Bylaws

As Amended

January 10\textsuperscript{th}, 2022
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CERTAIN DEFINITIONS

The definitions contained herein are for purposes of determining the meaning of the following terms within these ISRI Bylaws only:

"Board" shall mean the Board of Directors of the Association.

A “broker” of scrap is a recycler who buys and/or sells scrap commodities.

A “consumer” of scrap glass, metal, paper, plastic, rubber, or textiles is a business in the recycling chain whose principal purpose is, substituting for and conserving mined and other natural resources, the transformation of scrap materials into new products or semi-finished material for the manufacture of new products in a fashion that results in such materials losing their identity as scrap.

The “Dues Year” shall mean the twelve-month period of time covered by a Member’s dues, as determined by join date. The beginning and end points of the dues year shall be set in accordance with the procedures approved by the Board and communicated to the member via a Dues Invoice.

An “electronics recycler” is one who, from a fixed location, utilizes machinery and equipment to process used electronics products into specification grade commodities – including ferrous and nonferrous metals, circuit boards, plastics, and glass – to be used as a raw material in the manufacture of new products. Electronics recyclers are also those who test used electronic products for repair and refurbishment, and provide data destruction services.

"Member" shall mean a member of the Association.

"Officer Election Meeting" is the meeting of the Board of Directors held during even numbered years, in conjunction with the annual convention of the Association, to elect the Chair, Chair-Elect, Vice Chair, and Secretary/Treasurer of the Association.

"Officer Nominating Meeting" is the meeting of the Board of Directors held immediately preceding the Board meeting(s) held in conjunction with the annual convention.

A "Past Association Chair" is a person who has completed his or her term as Chair of the Association or who, prior to March 16, 2000, served as President of the Association or its predecessor associations, the Institute of Scrap Iron and Steel, Inc. and the National Association of Recycling Industries, Inc.

“Primary Chapter” shall mean the Chapter in which a Member’s headquarters are located.

Notwithstanding the foregoing, the Primary Chapter of a Member who belongs to the Paper Stock

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1 Approved as of November 5, 2016 Board of Directors meeting.
Industries (PSI) Chapter and also belongs to one or more geographic Chapters shall be deemed to be either the PSI Chapter or the geographic Chapter in which the Member’s headquarters is located.

A “recycler” is a person or organization who is in the business of recycling.

“Recycling” is a series of activities in which material is processed into specification-grade commodities, and consumed as raw-material feedstock, in lieu of virgin materials, in the manufacture of new products. The series of activities that make up recycling include the collection, processing, brokering and subsequent consumption of industrial, end of life and obsolete scrap, as well as the process of transforming used products, whole or in part, into reusable commodities.

A scrap glass “processor” is a recycler who, from a fixed location, utilizes machinery and equipment for processing and manufacturing glass scrap into prepared grades and whose principal product is glass cullet, a commodity used as a raw material in the manufacture of new products.

A scrap metal “processor” is a recycler who, from a fixed location, utilizes machinery and equipment for processing and manufacturing iron, steel, or nonferrous metallic scrap into prepared grades and whose principal product is scrap iron, scrap steel, or nonferrous metallic scrap, commodities made available for sale for re-melting purposes.

A scrap paper “processor” (also often called a paper dealer) is a recycler who, from a fixed location, utilizes machinery and equipment for processing and manufacturing paper scrap into prepared grades and whose principal product is scrap paper, a commodity used for re-pulping purposes or other use as a raw material in the manufacture of new products.

A scrap plastic “processor” is a recycler who, from a fixed location, utilizes machinery and equipment for processing and manufacturing scrap plastic into prepared grades and whose principal product is scrap plastic, a commodity used as a raw material in the manufacture of new products.

A scrap rubber “processor” is a recycler who, from a fixed location, utilizes machinery and equipment for processing and manufacturing rubber scrap into prepared grades and whose principal product is scrap rubber, a commodity used as a raw material in the manufacture of new products.

A scrap textile “processor” is a recycler who, from a fixed location, utilizes machinery and equipment for processing and manufacturing scrap textiles into prepared grades and whose principal product is scrap textiles, a commodity used as a raw material in the manufacture of new products.

“Scrap” is a valuable commodity relied upon by manufacturers around the world as a competitive, environmentally preferable and energy efficient feedstock material. In its unprocessed form, it is derived from residential, industrial, manufacturing, and/or commercial sources and is composed of ferrous, nonferrous, plastic, paper, glass, textiles, and/or rubber. In its processed form, it is manufactured by processors to a specification grade to meet the needs of the industrial consumer.

“Significant Operations” is commercial activity that is either equal to, or greater than, the commercial activity carried out at the member’s principal office.
Article I. NAME AND LOCATION

Section 1.01 Name: The name of the Association shall be Institute of Scrap Recycling Industries, Inc. (ISRI).

Section 1.02 Location: ISRI shall at all times maintain a registered agent with an office in the State of Delaware. The principal executive office of the Association shall be located at any place as directed by the Board of Directors. Other offices of the Association may be established by the Board of Directors in any location where ISRI is authorized to conduct its activities.

Article II. PURPOSES AND GOVERNING LAW

Section 2.01 Purposes and Governing Law. ISRI is organized as a nonprofit, nonstock corporation under the General Corporation Law of the State of Delaware (the “DGCL”) for purposes as set forth in ISRI’s Certificate of Incorporation, as amended (the “Certificate”).

Section 2.02 Policy. The Board shall set all policy and direction for the Association. The policy and direction of all Committees, Divisions, and Chapters shall conform to the policy and direction set by the Board.

Section 2.03 Legal Authority Governing Construction of Bylaws. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the DGCL as amended from time to time shall govern the construction of these Bylaws. If any term used in these Bylaws and not otherwise defined herein is defined for purposes of the DGCL, such definition shall apply for purposes of these Bylaws.

Section 2.04 Interpretation and Conflict of Provisions. These Bylaws are in all respects subject to the provisions of applicable law and ISRI’s Certificate, and shall be interpreted accordingly. In the event that any provision of these Bylaws is or becomes inconsistent with any provision of the Certificate, the DGCL or any other applicable law, the provision of these Bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

Section 2.05 Written Notices. Where specified herein, written notice may be provided by U.S. Mail, UPS, Fedex, facsimile, or electronic mail.

Article III. MEMBERSHIP

Section 3.01 Classes of Membership. The classes of membership of the Association shall consist of Active, Associate, and Affiliate Individual Members.
3.01.1 **Active Members.** Active Members shall include individuals, firms or corporations, or the division or subsidiary or department thereof, who are engaged in business as recyclers in the United States, Canada, or Mexico.

3.01.1.1 **Ineligibility.** The following are not eligible for Active membership:

- Generators of recyclable materials unless their primary business is recycling
- Individuals, firms, or corporations who are engaged in business essentially to treat and/or recycle hazardous waste.²

3.01.2 **Associate Members.** Associate members shall include individuals, firms, and corporations or the division, subsidiary or department thereof, who are engaged in business for profit as: 1) manufacturers or distributors of processing machinery or equipment, or supplies utilized in the recycling industry; 2) dealers in used recycling machinery and equipment; 3) providers of specialized services to the recycling industry; and 4) international (other than Canadian and Mexican) processors, brokers, merchants, or consumers of scrap metals, scrap paper, scrap textiles, scrap plastics, scrap glass, or scrap rubber.

3.01.3 **Affiliate Individual Members.** Affiliate members shall include individuals who have been a full time employee, of a company that is/was an Active or Associate member of the Association, for a period of one (1) or more years and who are no longer employed by a company that is eligible for Active or Associate membership in the Association.

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² Approved as of November 5, 2016 Board of Directors meeting.
3.03.1 Appeal of Membership Denial. The denied applicant shall, upon written appeal to the President within 30 days following receipt by the applicant of the reason for denial, be given a hearing by the voting members of the Board of Directors at its next regularly scheduled meeting. At such meeting, the denied applicant shall have the right to submit a written appeal and/or appear in person with counsel and be heard. The Board shall, by a majority vote of the voting directors present at a meeting at which there is a quorum, accept or deny the application, and such action shall be final.

Section 3.04 Chapter Privileges of Active Members. It is herewith declared as a matter of policy that the strength of the Association is based on the strength of its Chapters. Accordingly, Active Members must maintain membership in the Chapter covering the territory in which the Member’s principal office maintains significant operations or its principal office, except for those Active Members whose principal operation involves the scrap paper industry. Active Members whose principal operation involves the scrap paper industry shall belong to the Paper Stock Industries Chapter. Active Members shall have the right to join as many additional Chapters as they may desire, provided that the member pays the applicable dues as established by each such Chapter. Each Active Member of a Chapter shall have all the rights and privileges of every other Active Member of such Chapter except that an Active Member or its representative, as the case may be, shall be entitled to vote and hold office only in the Chapter designated by the Member, by notice to the Association prior to the beginning of any calendar year, as the Chapter in which such Active Member desires that it or its representative, as the case may be, vote and hold office. Absent such a designation, the Active Member or its representative, as the case may be, shall have the right to vote and hold office in the Chapter designated as primary pursuant to this bylaw. Notwithstanding the foregoing, Branch Offices of Active Members that pay dues to the Chapter in which such Branch Office is located, shall be entitled to full membership privileges in such Chapter including the right of their respective representatives to vote and hold office. For the purposes of this section, a Branch Office shall be any fixed location at which business is conducted that is outside the Chapter territory of the Member’s primary chapter.

Section 3.05 Chapter Privileges of Associate Members. Associate Members located in Canada, Mexico, or the United States, including its Territories or Possessions in the Caribbean, shall maintain membership in the Chapter covering the territory in which the Member maintains significant operations or its principal office. Associate Members whose principal office is not located in Canada, Mexico, or the United States, including its Territories or Possessions in the Caribbean, shall not be required to maintain membership in a Chapter. In addition, Associate Members, whether or not they are required by this section to join any chapter, may upon payment of the applicable Chapter dues, join as many additional Chapters as they desire.

Section 3.06 Affiliate Individual Members Privileges. Affiliate Individual Members shall not be required to maintain membership in a chapter. In addition, Affiliate Individual Members shall not be entitled to hold office or to vote at any Association meeting.

Section 3.07 Eligibility for Voting and Office. Only representatives of Active Members shall be entitled to vote and hold office at the National level. Representatives of Associate Members may hold officer or board seats at the Chapter level only. If an Active Member has more than one representative on a chapter or
Section 3.08 Expulsion and Suspension. The Board shall have the power to expel or suspend any Member, or to take such other disciplinary action as may be necessary, for failure to abide by these Bylaws or for any conduct which the Board, in its discretion, may determine to be prejudicial or detrimental to the best interests of the Association or the recycling industry. The President shall inform the Board of any charges or information concerning such conduct of any Member. Any Member, for whom disciplinary action is proposed, shall be given not less than thirty (30) days advance written notice of a hearing on the charges, setting forth with particularity the act(s) or action(s) alleged to be the basis for such disciplinary action. The notice shall set forth the date, time, and place of the hearing and advise the Member of the right to present evidence and a defense. The Member shall have the right to submit a written defense and/or appear in person with counsel and be heard at such meeting. In case it shall be found by a three-fourths (3/4) vote of the Board where a quorum is present that the charges against the Member are sustained and warrant the disciplinary action, suspension or expulsion of such Member, a resolution to that effect shall be adopted, and such action shall be final. Expulsion of a Member by the Board shall cancel all rights, interests, and privileges of such Member in the Association.

Section 3.09 Association Dues. The Board shall fix the amount and terms of payment of membership dues, fees, and/or assessments for all Members on an annual basis. Membership in ISRI carries a definite obligation to pay membership dues, fees and any assessments established by the Board. Membership dues, fees and assessments are not refundable for any reason. Active Member dues shall be based on the dollar volume of the business of such Active Member, including its subsidiaries, divisions or affiliates, which are engaged in recycling as defined herein for the year immediately preceding the year in which the dues are billed. A member that has operations or facilities that fall within multiple dues categories (Active, Associate, Active Consumer, etc.) shall calculate the appropriate dues within each category, and then pay dues not upon the total of all such categories but based upon the highest calculated category. Membership dues, including chapter dues, shall be billed on an annual basis, based on the quarter the member initially joined; except that for members who joined prior to the 2020 fiscal year, dues shall be billed in the month of October immediately preceding each Dues Year and shall be payable in full by January 15 of such Dues Year. Any member who fails to pay National and Chapter membership dues by the due date (or such other date as the Board may establish) shall be in default and subject to the actions set forth in Section 3.11 below.

Section 3.10

3.10.1 Dues Changes. Any proposal made to the Board of Directors seeking a change in dues must be sent in writing to the Board of Directors at least ten (10) days prior the the meeting at which the motion for a dues change will be made.

3.10.2 Assessments. The Board, by an affirmative vote of 75 percent of the Directors present at any meeting at which there is a quorum, may approve an assessment of the Members. Assessments shall not exceed 100 percent of annual dues in any one Dues Year and may be
in the form of (a) a percentage surcharge to the annual dues; (b) a stated amount; or (c) a combination of both a percentage and stated amount. Notice of said assessment explaining the nature, purpose amount, and proposed manner of assessment shall be given to ISRI Board members at least twenty (20) days prior to the meeting at which the assessment will be voted upon. Any Member whose assessment is not paid in full on or before the date specified in the assessment shall be in default. Any Member terminated in accordance with Section 3.11 for failure to pay an assessment shall not receive a refund of any previously paid annual dues or other fees.

**Section 3.11 Default.** In the event a Member fails to pay in full any dues, assessments or expenses set forth in Section 3.09, Section 9.02, Section 9.03, or 9.03.1 in a timely manner, the rights and privileges of membership shall be terminated as of the due date as set forth in Section 3.09, 9.02, 9.03, or 9.03.1, and the Member shall be dropped from the membership roll of the Association. If a Member is terminated, its representatives shall not have the right to attend or vote at any Association, Division, or Chapter meeting or participate in any Association activities. Members terminated for non-payment of dues must reapply for membership pursuant to Section 3.02 if membership dues are not paid in full within the Dues Year in which the default occurs. Any applicant for membership, who was previously a member, must pay any past National and Chapter debts prior to being accepted for membership once again.

**Section 3.12 Resignation.** Any Member may resign from the Association in good order by giving thirty (30) days written notice to the President, provided that all of the Member’s obligations to the Association have been fulfilled and the Member has paid in full any National or chapter dues or assessments or other fees due and owing prior to the effective date of the resignation.

**Article IV. OFFICERS**

**Section 4.01 Officers.** The Officers of the Association shall be a Chair, Chair-Elect, Vice-Chair, Secretary/Treasurer, and a President. Except for the President of the Association, only those persons actively employed by a Member of the Association shall be eligible to serve as an officer. Any officer who ceases to be employed by a Member shall immediately notify the President. If that Officer is not employed by a Member of the Association at the time of the next meeting of the Board that Officer’s position shall be filled in accordance with Section 5.05.

**Section 4.02 Chair.** The Chair shall be the Chief Executive Officer of the Association. The Chair shall serve as presiding officer at all meetings of the Members and the Board, shall appoint all Committee members and Chairs, and shall be an ex officio member of all Committees.

**Section 4.03 Chair-Elect.** The Chair-Elect shall, in the absence or disability of the Chair, perform the duties of the Chair.
Section 4.04  **Vice Chair.** The Vice Chair shall, in the absence or disability of the Chair and Chair-Elect, perform the duties of the Chair.

Section 4.05  **Secretary/Treasurer.** The Secretary/Treasurer shall keep a record of all meetings of the Members and the Board, and of all Committees thereof, and perform such other services and duties as assigned to said office. The Secretary/Treasurer shall be bonded at the cost of the Association in such sum as the Board shall determine. The Secretary/Treasurer shall make annually at the Annual Meeting of the Association, in writing, a full report of the finances of the Association, and shall make a similar accounting at any time to the Board at the request of the Chair or the Board. The Secretary/Treasurer shall be responsible for having the books presented for inspection to the Auditor at the close of the fiscal year.

Section 4.06  **President.** The President shall serve as the Chief Staff Executive and Chief Operating Officer of the Association and shall exercise such authority as may be delegated by the Board.

Section 4.07  **Employees.** The President may, with the approval of the Chair, engage any employees that are necessary for carrying on the work of the Association. No Director or Officer (other than the President) shall receive compensation for services rendered in such capacity other than reimbursement for expenses.

**Article V. ELECTION OF OFFICERS**

Section 5.01  **Nominations.** For elections to be held in even-numbered years the Leadership Committee shall, at the Officer Nominating Meeting, submit its nominations for one candidate for the office of Chair, at least one candidate for the office of Chair-Elect, at least one candidate for the office of Vice Chair, at least one candidate for the office of Secretary/Treasurer, at least one candidate for the position of Associate Member Director and at least four (4) candidates for Director-at-Large. In odd numbered years, the Leadership Committee shall present its slate of at least three (3) nominees for Director-at-Large at the Officer Nominating Meeting and the election shall be conducted at one of the Board meetings held in conjunction with the Annual Meeting. No member of the Leadership Committee shall be eligible to be nominated by the Leadership Committee for any Officer or Board position.³

Section 5.02  **Nominees to be Listed.** Following the close of the Officer Nominating Meeting, the names of those nominated by the Leadership Committee, and of any additional nominees for officers selected pursuant to Section 5.03, shall be sent to all voting Directors.

Section 5.03  **Additional Nominees.** Additional nominations for any officer or Director-at-Large position may be made by any voting Director at either the Officer Nominating Meeting or Officer Election Meeting or, in the case of an odd year Director-at-Large election, at the Board meeting held in conjunction with the annual meeting at which the election for Director-at-Large is conducted.

³ Approved as of July 20, 2017 Board of Directors meeting.
Section 5.04  Elections. Elections shall be conducted by written ballot or suitable electronic alternative distributed to Directors and Past Presidents/Chairs\(^4\) eligible to vote only. An independent public accountant or other third party authorized by the Chair shall act as teller to tally the votes, and shall certify in writing to the Chair the winning candidate for each office, unless a tie or the need for a run-off occurs, in which event said tie or run-off shall be certified. Officers, other than the President, shall be elected by a majority of the votes cast by the Directors and eligible Past Presidents/Chairs present at the Officer Election Meeting. If no candidate receives a majority of the votes cast, the candidate with the highest number of votes and the candidate(s) with the second highest number of votes (including tied candidates) will participate in a run-off election until one candidate receives a majority of the votes cast. Elections shall be conducted in the following order: Chair, Chair-Elect, Vice-Chair, Secretary/Treasurer, Directors-at-Large, and Associate Member Director. Upon being elected as an officer, the winning candidate shall immediately assume office and be entitled to vote as a member of the Board.

Section 5.05  Vacancies, Removal. All Officers serve at the pleasure of the Board. In the event of the death, permanent disability, resignation, or removal of the Chair, the Chair-Elect shall automatically accede to the office of Chair and shall hold said office for the remainder of the unexpired term. Any other vacancy by reason of death, permanent disability, resignation, or removal shall be filled by the Board in the following manner: The Leadership Committee shall nominate one or more candidates to fill any vacancy created in the offices of Chair-Elect, Vice Chair, and Secretary/Treasurer. The candidate receiving the majority of votes cast shall be elected by the Board pursuant to Section 5.04 and shall serve for the unexpired term of the office filled. The filling of an unexpired term shall not constitute the serving of a full term with respect to the prohibition restricting an Officer from serving more than one (1) consecutive full term as provided by Section 5.06.

Section 5.06  Term. Officers other than the President shall serve for a term of two (2) years or until their successors are elected and qualified. The Chair and Chair-Elect shall not be eligible to succeed themselves in their respective offices until at least two (2) years have expired since the termination of their last term. The Vice Chair and Secretary/Treasurer may serve two (2) consecutive terms after which they shall not be eligible to succeed themselves in their respective offices until at least two (2) years have expired since the termination of their last term.

Section 5.07  President. The Board shall elect the President who shall serve at the pleasure of the Board and until his/her successor is duly elected and qualified by the Board.

Article VI.  BOARD OF DIRECTORS

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\(^4\) Prior to 2000, these members were referred to as Presidents. At that time, the title was conferred on the chief staff officer, and this position became known as the Chair.
Section 6.01 Composition of the Board. The Board shall be the governing body of the Association. The Board shall consist of: (a) the officers of the Association, excluding the President (b) the Chapter Presidents or Chapter Elected Representatives as provided in Section 9.05 and Section 9.06; (c) up to three Division Directors from each Division, as provided in Section 6.05; d) seven (7) Directors-at-Large; (e) one (1) Associate Member; (f) the immediate Past Association Chair.

6.01.1 Qualification as a Director. Only those persons actively employed by a Member of the Association shall be eligible to serve on the Board. Any Director who ceases to be employed by a Member shall immediately notify the President. If that Director is not employed by a Member of the Association by the time of the next meeting of the Board, that Director’s position shall be filled in accordance with Sections 6.06.1 in the case of a Director-at-Large, 6.06.2 in the case of a Divisional Director, Section 5.05 in the case of an Officer, or the Chapter’s Bylaws in the case of a Chapter President or Elected Representative.

Section 6.02 Right to Vote of Directors. All members of the Board of Directors shall be entitled to vote at all meetings of the Board. Except for the immediate Past Association Chair, who is a director, each Past Association Chair shall be entitled to vote at a meeting of the Board only if he or she has attended at least three of the immediately preceding five meetings of the Board of Directors, including any special board meetings. Furthermore, no Director shall be permitted to vote at any meeting of the Board held in conjunction with the Annual Meeting unless such Director’s company shall have paid its annual membership dues in full at least fourteen (14) days prior to such meeting.

Section 6.03 Absence of Directors. There shall be no proxy voting by Directors.

Section 6.04 Term of Directors-at-Large. Directors-at-Large shall serve for a two (2) year term commencing with the first Board meeting following the close of the Annual Meeting. Directors-at-Large may serve two (2) consecutive terms after which they shall not be eligible to succeed themselves in their respective offices until at least two (2) years have expired since the termination of their last term.

Section 6.05 Divisional Directors. There shall be up to three (3) Divisional Directors from each Division of which one (1) shall be the Chair of such Division. Each Division shall, in accordance with sections Section 10.05 through and including Section 10.12 herein, elect two Division Directors. Of the three Directors from each Division, one shall be representative of a Processor, one shall be representative of a Broker, and one shall be representative of a Consumer.

Section 6.06 Vacancies. In the event of a vacancy in the number of Directors, such vacancy shall be filled as follows:

6.06.1 Directors-at-Large. A vacant Director-at-Large position shall be filled by the Board at its next meeting after the date of such vacancy. Nominations for such vacancies shall be made from voting Directors and eligible Past Presidents/Chairs. The candidate receiving a plurality following written ballot shall be elected to fill the unexpired term.
6.06.2 **Division Directors.** A vacant Division Directors position shall be filled by the Division pursuant to Section 10.14 and in accordance with Section 6.05.

**Section 6.07** **Removal of Directors.** A member of the Board of Directors who fails to attend at least two out of any three consecutive Board meetings, or fails to attend at least seventy-five percent of assigned Board committee meetings may be removed for cause. Such director shall be notified at least ten (10) days in advance of any Board meeting at which the removal action will be taken. Removal shall become effective upon a two-thirds vote of the Directors and eligible Past Presidents/Chairs in attendance. Any vacancy created by such a removal action shall be filled in accordance with Section 5.05 or Section 6.06 of these bylaws or, in the case of a Chapter President or Elected Representative, in accordance with the affected Chapter’s bylaws.

**Article VII. COMMITTEES**

**Section 7.01** **Standing Committees.** The following shall constitute the National Standing Committees of the Association:

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7.01.1 **Method of Appointment.** The Chair shall appoint the members of Standing Committees, except as otherwise provided herein, in such number and form as the Chair may consider advisable, except as otherwise may be determined by the Board. The Chair shall appoint one (1) committee Chair and as many committee vice-Chairs as he or she deems necessary for each Standing Committee.

7.01.2 **Audit Committee.** The Audit Committee shall assist the Board of Directors in fulfilling its oversight responsibilities with respect to finances, accounting, internal controls, and organizational compliance and ethics. The Audit Committee shall operate in accordance with policies approved by the Board.

The Audit Committee shall be comprised of six members, one of whom shall be the immediate Past Chair of ISRI. Each of the committee members, other than the immediate Past Chair, shall have a strong
knowledge of corporate accounting or finance and at least one member shall have specific corporate accounting or financial career experience. The Audit Committee member having specific corporate accounting or financial career experience may be a non-member of the Association.

Committee members shall be elected by the Board of Directors at the Fall Membership Meeting of the Board. The Leadership Committee shall present a slate of recommended committee members. Each member, other than the immediate Past Chair, shall serve a three-year term or until his or her successor shall be duly elected and qualified. Each member shall be eligible to serve for a maximum of two terms. A member elected to fill a vacancy on the committee shall be eligible to serve for the remainder of that term plus two full terms. As a transition only, in 2003 there shall be one member elected to a one year term, two members elected to a two-year term, and two members elected to a three year term. The members elected to a one year or two-year term shall be eligible to serve for the initial term plus two full three year terms.

The Committee’s chairperson shall be designated by the Board of Directors. If the Board of Directors does not designate a chairperson, the Committee members shall elect a chairperson by vote of a majority of the full Committee.

7.01.3 Leadership Committee. Within thirty (30) days after the Officer Election Meeting, the Chair shall appoint nine (9) representatives of Active Members, one of whom shall be designated as the Committee Chair, to the Leadership Committee, five (5) of whom shall be designated to serve a four (4) year term and four (4) appointments shall serve a two (2) year term. Beginning in 2020, the Chair shall appoint such members of the Active Members to fill the staggered vacancies of the Leadership Committee at the Spring Board of Directors Meeting to serve four (4) year terms, unless otherwise vacated prior to the expiration of a term. No more than one member of the Committee shall be associated with any one Member. The Committee shall be selected from (1) Past Association Presidents/ Past Chairs, whether or not they are currently eligible to vote at Board meetings pursuant to Section 6.02 of these Bylaws, and (2) other voting Directors, who shall not also be Officers.

Section 7.02 Divisional Committees. Each Division Executive Committee shall determine what Divisional Committees shall be formed to meet the needs of each such Division.

7.02.1 Method of Appointment. Each Division Chair shall appoint the members of the Divisional committees in such number and form as the Division Chair may consider advisable. The chair of each committee shall be appointed by the Division Chair and confirmed by the respective Division Executive Committees.

Section 7.03 Board Committees. The Board may, in the manner provided by the DGCL, establish one or more Board Committees. Such Board Committees shall consist exclusively of such number of Directors or members as may be specified, and to the extent provided by the Board, shall have and exercise the authority of the Board in the management of ISRI, except as otherwise provided by law or reserved by these Bylaws to the Board. The following shall constitute the Board Committees of the Association:

- Executive
7.03.1 **Executive Committee.** The Executive Committee shall be a Board Committee and shall, subject to the direction and oversight of the Board, have the right to exercise all of the powers and authority of the Board in the intervals between meetings of the Board, except those powers and authority specifically reserved by the Board or not permitted to be delegated by the Board to a committee under the DGCL. The members of the Executive Committee are the Chair, Chair-Elect, Vice Chair, Secretary/Treasurer, Immediate Past Chair, President, and two Directors nominated by the Chair and appointed by the Board. In lieu of the two Directors nominated by the Chair, the Chair may instead elect to nominate and the Board appoint up to two non-Director members to advise and assist the Executive Committee. Non-Director Executive Committee members do not exercise a Board vote. The Executive Committee shall report all actions of the Executive Committee at the next regularly scheduled meeting of the Board. Meetings of the Executive Committee may be held at any time upon two (2) days’ notice.

**Section 7.04 Councils.** The Board may form such Councils as it deems appropriate to deal with issues of mutual interest to the various Divisions and Chapters. Members desiring to form a Council shall submit a request to the Chair for approval. Councils shall have no representatives on the Board, but may submit their views to the National Officers for presentation to the Board.

**Section 7.05 Sub-Committees.** Each committee Chair may, with the approval of the Association Chair or Division Chair, as the case may be, appoint such sub-committees and sub-committee Chairs as shall be necessary to carry out the objectives of said Committee.

**Section 7.06 Ad Hoc Working Groups.** The Chair may appoint such ad hoc Working Groups for specific tasks and terms as may in the Chair’s discretion be necessary to carry on the purposes of the Association, in such numbers as the Chair may determine, unless the number of members and terms of reference for such ad hoc task forces have been set by resolution of the Board or the Members at any meeting thereof.

**Section 7.07 Committee Representation.** Except as otherwise provided herein, representatives of Members may serve on such number of standing Committees as the Chair shall determine unless said Committee or Sub-committee is closed or the representative is not qualified to serve thereon pursuant to Section 8.05. The maximum number of voting seats that any Active Member may have on any committee shall be limited to the greater of one (1) representative or ten percent (10%) (rounded down to the nearest whole number) of the total number of seats on the committee. Only Committee members may vote at Committee meetings.

**Section 7.08 Powers of Committees.** All Standing Committees and ad hoc Working Groups shall submit their reports and recommendations to the Board. No Committee shall take any action to commit the Association, except as such power may be delegated to it by the Board, and as shall be provided in the Association’s Policy Manual.

**Section 7.09 Quorum.** Thirty percent (30%) of the Committee members of any Committee shall constitute a quorum.
Section 7.10  **Term.** There shall be no limit on the number of terms that a representative of a Member may serve on any committee. However, a representative of a Member may only serve for two (2) consecutive two (2) year terms as Chair of any committee after which time a period of two (2) years must elapse before he or she is eligible to serve as Chair of that committee once again.

**Article VIII. MEETINGS AND QUORUM**

Section 8.01  **Annual Meeting.** The Annual Meeting of the Board of Directors and the Members shall be held on such date and at such place and in such manner as shall be fixed by the Board. At least sixty (60) days’ notice of the Annual Meeting shall be provided to all Members of the Association.

Section 8.02  **Regular Meetings.** The Board shall fix no fewer than two (2) meetings of the Board of Directors each calendar year, in addition to the Annual Meeting, on such date and in such manner as decided by the Chair, with no less than sixty (60) days’ notice.

Section 8.03  **Special Meetings.** Special meetings of the Members may be called at any time by (1) the Chair; (2) the President; (3) no fewer than one-third (1/3) of the members of the Board, or (4) upon the written request of not less than twenty-five (25) Active Members. Notice of a special meeting of the Members shall be served to all Active Members not less than twenty (20) days prior to the date of any such meeting, except as provided in Section 13.02. Every notice of a special meeting of the Members shall set forth the purpose or purposes thereof. Only the matters set forth in said notice shall be considered or acted upon at said meeting. Special Meetings of the Board of Directors may be called at any time by (1) the Chair; (2) the President; (3) no fewer than ten (10) of the Directors. At least three (3) days’ notice shall be provided to all Directors and Past Presidents/Past Chairs.

8.03.1  **Action Without a Meeting.** Directors may take action without a meeting if all members of the Board consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board.

8.03.2  Ten percent (10%) of the Active Members shall constitute a quorum for the transaction of business at any meeting of the Members. Fifty percent (50%) of the total number of voting Directors then serving on the Board shall constitute a quorum for the transaction of business at any meeting of the Board. Each Director is entitled to one (1) vote except as may be adjusted for weighted voting when applicable. Weighted voting shall occur when one or more Directors or Past Presidents/Past Chairs from the same Active Member are participating and present. Weighted voting shall be counted on the basis that each Director or eligible Past President/Past Chair that is from the same Active Member shall collectively be entitled to one vote, with the weight of each such person’s vote proportionally adjusted; each Director or eligible Past President/Past Chair that is subject to the adjustment of their voting power to provide for weighted voting shall have voting power according to the following formula: weighted vote equals one divided by the total number of Directors or eligible Past Presidents/Past Chairs who are from the same Active
Member who are present at the meeting. Under no circumstances will more than one Director be allowed to simultaneously represent any one Active Member by exercising more than one vote. A majority of the Board shall constitute a quorum for the transaction of business at a meeting. The act of a majority of the Directors present (as adjusted for weighted voting) at a duly called meeting of the Directors at which a quorum is present shall be the act of the Board, except as otherwise provided by law, by the Certificate, or by these Bylaws. All references to the voting thresholds for actions and votes by the Board in these Bylaws shall be deemed to consider adjustments for weighted voting as necessary to effect the spirit and intent of the one member one vote principle. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of enough directors to leave less than a quorum, if any action taken is approved by at least a majority of the required quorum for such meeting.

8.03.3 The Board may, in its sole discretion, determine that meetings of the Board shall not be held at any place, but may instead be held solely by means of remote communication. Additionally, the Board may, in its sole discretion, permit mixed attendance of both in-person and virtual attendance by Directors at a meeting property facilitated by technology to permit the free flow of communication between virtual and in-person attendees.

Section 8.04 Attendance. Active Members or their representatives may attend and participate in all meetings of the Board, Committees, Divisions, Councils, Groups, and Chapters. Notwithstanding the foregoing, the following meetings shall be open to committee members only: (1) Leadership Committee; (2) the Division Nominating Committee meetings held pursuant to Section 10.06; (3) meetings of the Executive Committee; and Audit Committee meetings closed by direction of the Audit chair. Meetings of the Board of Directors may, when called by the Chair, go into executive session and be closed to members and observers who are not Directors or invited to attend by the Chair.

8.04.1 All meetings of the Association, whether Chapters, Divisions, Groups, Committees, Board, or Members, shall be restricted to Active Members or their representatives; except that other persons may be invited to attend in the discretion of the Chair in the case of meetings of the Members and the Board; in the discretion of their respective Executive Committees in the case of Chapters, Divisions, and Groups; and in the discretion of the Committee Chair in the case of Committees and sub-committees. Notwithstanding the foregoing, committee meetings shall be open to Associate Members and Affiliate Individual Members unless closed by the Committee Chair upon consultation with the ISRI General Counsel or President, and notification to the ISRI Chair, if possible.

Section 8.05 Roberts Rules of Order. Unless otherwise specified in these Bylaws, all meetings of the Board shall be governed by Roberts Rules of Order. The Chair, without debate, shall decide any question as to priority of business in a meeting.
Article IX.  CHAPITERS

Section 9.01  Organization. The Board may organize or dissolve Chapters in any city or territory where Active Members subscribe to the Association and desire to form a Chapter and may redefine the territory of any Chapter, provided that no Chapter may be so redefined or dissolved without the affirmative vote of two-thirds of the Board. The Chapter may adopt its own bylaws, which may provide for a President, Vice Presidents not to exceed three, a Secretary, a Treasurer, a Chair of an Executive Committee, and an Executive Committee. Chapter bylaws shall not conflict with the Certificate of Incorporation of the Association or these Bylaws.

Section 9.02  Chapter Dues. Each Chapter may establish annually, by a majority vote of its Board, the dues to be charged to its members. Chapter dues shall be collected by the National Headquarters and remitted to the Chapters periodically as collected.  

Section 9.03  Chapter Assessments. Chapters may make mandatory annual assessments of their members upon the approval of a majority of the Active Members of the Chapter at a chapter meeting with quorum present. A request for such a mandatory assessment may come from the Chapter Executive Committee or from the floor at a Chapter meeting. Active Members of the Chapter must be given 30 days advance notice that a mandatory assessment will be voted upon at the next chapter meeting with a quorum present. Such assessment, when added to Chapter dues, shall be fixed at an amount not to exceed 200%, on an annual basis, of each Member’s Chapter dues for the Dues Year to which the assessment is being added. Chapter assessments shall be billed by the National Office following Chapter approval set forth herein. Chapter assessments shall be collected by the National Headquarters and remitted to the Chapters periodically as collected. Any Chapter assessments billed other than with annual dues must be paid within four (4) months of the billing date to avoid being in default as set forth in Section 3.10.  

9.03.1  Legislative and Litigation Expenses. In addition to the dues and assessments set forth in Section 9.02 and Section 9.03, each Chapter may receive from Members payments for ordinary and necessary expenses paid in direct connection with litigation and appearances before, submission of statements to, or sending communications to, the Committees, or Individual Members, of any legislative body of a state, a possession of the United States, or a political subdivision of any of the foregoing with respect to legislation or proposed legislation or regulation or proposed regulation of direct interest to the Member, or in direct connection with communication of information between the Member and the Association with respect to legislation or proposed legislation or regulation or proposed regulation of direct interest to the Member and the Association.

Section 9.04  Powers. The Officers of the Chapter shall have the power to do everything possible to bring about a spirit of cooperation among Chapter members, shall encourage the use of the facilities and
services established by the Association, shall encourage arbitration of disputes among Chapter members, and shall cooperate with the Officers and Directors of the Association in carrying on the programs of the Association. No Chapter shall do anything inconsistent with, or in conflict with, the Certificate of Incorporation, codes, rules, regulations, policies, and Bylaws of the Association.

**Section 9.05 Chapter Representatives.** Each Chapter shall be represented on the Board by its President, or, in the discretion of the Chapter, by a duly Elected Representative. Only representatives from Active Members may serve on the National Board, either as Chapter President or, in the case where the Chapter President is (1) an Associate Member or (2) is an Active Member but for other reasons is not available to serve on the National Board, as an Elected Representative. The Chapter President or Elected Representative, as the case may be, of each Chapter shall serve for such term as such Chapter may designate, such term not to exceed two years nor be less than one year, and until his/her successor has been elected and qualified; provided that, no Chapter President or Elected Representative shall serve on the Board for more than two consecutive years as Chapter President or Elected Representative. The term of the Elected Representative shall correspond to the term of the Chapter President whom s/he is elected to serve on behalf of on the ISRI Board. A Chapter President or Elected Representative who has served two consecutive years as such shall not be eligible for re-election as a Chapter President or Elected Representative until at least two years have expired since the termination of his/her last term. The filling of an unexpired term shall not constitute the serving of a full two-year term with respect to the prohibition restricting a Chapter President or Elected Representative from serving more than two years as set forth above. All Chapter Presidents or Elected Representatives shall be elected by the Chapter prior to the annual convention and shall assume their respective offices immediately following the close of the annual convention. All Chapter officers shall serve at the pleasure of the Chapter Members.

**9.05.1 Exceptions.**

9.05.1.1 No Chapter President or Elected Representative shall serve on the Board for more than two consecutive years as Chapter President or Elected Representative, except where a current Chapter President is elected for one additional term by a two-thirds majority vote of chapter membership for a maximum of four (4) years.

9.05.1.2 In the case where 9.05.1.1 cannot be met, all term limits expressed in these Bylaws, except for those limits applicable to Officers of the Association, can be waived for up to one additional two (2) year term with the unanimous consent of the Executive Committee of the Association.

**Section 9.06 Additional Chapter Representatives to Board of Directors.**

In the event an existing chapter seeks recognition as a complete “Regional Chapter” and represents an entire group of geographic territories as outlined herein (hereinafter “Region(s)”; or two or more
chapters merge or consolidate into a larger chapter (hereinafter “Merged Chapter”) representing at least sixty percent (60%) of the chapters representing one of the Regions outlined herein:


2. North Dakota, South Dakota, Nebraska, Minnesota, Iowa, Missouri, Wisconsin, Illinois, and Manitoba in Canada

3. New Mexico, Texas, Kansas, Oklahoma, Arkansas, Louisiana, Mississippi and all of Mexico except Baja

4. Indiana, Michigan, Kentucky, Ohio, West Virginia, and Southwest Ontario in Canada

5. Virginia, North Carolina, Tennessee, Alabama, Georgia, Florida, South Carolina


and the newly reorganized, formed, or recognized Merged Chapter or Regional Chapter meets the following conditions:

a. Its territory covers, or proposes to cover, full states, with no split states;
b. Bylaws enable one willing and able member from each state and each commodity division to be represented on the Chapter board;
c. Bylaws enable the formation of a Membership committee, with representation from each state to the extent members are willing and able to serve;
d. Bylaws enable the formation of a Legislative or Government Relations committee, with representation from each state and each commodity division to the extent members are willing and able to serve

Then the newly reorganized, formed, or recognized Regional Chapter or Merged Chapter shall be entitled to two seats on the Board of Directors of the Association. The first seat shall be filled by the Regional Chapter President or Elected Representative, in accordance with Section 9.05. The second seat shall be filled by an “Additional Voting Representative” elected by the Regional Chapter. The initial term of such Additional Voting Representative shall coincide with the term of the Regional Chapter President presiding at the time of the motion to add the second seat to the Board of Directors. Following this initial term, such Additional Voting Representative shall be entitled to serve no more than two (2) two year terms.

**Article X. Divisions**

**Section 10.01 Divisions.** There shall be six Divisions comprised of Members as follows:
Bylaws of the Institute of Scrap Recycling Industries, Inc.
As amended by the Board of Directors on January 10, 2022

<table>
<thead>
<tr>
<th>Division</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ferrous Division</td>
<td>consisting of Groups of ferrous metal Scrap Processors, Brokers and Consumers;</td>
</tr>
<tr>
<td>Nonferrous Division</td>
<td>consisting of Groups of nonferrous metal Scrap Processors, Brokers, Merchants and Consumers;</td>
</tr>
<tr>
<td>Paper Division</td>
<td>consisting of Groups of paper Scrap Dealers, Brokers and Mills;</td>
</tr>
<tr>
<td>Tire &amp; Rubber Division</td>
<td>consisting of Groups of tire and rubber scrap Processors, Brokers and Consumers;</td>
</tr>
<tr>
<td>Electronics Division</td>
<td>consisting of Groups of electronics scrap Processors, Brokers and Consumers,</td>
</tr>
<tr>
<td>Plastics Division</td>
<td>consisting of Groups of plastic scrap Processors, Brokers and Consumers</td>
</tr>
</tbody>
</table>

When the Board of Directors deems it to be in the best interests of the Association to do so, a new commodity division may be created by an affirmative vote of two-thirds (2/3) of the Board present and voting after appropriate notice of amendment of the bylaws has been given.

**Section 10.02 Qualifications.** Each Active Member shall belong to at least one Division and Group that represents the material(s) that comprise a significant portion of its revenues. Each Active Member shall, on or before January 1 of each Dues Year, or such other date as shall be specified by the Board, designate in writing the Division(s) and corresponding Group(s) in which the Member desires to participate. An Active Member that does not designate a different Division(s) or Group(s) on or before January 1 of each Dues Year, or such other date as shall be specified by the Board shall remain in the Division(s) or Group(s) that it designated previously. Applicants for membership shall designate on their application the Division(s) and Group(s) in which the Member desires to participate.

**Section 10.03 Attendance.** Representatives of Active Members shall be permitted to attend meetings of any Division, to be heard thereat, and to participate in the Division’s activities; provided, however, that a representative of a non-Member of a Division shall not be entitled to vote at such meeting or be an officer or member of that Division’s Executive Committee. Notwithstanding the foregoing, and subject to the voting restrictions set forth in Section 3.07, Representatives of Active Members may vote at meetings of, or be an officer or member of the Executive Committee of, each Division in which such Member has chosen to participate.

**Section 10.04 Executive Committee.** Each Division shall have an Executive Committee of seven (7) members consisting of a Chair, First Vice Chair, Second Vice Chair, and a Secretary plus three others.

10.04.1 **Quorum.** Five members of the Executive Committee shall constitute a quorum.
Section 10.05  Leadership Committee. At the meeting of each Division held prior to the Division meeting held in conjunction with the Officer Nominating Meeting, the Chair of each Division shall appoint a Nominating Committee of five (5) representatives of Active Members in each respective Division, one of whom shall be designated as Chair of such Nominating Committee. No more than one representative of any Member, or of any Chapter, shall be appointed to a Division’s Nominating Committee.

Section 10.06  Nominees. At the Officer Nominating Meeting, the Nominating Committees for each Division shall submit the nominees for their respective Executive Committees including a Chair, First Vice Chair, Second Vice Chair, Secretary and three others, and two (2) nominees for Divisional Directors. In selecting the nominees for Divisional Directors, the nominating committee shall take into account the requirement that in naming the nominees for Division Chair and Division Directors one shall be representative of a Processor, one shall be representative of a Broker, and one shall be representative of a Consumer. Said nominations shall be listed in the Association’s bulletin following the Officer Nominating Meeting. The nominees shall file with the President, not later than the deadline set in Section 10.07, a biographical sketch and glossy photograph.

Section 10.07  Additional Nominations. Any person representing a Member of the Division and otherwise eligible in accordance with these Bylaws may be nominated for election as a Division officer, Division Executive Committee member or Division Director, by petition signed by at least ten (10) Members of the Division. Said petition together with a biographical sketch and glossy photograph of the nominee shall be filed with the President not later than twenty (20) days following the Officer Nominating Meeting. Said additional nominees shall be listed in the next Association bulletin.

Section 10.08  Ballots. Unless a nominee is uncontested, the National Office shall provide ballots for each Division listing (in alphabetical rotating order) each nominee of a contested election thereof, together with the biographical sketch and photograph of such nominee submitted to the President by each nominee in accordance with Section 10.06 or Section 10.07. No later than the forty-fifth (45th) day following the officer Nominating Meeting, the Association shall send the ballots for each Division to all Active Members thereof. Nominees who are uncontested shall be elected without the necessity of a vote.

Section 10.09  Voting. Active Members may only vote for nominees from the Division(s) to which they belong and shall mail completed ballots, in envelopes provided by the National Office and which display the Member’s name, postmarked no later than the sixtieth (60th) day following the Officer Nominating Meeting, to the certified public accounting firm selected by the Board to act as Teller.

Section 10.10  Tally of Ballots. Officers, members of the Executive Committees, and Divisional Directors shall be elected by plurality vote of the votes cast, provided that the nominees from each of the Processor, Broker/Merchant, and Consumer Groups having the highest number of votes shall be elected as a Divisional Director. The Teller shall tally the ballots and certify in writing the results to the Chair and the President on or before the tenth (10th) day following the deadline.
Section 10.11  Tie Vote. In the event of a tie vote, a run-off election shall be held among the tied candidates. National Headquarters shall provide ballots listing the names of the tied candidates in alphabetical order and shall provide the ballots to all Active Members of the Division in which the tie occurs within five (5) days from the date said tie is certified by the Teller. Active Members shall return completed ballots no later than the tenth (10th) day following the date said ballots were disseminated by National Office to the certified public accounting firm acting as Teller. The vote shall be tallied in accordance with Section 10.10 and the results announced in accordance with Section 10.12. In the event of a second tie vote, the Division Executive Committee shall break such tie at its next meeting.

Section 10.12  Election Results. The winning candidates shall be listed in the Association's electronic newsletter immediately following the Teller's certification.

Section 10.13  Term. Each Officer and Director and member of the Executive Committee shall serve for a term of two years or until his/her successor shall be elected and qualified. Such term shall commence immediately following the close of the annual convention at which the National Officers are elected. Members of the Executive Committee and Divisional Directors may serve for up to (2) two successive terms after which they shall not be eligible for reelection to those positions until at least two (2) years have elapsed since the expiration of their last term. An individual may serve as an Executive Committee member and a Divisional Director concurrently. No officer shall serve for more than one term in any one office without at least two years elapsing following the expiration of his/her last term before being eligible to serve again in that same office. All officers shall serve at the pleasure of the Members of the Division.

10.13.1 Exceptions. Any term limits expressed in these Bylaws, except for those term limits applicable to the Officers of the Association, can be waived for up to one additional two (2) year term with the unanimous consent of the Executive Committee.

10.13.2 The Board agrees that the term limit exceptions, provided in 9.05.1 and 10.13.1, will sunset two years from the date the exceptions were adopted by the Board (February 21, 2020).

Section 10.14  Vacancy. If a vacancy shall occur for any reason in any office, member of the Executive Committee or Divisional Director, such vacancy shall be filled by a majority vote of the Executive Committee at its next meeting, provided however, that a vacancy on the Board shall be filled by a person from the same Group as that which the Director to be replaced belonged to. The person elected to fill such vacancy shall hold such office or position for the balance of the unexpired term of the person who is being replaced. The filling of an unexpired term shall not constitute the serving of a full term with respect to the length of service prohibition restricting officers, Executive Committee members and Divisional Directors as set forth in Section 10.13.

Section 10.15  Board Privileges. The Division Chair shall be a member of the Board with all voting rights and privileges subject to the restrictions set forth in Section 3.07.

Section 10.16  Reference to Committees. All matters of interest to members of the respective Divisions shall be referred to the appropriate Standing Committees or Divisional Committees of the Association for
review and further action by the Board. No Division, Division officer or member of a Division Executive Committee shall publicly take or announce any position, or purport to act or speak for such Division or for its Members, with respect to any item or pending matter unless specifically authorized by the Board.

Section 10.17 Division Dues or Assessments. Divisions may charge an assessment or dues for specific projects and initiatives of the Division, provided such efforts are consistent with the mission of ISRI.

Section 10.18 Division Powers. The Board of the Division shall have the power to do everything possible to bring about a spirit of cooperation among Division members, shall encourage the use of the facilities and services established by the Association, shall encourage arbitration of disputes among Division members, and shall cooperate with the Officers and Directors of the Association in carrying on the programs of the Association. No Divisions shall do anything inconsistent with, or in conflict with, the Certificate of Incorporation, codes, rules, regulations, policies, and Bylaws of the Association.

Article XI. FISCAL MATTERS

Section 11.01 Fiscal Year. The fiscal year of the Association shall commence on January 1 and end on December 31.

Section 11.02 Depositories. All funds of the Association shall be deposited in such banks and trust companies as shall from time to time be designated by the Board, and shall be drawn upon by checks signed by such officers or employees of the Association as may from time to time be designated by the Board.

Section 11.03 Investments. Unless otherwise specified by the terms of a particular gift, bequest, devise, grant, or other instrument, funds and property of the Association may be invested from time to time in such manner, as the Board may deem advantageous, whether or not the investments are of the character that would be required by law for similar funds if held by trustees.

Section 11.04 Audit. There shall be an annual certified audit of all Association books, records, and financial statements by an independent certified public accountant to be selected by the Board following the recommendation of the Audit Committee. The certified public accountant shall also conduct a financial examination of the Chapters’ books and records in a manner and method to be determined from year to year by the Audit Committee. The certified public accountant shall report to the Officers and the Audit Committee.

Section 11.05 Seal. The corporation shall have no seal.

Article XII. ARBITRATION
Section 12.01 Declaration of Principle. The speedy and expert determination of disputes by methods, which will preserve good will and friendly relations between the Members and between Members and others, is a principal objective of the Association. To assist in accomplishing this objective, the Association offers the services and good offices of the officers and Members to the parties to a dispute, with the aim of encouraging the principle of arbitration for the specific settlement of controversies.

Article XIII. AMENDMENTS

Section 13.01 Procedure. These Bylaws may be amended by the Board, or the Members, at any meeting at which a quorum is present, by a two-thirds vote of the voting Directors or Active Members (as the case may be) present, provided that notice and a copy of the proposed amendment shall be provided to each Active Member or Director, as the case may be, not less than seven (7) days prior to the date of such meeting.

Section 13.02 Special Provisions Regarding Divisions and Divisional Groups. Notwithstanding anything contained in these Bylaws, no amendment to these Bylaws may be adopted that:

- abolishes or changes any Division or Group;
- changes the criteria for admission to any Division or Group;
- decreases the relative percentage of the Board which the Members of a Division or Group are entitled to elect hereunder, or adversely affects the right of any Divisions or Group's Members to fill vacancies on the Board;
- adversely affects the voting rights of Members of a particular Division or Group relative to the voting rights of Members of any other Division or Group;
- adversely affects the voting rights of any particular Division's or Group's representatives on the Board relative to the voting rights of any other Division's or Group's representatives on the Board;

unless such amendment is approved by a two-thirds vote of the voting Directors at a meeting called on ten (10) days’ notice and by the vote of two-thirds of the Active Members of the Division(s) or Group(s) affected by such amendment, present and voting separately as a class at a meeting of the Members of such Division or Group duly called to consider such amendment. Notice of the time and place of any such meeting, together with the proposed amendment of these Bylaws, shall be given to each Active Member of such Division or Group by providing it to such Member at their last known primary contact at least forty-five (45) days prior to such meeting.

Section 13.03 Other Special Provisions. Notwithstanding anything contained in these Bylaws, no amendment to these Bylaws may be adopted that:

- in any way amends Section 3.07, Section 13.02, or Section 13.03;
- eliminates any classes of membership
unless such amendment is approved by a two-thirds vote of the voting Directors at a meeting called on ten (10) days’ notice.