the~~

accounts, using an accounting firm acceptable to the Board of Trustees. ~~The Treasurer shall be a member of the Budget & Finance Team.~~

~~**Section 8. SECRETARY.** The Secretary shall be a voting member of the Executive Team. The Secretary shall arrange to have the minutes of the meeting of the corporation recorded and maintained. The Secretary shall see that the seal is properly used. The Secretary shall be a member of the Budget & Finance Team.~~

~~**Section 9. PRESIDENT.** The corporation shall employ and fix the compensation of a President who shall be selected by the Executive Team and approved by the Board of Trustees who shall be responsible for the day-to-day management and operation of the corporation and shall incur such obligations for the account of the corporation as are authorized by the Board of Trustees. The Executive Team shall review the performance of the President prior to the Annual Conference each year and include any salary amounts in the budget of the corporation with the Board of Trustees' right of approval remaining in their approval of the overall budget. The President shall select, employ, and fix the compensation of all staff employees, within the limitations of the budget fixed by the Board of Trustees.~~

ARTICLE VI: INITIATION FEES, DUES AND ASSESSMENTS

Section 1. INITIATION FEES, DUES AND ASSESSMENTS. Initiation fees, dues and assessments shall be as established from time to time by the Board of Trustees.

Section 2. SUSPENSION FOR FAILURE TO PAY DUES OR ASSESSMENTS. If any member shall fail to pay dues or assessments within ninety (90) days after such dues or assessments shall have become due, such member shall be subject to being dropped from membership. The member shall receive adequate notice in writing of his delinquency prior to being dropped from membership.

Section 3. SUSPENSION AND EXPULSION FOR CAUSE. Any member may be expelled from membership in the ~~corporation~~ association for cause. For purpose of this Code of Regulations, "cause" shall be defined as (a) conviction of a crime; (b) falsely reporting dues owed; or (c) other acts or conduct detrimental to the legitimate interests and lawful objections of the ~~corporation~~ association. When expulsion of a member for cause is contemplated, the facts of the matter shall be brought before the Board of Trustees, and the Board of Trustees by a majority vote of the members present and voting may suspend or expel such member, after such member has had the opportunity to be heard on his or her own defense.

Section 4. REINSTATEMENT. Members who resign from the ~~corporation~~association with all dues and assessments paid to date of resignation shall be eligible to apply for reinstatement without the payment of a reinstatement fee. Members suspended for nonpayment of dues shall be eligible for reinstatement upon satisfaction of all arrears at the time of their suspension unless there has been a change in the ownership of the company, in which case the application shall be treated in all respects as one for new membership.

ARTICLE VII: CHAPTERS

Section 1. ORGANIZATION. A majority, but not less than eight (8), of the regular members of the ~~corporation~~association in an area may petition the Board of Trustees of the ~~corporation~~association for authority to organize a chapter of the National Tooling and Machining Association, hereinafter referred to as “chapter.” In response to a petition, the Board of Trustees may authorize the organization of the chapter as requested, which may operate as the (Name) Chapter of the National Tooling and Machining Association. Each chapter shall be a separate legal entity responsible for its own actions, debts and obligations. The ~~corporation~~association will assume no responsibility for the actions or expenditures of any of its chapters.

Section 2. MEMBERSHIP. Membership in a chapter shall be limited to regular members of the ~~corporation~~association, except that associate and honorary members of a chapter need not belong to the ~~corporation~~association. If there are two or more adjacent chapters, the member may elect which chapter to join. The ~~corporation~~association reserves the right to consider and accept a candidate for membership who has been rejected for membership by the chapter and is otherwise qualified for membership with this Code of Regulations.

Section 3. CONSTITUTION AND BYLAWS. Each chapter shall adopt an appropriate constitution (or articles of incorporation) and bylaws (or code of regulations) which do not conflict with those of the ~~corporation~~association, and these documents must be approved by the Board of Trustees before the name “Chapter of the National Tooling and Machining Association” may be used.

Section 4. MINUTES OF MEETINGS. Minutes shall be kept of each meeting of the chapter or of its governing board, and a signed copy of the minutes of each such meeting shall be sent to the ~~corporation~~association within thirty (30) days after the date of the meeting.

Section 5. WITHDRAWAL OF AUTHORIZATION. The authorization for the members in a local group to operate as a chapter may be withdrawn at any time by an affirmative vote of two-thirds (2/3) of the trustees of the ~~corporation~~association if the chapter has ceased to comply with the provisions

of this article, or has engaged in, or is preparing to engage in, activities or conduct prejudicial to the ~~corporation~~association, provided that notice of such proposed withdrawal of authorization shall be sent to the President of such chapter at least thirty (30) days prior to the date of the trustees' meeting at which the proposed withdrawal is to be considered, and the officers, directors, and members of such chapter shall have the right to be heard at such meetings. If withdrawal is confirmed by the Board of Trustees, the former chapter shall immediately cease using the ~~association's~~NTMA name, logo, and other identifying characteristics in connection with its activities and thereafter take no actions implying to any third party that the former chapter has any connection with ~~the association~~NTMA.

ARTICLE VII: DISSOLUTION

In the event of dissolution of the ~~corporation~~association, all of the remaining assets and property of the ~~corporation~~association shall, after necessary expenses thereof, be distributed to such organizations as shall qualify under Section 501(c)(6) or Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or expended for the purposes of the ~~corporation~~association.

ARTICLE VIII: MEETINGS

Any meetings of the membership, Board of Trustees, or any ~~t~~Team of the ~~corporation~~association may be held either within or without the State of Ohio.

ARTICLE IX: AMENDMENTS AND SUPPLEMENTS

Section 1. BY TRUSTEES. This Code of Regulations may be amended or supplemented at any time by a two-thirds (2/3) vote of the trustees present and voting at any regular or special meeting of the Board of Trustees, provided that specific notice of the proposed amendments must be given to all trustees at least thirty (30) days in advance of such regular or special meetings; or by a two-thirds (2/3) vote of the trustees voting by mail or e-mail ballot as provided in ARTICLE III, Section 10.

Section 2. BY MEMBERS. This Code of Regulations may be amended or supplemented at any time at any regular or special meeting of the membership, by a two-thirds (2/3) vote of the members present or represented by proxy, provided that specific notice of the proposed amendments must be given to all members at least thirty (30) days in advance of such regular or special meeting; or by a two-thirds (2/3) vote of the membership by mail or e-mail ballot as provided in ARTICLE II, Section 13. In case any such action is in conflict with an action of the Board of Trustees, the position taken by the membership shall prevail.

CL2:422050 v1

CODE OF REGULATIONS

Amended October 23, 2014

National Tooling and Machining Association
(A Non-Profit Ohio Corporation)

ARTICLE I: OFFICES

The principal office of the association shall be located in Greater Cleveland, Ohio. The association shall maintain a statutory office in the state of Ohio, and may establish such other offices as determined by the Board of Trustees.

ARTICLE II: MEMBERSHIP

A. NTMA Vision and Mission

The association shall have a Vision and Mission Statement that will be maintained in current form. The basis for the Vision and Mission will be the strategic business plan approved by the Board of Trustees.

B. NTMA Values

Ethical Behavior: We will always operate with integrity and be guided by legal and fairness standards in all our business practices.

Commitment to Excellence: We will continually measure ourselves against the best practices in associations and perceived value to members, and create and monitor improvement programs.

Development of People. We will encourage a culture of teamwork with unity of purpose through developing key skills such as listening, effective communication and project leadership.

Section 1. MEMBERSHIP. Membership is on an annual basis and continues from year to year. Members may resign at any time by submitting written notice to the association's offices and paying accrued dues to the end of the membership year. Dues are payable annually and in advance, however, quarterly installments are acceptable.

Section 2. REGULAR MEMBERS. Any proprietorship, partnership, corporation or other business entity in the United States of America accepting

the association's Mission, Vision, and Values and primarily engaged in precision custom manufacturing, through tooling or machining, is eligible to become a regular Member. For purposes of this paragraph, "precision custom manufacturing" is defined to include companies engaged in:

- Die building
- Die building and production
- Mold building
- Mold building and production
- Precision machining
- Special tooling
- Special tooling and production
- Special machine building
- Special machine building and production
- Precision fabricating
- Rapid prototyping
- Design
- Such other activities as may be approved by the Board of Trustees

Section 3. ASSOCIATE MEMBERS. The maximum number of National Associates permitted in the organization at any time shall not exceed 5 percent of the total regular membership, excepting temporary fluctuations in regular membership. Any proprietorship, partnership, corporation, or other business entity located in the United States of America and regularly engaged in providing materials, services or supplies to the contract metalworking industry shall be eligible to become a national associate member of this association. No person, firm, or corporation eligible for membership as a regular member shall be eligible for associate membership. The Board of Trustees shall have the power to determine categories, classifications, and eligibility of applicants for membership.

National Associate members shall be entitled to receive such publications and services of the association as the Board of Trustees shall designate, either specifically or by general category, to attend general membership meetings of the association and, upon the invitation of the Chairman of the Board, Vice Chairman of the Board, or a Regular Executive Team Member of the association or Team Leader, shall be permitted to attend trustee meetings or team meetings respectively.

Section 4. PAST SERVICE MEMBERS. Any former owner, officer, employee, or widow/widower of any former owner, officer, or employee not active in the management of a member company or of a former member company shall be eligible to become a past service member of this association, provided that the company was a regular member of the association in good standing for at least

three years and still was a member of the association in good standing at the time of retirement from the company, or the company's withdrawal from the industry. Such eligibility shall remain in effect up to or until such individual is employed in a member company or a company eligible for membership in the association.

Notwithstanding the above, all past Chairmen of the Board shall be eligible for the past service membership category.

Past service members shall have all the privileges of regular members except those of voting, holding elective office, attendance at closed sessions, and the right to confidential information.

Section 5. EDUCATOR MEMBERSHIPS.

- A. Individual Educators employed in metalworking and technological institutions such as colleges, universities, or vocational programs are eligible for Individual Educator memberships; however, Educator memberships are limited to two per institution at one location.
- B. Educational Institution membership is available to any college, university, or vocational program actively engaged in metalworking and technology oriented training and education. Membership permits two principal contacts.

Educator/Educational Institution members shall be entitled to receive such publications and services of the association as the Board of Trustees shall designate, either specifically or by general category, to attend general membership meetings of the association and, upon the invitation of the Chairman of the Board, Vice Chairman of the Board, or a Regular Executive Team Member of the association or team leader, shall be permitted to attend trustee meetings or team meetings respectively.

The Board of Trustees shall approve a dues schedule for Educator Memberships from time to time.

Section 6. MEMBERSHIP REQUIREMENTS. The Board of Trustees shall have power to determine the classification and eligibility of applicants for membership.

Section 7. APPLICATION FOR REGULAR AND PAST SERVICE MEMBERSHIP. All applications for regular or past service membership shall be submitted to the association in a form approved by the Board of Trustees, and shall be accompanied by the initiation fee, if required. Applications for

regular and past service membership shall be submitted using either of the following alternative procedures:

- A. Submit by mail or e-mail to all trustees the name and address of the applicant. Unless objection is heard from one or more trustees giving particulars of the objection within ten (10) days from the date of receipt of such notification, the applicant shall be declared elected to membership. If an objection is received within the ten-day period, consideration of the application shall be taken up under the procedure in Subsection B below at the next meeting of the Board of Trustees.
- B. Submit by mail or e-mail to all trustees the name and address of the applicant at least fifteen (15) days before the next meeting of the Board of Trustees. Present the name and address of the applicant at a meeting of the Board of Trustees for consideration. Upon the affirmative vote of two-thirds (2/3) of the trustees present and voting that the applicant meets the criteria for membership set forth in these regulations, the applicant shall be elected to membership.

Section 8. WITHDRAWAL OF MEMBERS. Withdrawal in good standing may not be effective until all obligations of the resigning member have been met in full. The Board of Trustees shall be notified of resignation by mail or e-mail in the periodic trustee letter or by announcement at a trustee meeting.

Section 9. MEETINGS OF MEMBERS. In the event of a meeting of the membership, the meeting shall be governed by Robert's Rules of Order. The vote of the majority of the members present and voting at any regularly constituted meeting shall be the act of the members.

Section 10. NOTICE OF MEETINGS OF MEMBERS. Notice of all meetings of members shall be mailed to the members not less than thirty (30) days before any such meeting.

Section 11. QUORUM. At all meetings of the membership, fifty-one percent of the current membership (51%), represented in person or by proxy, shall constitute a quorum.

Section 12. PROXIES. A member may be represented and vote by a written proxy; provided, however, that the holder of such written proxy must be a regular member or an officer of a regular member of the association and such proxy must be filed with the Secretary-Treasurer prior to the time set for calling the meeting to order.

Section 13. MAIL BALLOT. Any action which may be taken by the membership of the association at a meeting may be taken by mail or e-mail ballot, provided that in any case where voting is by a majority of members voting in a mail or e-mail ballot, a ballot shall be sent by registered or certified mail to each member entitled to vote at least forty (40) days prior to the day ballots are to be counted, together with (a) written explanation of the matter upon which the vote is requested, and (b) a notice of the day on which ballots will be counted. Only those ballots that are received prior to the close of business on the day named for counting ballots will be counted. Any member may request a mail or e-mail ballot on an issue by application to the trustee.

ARTICLE III: THE BOARD OF TRUSTEES

Section 1. NUMBER OF TRUSTEES. The number of trustees of all classes of this association elected or appointed hereunder (not including alternate trustees) shall be not less than fifteen (15).

Section 2. CLASSES OF TRUSTEES. There shall be five classes of trustees:

- A. Chapter trustees
- B. Trustees-at-large
- C. Alternate trustees
- D. Ex-officio trustees
- E. Non-affiliated Group trustees

Section 3. CHAPTER TRUSTEES.

- A. The Board of Trustees shall recognize qualified local groups as “chapters” and shall prescribe geographical boundaries for such chapters. All association members then and thereafter having their principal places of business in such territories shall be deemed to belong to the chapter so established.
- B. The regular members of the association in each newly-recognized chapter shall elect one (1) trustee and one (1) alternate trustee to serve until their successors are elected.
- C. Local chapters shall notify the association of all elections and vacancies in the office of trustee or alternate trustee. In the event that the place of either the trustee or the alternate trustee representing any chapter becomes vacant, the affected chapter shall be entitled to elect and certify a new trustee or alternate trustee to serve the unexpired term.

Section 4. TRUSTEES-AT-LARGE. The Board of Trustees may from time to time determine the geographic regions that are to be represented by the trustees-at-large.

- A. The trustees-at-large shall represent all regular members who are located in all areas outside of recognized chapters. Trustees-at-large shall be elected by a majority vote of the members in the geographic region.
- B. The association's trustees-at-large for those areas not covered will be elected by the Board of Trustees.
- C. In the event that the place of a trustee representing the at-large geographic region becomes vacant, the members of the affected geographic region shall be entitled to elect and certify a new trustee to serve the unexpired term.

Section 5. ALTERNATE TRUSTEES AND APPOINTED REPRESENTATIVES. If a trustee shall be absent from any meeting, the alternate shall act in the trustee's place. Whenever the regularly elected trustee and alternate trustee of a chapter find that they will not be able to attend a meeting, the trustee, with the concurrence of the alternate trustee, may appoint a substitute representative of a member company in good standing from the chapter to represent same at the meeting. The trustee, prior to the meeting, shall notify the association of the substitute appointment.

Section 6. EX-OFFICIO TRUSTEE. Any individual who is elected as an Executive Team Member shall cease to serve as a chapter trustee, alternate trustee, trustee-at-large, or non-affiliated group trustee and shall become an ex-officio trustee of the corporation with voting privileges for his or her term of office. The chapter, at-large geographic region, or non-affiliated group that an elected Executive Team member represented as a trustee, alternate trustee, trustee-at-large, or non-affiliated group trustee shall fill his or her vacancy pursuant to the processes identified in Article III, Sections 3(C), 4(C), and 7(C).

Section 7. NON-AFFILIATED GROUP TRUSTEES. The Board of Trustees may from time to time determine that a non-affiliated group that represents the industry in a local area shall be represented by a non-affiliated group trustee. A non-affiliated group is an organization which agrees to support the association's Vision, Mission, and Values, and whose membership contains a minimum of eight regular members of the association.

- A. The non-affiliated group trustee shall represent all regular members of the association who are part of the non-affiliated group.

- B. Non-affiliated group trustees shall be elected by regular members of the association.
- C. In the event that the place of trustee representing the non-affiliated group becomes vacant, the affected non-affiliate group shall be entitled to elect and certify a new trustee to serve the unexpired term.

Section 8. ELIGIBILITY REQUIREMENTS.

- A. To be eligible for service as a trustee, alternate trustee, trustee-at-large, non-affiliated group trustee, or Regular Executive Team Member a person must be an owner or executive of a regular member or member of a group recognized pursuant to Article III, Section 7 who is authorized to represent the member in all proper deliberations and actions of the association. The eligibility restrictions outlined above shall not apply to External Executive Team Members, as defined in Article IV, Section 1(C).
- B. A trustee, alternate trustee, trustee-at-large, non-affiliated group trustee, or Executive Team Member shall become ineligible to continue as trustee, alternate trustee, trustee-at-large, non-affiliated group trustee, or Executive Team Member and their term thereby immediately and automatically terminated under the following circumstances:
 - (1) If the member this person represents ceases to be a regular member in good standing of the association or group recognized pursuant to Article III, Section 7;
 - (2) If this individual is removed for cause by action of the Board of Trustees;
 - (3) If the person terminates the connection with the member of the association or group recognized pursuant to Article III, Section 7 which was represented at the time the trustee was elected; or
 - (4) Upon resignation of the trustee.
- C. In the event of a vacancy on the Board of Trustees by reason of disqualification, resignation, death, election to the Executive Team, or otherwise of a trustee, alternate trustee, trustee-at-large, or non-affiliated group trustee, the chapter, at large geographic region, or non-affiliated group shall be entitled to elect a replacement pursuant to the processes identified in Article III, Sections 3(C), 4(C), and 7(C).
- D. All trustees are subject to the Code of Regulations.

Section 9. MEETINGS OF THE BOARD OF TRUSTEES. The Board of Trustees will meet at all national meetings.

The Board of Trustees can be called into a special session by petition of not less than one-third (1/3) of the trustees, with thirty (30) days' written notice and an agenda. The Board of Trustees may also be convened at the call of the Chairman of the Board, so long as at least thirty (30) days' written notice of the meeting is given and an agenda is provided at least thirty (30) days in advance.

- A. The Board of Trustees shall be governed by Robert's Rules of Order. For all votes of the Board of Trustees, a Quorum (Section 11) is required and from that Quorum the vote of a majority of the trustees present and voting at any regularly constituted meeting shall be the act of the trustees, unless a greater majority is required by law or this Code of Regulations. The Chairman of the Board may designate a Parliamentarian at each meeting who is knowledgeable in Parliamentary Procedure to assist in the conduct of each meeting.
- B. Any resolution approved by the Board of Trustees involving the appropriation of funds shall become effective only when approved by the Budget and Finance Team and the Executive Team. The budget shall not be subject to floor amendment and shall require a straight up or down vote of trustees. Any subsequent amendments to the budget that require additional expenditures are permitted only if the source of revenue to fund the additional expenditures has been identified by the Budget & Finance Team and approved by the Executive Team.
- C. Trustees shall be permitted to speak at meetings. Other than trustees, attendees shall be permitted to speak when approved by motion of the Board of Trustees. The Chairman of the Board is permitted to recognize team leaders who are not trustees to speak as part of the agenda. The Chairman of the Board is also permitted to invite other non-trustees or non-members (e.g., auditors, lawyers) to speak from time to time, so long as such speakers are part of the meeting agenda.

Section 10. MAIL BALLOTS. The Board of Trustees may vote by mail or e-mail upon any matter which has been submitted to them in writing by the association as directed by the Chairman of the Board, provided that a resolution adopted in such manner shall become effective only when approved in writing by unanimous vote of all trustees entitled to vote.

Section 11. QUORUM. Forty percent (40%) of the members of the Board of Trustees shall constitute a quorum.

Section 12. NOTICE OF MEETINGS. Notice of any meeting of the Board of Trustees shall be in writing and shall be mailed to the members of the Board of Trustees not less than thirty (30) days in advance of any such meeting, provided, however, that a meeting of the Board of Trustees may be held at any time or place upon waiver of notice in writing signed by all of the members of said Board of Trustees.

ARTICLE IV: EXECUTIVE TEAM, CORPORATE OFFICERS, AND OTHER CORPORATE FUNCTIONAL TEAMS

Section 1. EXECUTIVE TEAM. The Executive Team shall consist of (7) individuals. During the interim between meetings of the Board of Trustees, the Executive Team shall exercise the powers of the Board of Trustees, subject to the review of all Executive Team actions at the next Board of Trustees meeting. The Executive Team shall assume responsibility for the operation of the association, within the policies established by the Board of Trustees and the Code of Regulations. The Executive Team shall assist and counsel in the management of the affairs of the association and its executive office, see that actions directed by the Board of Trustees are carried out, work in conjunction with the Nominating Team to match candidates for service on the Executive Team, see that all teams are functioning within their respective purposes and scopes, and see that matters are referred to the proper teams. The Executive Team shall develop, update, and refine a Policy Manual for governance of the association, which shall include a conflict of interest policy. The Executive Team shall ensure that a strategic plan is in place for the association. All Executive Team Members will be reimbursed by the association for travel and incidental expenses associated with their service on the Executive Team.

A. Executive Team Members. The Executive Team Members shall consist of:

1. Regular Executive Team Members
2. External Executive Team Members
3. The Chairman of the Board
4. The Vice Chairman of the Board

B. Regular Executive Team Members. Regular Executive Team Members must meet the eligibility requirements outlined in Article III, Section 8(A). Only Regular Executive Team Members are eligible to serve as Chairman of the Board and Vice Chairman of the Board.

- C. **External Executive Team Members.** Two (2) individuals who are not associated with a business that would qualify for regular membership in the association shall serve as External Executive Team Members. The purpose of selecting External Team Members is to broaden the perspective and increase the effectiveness of the Executive Team by adding members with skills not necessarily possessed by Regular Executive Team Members. No professional who in his or her present regular course of business receives fees or compensation for services rendered to the association or its member companies shall be eligible for service as an External Executive Team Member. It is the clear intention of this clause to eliminate any conflict of interest that would impede the ability of a member of the Executive Team from performing his or her duties on behalf of the Association. External Executive Team Members may receive an honorarium, in an amount to be determined by the Regular Executive Team Members, for their service on the Executive Team.
- D. **Chairman of the Board.** The Chairman of the Board shall preside at all meetings of the association and of the Board of Trustees, and shall be entitled to vote at all such meetings. The Chairman of the Board shall be an ex-officio member of all teams and shall appoint the team leaders and members of standing, ad hoc, and/or special teams. Any Chairman of the Board may be elected to succeeding terms, not to extend past his or her term or terms of service on the Executive Team.
- E. **Vice Chairman of the Board.** The Vice Chairman of the Board shall perform the duties of the Chairman of the Board during the Chairman of the Board's absence or inability to perform the same. In case of a vacancy in the office of the Chairman of the Board, the Vice Chairman of the Board shall perform the duties of the Chairman of the Board until such vacancy is filled. Any Vice Chairman of the Board may be elected to succeeding terms, not to extend past his or her term or terms of service on the Executive Team.
- F. **Terms of Chairman and Vice Chairman.** The Chairman of the Board and Vice Chairman of the Board shall serve a term of one (1) year.
- G. **Election of Executive Team Members.** Executive Team Members shall be elected annually at the fall meeting of the Board of Trustees and installed in office at the annual convention of the association. The elections of Executive Team Members should be staggered so that no more than three Executive Team Positions are up for election in any given year.

- H. **Election of Chairman of the Board and Vice Chairman of the Board.** The Chairman of the Board and the Vice Chairman of the Board shall be elected by the Executive Team Members.
- I. **Term of Service.** All Executive Team Members shall be elected for a three (3) year term of service and continue in office until their successors are duly elected and qualified. Any Executive Team Member may be elected to a succeeding term, provided that no elected Executive Team Member shall serve more than two (2) terms (or a period exceeding six (6) years) as an Executive Team Member.
- J. **Removal.** Any one or more of the Executive Team Members may be removed either with or without cause, at any time, by recommendation of the Executive Team and subsequent approval by the Board of Trustees. The approval of the removal of an Executive Team Member shall be accomplished by a majority vote of the Board of Trustees at any regular meeting or special session of the Board of Trustees.
- K. **Vacancies.** Any vacancies on the Executive Team shall be filled by appointment by the Board of Trustees for the balance of the term left by the vacating Executive Team Member.
- L. **Meetings.** The Executive Team shall meet at least four times yearly. All Executive meetings shall be governed by Robert's Rules of Order.
- M. **Quorum.** Five (5) members of the Executive Team shall constitute a quorum thereof.
- N. **Voting.** Each Executive Team Member shall be a voting member of the association for their respective term or terms of service as ex-officio trustees pursuant to Article III, Section 6.
- O. **Majority Requirement.** Any action taken by vote of the Executive Team shall only be accomplished by a supermajority two-thirds vote.

Section 2. PRESIDENT. The association shall employ and fix the compensation of a President who shall be selected by the Executive Team and approved by the Board of Trustees and shall thereafter serve as the principal executive officer of the association. The President shall be responsible for the day-to-day management and operation of the association and shall incur such obligations for the account of the association as are authorized by the Board of Trustees. The Executive Team shall review the performance of the President prior to the Annual Conference each year and include any salary amounts attributable to the President in the budget of the association with the Board of

Trustees' right of approval remaining in their approval of the overall budget. The President shall select, employ, and fix the compensation of all staff employees, within the limitations of the budget fixed by the Board of Trustees. The President shall be bonded and may sign, with the Secretary-Treasurer or any other proper employee of the association authorized by the Board of Trustees, any deeds, mortgages, bonds, contracts, or other instruments that have been expressly authorized by the Board of Trustees, Executive Team, this Code of Regulations, or by Statute to be executed. The President shall serve at the pleasure of the Executive Team.

Section 3. SECRETARY-TREASURER. The President of the association shall employ and fix the compensation of a Secretary-Treasurer. The Secretary-Treasurer shall be the principal financial officer of the association, and the President shall review the performance of the Secretary-Treasurer prior to the Annual Conference each year. The Secretary-Treasurer shall ensure that the President and all corporate employees handling funds or assets of the association are bonded and may sign, with the President or any other proper employee of the association authorized by the Board of Trustees, any deeds, mortgages, bonds, contracts, or other instruments that have been expressly authorized by the Board of Trustees, Executive Team, this Code of Regulations, or by Statute to be executed. The Secretary-Treasurer shall ensure that minutes of all Board of Trustee, Member meetings, and team meetings are categorized in a searchable fashion. In addition, the Secretary-Treasurer shall ensure that minutes are taken at all team meetings. The Secretary-Treasurer shall serve at the pleasure of the President.

Section 4. NOMINATING TEAM.

- A. The Nominating Team shall work in conjunction with the Executive Team to match candidates to serve as Regular and External Members of the Executive Team. The Nominating Team shall seek out candidates who are competent and meet the specific governance needs defined by the vision and strategic plan of the association.
- B. The Nominating Team shall vet potential candidates for the Executive Team to determine their willingness and competency to serve. Once the Nominating Team has selected potential candidates, it shall present the list of potential candidates to the Executive Team for review prior to presenting the candidates to the Board of Trustees for a vote.
- C. All Nominating Team meetings shall be governed by Robert's Rules of Order.

Section 5. AUDIT TEAM AND BUDGET & FINANCE TEAM.

- A. The Audit Team shall be nominated by the Nominating Team and elected by the Board of Trustees. The Audit Team shall report directly to the trustees and may review all activities, including those of the Executive Team.
- B. The Budget & Finance Team shall be appointed by the Chairman of the Board and shall report to the Executive Team. In the event of a disagreement between the Budget & Finance Team and Executive Team, the Budget & Finance Team may go directly to the trustees for resolution.
- C. All Audit and Budget Team meetings shall be governed by Robert's Rules of Order.

Section 6. FOUNDATION BOARD

- A. The National Tooling & Machining Foundation Board shall be nominated by the Executive Team and elected by the Board of Trustees. The Foundation Board shall report directly to the Board of Trustees.

Section 7. OTHER STANDING TEAMS AND BOARDS. The Executive Team may from time to time appoint or eliminate other teams or boards with such titles and duties as may be deemed appropriate and in the best interest of this association.

Section 8. AD HOC TEAMS. The Chairman of the Board, the Executive Team, and team leaders may from time to time appoint or eliminate ad hoc teams with such titles and duties as may be deemed appropriate and in the best interests of the association. Ad hoc teams may make recommendations to the Executive Team or other teams, but do not have the authority to enter into commitments on behalf of the association.

ARTICLE V: INITIATION FEES, DUES AND ASSESSMENTS

Section 1. INITIATION FEES, DUES AND ASSESSMENTS. Initiation fees, dues and assessments shall be as established from time to time by the Board of Trustees.

Section 2. SUSPENSION FOR FAILURE TO PAY DUES OR ASSESSMENTS. If any member shall fail to pay dues or assessments within ninety (90) days after such dues or assessments shall have become due, such member shall be subject to being dropped from membership. The member shall

receive adequate notice in writing of his delinquency prior to being dropped from membership.

Section 3. SUSPENSION AND EXPULSION FOR CAUSE. Any member may be expelled from membership in the association for cause. For purpose of this Code of Regulations, “cause” shall be defined as (a) conviction of a crime; (b) falsely reporting dues owed; or (c) other acts or conduct detrimental to the legitimate interests and lawful objections of the association. When expulsion of a member for cause is contemplated, the facts of the matter shall be brought before the Board of Trustees, and the Board of Trustees by a majority vote of the members present and voting may suspend or expel such member, after such member has had the opportunity to be heard on his or her own defense.

Section 4. REINSTATEMENT. Members who resign from the association with all dues and assessments paid to date of resignation shall be eligible to apply for reinstatement without the payment of a reinstatement fee. Members suspended for nonpayment of dues shall be eligible for reinstatement upon satisfaction of all arrears at the time of their suspension unless there has been a change in the ownership of the company, in which case the application shall be treated in all respects as one for new membership.

ARTICLE VI: CHAPTERS

Section 1. ORGANIZATION. A majority, but not less than eight (8), of the regular members of the association in an area may petition the Board of Trustees of the association for authority to organize a chapter of the National Tooling and Machining Association, hereinafter referred to as “chapter.” In response to a petition, the Board of Trustees may authorize the organization of the chapter as requested, which may operate as the (Name) Chapter of the National Tooling and Machining Association. Each chapter shall be a separate legal entity responsible for its own actions, debts and obligations. The association will assume no responsibility for the actions or expenditures of any of its chapters.

Section 2. MEMBERSHIP. Membership in a chapter shall be limited to regular members of the association, except that associate and honorary members of a chapter need not belong to the association. If there are two or more adjacent chapters, the member may elect which chapter to join. The association reserves the right to consider and accept a candidate for membership who has been rejected for membership by the chapter and is otherwise qualified for membership with this Code of Regulations.

Section 3. CONSTITUTION AND BYLAWS. Each chapter shall adopt an appropriate constitution (or articles of incorporation) and bylaws (or code of

regulations) that do not conflict with those of the association, and the Board of Trustees must approve these documents before the name “Chapter of the National Tooling and Machining Association” may be used.

Section 4. MINUTES OF MEETINGS. Minutes shall be kept of each meeting of the chapter or of its governing board, and a signed copy of the minutes of each such meeting shall be sent to the association within thirty (30) days after the date of the meeting.

Section 5. WITHDRAWAL OF AUTHORIZATION. The authorization for the members in a local group to operate as a chapter may be withdrawn at any time by an affirmative vote of two-thirds (2/3) of the trustees of the association if the chapter has ceased to comply with the provisions of this article, or has engaged in, or is preparing to engage in, activities or conduct prejudicial to the association, provided that notice of such proposed withdrawal of authorization shall be sent to the President of such chapter at least thirty (30) days prior to the date of the trustees’ meeting at which the proposed withdrawal is to be considered, and the officers, directors, and members of such chapter shall have the right to be heard at such meetings. If the Board of Trustees confirms withdrawal, the former chapter shall immediately cease using the association’s name, logo, and other identifying characteristics in connection with its activities and thereafter take no actions implying to any third party that the former chapter has any connection with the association.

ARTICLE VII: DISSOLUTION

In the event of dissolution of the association, all of the remaining assets and property of the association shall, after necessary expenses thereof, be distributed to such organizations as shall qualify under Section 501(c)(6) or Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or expended for the purposes of the association.

ARTICLE VIII: MEETINGS

Any meetings of the membership, Board of Trustees, or any team of the association may be held either within or without the State of Ohio.

ARTICLE IX: AMENDMENTS AND SUPPLEMENTS

Section 1. BY TRUSTEES. This Code of Regulations may be amended or supplemented at any time by a two-thirds (2/3) vote of the trustees present and voting at any regular or special meeting of the Board of Trustees, provided that

specific notice of the proposed amendments must be given to all trustees at least thirty (30) days in advance of such regular or special meetings; or by a two-thirds (2/3) vote of the trustees voting by mail or e-mail ballot as provided in ARTICLE III, Section 10.

Section 2. BY MEMBERS. This Code of Regulations may be amended or supplemented at any time at any regular or special meeting of the membership, by a two-thirds (2/3) vote of the members present or represented by proxy, provided that specific notice of the proposed amendments must be given to all members at least thirty (30) days in advance of such regular or special meeting; or by a two-thirds (2/3) vote of the membership by mail or e-mail ballot as provided in ARTICLE II, Section 13. In case any such action is in conflict with an action of the Board of Trustees, the position taken by the membership shall prevail.

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APPROVED