

**DOOR AND HARDWARE INSTITUTE
BYLAWS**

**ARTICLE I
NAME**

The name of this association shall be the Door and Hardware Institute (the "Association").

**ARTICLE II
PURPOSE AND MISSION**

The purpose of the Association is to provide its members with the skills and competencies to compete successfully in the advancement of the safety and security of the built environment. The Association is the advocate and primary information, professional development and certification resource for the architectural openings industry, with a focus on the distribution process.

**ARTICLE III
ORGANIZATION**

The Association shall be a corporation, not for profit, organized under the laws of the District of Columbia for the purposes set forth under the corporate charter, composed of members of the architectural openings industry who have met the qualifications and requirements as set forth herein.

**ARTICLE IV
MEMBERSHIP**

1. Classes of Members

There shall be two classes of members in the Association: individual and corporate. The classes are defined as follows:

- A. Corporate members include manufacturers, distributors and associate members.
- B. Individual members shall include all individuals active in industry including employees and owners of industry- or industry-related companies.

2. Qualifications for Membership

Applicants shall be an organization or an individual directly or indirectly engaged in the architectural openings industry. In order to be members in good standing, corporate members must have an owner or principal who is an individual member in good standing. All applications for membership shall be submitted with the appropriate fee and documentation to the headquarters of the Association and shall be processed in accordance with procedures

established and approved by the Board of Governors (the "Board"). Dues for each class of membership shall be established by the Board.

3. Rights and Privileges of Members

All members shall have such rights and privileges of membership in the Association as may be set forth herein or as may be granted by the Board. Qualified members may become affiliated in a consultant category. Such qualifications will be set by the Board from time to time.

4. Voting

Individual members shall have the right to vote as herein provided. Corporate members shall not have the right to vote. All business of the Association requiring approval of the members shall be voted upon in person, by proxy, or by ballot by the membership entitled to vote, and a majority vote of the membership entitled to vote where a quorum is present shall be necessary for approval of such business. The voting procedure established herein for members shall be applicable at all meetings or referenda, or vote by ballot, at which formal action affecting the Association shall be taken.

5. Annual Meeting

An annual meeting of the membership may be held at such time and place as the Board may prescribe. Notice of any annual meeting shall be delivered in writing to all members in good standing or by publication in the Association's official journal at least three (3) weeks prior to the meeting. Each eligible voting member of the Association, not in default on payment of dues, shall be entitled to attend any annual meeting of the Association and to cast one vote in person or by proxy on any issue presented at such meeting.

6. Special Meetings

Special meetings of the membership shall be called by the President of the Association on the written request of at least five percent (5%) of the individual members who are in good standing, or when the President is so directed by the Board. Notice of such special meeting, stating the purpose or purposes thereof, shall be delivered in writing to all members in good standing not less than 10 or more than 50 days prior to the meeting. Each eligible voting member of the Association, not in default on payment of dues, shall be entitled to attend any special meeting of the Association and to cast one vote in person or by proxy on any issue presented at such meeting.

7. Quorum

Ten percent (10%) of the voting membership in good standing present, in person or by proxy, shall constitute a quorum at any annual or special meeting of the membership of the Association. Any issue presented at such meeting shall be decided by a majority vote.

8. Withdrawal from Membership

Any member ceasing to be engaged in the architectural openings industry shall cease to be eligible for membership in the Association and shall be required to withdraw from the Association. Any member may withdraw from the Association by giving notice in writing to the Chief Executive Officer of the Association at least sixty (60) days prior to the date of withdrawal. Such withdrawal shall not relieve the member of liability for any dues or other

obligations to the Association that are then in arrears. All rights, privileges and interests of a member in or to the Association shall cease upon withdrawal from membership. Dues shall not be refunded to members in the event of withdrawal.

9. Termination or Suspension of Membership

The membership of any member may be terminated or suspended for cause by the Association. Such cause shall include, but not be limited to, repeated or willful violations of the Bylaws of the Association, including failure to pay dues. Upon termination or suspension of any member from the Association, the Association shall promptly give written notice to the member setting forth the date on which his membership shall terminate or be suspended and the reasons therefore, and such member shall be given a reasonable opportunity to request reinstatement and be heard by the Board. In the event of any termination or suspension of membership, the Association shall promptly notify each member of the Association as to the action taken.

11. Action by Ballot

The voting members may take action without a meeting by casting a vote by ballot. A ballot shall (1) be in paper or in electronic format, such as by e-mail or other on-line format; (2) set forth each proposed action; (3) provide an opportunity to vote for, or withhold a vote for, each candidate for election as a Governor; and (4) provide an opportunity to vote for or against each other proposed action. Approval by ballot, other than election of Governors, shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than election of Governors; and (iii) specify the time by which a ballot must be received by the Association in order to be counted.

ARTICLE V BOARD OF GOVERNORS

1. General Powers

The affairs of the Association are to be governed by its Board of Governors (the "Board" and individually, the "Governors"). The Board shall generally control and manage the affairs of the Association with all necessary authority to conduct the business thereof and shall have the powers and duties typically vested in a board of directors.

2. Composition

The Board shall be comprised of fifteen (15) members, as follows: the President, the President-Elect, the President of DHI (Canada) (who shall serve as an ex officio member of the Board), Immediate Former President and eleven (11) members elected at-large by the voting membership (the "At-Large Governors"). The At-Large Governors shall not represent any geographic area and shall serve staggered three-year terms. No corporate member may have more than two (2) representatives on the Board.

3. Term

At-Large Governors shall be elected to serve terms of three (3) years. The Immediate Former President will serve a one-year term and may serve this term immediately following the end of their second three-year term. Governors shall be eligible for re-election, with the following limitation. No Governor shall be eligible for re-election after serving two (2) consecutive three-year terms unless he or she has not been a Governor for one (1) year.

4. Election of Governors

A nominating committee, created in accordance with policies and procedures established and approved by the Board (the "Nominating Committee"), shall nominate persons who meet the qualifications, established from time to time by the Board, for election as a Governor, and shall notify the Chief Executive Officer of the slate of nominees by February 1 in each year. The Chief Executive Officer shall immediately notify the voting members of the Association of the slate of candidates proposed by the Nominating Committee. By March 1 in each year, five percent (5%) of the voting members may file in writing with the Chief Executive Officer the names of additional nominees for the positions of Governor. By April 1 in each year, the Chief Executive Officer shall prepare a ballot to deliver to all members entitled to vote, containing the slate of candidates proposed by the Nominating Committee and the names submitted by the voting members. Each ballot shall list the names of the candidates in alphabetical order and shall contain biographies and photographs of all nominees. Voting members shall return their ballots to the Chief Executive Officer, who shall have the votes tallied in accordance with the procedure established and approved by the Board. Only ballots received as of June 1 shall be counted. In the event of a tie vote, an immediate runoff election shall be conducted. All newly elected Governors terms begin on July 1.

5. Meetings

Meetings of the Board may be held at any time upon the call of the President or upon written request to the President by five (5) members of the Board, provided, however, that in each case, at least ten (10) days' advance written notice is given to each Board member. Notices of meetings may be waived by Board members. The President shall preside at all meetings of the Board, or in the President's absence, the President-Elect shall preside. There shall be at least one meeting of the Board each year.

6. Vacancies

Vacancies that may occur on the Board by reason of death, resignation, or otherwise may be filled by the President, with the approval of the Board, for the duration of the unexpired term. Any Governor failing to attend such meetings as set forth in the Code of Conduct may be replaced as provided herein.

7. Quorum

A majority of the members of the Board shall constitute a quorum at any meeting.

8. Manner of Acting

Unless otherwise provided herein, the act of a majority of the Governors present at a meeting at which a quorum is present shall be the act of the Board of Governors, unless the act of a

greater number is required by law or by law or these Bylaws. Governors may attend a meeting by telephonic, electronic or videoconferencing facilities, or other means of communication by which all persons participating in the meeting can simultaneously hear each other.

9. Action Without Meeting

Any action required by law to be taken at a meeting of Governors, or any action that may be taken at a meeting of Governors, may be taken without a meeting if each Governor signs a consent in the form of a record describing the action to be taken and delivers it to the Association. Unanimous consent has the effect of action taken at a meeting of the Board and may be described as such in any document. Consents may be transmitted electronically.

ARTICLE VI OFFICERS

1. Elections

Each year, the Board shall elect the President-Elect, Vice President, Secretary, and Treasurer from the At-Large Governors. The qualifications to hold offices in the Association shall be established from time to time by the Board.

2. Term

With the exception of the President, an officer's term shall be for one year and will commence on July 1. The President may serve a second year should the President-Elect resign prior to taking position as President.

3. President

The President shall preside at all meetings of the Association and will function as the Chairman of the Board. The President, who shall not be a staff member of the Association, shall perform all duties incident to the office and recommend such action to the Board as may be appropriate to improve the Association and benefit its members. The President shall report to the Board as appropriate and shall make an annual report to the membership on behalf of the Board.

4. President-Elect

The President-Elect shall act as President in the event of the absence or disability of the President or vacancy in the office of the President. The President-Elect shall succeed automatically to the office of President. The President-Elect shall perform such other duties as are necessarily incident to the office or as may be prescribed by the Board.

5. Vice President

The Vice President shall act as President-Elect in the event of the absence or disability of the President-Elect or vacancy in the office of President-Elect. The Vice President shall perform such other duties as are necessarily incident to their office or as may be prescribed by the Board. The Vice President shall serve as an At-Large Governor.

6. Secretary

The Secretary shall be responsible for maintaining the official books and records of the

Association.

7. Treasurer

The Treasurer shall have general supervision of the financial affairs of the Association, including keeping necessary books of account and records for all transactions for the Association. The Treasurer shall furnish summarized financial reports to the Board and to any committee of the Board or the Association, as directed by the Board. The Treasurer may be required by the Board to furnish acceptable bond, at the expense of the Association, for the faithful performance of the duties of the Treasurer.

8. Other Officers

The President shall have the power to appoint such other subordinate officers as he or she deems necessary and appropriate, such as an Assistant Vice President, Assistant Treasurer, Assistant Secretary and the like. All such subordinate officers shall be staff members or At-Large Governors.

9. Compensation

The President, President-Elect, Vice President, Secretary, and Treasurer shall serve without salary, but shall be reimbursed for necessary expenses incurred in the furtherance of the affairs of the Association, in amounts within the budget approved by the Board and in accordance with procedures adopted by the Board. All other board officers shall receive no additional compensation for their service as officers. This prohibition shall not apply to the CEO.

ARTICLE VII COMMITTEES

There shall be such standing and special committees of the Board and the Association as the Board or the President may authorize and the President may appoint. The President shall determine the composition, responsibilities and authority of each such committee.

1. Executive Committee

There shall be an Executive Committee of the Board of Governors, comprised of the five Elected Officers, the immediate Past President. Except as otherwise required by law or these Bylaws, the Executive Committee shall have such authority as the Board of Governors shall grant it for the management of DHI. The Executive Committee shall keep regular minutes of its proceedings and shall provide reports on its conclusions, recommendations, and actions to the Board of Governors on a regular basis.

ARTICLE VIII CHIEF EXECUTIVE OFFICER

The Chief Executive Officer shall be appointed by the Board and serve as a member of the staff of the Association. The position of Chief Executive Officer is not an office of the Association, and any person serving as Chief Executive Officer is not an officer of the Association. The Chief Executive Officer shall report to the Board. The Chief Executive Officer shall be the administrator of the Association, responsible for the management and direction of all

operations, programs, activities and affairs of the Association, including but not limited to the implementation of the strategic plan of the Association, the official correspondence, the maintenance of accurate records of all the business of the Association, the supervision of the editing and publication of the Association's official journal, and making recommendations for the engagement of the services of attorneys, accountants and other professionals, and the performance of such other duties as may be specified from time to time by the Board. Unless otherwise provided in these Bylaws, the Chief Executive Officer shall serve as an *ex officio* member of committees of the Board and the Association as the Board shall determine. The Chief Executive Officer shall employ, supervise, and determine the compensation of those staff members of the Association not employed under written contract with the Association.

ARTICLE IX AFFILIATED ORGANIZATIONS

1. Chapters

Chapters shall be local associations approved by the Board to further the purposes to which the Association is dedicated. Chapters affiliated with the Association are organized separately from the Association and chartered or existing as separate organizations under applicable local law. Each chapter shall have the right to use the name and seal of the Association provided, however, that such chapter agrees to abide by the requirements for the conduct of the Association's chapters as adopted from time to time by the Board.

2. Termination of Chapter Charter

The Board may withdraw a charter from a chapter for cause provided, however, that notice, together with a copy of the reason or reasons for withdrawal of a charter, shall be sent to the president of such chapter at least thirty (30) days prior to the meeting of the Board where such action shall be considered. Cause shall include, but not be limited to, failure to promote the best interests of the Association or to support the work of the Committees of the Board. Any chapter, by its president, may appear before the Board to challenge the withdrawal of a charter, and may appeal from the decision of the Board to the membership at its next annual meeting. The majority decision of the members present at such meeting shall be final.

3. DHI (Canada)

There shall be an entity known as DHI (Canada), having a president, president-elect, and such committees as shall be determined by DHI (Canada). The officers, governors and committee members of DHI (Canada) shall be elected or appointed in accordance with such procedures as are adopted from time to time by DHI (Canada). The DHI (Canada) president shall automatically be a member of the Board of the Association.

ARTICLE X FISCAL YEAR

The fiscal year shall begin on the first day of January.

ARTICLE XI INDEMNIFICATION

1. Expenses and Liabilities

Each Governor, officer or staff member of the Association shall be indemnified by the Association against liabilities, fines, penalties and claims, including amounts paid in settlement, reasonable expenses, and attorney's fees, imposed or asserted against him or her as a Governor, officer or staff member, whether or not he or she is then a Governor, officer or staff member to such extent as allowed by applicable law. The Association may elect to indemnify any person who may serve at its request as a Governor or officer of another corporation. No indemnification or advance against expenses shall be approved by the Board or paid by the Corporation until after receipt from legal counsel of an opinion concerning the legality of the proposed indemnification or advance.

2. Advance Payment of Expenses

Expenses incurred by a Governor, officer or staff member in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board, where the Governor, officer or staff member agrees in writing to repay such amount, unless it shall be ultimately determined that he or she is entitled to be indemnified by the Association.

3. Insurance

The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Governor, officer or staff member of the Association against any liability asserted against him or her or incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability.

4. Other Rights

The indemnification provided in this Article shall not be deemed to be exclusive of any other rights to which a Governor, officer or staff member may be entitled under any statute, agreement, vote of the Board or members, or otherwise.

ARTICLE XII AMENDMENTS

These Bylaws may be amended by a vote of two-thirds (2/3) of the members of the Board in attendance at a meeting where a quorum is present. Whenever an amendment to these Bylaws is proposed, a statement of the purpose of such amendment shall be included in the notice of annual or special meeting or in the waiver of notice of meeting sent to each member of the Board.