

## **ARTICLE I**

### **Name**

Section 1. The name of this corporation is "Equipment Service Association, Inc."

Section 2. The principal corporate office of the association shall be in Oklahoma City, Oklahoma. Executive Headquarters and business offices may be established elsewhere as the Board of Directors may from time to time determine.

Section 3. The corporation shall be non-profit and its duration shall be fifty years.

## **ARTICLE II**

### **Objects of the Corporation**

Section 1. The objects of this Association shall be: To aid the advancement and expansion of our industry in all of its markets, to foster equity in business usage and promote activities that will enable the industry to conduct itself with the greatest economy and efficiency.

Section 2. To give proper consideration and expression of opinion upon questions affecting the industry and the financial, commercial, and industrial interest of the country.

Section 3. To cooperate with other industries and organizations for the purpose of fostering the commercial interests of its members.

Section 4. To do everything necessary and proper for the accomplishment of any objects herein set forth or which shall be recognized as proper and lawful objectives of trade associations, all of which shall be consistent with the public interest, as well as in the interest of this industry and trade.

Section 5. All policies and activities of the Association shall be consistent with applicable federal, state and local antitrust, trade regulations, or other legal requirements.

## **ARTICLE III**

### **Membership Classes**

Section 1. Classes: There shall be five classes of association memberships-- Active, Supporting, Associate, Honorary, and Foreign.

## ARTICLE IV

### Membership Eligibility

Section 1. Active Member: An Active member shall be a reliable person, firm or corporation, having a regularly established business in the United States, Canada or Mexico, of sufficient financial responsibility to successfully conduct this business, who is substantially engaged in rebuilding Hydraulic Jacks, equipment or kindred lines and who assumes full responsibility for the quality of such rebuilt or reconditioned articles. Active members in good standing shall be entitled to vote.

Section 2. Supporting Member: A Supporting member shall be a reliable person, firm or corporation who supplies products and/or services to Active members. Such concerns shall have privilege of membership such as attendance at conventions, regional meetings, service on regular standing committees provided the committee membership is composed of at least two-thirds Active members. Supporting members, within their closed session, may elect one of their body to be a representative to the Board of Directors. Each firm or corporation within the Supporting Membership will be entitled to one vote toward this representative. Supporting Members shall not be eligible for elective offices and shall have no vote.

Section 3. Associate Membership: An Associate Member is a member of a firm or corporation that currently has an Active member in good standing. They get no vote unless the Active Member relinquishes their vote to the Associate Member.

Section 4. Honorary Membership: Only individuals who have rendered outstanding conspicuous and honorable service to this Association shall be eligible for this honor, and then only upon majority vote of the Board of Directors or membership. Honorary Members shall not be eligible to vote.

Section 5. Foreign Memberships: Individuals, partnerships, or corporations who meet the eligibility requirements of Active or Supporting members but who reside outside the continental United States, Canada or Mexico, shall be eligible for Foreign membership. Foreign members shall not be eligible to vote.

Section 6. Limitations on Memberships: Individuals or organizations engaged in the manufacture and marketing of equipment serviced by Equipment Service Association member service centers, or individuals and organizations acting as paid consultants or representatives of whose manufacturing and marketing interests may only be Supporting members of Equipment Service Association.

## **ARTICLE V**

### **Application for Membership**

Section 1. Application for Membership: Application for membership shall be made on the form provided by the association, stating the candidate's qualifications for membership. The candidate shall certify that the information supplied in the application is true and correct, that he will abide by the bylaws and the Code of Ethics, and that the repair, rebuilding, and service of equipment and tools is an important segment of his business. A majority vote by the Executive Committee shall elect a candidate for membership.

## **ARTICLE VI**

### **Membership Dues**

Section 1. Dues: The schedule of membership dues together with the terms of payment for each class of membership in the Association shall be established by the Board of Directors.

Section 2. Fiscal Year: The fiscal year shall be the calendar year.

## **ARTICLE VII**

### **Condition of Membership**

Section 1. Duration of Membership: Membership will continue automatically unless terminated by written resignation, failure to pay dues, suspension or expulsion.

Section 2. Resignation: Resignation must be submitted in writing to the executive headquarters of the Association and cannot be made retroactive.

Section 3. Non-Payment of Dues: A member, being three months in arrears for dues, shall not receive notices or publications of the Association; shall not have the right to vote nor attend any association meetings and shall be notified by the Secretary-Treasurer of his delinquency. After six months delinquency in payment of dues, he will be dropped from the roll. The Board of Directors may, however, by two-thirds vote extend the time for payment and the application of penalties herein provided and may remit dues in all or in part in cases where the committee deems such remission justified.

## ARTICLE VIII

### Officers, Directors, and Executive Committee

Section 1. The Association shall be governed by a Board of Directors consisting of the immediate Past President, the President, Vice President, Secretary-Treasurer, and one Director for each District, that Director having been nominated and elected by members of that district. The Vice President to be appointed by the President and approved by the Board of Directors.

Section 2. Terms of Office: The President shall be elected for a two-year term of office. Election will occur on even-numbered years, and the Vice President will serve the same two years. The Secretary-Treasurer shall be elected for a two-year term of office. Election will occur in odd-numbered years. Although the election of the Secretary-Treasurer occurs at the Convention, term will not start until January 1st of the following year and terminate December 31st of the second year. Directors of Districts 2, 4, and 6 shall be elected in even-numbered years. Directors of Districts 1, 3, and 5 shall be elected in odd-numbered years. Officers shall hold office for the term for which elected or appointed and until their successors qualify. In the event any officer or director shall terminate his active connection with the member firm he represented at the time of his election as officer or director of the association, the official connection of such officer or director shall automatically terminate.

Section 3. Vacancy of Office: A vacancy caused by the death, resignation, removal or disability of any Officer or Director may be filled for the unexpired term by the Board of Directors.

Section 4. The Association officers shall be a President, a Vice-President and a Secretary-Treasurer.

Section 5. Districts: The United States, Canada and Mexico shall be divided into Districts. The District boundaries will be reviewed every four years to insure an equitable balance of members in and between those Districts.

Section 6. The Districts shall be composed as follows:

Dist #1 Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New Jersey, Delaware, Washington DC., Maryland, Virginia, West Virginia, New York and Pennsylvania. The Canadian Provinces of Labrador, Newfoundland and Quebec.

Dist #2 Michigan, Ohio, Kentucky and Indiana. The Canadian Province of Ontario.

Dist #3 Tennessee, North Carolina, South Carolina, Georgia, Alabama, Mississippi and Florida.

Dist #4 Illinois, Wisconsin, Minnesota, Iowa, Missouri, Nebraska, Kansas, South Dakota and North Dakota. The Canadian Provinces of Keewatin, McKenzie, Manitoba and Saskatchewan.

Dist #5 Oklahoma, Arkansas, Louisiana, New Mexico, and Texas

Dist #6 Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, Montana, Oregon, Utah, Washington and Wyoming. The Canadian Provinces of Alberta, British Columbia and Yukon.

Section 7. The three Officers of the Association, not including the immediate Past President, shall automatically constitute the Executive Committee each year.

Section 8. Under no circumstances shall proxy votes be valid.

Section 9. To be eligible to hold office as an Officer or Director the candidate must have full authority to act for his company in all matters pertaining to the Association.

Section 10. No Officer shall hold more than one elective office simultaneously.

## **ARTICLE IX**

### **Duties of Officers, Directors, Executive Committee, Administrative Secretary, and Committees**

Section 1. President: (a) The President is the chief executive officer of the Association. He shall preside at all meetings of the members of the Board and the Executive Committee. Under the direction of the Executive Committee he shall be responsible for planning and programming the activities of the Association and promoting and maintaining the growth of the Association. He shall be responsible for calling special meetings of the members of the Executive Committee, shall see that all Bylaws, rules and regulations are enforced, perform all other duties prescribed from time to time by the Board of Directors, and report to the members at the annual convention.

(b) The President shall appoint or remove committees as he sees fit for the proper functioning of the organization, except as herein provided for the Nominating Committee.

(c) The President shall be ex-official member of all committees with the right to vote only to break a tie. He shall vote in Executive Committee and Board of Directors meetings.

(d) Two members of the Executive Committee shall approve all expenditures in excess of \$500.00 other than transfers between ESA accounts.

(e) The President shall be responsible for the agenda of all Board meetings.

Section 2. Immediate Past President: The Immediate Past President shall automatically be retained on the Board of Directors without re-election. He shall also serve automatically as the Chairman of the Nominating Committee and shall select and appoint the Nominating Committee together with the aid and approval of the Board of Directors. He shall have no other responsibility unless specifically selected by the President for particular duties. In event of death or inability to act, the Board may elect a Chairman for the Nominating Committee from their number.

Section 3. Vice-President: The Vice-President shall discharge the duties of the President in his absence, or in the event of his inability to serve. The Vice-President shall also be expected to develop certain segments of the overall association program as delegated by the President to do so.

Section 4. Secretary-Treasurer: (a) The Secretary-Treasurer shall keep the minutes of the meetings of the Executive Committee, Board of Directors, and regular business sessions of the Association. He shall also perform such other duties as the Board may prescribe from time to time. He shall be responsible for issuing notices of Executive Committee and/or Board of Directors meetings, or seeing to it that such notices are issued at least 15 days in advance of such meeting if in writing and 10 days if by telegram.

(b) The Secretary-Treasurer, or his or her designee, shall be responsible for keeping a record of all receipts and disbursements of the Association. Under his direction and with the approval of the Executive Committee, he shall employ an auditor who is a qualified Certified Public Accountant, to check the books and render a financial statement as the Executive Committee may direct.

(c) It shall be the responsibility of the Secretary-Treasurer's designee, to see to it that all bills and obligations of the Association are promptly paid in accordance with the Bylaws.

Invoices received for billings of \$500 or less shall be sent to the Secretary-Treasurer for approval for payment. The Secretary-Treasurer shall either sign or initial all invoices approved for payment and forward them to the designee for payment. If the Secretary-Treasurer is unavailable to approve invoices,

either the President or the Vice President can issue approval for payment by signing or initialing the invoices.

Invoices received for billings over \$500 must be approved, as set forth above, by two of the following officers: the President, the Vice President, and the Secretary-Treasurer. All invoices approved for payment shall be forwarded to the Secretary-Treasurer's designee for payment.

(d) The funds of the corporation shall be deposited in such financial institutions or brokerage accounts as may be designated and approved by the Secretary-Treasurer.

(e) The President shall cause to have issued a bond covering activities of the President, Vice-President and Secretary Treasurer also the Administrative Secretary in such amount as instructed by the Board of Directors, said expense to be borne by the Association. The Secretary-Treasurer shall spread upon the minutes a record of the issuance of said bond. The bond shall be deposited in a safe place as authorized by the Board of Directors.

(f) The President shall also cause to have issued a fire and extended coverage insurance policy to adequately cover the value of all supplies, equipment, and records in the Association offices, the expense of which shall be borne by the Association. The Secretary-Treasurer shall spread upon the minutes a record of the issuance of said insurance policy and the policy shall be deposited in a safe place as authorized by the Board of Directors.

(g) The Secretary-Treasurer is specifically authorized and limited by these Bylaws to the payment of travel expenses as follows:

Officers and Directors to attend mid-year Board meeting, or a Special called Board meeting, but not Board meetings on the occasion of the annual convention, shall be reimbursed on the basis of round trip coach air fare plus single room occupancy.

The President shall be reimbursed for the actual travel and hotel expense, which the Board of Directors decides is necessary for the welfare of the Association.

The Administrative Secretary shall be reimbursed for actual expenses in line with instructions from the President and the Board of Directors.

(h) The Secretary-Treasurer's funds, books and vouchers shall, with the exception of confidential reports submitted by members, at all times be subject to verification and inspection of the Board of Directors. At the expiration of his term of office, the Secretary-Treasurer shall deliver over to his successor all books, monies, and other property, or in the absence of a Secretary-Treasurer elect, to the President within 30 days along with a statement of cash receipts and disbursement by CPA

Section 5. The Secretary-Treasurer shall set-up all funds so one other Executive Committee member is authorized to make transactions if he is unavailable or incapacitated.

Section 6. Directors: (a) The Board of Directors shall be the primary governing body of the Association and except as provided by laws, by the Certificate of Incorporation, and by these Bylaws, it shall have plenary power in all matters affecting the welfare of the Association.

(b) The President, Vice-President, Secretary-Treasurer and the other directors shall automatically constitute the Board of Directors each year. The Board of Directors shall have the authority to employ an administrative officer, herein after called an Administrative Secretary. The Board of Directors shall assist the Administrative Secretary, Committee Chairman and other officers to interpret the instructions of the Board of Directors.

(c) Any Director who fails to attend two consecutive meetings of the board of Directors may be deemed at the discretion of the Board of Directors, to have resigned his office as Director. Said Director shall be given notice that said action will be taken by the Board of Directors at a certain date, not less than 30 days from date of notice and said Director shall be permitted to submit a written reason for his absence.

Section 7. Committees: All Committees shall clear their plans and programs through the Board of Directors and/or the Executive Committee before putting them into effect.

Section 8. Administrative Secretary: The Administrative Secretary, if one is appointed by the Board of Directors, shall be responsible to the Board of Directors through the President, for administering the programs and activities of the Association. He shall be bonded in such amount as the Executive Committee or Board of Directors shall deem advisable, said bond to be paid for by the Association.

## **ARTICLE X**

### **Election of Officers and Directors**

Section 1. The Immediate Past President shall automatically be the Chairman of the Nominating Committee each year. The Chairman, together with the aid and approval of the Board of Directors, shall select four Active Members to serve with the Chairman on the Nominating Committee

Section 2. Not less than sixty days before the first day of the annual convention of the Association, the Nominating Committee, through its Chairman, shall submit to the Secretary-Treasurer, or the Administrative Secretary, the name of a candidate for President and Secretary-Treasurer, to be nominated at large, having first verified with each candidate his willingness and ability to serve in the capacity as nominated.

Section 3. The Nominating Committee shall take cognizance of districts of the United States, Canada and Mexico, as listed in Article 8, Section 4.

Section 4. Not later than 40 days prior to the first day of the annual convention of the Association, the Secretary-Treasurer or the Administrative Secretary shall mail a list of names, together with an addressed return envelope to each member in good standing. The return envelope shall be addressed to the Secretary-Treasurer or Administrative Secretary of the Association. The list shall show the choice of the Nominating Committee for each elective office, and directly thereunder shall include a line for the purpose of writing-in any other choice of the member.

Section 5. Write-in candidates' names must be returned to the Secretary-Treasurer or Administrative Secretary's office not later than 20 days before the first day of the annual convention. The Secretary-Treasurer or Administrative Secretary will certify the candidates if they are eligible, for election.

Section 6. Each nomination shall be signed by the nominating member.

Section 7. All Active Members or their respective Associate Member(s), with full paid-up membership shall have one vote only.

Section 7a. Absentee Vote by Mail. Sealed ballots for the election of President, Secretary-Treasurer, and Directors may be requested by the Appointed Voting Delegate. Absentee Ballots will count provided they are received by the Secretary-Treasurer no later than 10 days prior to the start of the Convention. They are to be counted and approved by the Board of Directors at the time of the elections at the convention.

Section 8. The President and Secretary-Treasurer shall be elected by ballot at the annual convention by majority of the votes cast. All ballots showing the nomination for officers shall be uniform. Directors shall be elected in accordance with Article VIII, Section 2. The Board of Directors shall count the ballots and certify the results. The ballots shall be retained by the Secretary-Treasurer or Administrative Secretary not less than thirty days.

Section 9. The Officers and Directors shall take office on the last day of annual convention of the Association.

Section 10. (a) Each proprietorship, partnership and corporation member of the Association authorized to vote under these Bylaws, shall designate in manner and form prescribed by the Directors, and file with the Secretary-Treasurer at the Executive Headquarters of the Association the name of an executive to be known as its "Representative Member" who shall represent the member firm at the meetings of the Association. Such member firm through its "Representative Member" shall be entitled to but one vote.

(b) The proprietorship, partnership, or corporation member firm may change their "Representative Member" and/or revoke his authority at any time provided notice of such change is made in writing prior to the vote being taken.

(c) The above provisions may be waived and deemed unnecessary unless representation is contested.

Section 11. Proxy votes shall be invalid.

## **ARTICLE XI**

### **Meetings**

Section 1. Board of Directors: The Board of Directors shall meet a minimum of twice each year, of which one meeting shall be on the occasion of the annual convention of the Association. Compulsory attendance of each Director is required unless written notice is given fifteen days prior to meeting or in emergencies, telephone call or telegraph message be sent to the President with a valid reason for non-attendance and such excuse is spread upon the minutes of the meeting.

Section 2. Additional Board of Directors meeting can be called only on a majority vote of the Board of Directors.

Section 3. The Association shall have one annual convention each year. The Board of Directors shall make the final decision as to the site and the date.

Section 4. Special meetings of the entire membership can be called only on a majority vote of the Board of Directors.

Section 5. District Meetings may be called by any Director for his District any time which in his considered judgment, is beneficial to the membership in his District.

Section 6. A District Meeting must be called in any District upon the receipt of written requests from six members in good standing in the District.

Section 7. Committee meetings may be called at any time a Committee Chairman in good judgment deems it necessary, but travel expense and per diem shall not be paid unless first approved by the Board of Directors or Executive Board. All Committees shall report to the Board of Directors or Executive Board.

Section 8. Travel expense and per diem allowances, when permitted under these Bylaws or specially provided for by the Board of Directors, shall require compulsory attendance at all meetings thus called unless formally excused, and such excuse is spread upon the minutes of the meeting.

Section 9. A majority of the members of the Executive Committee and the Board of Directors shall constitute a quorum. Thirty-five members shall constitute a quorum for meetings of the general membership.

Section 10. Notice of any kind of meeting must be given a minimum of 15 days in advance if by regular first-class mail or minimum of 10 days if by telegram.

## **ARTICLE XII**

### **Amendments - Procedure**

Section 1. (a) Whenever, in the judgment of a majority of the Board of Directors, any question shall arise which it considers should be put to a vote of the Active membership and when it deems it inexpedient to call a special meeting for such purpose, the Directors may, unless otherwise required by these Bylaws, submit such matter to the membership in writing by mail for vote and decision, and the question thus presented shall be determined according to a majority of the votes received by mail within 3 weeks after such submission to the membership.

(b) Voting members shall mail their marked ballots to the Secretary/Treasurer. The Board of Directors, together with the Secretary/Treasurer, shall certify the results of the vote.

Section 2. (a) These Bylaws may be amended, repealed, or altered in whole or in part by two-thirds of the votes cast at any duly organized meeting of the association, provided the proposed change is submitted by mail to the last recorded address of each member of the Board of Directors at least thirty days before the time of the meeting which is to consider the change and/or by mail vote as out-lined in Section 1 above, and provided that the Board of Directors agrees that the proposed change should be discussed and voted on at the meeting.

(b) The Bylaws may be changed at a Convention provided that such proposals be presented to the Bylaws Committee or the Board of Directors at the start of the Convention, in which case they would be brought up for general discussion at the general convention and voted on the last day of the Convention. These changes may be passed in this manner, provided that 51% of the paid up membership is in attendance at the Convention and provided that the amendment is passed by a majority of 60% of the members in attendance.

Section 3. Except as otherwise herein provided for, Robert's Rules of Order Revised shall govern in all questions of business and parliamentary procedure.

## ARTICLE XIII

### Indemnification

Section 1. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceedings, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he/she is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by that individual in connection with such action, suit or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe that his/her conduct was unlawful.

Section 2. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 3. If a director, officer, employee, or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to above, or in defense of any claim, issue or matter therein, he/she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by that individual in connection therewith.

Section 4. Any indemnification (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that the indemnification of such person is proper because that individual has met the applicable standard of conduct set forth above; such determination shall be made (1) by the Board by a majority vote of a quorum consisting of directors not parties to such action, suit or proceedings or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the members.

Section 5. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding as authorized in the manner provided in this Section upon receipt of an undertaking by or on behalf of such person to repay such amount unless it shall ultimately be determined that he/she is entitled to be indemnified as authorized herein.

Section 6. The indemnification provided herein shall not be exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 7. The Board shall have power to purchase and maintain insurance on behalf of any person who is or was serving on behalf of or at the request of the Corporation arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions hereof.