



THE INDUSTRY THAT MAKES SUPPLY CHAINS WORK™

**AMENDED AND RESTATED BYLAWS
OF
MATERIAL HANDLING INDUSTRY
("MHI")
A Pennsylvania Nonprofit Corporation**

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**AMENDED AND RESTATED BYLAWS
OF
MATERIAL HANDLING INDUSTRY
("MHI")
A Pennsylvania Nonprofit Corporation**

ARTICLE I

INTRODUCTORY

These Amended and Restated Bylaws ("Bylaws") of Material Handling Industry, a Pennsylvania nonprofit corporation ("MHI" or the "Corporation"), are adopted pursuant to the Fifth Amended and Restated Articles of Incorporation of the Corporation, effective February 1, 2013, as subsequently amended (the "Amended and Restated Articles").

Section 1.1 Name.

The name of the Corporation is "Material Handling Industry," also known as "MHI."

Section 1.2 Statement of Purposes.

As provided in its Articles of Incorporation, the Corporation is organized for the purposes set forth in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (or any corresponding provision of any future United States Internal Revenue Law) (the “Code”) and, in furtherance thereof and not in limitation thereof, advances the interests of the material handling industry (the “Industry”) including the movement, storage, control and protection of materials and products throughout the process of their manufacture, distribution, consumption and disposal including, without limitation, the following:

a. The study and dissemination of information regarding economic and legislative matters pertaining to the Industry;

b. The study and dissemination of ways and methods of lawfully promoting the manufacture, distribution, consumption and disposal of the products of the Industry;

c. The study and dissemination of information regarding the standardization and simplification of products of the Industry, including methods of promoting safety in the use of these products;

d. The study and dissemination of information in regard to labor matters and advancement of welfare for the employees of the Members; and

e. Such other usual activities of industry associations as may be designated from time to time, which are designed to promote the interests of the Industry including but not limited to the sponsoring of industry events and in general the conduct of any other business in connection with the foregoing provided, however, that the Corporation shall not engage in any activity which might unreasonably restrain trade or be otherwise unlawful and that the Corporation shall not engage directly or indirectly in any activity that would prevent it from qualifying as an exempt organization described in Section 501(c)(6) of the Internal Revenue Code of 1986 (or the corresponding provision of any future U.S. Internal Revenue law) (the “Code”). The Corporation does not contemplate pecuniary gain or profit, incidental or otherwise, to its Members.

Section 1.3 Offices.

The principal office of the Corporation shall be located at 8720 Red Oak Blvd. Suite 201 Charlotte, North Carolina 28217 or at such other place as the Board of Governors may designate from time to time. The Corporation may also have offices at such other locations within or without the Commonwealth of Pennsylvania as the Board of Governors may select and the business of the Corporation shall require.

Section 1.4 Fiscal Year.

The fiscal year of the Corporation shall end on December 31 of each year or on such other date as may be fixed from time to time by resolution of the Board of Governors.

Section 1.5 Seal.

The Board of Governors shall prescribe the form of a suitable corporate seal, which shall contain the name of the Corporation and the year and state of incorporation. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced.

Section 1.6 Governing Law.

This Corporation is governed by the Pennsylvania Nonprofit Corporation Law of 1988 (15 Pa.C.S. Section 5301 et seq., as it may be amended from time to time (“NPCL”).

Section 1.7. Articles.

The Articles of Incorporation may only be amended by action of the Board of Governors.

Section 1.8. Gender.

Whenever used in these Bylaws, reference to gender shall be applicable to any other genders or to all genders as may be appropriate in the context.

Section 1.9 Mission and Vision.

MHI’s Vision is to be a world-class material handling and logistics trade association serving the United States market worldwide and to be recognized as the global model for all similar organizations. Its Mission is to deliver exceptional value to its Member companies, their customers and other industry constituents in order to promote the growth and prosperity of their organizations and the material handling and logistics industry.

Section 1.10. Definitions.

Section 1.10.1 The term “Alternate Representative” shall refer to a Member’s Responsible Official who has been designated to act on behalf of the Member in representing it in all matters pertaining to its Membership in the absence of the Member’s primary Certified Representative.

Section 1.10.2 The term “Certified Representative” shall refer to a Member’s Responsible Official who has been primarily designated to act on behalf of the Member in all matters pertaining to its Membership in MHI.

Section 1.10.3 The “Chief Executive Officer” is the highest-ranking executive of the Corporation, is in charge of the day-to-day management of the Corporation, and reports to the Board of Governors.

Section 1.10.4 “Component” means an essential Component of either Material Handling equipment or Systems that is specifically manufactured for use in such equipment or Systems. Equipment that is used to capture, identify and/or communicate information and computer software programs shall be deemed to be a Material Handling Component provided that it has been specifically programmed for use in connection with Material Handling equipment or Systems.

Section 1.10.5 “Corporation” and “Corporate” mean or refer to Material Handling Industry (“MHI”), a Pennsylvania nonprofit, nonstock corporation.

Section 1.10.6 “Develop” means combining processes for storing and manipulating data electronically and (through the acts of design, engineering and coding) producing computer software programs that include standard and reproducible software as well as customized software.

Section 1.10.7 “Developer” means any Person who (using its own name and/or registered trade name(s) or mark(s)) engineers, designs, markets and installs its own computer software, including simulation software, for controlling Material Handling equipment or Systems, processes related to material flow logistics, supply chain management, or enterprises wide resource utilization.

Section 1.10.8 “Industry Group” means a group of at least ten (10) MHI Members approved by the Board of Governors to serve as either a “Product Group” or a “Solution Group.” A “Product Group” is a group of Members which manufacture and sell specific types of Material Handling products, Components or Systems and come together to further their specific industry, to share statistics pursuant to the MHI statistical program, to craft standards, and/or to participate in education outreach and other activities, all for the common benefit of their facet of the Material Handling industry. ”Solution Groups” include MHI members from various facets of the Material Handling industry which focus on outreach to end-users and the Material Handling industry as a whole. Independent trade organizations that are affiliated with MHI may serve as Industry Groups. Industry Groups have their own Rules and Regulations (Bylaws or Code of Regulations for independent trade organizations) to govern their activities and operations and shall maintain their own budget.

Section 1.10.9 “Manufacture” means taking raw material, semi-finished or finished material and, through processes (which include necessary engineering and design work), fabricating, converting, assembling or producing semi-finished or finished products. It does not include rehabilitating, reconditioning, refurbishing or restoring previously manufactured products or Components thereof. Assembling includes more than the mere act of installation at a user’s site.

Section 1.10.10 “Manufacturer” means any Person who engineers, designs and markets, using its own name and/or registered trade names or marks, its own Material Handling products and/or Material Handling Components, whether it manufactures those products or Components itself or contracts in whole or in part for their manufacture in accordance with its specifications and its intended use as Material Handling equipment or as a part of Material Handling equipment and/or Material Handling processes.

Section 1.10.11 “Material Handling” means the movement, storage, control and protection of Materials and products throughout the process of their manufacture, distribution, consumption and disposal.

Section 1.10.12 “Material Handling Consultant” means a Person who provides engineering or design services to Manufacturers, Developers, Third-Party Logistics Providers or users of Material Handling equipment, Components, processes or Systems, except where such a Person’s primary business is that of a dealer or distributor of Material Handling equipment and it provides such services solely in connection with that primary business. It includes Material Handling

Systems Facilitators/Integrators that do not Manufacture an integral Component of the Systems that they construct or install.

Section 1.10.13 The “Material Handling Industry of America” refers to a former division of Material Handling Industry, a Pennsylvania non-profit, non-stock corporation and was its membership component involving itself with the equipment-related aspect of MHI providing membership activities for separate Industry Groups (product sections, affiliated trade associations and councils) which required domestic, international or NAFTA (North American Free Trade Agreement) organizational ties and required manufacturing, consulting, developing, simulating, facilitating or publishing of Material Handling products, services or publications for sale in the United States, also involving itself with industry promotion, research, education and events. Its operations and functions have been absorbed into MHI.

Section 1.10.14 “Material Handling Systems Facilitator/Integrator” means a Person who (i) is principally engaged in the business of designing and constructing new turnkey integrated Material Handling storage facilities or flexible manufacturing Systems for sale in the United States for which it assumes primary financial responsibility and (ii) has sold and successfully constructed or installed in the United States at least one such facility or System.

Section 1.10.15 “Material Handling Publisher” means a publisher of textbooks, reference books, magazines or periodicals for distribution and sale to Persons in the United States regularly promoting the use of Material Handling equipment, Components, processes and Systems through original editorial content by its editorial staff.

Section 1.10.16 “Material Handling Systems Simulator” means a Person who provides services to customers in the United States that emulate actual operating conditions of an automated Material Handling or flexible manufacturing System and predict the output thereof through the development and use of mathematical computer models.

Section 1.10.17 The term “Member” as used in these Bylaws is a Person as defined herein which is elected to, or approved for, membership in MHI in accordance with these Bylaws but is not a “member” as that term is used in the Commonwealth of Pennsylvania Nonprofit Corporation Law of 1988, as amended (the "Nonprofit Corporation Law") and has no voting or other statutory rights or interests as "members" or otherwise.

Section 1.10.18 “Person” means any individual, proprietorship, partnership, firm, association, corporation, division of a corporation or other business or legal entity.

Section 1.10.20 The term “Responsible Official” means an executive officer, partner or official of a Member or an individual who is an individual proprietorship which is a Member

Section 1.10.21 “Roundtable” means and refers to a committee advising the Board of Governors on matters such as trade shows, membership matters, and overall strategies for, and activities of, Industry Groups including affiliated trade associations.

Section 1.10.22 “Roundtable Directors” mean those Persons who make up the Roundtable.

Section 1.10.23 “System” means a strategically combined set of regularly interacting and independent entities that form a unified whole that is highly controlled, coordinated and synchronized and that meets defined functional and operating performance requirements.

Section 1.10.24 “Third Party Logistics Provider” means a Person who provides contract logistics services that include warehousing, packaging and/or shipping of commodities, an aspect of which includes transportation by truck, rail, air or sea.

ARTICLE II

MEMBERS

Section 2.1. Members.

Members shall not be deemed "members," as that term is used in the Commonwealth of Pennsylvania Nonprofit Corporation Law of 1988, as amended (the "Nonprofit Corporation Law"), and shall have no voting or other statutory rights or interests as "members" or otherwise, but in the event of the dissolution of the Corporation after all liabilities of the Corporation have been discharged or after adequate provision shall have been made therefor, all of its remaining assets shall be distributed to its Members in accordance with state law to the extent not inconsistent with Section 501(c)(6) of the Internal Revenue Code of 1986 or the corresponding provision of any future U.S. Internal Revenue law. Members (as defined herein) shall be elected to, or approved for, membership in accordance with these Bylaws, said Membership to be effective upon payment of all dues, fees and assessments. Applications for Membership are to be made in writing to the Chief Executive Officer of the Corporation who shall process such applications, as appropriate.

Section 2.2 Eligibility for Membership.

Any Manufacturer, Developer, Systems Facilitator/Integrator, Systems Simulator, Third-Party Logistics Provider, Consultant or Publisher offering its Material Handling products or Systems, new turnkey integrated Material Handling storage facilities or flexible Material Handling Systems, Material Handling simulator or consultant services, contract logistics services, publications and developer services, all as defined in these Bylaws, for sale or distribution within the United States and is of good reputation and credit shall be eligible for membership in MHI.

Section 2.3 Applications for Membership.

An application for membership by a Person who is not a Member of MHI are to be made in writing to the Chief Executive Officer. The application of an eligible Person are to be reviewed and approved by the Chief Executive Officer if such Person satisfies the eligibility requirements for membership. The Chief Executive Officer shall act upon such application within such period as is necessary to give the application due consideration, to obtain possible additional information, to duly consider recommendations of sponsors or for other good cause. An applicant may appeal a decision of the Chief Executive Officer to the Executive Committee and, in turn, to the Board of Governors. Should the Chief Executive Officer be unable to determine eligibility, the application shall be referred to the Executive Committee for its consideration and decision.

Section 2.4 Resignation of Members.

Resignations of Members shall be submitted in writing to the Chief Executive Officer and are effective on the later of the date specified in the letter of resignation or the date on which the letter is received by the Chief Executive Officer. All regular dues shall accrue and be payable to the Corporation until December 31 of the year in which the resignation is effective. In appropriate cases for good cause shown, the Board of Governors may in its sole discretion waive dues where a resignation has been submitted to become effective subsequent to December 31. A Member shall not be liable for any special assessments imposed after the effective date of resignation. Any Member resigning from the Material Handling Industry shall have no further interest, right or claim regarding or against the Corporation.

Section 2.5 Industry Groups: Product Groups, Affiliated Trade Associations and Councils.

A group of approximately ten (10) Members may organize or be organized as an Industry Group. An Industry Group shall request approval to organize from the Board of Governors. Industry Groups shall have separate bylaws, codes of regulation or rules and regulations, provided that they are consistent with the Fifth Amended and Restated Articles and these Bylaws. In the event of a difference between an Industry Group's bylaws, code or regulations and rules and regulations on the one hand and these Bylaws on the other hand, these Bylaws shall prevail. In the event of a difference in interpreting an Industry Group's bylaws, codes of regulation or rules and regulations and these Bylaws, the Board of Governors shall make the determination which shall prevail. MHI shall collect separate dues from Members for the operational costs of each Industry Group.

Section 2.5.1 Membership in each Industry Group shall be open to all Members of MHI that qualify under the Group's bylaws, code of regulations or rules and regulations, which shall set forth criteria for Membership eligibility in the Group and may require domestic, international or NAFTA (North American Free Trade Agreement) organizational ties. Membership in MHI is a prerequisite to Membership in an Industry Group.

Section 2.5.2 The Board of Governors shall have the power to discontinue any Industry Group for which there is no longer any need or in the event that it has not retained at least ten (10) members for an extended period or for any other purpose deemed by the Board of Governors to be in the best interest and well-being of MHI. Such discontinuance will be effective at the discretion of the Board of Governors. All Industry Groups in existence as of the effective dates of the Fifth Amended and Restated Articles of Incorporation and these Bylaw amendments shall be subject to these Bylaws.

Section 2.5.3 As each officer of an Industry Group participates in the business of the Group, he or she has a fiduciary duty to act prudently and in the best interest and well-being of the Corporation and/or the Group, as opposed to his or her personal interest or the interest of some other person or entity.

Section 2.5.4 The Board of Governors shall have the power to declare any office of an Industry Group vacant by a two-thirds (2/3) vote of the Board whenever in its judgment the best interests and well-being of the Corporation or the Industry Group will be served.

Section 2.6 Certified Representatives.

Section 2.6.1. Designation of Certified Representative and Alternate Representatives. Each Member shall certify in writing to the Chief Executive Officer the names of its Responsible Officials representing it in all matters pertaining to its Membership in MHI. One of such Responsible Official shall be designated by each Member as its Certified Representative, and any other officials so designated shall be its Alternate Representatives. Such Certified Representative or, if absent, an Alternate Representative shall be the voice and vote of the Member.

Section 2.6.2. Change in Certified Representative or Alternate Representative. A Person who ceases to be a Responsible Official of a Member automatically ceases as its Certified Representative or its Alternate Representative. A Member may change its Certified Representative or its Alternate Representative(s) at any time by notifying the Chief Executive Officer of such change in accordance with Section 2.6.1.

Section 2.7 Meetings of Members; Action by Members

Section 2.7.1 Meetings. There shall be two (2) meetings each year at which the regular business and programming of MHI and its Industry Groups shall be conducted. The time and place of the meetings shall be as designated by the MHI Board or the Executive Committee. The meetings shall be known as the Spring Meeting and the Annual Meeting. The Spring Meeting will generally take place in the March-May period, and the Annual Meeting generally in the September-November period.

Section 2.7.2 Business at Annual Meeting of Members. The business at an Annual Meeting of Members shall include: (a) a review of activities of MHI and of its financial condition during the preceding year and (b) such other business as may properly be brought before the Meeting.

Section 2.7.3 Special Meetings of Members. Except as otherwise required by law, special meetings of Members may be called only by the Board of Governors or the Executive Committee. Special meetings shall be held at such place and in such manner as may be designated by the Board, the Executive Committee or the Chief Executive Officer or, if not so designated, at the principal office of the Corporation. No business may be transacted at any special meeting of Members other than the general nature which has been stated in the notice of meeting and business which is incidental or germane to it.

Section 2.7.4 Notice of Members' Meetings. Written notice specifying the place, date and time of each meeting of the Members and the general nature of the business to be transacted at the meeting shall be distributed by the Chief Executive Officer to all Members entitled to attend such meeting at least ten (10) days before the date of the meeting.

Section 2.7.5 Action by Members; Quorum; Organization of Members' Meetings. At all meetings of Members, Members shall act by their Certified Representative or by proxy; the presence, vote or other action of a Certified Representative or a proxy shall constitute the presence, vote or other action of the Member. Each Member shall have one vote at any meeting regardless of the number of its Representatives who may be present. A meeting of Members that

has been duly called shall not be organized for the transaction of business unless a quorum is present. At any meeting of Members the presence in person or by proxy of Certified Representatives of at least 20% of the Members entitled to vote shall be necessary and sufficient to constitute a quorum. The Members present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave fewer than 20% present. If a meeting cannot be convened for lack of a quorum, those Members present in person or by proxy may adjourn the meeting to such time and place as they may determine without notice other than announcement at the meeting.

Section 2.8 Merger or Acquisition of Member. In the event that a Member is acquired or is merged into another firm, it or its successor may continue its Membership in MHI by giving written notice to the Chief Executive Officer together with a statement setting forth the basis for its continuing eligibility for Membership within one (1) year of such acquisition or merger, provided that the Chief Executive Officer determines that the Member continues to be eligible for Membership under these Bylaws. Such notice of merger or acquisition shall include any change in the name under which the Membership will be held and any change in its Certified Representative.

Section 2.9 Continuing Membership Eligibility. If requested at any time after being elected to Membership, a Member shall submit to the Chief Executive Officer necessary evidence to establish its eligibility for Membership.

Section 2.10 Sanctions: Suspension or Expulsion. Any Member may be suspended or expelled from Membership and/or subject to less onerous sanctions for any of the following reasons:

- (a) Suspension or other Sanctions: Failure to pay any dues or any assessments including Sanctions which are made within the authority of the Fifth Amended and Restated Articles of Incorporation of the Corporation and/or these Bylaws within thirty (30) days after notice to the Member of non-payment; or
- (b) Suspension, Expulsion or other Sanctions: Failure to conform with the provisions of the Fifth Amended and Restated Articles and/or these Bylaws as they may be amended; or
- (c) Suspension, Expulsion or other Sanctions: Conduct unbecoming a Member in MHI or perceived in the sole discretion of the Board of Governors as bringing MHI into disrepute; or
- (d) Suspension, Expulsion or other Sanctions: Conduct that is at odds with the best interests and well-being of MHI or an Industry Group or that puts them in a bad light.

Section 2.11 Procedure for Suspension, Expulsion or other Sanctions.

- (a) The Chief Executive Officer or a designee shall promptly notify those Members that are subject to suspension, expulsion or other sanctions. Notice stating grounds for suspension, expulsion or other sanctions shall be given electronically and by certified mail and shall apprise the Member that it has no more than ten (10) days from the date of the notice in which to respond.

(b) After the Chief Executive Officer has notified a Member that it is subject to suspension, expulsion or other sanctions for failure to pay dues or assessments and if, in turn, that Member fails to make payment of all amounts due within the period allowed for a response, the Chief Executive Officer shall then refer the matter to the Executive Committee for its consideration together with any response from the Member. The Executive Committee shall then take such action that it deems to be in the best interests and well-being of the Corporation.

(c) After the Chief Executive Officer has advised a Member that an event or conduct is alleged to have occurred which could constitute grounds for suspension, expulsion or other sanctions under these Bylaws and has referred the same to the Executive Committee, the Committee shall consider such event or conduct at a regular or special meeting and, if it decides that there is a reasonable basis for the charge or upon the written request of such Member, the Committee shall set a date, time and place for a hearing to assess the charge, which date shall be at least two (2) weeks after the date of the notice of the event or conduct, and the Chief Executive Officer shall notify the Member electronically and by certified mail of the charge, time and date of the hearing. Within one (1) week of the date of the notice, the Member may request that the hearing take place in person, by conference call which permits all parties to hear and be heard or on submission wherein the Member submits an affidavit stating its position and responding to possible questions about the charge. The Member may choose to be represented by counsel. After the hearing (if one is chosen), the Executive Committee shall take such action regarding the Member as it deems to be in the best interests and well-being of MHI and the Industry Group including a sanction such as a suspension for a specific period or the expulsion of such Member, provided that no Member shall be suspended or expelled or shall receive a less onerous sanction unless at least two-thirds (2/3) of the Executive Committee agree and shall notify the Member of its decision electronically and by certified mail. Within twenty (20) days of the date of the decision, the Member may appeal the decision of the Executive Committee to the Board of Governors, whose decision is also subject to a two-thirds (2/3) vote. There shall be no other review or appeal.

Section 2.12 Status of Suspended or Expelled Member. Any Member which is suspended shall have no rights as a Member during the period of suspension but shall continue to be liable for dues and assessments during such period. Any Member which is expelled shall have no further interest or rights in MHI, shall have no claim against MHI or shall hold itself out as a Member of MHI.

ARTICLE III

BOARD OF GOVERNORS

Section 3.1 Authority.

Subject to any limitations set forth elsewhere in these Bylaws or the Fifth Amended and Restated Articles of Incorporation of the Corporation, the affairs of the Corporation shall be under the general direction of a Board of Governors, which shall administer, manage, preserve and protect the property of the Corporation. The Board shall constitute the "board of directors" of the Corporation as that term is used in the Nonprofit Corporation Law and shall have the exclusive authority with respect to any proposal or action taken (i) to amend the Amended and Restated

Articles; (ii) to adopt, amend or repeal these Bylaws; (iii) to merge or consolidate the Corporation; (iv) to sell, lease or exchange all or substantially all of the assets of the Corporation; (v) to borrow money; (vi) to pledge or mortgage any of the assets of the Corporation; or (vii) to dissolve the Corporation. In addition, the Board of Governors shall have the authority to exercise all powers specifically committed to it in these Bylaws or by law. The Board shall be selected by such method as shall be fixed by or in the manner provided in these Bylaws and the number, qualifications and terms of office of the Directors shall be fixed by or in the manner provided in these Bylaws. The executive officers of the Corporation (the "Executive Officers") shall be elected or appointed by such method as shall be fixed by or in the manner provided in these Bylaws and the title, number, qualifications and terms of office of such Executive Officers shall be fixed by or in the manner provided in these Bylaws.

Section 3.2 Number, Term, and Election.

The MHI Board shall consist of a minimum of five (5) voting Directors and a maximum of thirteen (13) voting Directors (the actual number to be determined from time to time by the Board). Each Director shall serve, commencing on the first day of January, for a term of two (2) years, or until such Director's successor has been duly elected or until the Director's earlier death, resignation or removal. Each elected Director shall be eligible to serve for a maximum of four (4) consecutive two-year terms after completion of which he or she shall not be eligible for further re-election until a period of one (1) year shall have elapsed. At its Annual Meeting or at any special meeting called for the purpose of electing Directors, the MHI Board shall elect such Directors from a slate of candidates who have been proposed by the Nominating Committee and who preferably have served on the Roundtable Advisory Committee (*see* Section 5.10 below).

Section 3.3 Members of the Board of Governors.

The Board of Governors shall at all times consist of the following Executive Officers: the Chair, the President who shall also serve as the Treasurer of the Corporation, the Vice President, the Chief Executive Officer who shall also serve as the Secretary of the Corporation, and of such other Directors as the Board of Governors shall authorize. The Board of Governors shall elect or confirm such Executive Officers from among the Directors on the Board (except the Chief Executive Officer, who is hired by the Board) and shall appoint any other officers as may be required. The Board may vote to include a liaison from a particular organization as a non-voting member of the Board.

Section 3.4 Vacancies.

The Board may fill vacancies occurring on the Board by death, resignation, removal, refusal to serve, an increase in the number of Directors or any other reason, and each Director so appointed shall serve for the unexpired portion of the term of the Director being replaced and until the Director's successor is elected and qualified or until such Director's earlier death, resignation, or removal.

Section 3.5 Resignation.

Any Director may resign at any time by giving written notice to the Chair, the Chief Executive Officer, or the Board of Governors. Such resignation shall take effect at the time specified therein or, if no time is specified, at the time of acceptance of the resignation as determined by the Board.

Section 3.6 Removal from Board.

The Board of Governors may by a two-thirds (2/3) vote of all voting Directors in office remove any Director from office at any time with or without assigning any cause, and the office of said Director will remain vacant until filled by the Board.

Section 3.7 Compensation.

No compensation shall be paid to any Director for services on the Board, but at the discretion of the Board a Director may be reimbursed for travel and actual expenses necessarily incurred in attending meetings and performing other duties on behalf of the Corporation. A Director may be a salaried officer of the Corporation.

Section 3.8 Meetings.

The Board shall meet at least annually at dates and times established by the Board. The meeting immediately preceding the close of the Corporation's fiscal year or such other time as the Board may designate from time to time by resolution shall be the Annual Meeting of the Board. Special meetings shall be called by the Chief Executive Officer or MHI Chair, or upon the written request of a number of Directors constituting a quorum of the Directors then in office and entitled to vote. All meetings of the Board of Governors shall be held at the principal office of the Corporation unless otherwise designated in the notice. Meetings of the Board of Governors shall be held at such time and place as shall be designated by the Board of Governors from time to time or, if not so designated, as determined by the Chair. Notice of regular meetings shall not be required to be given except as otherwise expressly required herein or by law and except that, whenever the time or place of meetings shall be initially fixed or changed, notice of such action shall be given promptly by the Chair or the Chief Executive Officer to each Director not participating in such action. Any lawful business may be transacted at any regular meeting.

Section 3.8.1 Annual Meeting. An Annual Meeting of the Board of Governors shall be held on such date and at such time and place as may be designated by the Board of Governors or, if not so designated, as determined by the Chair. At such meeting the Board of Governors (a) shall organize itself; (b) shall elect any Executive Officers and appoint or confirm any other officers for the ensuing year except that the Chief Executive Officer, who shall always be the person who is the Chief Executive Officer of the Corporation; the Chair, who shall be the last President of MHI and who shall succeed to that office without election; and the President, who shall be the last Vice President of MHI and who shall succeed to that office without election; (c) shall receive from the Chair and the Chief Executive Officer a report pursuant to Section 5553 of the Nonprofit Corporation Law of Pennsylvania showing in appropriate detail the following:

(i) the assets and liabilities including the trust funds of the Corporation as of the end of the fiscal year immediately preceding the date of the report;

(ii) the principal changes in assets and liabilities including trust funds during the year immediately preceding the date of the report;

(iii) the revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report including separate data with respect to each trust fund held by or for the Corporation; and

(iv) the expenses or disbursements of the Corporation for both general and restricted purposes during the year immediately preceding the date of the report including separate data with respect to each trust fund held by or for the Corporation; and (d) any other business.

Notice of the Annual Meeting of the Board of Governors and of the business to be transacted at that meeting shall be given to each Director by the Chair or the Chief Executive Officer at least ten (10) days in advance of the meeting.

Section 3.8.2 Special Meetings. Special meetings of the Board of Governors may be called at any time by the Board of Governors itself by vote at any meeting or by any three (3) Directors or by the Chair, to be held at such place and day and hour as shall be specified by the person(s) calling the meeting. The Chair or the Chief Executive Officer shall give notice of every special meeting of the Board of Governors stating the place, date and hour and the purpose(s) thereof to each Director by at least ten (10) days prior to the date of the meeting.

Section 3.8.3 Emergency Meetings. Notwithstanding any different provisions of law or of the Articles of Incorporation, the following Emergency Bylaws shall be operative during any emergency resulting from warlike damage or an attack on the United States or any nuclear or atomic disaster.

(1) An emergency meeting of the Board of Governors or a Committee of the Board including the Executive Committee may be called by any Officer of the Corporation or any Director serving on a Committee.

(2) Those Director(s) who are in attendance at such an emergency meeting shall constitute a quorum.

(3) Lines of succession. The Board of Governors or such other Committee, either before or during any such emergency, may provide and from time to time modify lines of succession in the event that during such an emergency any or all Officers or agents of the Corporation shall for any reason be rendered incapable of discharging their duties and may, effective in the emergency, change the principal offices or designate several alternative offices of the Corporation or authorize Officers so to do.

(4) Personnel Not Liable. No Officer, Director, member of such other Committee, or employee acting in accordance with Emergency Bylaws shall be personally liable for any actions taken pursuant to such Bylaws except for willful misconduct.

(5) Effect on MHI Bylaws. To the extent not inconsistent with Emergency Bylaws, the Bylaws of the Corporation shall remain in effect during any emergency, and upon its termination the Emergency Bylaws shall cease to be operative.

(6) Procedure in the Absence of Emergency Bylaws. Notice of any meeting of the Board or of any Committee of the Board during such an emergency shall be given to such Directors or members of such Committee as it may be feasible to reach at the time and by such means as may be feasible at the time, including via publication or electronically. To the extent required to constitute a quorum at any meeting of the Board or such other Committee during such an emergency, the Officers of the Corporation who are present shall, unless otherwise provided in Emergency Bylaws, be deemed, in order of rank and within the same rank in order of seniority, Directors or members of such other Committee, as the case may be, for such meeting.

Section 3.9 Voting.

Each Director shall be entitled to one vote on each matter submitted to a vote of the Board of Directors.

Section 3.10 Action.

Resolutions of the Board of Governors shall be adopted, and any action of the Board of Governors at a meeting upon any matter shall be valid and effective with the affirmative vote of a majority of the Directors then in office at a meeting duly convened and at which a quorum is present except as otherwise provided herein. The Chair or if absent the President of MHI shall preside at each meeting of the Board of Governors. In the absence of the foregoing officers, the Directors present shall select a Director to preside. The Chief Executive Officer or a designee shall take the minutes at all meetings of the Board of Governors. In the absence of the Chief Executive Officer, the presiding officer shall designate any person to take the minutes of the meeting. The “yea’s” and “nay’s” shall be taken and recorded in the minutes at the request of any Director present at a meeting.

Section 3.11 Quorum.

At all meetings of the Board of Governors except Emergency Meetings as described above, the presence or participation by other lawful means of a majority of the Directors in office shall be necessary and sufficient to constitute a quorum for the transaction of business. The Directors present at a duly organized meeting shall continue to constitute a quorum until adjournment, notwithstanding the withdrawal of enough Directors to leave less than a majority of the Directors. If a quorum is not present at any meeting, the meeting may be adjourned from time to time by a majority of the Directors present until a quorum as aforesaid shall be present, in which event the Chair shall determine a new date and place for the meeting, for which at least five (5) days’ notice of the time and place to which such meeting is adjourned shall be given to all Directors by the Chair or the Chief Executive Officer.

Section 3.12 Notices.

Written notice of the date, time and place of each meeting of the Board of Governors shall be given to all Directors at least five (5) days in advance of the date thereof. Such notice shall set

forth the date, time and place of the meeting. Notice may be given to the Director personally or by sending a copy thereof by any of the following methods:

- (a) By first class or express mail (postage prepaid) or by courier services (charges prepaid) to the Director's address supplied by the Director for the purpose of notice. Notice pursuant to this paragraph shall be deemed to have been given to the Director entitled thereto when deposited in the U.S. mail or when delivered to the courier service for delivery to that Director.
- (b) By facsimile transmission, e-mail, or other electronic communication to the Director's facsimile number or e-mail/electronic address supplied by the Director to the Corporation for the purpose of notice. Notice pursuant to this paragraph shall be deemed to have been given to the Director entitled thereto when sent.

.Section 3.13 Waiver of Notice.

Whenever any written notice whatsoever is required to be given under the provisions of applicable law, the Fifth Amended and Restated Articles of Incorporation of this Corporation or these Bylaws, a waiver of such notice in writing signed by the person(s) entitled to notice, whether before or after the time of the meeting stated in such notice, shall be deemed equivalent to the giving of such notice. In the case of a special meeting, such waiver of notice shall specify the general nature of the business to be transacted. Attendance of a Director at a meeting shall constitute a waiver of notice of the meeting unless the Director attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened.

Section 3.14 Consents.

Any action that may be taken at a meeting of the Directors may be taken without a meeting if consent(s) in writing setting forth the action so taken are signed by all of the Directors in office and entitled to vote and are filed with the Chief Executive Officer.

Section 3.15 Standard of Care and Fiduciary Duty.

Each Director shall stand in a fiduciary relation to this Corporation and shall perform his or her duties as a Director including his or her duties as a member of any Committee of the Board upon which the Director may serve in good faith in a manner the Director reasonably believes to be in the best interests and well-being of this Corporation and with such care including reasonable inquiry, skill and diligence as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, each Director shall be entitled to rely in good faith on information, opinions, reports or statements including financial statements and other financial data, in each case prepared or presented by any of the following:

- (a) one or more Officers or employees of this Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;

- b) counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such persons; and
- (c) a committee of the Board of this Corporation upon which the Director does not serve as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if the Director has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 3.16 Factors That May Be Considered by Directors.

In discharging the duties of their respective positions, the Board of Governors, committees of the Board and individual Directors may, in considering the best interests or well-being of the Corporation, consider to the extent they deem appropriate:

- (a) the effects of any action upon any or all groups affected by such action including employees, suppliers, customers and creditors of the Corporation and upon communities in which offices or other establishments of the Corporation are located;
- (b) the short-term and long-term interests of the Corporation including the benefits that may accrue to the Corporation from its long-term plans and the possibility that these interests may be best served by the continued independence of the Corporation;
- (c) the resources, intent and conduct (past, stated and potential) of any person seeking to acquire control of the Corporation; and
- (d) other pertinent factors.

The Board of Governors, committees, and individual Directors are not required, in considering the best interest and well-being of the Corporation or the effects of any action, to regard any corporate interest or the interests of any particular group affected by such action as a dominant or controlling interest or factor. The consideration of interests and factors in the manner described in this section shall not constitute a violation of this Section. The fiduciary duty of Directors shall not be deemed to require them to act as the Board of Governors, a committee, or an individual Director solely because of the effect such action might have or an acquisition or potential or proposed acquisition of control of the Corporation.

Section 3.17 Participation Other Than by Attendance.

One or more Directors may participate in any Regular, Annual, Special or Emergency Meeting of the Board of Governors or of a Committee of the Board by means of conference telephone or similar means by which all persons participating in the meeting can hear each other or by any other lawful means in lieu of attendance and may act by proxy if and to the extent at the time

permitted by law. Participation in a meeting in such manner by a Director will be considered to be attendance in person for all purposes under these Bylaws.

Section 3.18 Presumption of Assent.

Minutes of each meeting of the Board of Governors shall be made available to each Director at or before the next succeeding meeting. Each Director shall be presumed to have assented to such minutes unless his objection thereto shall be made to the Chief Executive Officer at or within two (2) days after such succeeding meeting.

ARTICLE IV

OFFICERS AND EMPLOYEES

Section 4.1. Executive Officers.

The Executive Officers of the Corporation shall be the Chair, the President, the Vice President, and the Chief Executive Officer. The last President shall succeed to the position of Chair without election, and the last Vice President shall succeed to the position of President without election. The Chief Executive Officer shall be the chief executive officer of the Corporation. No person may be elected as an Executive Officer in the Corporation or hold such position except persons who are at the time Directors of the Corporation.

Section 4.2. The Chair.

The Chair shall preside at all meetings of the Board of Governors, of Executive Committee and of the Human Resources Committee, shall send out notices of all meetings of such Committees or the Board as may be required and shall have such other powers and duties incident to the office of Chair and as from time to time may be prescribed by resolution of the Board of Governors.

Section 4.3. The President.

The President shall be the Chair of the Audit Committee, the Investment Committee, the Nominating Committee and the Budget and Finance Committee, shall be responsible for the review of the fiscal affairs of the Corporation and shall also serve as the Treasurer of the Corporation. The President shall succeed to the office of Chair without election. The President or a designee shall submit to the Board of Governors at its annual meeting a proposed budget for the ensuing year and shall have such duties as are from time to time are prescribed by resolution of the Board of Governors or the Executive Committee. As Treasurer, the President shall supervise the financial activities of the Corporation. Specifically, in the role of Treasurer the President shall see that (a) full and accurate accounts of receipts and disbursements are kept, (b) a system is in place such that all monies and other valuable effects are deposited in the name and to the credit of the Corporation in such depositories as shall be designated by the Board, (c) the Directors at the regular meetings of the Board or whenever they may require it, receive an account of the financial condition of the Corporation, (d) when required by law or the Board, an annual audit of the Corporation's books and records is performed by an auditor selected by the Board and (e) in general the usual duties incident to the office of Treasurer and any other duties

that may be assigned by the Board of Governors are performed. As Treasurer, the President shall also perform such other duties as may be prescribed by the Board. In performing these functions, the President may rely on employees of the Corporation or any affiliated corporation who possess special financial training and skills and whose employment responsibilities include management of the Corporation's financial affairs. In the absence or disability of the President, an Assistant Treasurer may be selected by the Executive Committee to perform all the duties of the Treasurer and, when so acting, such Assistant Treasurer shall have all of the powers of and be subject to all of the restrictions upon the Treasurer.

Section 4.4. The Vice President.

The Vice President shall be a member of the Executive Committee, the Nominating Committee, the Human Resources Committee, the Investment Committee and shall have such other duties as are from time to time are prescribed by resolution of the Board of Governors or the Executive Committee. The Vice President shall succeed to the office of President without election.

Section 4.5. The Chief Executive Officer.

The Chief Executive Officer shall have the necessary authority and shall exercise responsibility for the management of the Corporation subject to the policies enacted by the Board or by any Committee to which the Board has delegated power for such action. The Chief Executive Officer shall be hired and may be terminated by the Board. The Chief Executive Officer shall serve as an *ex officio* member of the Board and an *ex officio* member of all Committees of the Corporation including the Executive Committee but excluding the Audit Committee (if such committee exists) and shall make such reports as the Board may require. The Chief Executive Officer shall act as the duly authorized representative of the Board in all matters for which the Board has not formally designated some other person so to act. The Chief Executive Officer shall attend all meetings of the Board of Governors and the Roundtable and shall distribute notices of all meetings as may be required, conduct all correspondence pertaining to the office, keep minutes of all meetings and all appropriate corporate records, carry into execution all orders, votes and resolutions, have charge of and be responsible for the Corporation's funds, securities and investments and render to the Chair, the President, or the Board of Governors whenever requested or required an account of all financial transactions and reports as to the financial position and operations of the Corporation. The Chief Executive Officer shall also have general supervision of and general management and executive powers over all the business, affairs and employees of the Corporation, shall be responsible for seeing that the policies and programs adopted and approved by the Board of Governors are carried out and shall exercise such further powers and duties as from time to time may be prescribed by the Board of Governors. The Chief Executive Officer shall also serve as Secretary of the Corporation and shall (a) keep or cause to be kept the minutes of all meetings of the Board of Governors and of any committees of the Board in one or more books kept for that purpose, (b) have custody of the corporate records, stock books, and stock ledgers of the Corporation, (c) keep or cause to be kept a register of the address of each Member, which address has been furnished to the Secretary, (d) see that all notices are duly given in accordance with law, the Articles, and these Bylaws, and (e) in general perform all the usual duties incident to the office of Secretary and any other duties that may be assigned by the Board or the Executive Committee. The Secretary may delegate any such duties to any management officer or to any duly elected or appointed Assistant Secretary and

may delegate custody of the Corporation's books, ledgers, Member lists, and the like to a duly appointed agent. As Secretary the Chief Executive Officer shall have the authority to affix the corporate seal and such other duties as may be required by law, by the Fifth Amended and Restated Articles of Incorporation of the Corporation or by these Bylaws, or which may be assigned from time to time by the Board of Governors.

Section 4.6. Additional Officers; Other Agents and Employees.

The Board of Governors or the Chief Executive Officer may from time to time appoint or employ such additional officers, assistant officers, agents, employees and independent contractors as they deem advisable; the Board of Governors and the Chief Executive Officer shall prescribe the duties, conditions of employment and compensation of such other persons; and the Board of Governors or the Chief Executive Officer shall have the right to dismiss them at any time.

Section 4.7 Bonds.

The Board may in its discretion require the President in the role of Treasurer and any other officer to post bond in such amount and with such surety or sureties as may be satisfactory to the Board for the faithful discharge of the duties of the office and for the restoration to the Corporation, in case of the officer's death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind belonging to the Corporation in the officer's possession or under the officer's control.

Section 4.8 Election.

Officers of the Corporation shall be elected by the Board at the Annual Meeting of the Board or at a special meeting of the Board called for such purpose.

Section 4.9 Term of Office.

Each elected or succeeding Executive Officer shall hold office from the date of election or succession for a period of two (2) years or as may be established by resolution of the Board, and thereafter until a successor assumes said office or is duly elected and qualified, or until an earlier death, resignation or removal provided, however, the term of office of any elected or succeeding Executive Officer shall terminate if that person is no longer a Director of the Corporation.

Section 4.10 Resignations.

Any Executive Officer may resign from office at any time; such resignation shall be made in writing to the Chief Executive Officer or, in the case of the Chief Executive Officer, to the Chair and unless otherwise specified shall take effect immediately.

Section 4.11 Removal.

Any elected, succeeding or designated Executive Officer may be removed from office by a two-thirds (2/3) vote of the Board of Governors whenever in its judgment the best interests or well-being of the Corporation will be served, and the office will be vacant until filled by the Board.

Section 4.12 Vacancies.

Any vacancy in any office or position by reason of death, resignation, removal, disqualification, disability or other cause except the Chair and the Chief Executive Officer shall be filled by a majority vote of the Directors then in office. In the case of the Chair, the President shall fill the vacancy and a successor President shall be elected. The term of office of any such Executive Officer shall expire upon the next election of Officers as provided in these Bylaws. Any vacancy in the position of Chief Executive Officer shall be filled by the new Chief Executive Officer of the Corporation who is duly elected by the Directors.

Section 4.13 Delegation of Duties.

The Board of Governors may in its discretion delegate for the time being the powers and duties, or any of them, of any Officer to any other person whom it may select.

Section 4.14. General Counsel.

The Board of Governors shall have authority to elect a General Counsel who will be the legal advisor of the Corporation. The duties of such Counsel shall be the furtherance of the objects and purposes of the Corporation by lawful and proper means. Counsel shall serve at the pleasure of the Board of Governors. In selecting Counsel under this Section, the Board of Governors shall have authority to select an individual lawyer, a law firm or firms of lawyers.

Section 4.15. Auditors.

The Board of Governors shall select an Auditor or auditing firm. An Auditor so selected shall serve at the pleasure of the Board of Governors.

ARTICLE V

COMMITTEES

Section 5.1 Committees.

The Corporation shall have such standing and *ad hoc* committees as the Board may deem advisable in the administration and conduct of the affairs of the Corporation. Each committee shall have such power and authority as provided for in these Bylaws or in the resolution creating such committee, except as such authority is limited by statute, by resolution creating or controlling the committee, or by any limitation imposed by the Board on such authority and power. Each committee of the Board shall meet as necessary to accomplish its goal. Except as

otherwise provided in these Bylaws or in the resolution creating the applicable committee, committee Chairs and members shall be appointed annually by the Chair of the Board of Governors and may be reappointed to a committee for an unlimited number of terms. With the exception of the Executive Committee and Audit Committee, if any, persons who are not Directors are eligible to serve as committee members. Any person authorized by these Bylaws to appoint the Chair and/or members of any committee may appoint himself or herself as Chair and/or member.

The Chair of each committee shall determine the date and place of all committee meetings. Each Committee shall determine its own organization, procedures, and times and places of meeting, unless otherwise directed by the Board of Governors or the Executive Committee and except as otherwise provided in these Bylaws. All Committees shall keep a record of the transactions of their meetings, a summary of which shall be reported to the Board at its next meeting. All Committees other than the Executive Committee shall report the transactions of their meetings to the Executive Committee at its next meeting. Any action taken by any Committee shall be subject to alteration or revocation by the Board or the Executive Committee, provided, however, that third parties shall not be prejudiced by such alteration or revocation.

Section 5.2 Limitation on Power of Committees.

Unless Emergency Bylaws are in effect, no Committee shall have any power or authority as to the following:

- the filling of vacancies in the Board of Governors;
- the adoption, amendment or repeal of the Bylaws;
- the amendment or repeal of any resolution of the Board; and
- action on matters committed by the Bylaws or a resolution of the Board to another Committee of the Board.

Section 5.3 Executive Committee.

By resolution adopted by a majority of the Directors in office, an Executive Committee may be established by the Board of Governors. The Executive Committee shall consist of the Chair, the President, the Vice President, and the Chief Executive Officer of the Corporation. The Chair or if absent the President shall preside at meetings of the Executive Committee. In the event of an emergency which could include but not be limited to an emergency resulting from warlike damage, an attack on the United States or any nuclear or atomic disaster or which could exist if an extraordinary event prevents a quorum of the Board of Governors from readily assembling in time to deal with the business for which a meeting has been or is to be called, the Executive Committee shall have all the powers and shall exercise all of the power and authority that would normally be held by the Board of Governors, except as may be specially limited by the Board of Governors or otherwise restricted by law. Meetings of the Executive Committee may be called at any time by the Chair, by the Chief Executive Officer or, if they are unavailable, by any other member of the Executive Committee and may be held at such place, day and hour as shall be specified by the person calling the meeting or, if not so specified, by the Chief Executive Officer. Notice of every meeting of the Executive Committee stating the place, day, hour and purpose thereof shall be given by the Chief Executive Officer or the Chair to each member of the

Executive Committee by U.S. Mail or such other lawful means as permitted by these Bylaws or by resolution of the Board of Governors at least ten (10) days prior to the date of the meeting, except when the Chair determines that an emergency or other special situation requires shorter notice, in which event as much notice as practical shall be given by any appropriate means. The presence or other participation by lawful means of a majority of the members of the Executive Committee who are present or who are participating in the meeting by other lawful means shall constitute a quorum for the transaction of business, and any action of the Executive Committee upon any matter shall be valid with the affirmative vote of at least a majority of the members of the Executive Committee who are present or who are participating in the meeting by other lawful means. The Executive Committee shall report at the next meeting of the Board of Governors all actions taken by it during an emergency or other special situation.

Section 5.4 Audit Committee.

By resolution adopted by a majority of the Directors in office, the Board of Governors shall establish an Audit Committee to have responsibility for assuring the review and audit of the financial books and records of the Corporation and its affiliates by its Auditor, to require the Auditor to prepare a report annually, to make a presentation to the Board of Governors and otherwise to be responsible for all matters relating to the Audit. The Audit Committee shall consist of the Chair, the President, the Vice President and such other Directors as the Board of Governors may direct. The Chief Executive Officer shall serve as adviser to the Audit Committee. The President shall preside at all meetings of the Audit Committee. Meetings of the Audit Committee may be called at any time by the Board of Governors or the President to be held at such place, day and hour as shall be specified by the person calling the meeting or, if not so specified, by the Chief Executive Officer. Notice of every meeting of the Audit Committee stating the place, day, hour and purposes thereof shall be given by the Chief Executive Officer or his designee to each member of the Audit Committee by U.S. Mail or such other lawful means as permitted by these bylaws or by resolution of the Board of Governors at least ten (10) days prior to the date of the meeting, except if the President determines that a special situation requires shorter notice, in which event as much notice as possible shall be given by any appropriate means. The presence or other participation by lawful means of a majority of the members of the Audit Committee shall be necessary to constitute a quorum for the transaction of business, and any action of the Audit Committee upon any matter shall be valid with the affirmative vote of at least a majority of the members of the Audit Committee in office.

Section 5.5 Human Resources Committee.

By resolution of a majority of the Directors in office, the Board of Governors may establish a Human Resources Committee to have responsibility for all employee compensation, employee benefits and related employment matters. The Human Resources Committee shall consist of the Chair, the President, the Vice President, and no more than two (2) other Directors as the Board may elect to serve a two-year term on the Committee which cannot be renewed for an additional consecutive two-year term unless no other Directors were to agree to serve. The other Directors serving on this Committee are not eligible to preside over the Committee. The Chief Executive Officer shall serve as adviser to the Human Resources Committee. The Chair shall preside at all meetings of the Human Resources Committee and shall serve as its Chair. Meetings of the

Human Resources Committee may be called at any time by the Board of Governors or the Chair to be held at such place, day and hour as shall be specified by the person calling the meeting or, if not so specified, by the Chief Executive Officer. Notice of every meeting of the Human Resources Committee stating the place, day, hour and purposes thereof shall be given by the Chair or Chief Executive Officer to each member of the Human Resources Committee by U.S. Mail or such other lawful means as permitted by these bylaws or by resolution of the Board of Governors at least ten (10) days prior to the date of the meeting, except when the Executive Chair determines that an emergency or special situation requires shorter notice, in which event as much notice as possible shall be given by any appropriate means. The presence or other participation by lawful means of a majority of the members of the Human Resources Committee shall be necessary and sufficient to constitute a quorum for the transaction of business, and any action of the Human Resources Committee upon any matter shall be taken and shall be valid with the affirmative vote of at least a majority of the members of the Human Resources Committee in office.

Section 5.6 Budget and Finance Committee.

By resolution of a majority of the Directors in office, a Budget and Finance Committee shall be established by the Board of Governors for the purposes of reviewing the financial resources and obligations of MHI and its affiliates, of preparing and recommending a budget or budgets to accomplish the objectives to the Board of Governors and of establishing limitations for Industry expenditures. The Budget and Finance Committee shall consist of the Chair, the President, the Vice President and such other Directors as the Executive Chair may direct. The Chief Executive Officer shall serve as adviser to the Budget and Finance Committee. The President shall preside at all meetings of the Budget and Finance Committee. Meetings of the Budget and Finance Committee may be called at any time by the Board of Governors or the President to be held at such place, day and hour as shall be specified by the person calling the meeting or, if not so specified, by the Chief Executive Officer. Notice of every meeting of the Budget and Finance Committee stating the place, day, hour and purposes thereof shall be given by the President or the Chief Executive Officer to each member of the Budget and Finance Committee by U.S. Mail or such other lawful means as permitted by these bylaws or by resolution of the Board of Governors at least ten (10) days prior to the date of the meeting, except if the President determines that an emergency or special situation requires shorter notice, in which event as much notice as practical shall be given by any appropriate means. A majority of the members of the Budget and Finance Committee who are present or who are participating in the meeting by other lawful means shall constitute a quorum for the transaction of business, and any action of the Budget and Finance Committee shall be valid with the affirmative vote of at least a majority of the members of the Budget and Finance Committee in office.

Section 5.7 Investment Committee.

By resolution of a majority of the Directors in office, the Board of Governors may establish an Investment Committee, which shall have authority to formulate and to recommend an investment policy to be approved by the Board of Governors, to review such policy from time to time and to recommend revisions to the Board of Governors when appropriate, to review and report on the

investment of the Corporation's funds, to work with the Corporation's approved corporate trustee at any time, to make recommendations on investment guidelines, parameters, and investments to the Board of Governors or in the event of an emergency or special situation to the Executive Committee and to direct the Chief Executive Officer or any person designated by him or her in writing on making investments or investment changes including changes in investment guidelines and parameters to the corporate trustee. The Investment Committee shall consist of the Chair, the President, the Vice President and no more than two (2) other Directors as the Board may elect to serve a two-year term on the Committee which cannot be renewed for an additional consecutive two-year term unless no other Directors were to agree to serve. The other Directors serving on this Committee are not eligible to preside over the Committee. The Chief Executive Officer shall serve as an adviser to the Investment Committee. The President shall preside at all meetings. Meetings of the Investment Committee may be called at any time by the Board of Governors or the President to be held at such place, day and hour as shall be specified by the person calling the meeting or, if not so specified, by the Chief Executive Officer. Notice of every meeting of the Investment Committee stating the place, day, hour and purposes thereof shall be given by the President or Chief Executive Officer to each member of the Investment Committee by U.S. Mail or such other lawful means as permitted by these bylaws or by resolution of the Board of Governors at least ten (10) days prior to the date of the meetings, except if the President determines that an emergency or other special situation requires shorter notice, in which event as much notice as possible shall be given by any appropriate means. A majority of the members of the Investment Committee who are present or who participate at the meeting by lawful means shall constitute a quorum for the transaction of business, and any action of the Investment Committee shall be valid with the affirmative vote of at least a majority of the members of the Investment Committee in office.

Section 5.8 Nominating Committee.

By resolution of a majority of the Directors in office, the Board of Governors may establish a Nominating Committee to have responsibility to provide the Board with the names of candidates for Vice President and for Directors of the Board of Governors. The Nominating Committee shall consist of the Chair, the President, the Vice President, and no more than two (2) other Directors as the Board may elect to serve a two-year term on the Committee which cannot be renewed for an additional consecutive two-year term unless no other Directors were to agree to serve. The other Directors serving on this Committee are not eligible to preside over the Committee. The Chief Executive Officer shall serve as adviser to the Nominating Committee. The President shall preside at all meetings of the Nominating Committee and shall serve as its Chair. Meetings of the Nominating Committee may be called at any time by the Board of Governors or the President to be held at such place, day and hour as shall be specified by the person calling the meeting or, if not so specified, by the Chief Executive Officer. Notice of every meeting of the Nominating Committee stating the place, day, hour and purposes thereof shall be given by the President or Chief Executive Officer to each member of the Nominating Committee by U.S. Mail or such other lawful means as permitted by these bylaws or by resolution of the Board of Governors at least ten (10) days prior to the date of the meeting, except when the President determines that an emergency or special situation requires shorter notice, in which event as much notice as possible shall be given by any appropriate means. The presence or other participation by lawful means of a majority of the members of the Nominating

Committee shall be necessary and sufficient to constitute a quorum for the transaction of business, and any action of the Nominating Committee upon any matter shall be taken and shall be valid with the affirmative vote of at least a majority of the members of the Nominating Committee in office.

Section 5.9 Strategic Planning Committee.

By resolution adopted by a majority of the Directors in office, the Board of Governors may establish a Strategic Planning Committee to meet at least once each year and to have responsibility for the strategic development of the Corporation, for the analysis of the Corporation's organization and operations in the context of budgetary constraints, for the evaluation of long-term goals and programs of MHI and its affiliated trade associations, for the exploration of special topics as may be suggested, for developing ideas, goals, and mechanisms that focus on the Corporation's future, and for on-going organizational self-study of the Corporation and its affiliates. The Strategic Planning Committee shall report its recommendations and conclusions to the Board of Governors at its next meeting. The Strategic Planning Committee shall consist of the Chair, the President, the Vice President and such other Directors as the Board of Governors may direct. The Chief Executive Officer shall serve as adviser to the Strategic Planning Committee. The Chair shall preside at all meetings of the Strategic Planning Committee. Meetings of the Strategic Planning Committee may be called at any time by the Board of Governors or the Chair to be held at such place, day and hour as shall be specified by the person calling the meeting or, if not so specified, by the Chief Executive Officer. Notice of every meeting of the Strategic Planning Committee stating the place, day, hour and purposes thereof shall be given by the Chief Executive Officer or his/her designee to each member of the Strategic Planning Committee by U.S. Mail or such other lawful means as permitted by these Bylaws or by resolution of the Board of Governors at least ten (10) days prior to the date of the meeting, except if the Chair determines that a special situation requires shorter notice, in which event as much notice as possible shall be given by any appropriate means. The presence or other participation by lawful means of a majority of the members of the Strategic Planning Committee shall be necessary to constitute a quorum for the transaction of business, and any action of the Strategic Planning Committee upon any matter shall be valid with the affirmative vote of at least a majority of the members of the Strategic Planning Committee in office.

Section 5.10 The Roundtable Advisory Committee.

By resolution adopted by a majority of the Directors in office, the Board of Governors may establish the Roundtable Advisory Committee ("The Roundtable") to serve as an advisory committee to the Board.

Section 5.10.a Purpose. The Roundtable shall advise the Board on matters such as trade shows, membership matters, and overall strategies for, and activities of, Industry Groups including affiliated trade associations. The Roundtable shall have no other power or authority in connection with the business and affairs of the Corporation. The Roundtable shall consist of the Chair, the President, the Vice President, the Chief Executive Officer (who is an *ex officio* member of, and adviser to, the Roundtable), *Emeritus* Directors as may be elected from time to

time by the Board of Governors, and no fewer than twenty (20) and no more than thirty-six (36) other Roundtable Directors.

Section 5.10.b Qualifications. The Roundtable Directors shall be selected by such method as shall be determined by the Board of Governors, and the number, qualifications and terms of office of the Roundtable Directors shall be determined by resolution of the Board. No person may be nominated or elected to serve on the Roundtable unless he or she is a Certified Representative or Alternate Representative of a Member entitled to vote and is a senior level leader who has demonstrated a long-term vision of the Material Handling industry. Directors of the Roundtable should be selected so that a mix of company sizes and Industry market segments is represented. The President of the College Industry Council on Material Handling Education shall be a non-voting member of the Roundtable. Directors *Emeriti* shall not be required to be current Certified or Alternate Representatives of Members in order to serve on the Roundtable, shall not be required to participate in meetings or to hold other positions as described in these Bylaws and shall not be required to pay dues or assessments unless otherwise provided by resolution of the Corporation.

Section 5.10.c Term of Office. Each elected Roundtable Director shall hold office for a term of four (4) years and until a respective successor shall be elected and shall qualify and shall be eligible to serve for a maximum of two (2) consecutive four-year terms after completing which he or she shall not be eligible for further re-election until a period of one (1) year shall have elapsed. The term shall begin on the first day of the calendar year following election. The term of office of each *ex-officio* Roundtable Director shall commence at the time he or she assumes such office and shall continue only so long as he holds the qualifying office. Directors shall be classified in respect of the time for which they shall severally hold office by dividing them into four classes, as nearly equal in number as possible. If such classes are not equal, the Board or the Executive Committee shall determine which class shall contain an unequal number. The initial term of office of the members shall expire at the end of the Fifth calendar year commencing with the date of assumption of office. At each succeeding annual meeting of Members, the Members shall elect members of the class whose term is next to expire to hold office until the end of the Fifth calendar year commencing with the date of assumption of office. The term of office of any Representative as a member of the Roundtable shall terminate if either (a) the Member he represents shall designate another Representative or Alternate Representative in his place or (b) the Member which is represented is no longer a Member entitled to vote. Each *ex-officio* member of the Roundtable shall serve as long as (but only so long as) he or she holds office by virtue of which he or she serves on the Roundtable.

Section 5.10.d Directors *Emeriti*. The Board of Governors in its sole discretion may pass a resolution awarding the status of Director *Emeritus* to few persons of importance who have distinguished themselves as leaders in the Material Handling industry, whose careers have been marked by exemplary service to the Material Handling industry, who are persons of outstanding merit, who have achieved heights of achievement that are to emulated, who have contributed to the Material Handling industry beyond the norm, and who are uniquely deserving of the perpetual status as an exalted leader of the industry. Such Directors *Emeriti* may be retired from the duties of their previous positions in the Material Handling industry or may continue to

exercise some or all of those duties. Directors *Emeriti* may choose to serve on the Roundtable as long as they choose to do so or as long as the Board of Governors in its sole discretion deems it appropriate to so recognize such individuals.

Section 5.10.e Ex Officio Members: Vacancies. The Executive Officers, who are *ex officio* members of the Roundtable, shall have the full right of voice and vote, mid-year successors to any such office shall automatically succeed to *ex officio* membership on the Roundtable at the time of such succession.

Section 5.10.f Vacancies. Vacancies on the Roundtable including vacancies resulting from an increase in the number of members shall be filled by a majority vote of the Board of Governors then in office or a majority vote of the members of the Executive Committee. Directors who are elected to fill vacancies on the Roundtable shall hold office for a term expiring at the end of the calendar year in which they were elected.

Section 5.10.g Regular Meetings; Notice. Regular meetings of the Roundtable shall be held at such time and place as shall be designated by the Board of Governors or the Executive Committee from time to time or, if not so designated, as determined by the President. Notice of regular meetings of the Roundtable shall not be required to be given, except as otherwise expressly required herein or by law and except that whenever the time or place of regular meetings shall be initially fixed or changed, notice of such action shall be given promptly by the Chief Executive Officer to each Roundtable Director not participating in such action. Any business may be transacted at any regular meeting.

Section 5.10.h Annual Meeting; Notice. An annual meeting of the Roundtable shall be held each year before or after the Annual Meeting of MHI Members at a place designated by the President or the Chief Executive Officer. At this meeting the Roundtable may transact any lawful business as set forth elsewhere in these Bylaws. Notice of the Annual Meeting of the Roundtable and of the business to be transacted at it shall be given to each Roundtable Director by the Chief Executive Officer at least ten (10) days in advance of the meeting.

Section 5.10.i Special Meetings; Notice. Special meetings of the Roundtable may be called at any time by the Board of Governors or by the Executive Committee, by the President or by the Chief Executive Officer to be held at such place, day and hour as shall be specified by the Chief Executive Officer. Notice of every special meeting of the Roundtable stating its place, day, hour and purpose(s) shall be distributed to each Roundtable Director by the Chief Executive Officer by U.S. Mail at least ten (10) days prior to the date of the meeting.

Section 5.10.j Quorum. At all meetings of the Roundtable, the presence or participation by other lawful means of a majority of the Roundtable Directors shall constitute a quorum for the transaction of business. The Roundtable Directors present at a duly organized meeting shall continue to constitute a quorum until adjournment notwithstanding the withdrawal of enough Roundtable Directors to leave less than a majority. If a quorum is not present at any meeting, the meeting may be adjourned from time to time by a majority of the Roundtable Directors present, in which event the Chief Executive Officer with the consent of the President

shall determine a new date and place for the meeting, for which at least five (5) days' notice shall be given to all Roundtable Directors by the Chief Executive Officer.

Section 5.10.k Action. Resolutions of the Roundtable shall be adopted, and any action of the Roundtable at a meeting upon any matter shall be taken and be valid, with the affirmative vote of at least a majority of the Roundtable Directors present and acting at a meeting duly organized. Each Roundtable Director shall be entitled to one vote. The President shall preside, and the Chief Executive Officer shall be responsible to take minutes at all meetings of the Roundtable. In the absence of the foregoing Executive Officers the Roundtable Directors present shall select a Director on the Roundtable to preside and in the absence of the Chief Executive Officer the presiding officer shall designate any Person to take the minutes of the meeting. The “yea’s” and “nay’s” shall be taken and recorded in the minutes at the request of any Roundtable Director present at a meeting. Any action which may be taken at a meeting of the Roundtable may be taken without a meeting if prior to such action a consent in writing setting forth such action is signed by a majority of the Directors and is filed in the minutes of the proceedings of the Roundtable.

Section 5.10.l Participation Other Than by Attendance. One or more of the Roundtable Directors may participate in any regular or special meeting of the Roundtable by proxy. All Roundtable Directors so participating shall be deemed present at the meeting. The Roundtable may also act by written ballot circulated to all Roundtable Directors if a majority of the Roundtable Directors in office returns their ballots marked to approve such action.

Section 5.10.m Presumption of Assent. Minutes of each meeting of the Roundtable shall be made available to each Roundtable Director at or before the next succeeding regular meeting. Every Roundtable Director shall be presumed to have assented to such minutes unless his or her objection thereto shall be made to the Chief Executive Officer within two (2) days after such next regular meeting.

Section 5.10.n Resignations. Any Roundtable Director may resign by submitting to the President or the Chief Executive Officer a written resignation, which (unless otherwise specified therein) need not be accepted to make it effective and shall be effective when so designated or, if not designated, immediately upon its receipt.

Section 5.10.o Compensation. Directors on the Roundtable shall receive no compensation for any services rendered in their capacities as Directors. However, nothing contained herein shall be construed to preclude any Director on the Roundtable from receiving compensation from the Corporation for other services actually rendered or from being reimbursed for expenses incurred for serving MHI in any capacity.

Section 5.10.p Identification. Directors on the Roundtable may publicly identify themselves as such only when such identification is in keeping with the stated purposes and policies of MHI.

ARTICLE VI

CONFLICTS OF INTEREST

Section 6.1 General.

As each Director and Officer participates in the business of the Corporation, he or she has a fiduciary duty to act prudently and in the best interest and well-being of the Corporation, as opposed to his or her personal interest or the interest of some other person or entity.

Section 6.2 Definition of a Conflict.

An actual or potential conflict of interest exists when any of the following exists:

- (a) The Corporation does or proposes to do business with or competes with:
 - (i) a Covered Individual; or
 - (ii) a family member of a Covered Individual; or
 - (iii) an organization in which a Covered Individual and/or family member has an ownership or investment interest or compensation relationship or serves as a director or officer;
- (b) A Covered Individual or family member receives remuneration for performing services for the Corporation and the Corporation is determining his or her remuneration; or
- (c) A Covered Individual or family member is employed by or serves on the board of an organization that receives or is seeking a grant from the Corporation.

A conflict also exists when a similar circumstance exists with respect to a company that is 35% owned by Covered Individuals and/or their family members.

Section 6.3 Disclosure.

Annually, each Covered Individual must complete a disclosure statement reflecting his or her interests. The Chair and/or the Executive Committee are responsible for reviewing the disclosure statements as to be familiar with potential conflicts. In addition, each Covered Individual is personally responsible for disclosing his/her actual or potential conflicts at the time the Corporation is considering a transaction that may involve a conflict.

Covered Individuals shall act in a manner intended to further the best interests and well-being of the Corporation. If at any time a Covered Individual is aware that he or she (i) has or may have a conflict of interest or (ii) is or may be unable to act in the best interest and well-being of the Corporation on any issue because of a personal situation or other reason, the Covered Individual shall disclose the conflict or potential conflict, shall recuse himself or herself from voting on the subject, and shall leave the room while the matter is discussed. Prior to leaving the room, the

affected Covered Individual shall answer any questions asked by disinterested Directors. Recusing himself or herself shall not prevent a Covered Individual from participating in other activities or discussions where no conflict of interest exists.

Section 6.4 Standard for Approval.

The determination whether a conflict of interest exists in any particular circumstance shall be made by the disinterested members of the Board or the Executive Committee after disclosure of the material facts regarding the Covered Individual's interest in the matter.

In the event the Board or the Executive Committee concludes that a conflict exists, the Chair or majority of the disinterested Directors present may appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement which presents the conflict. Alternatively, the Board of Governors or the Executive Committee may approve the transaction or arrangement that is the subject matter of the conflict by an affirmative vote of a majority of the disinterested Directors present so long as the disinterested Directors constitute a quorum.

In either case, the decision-making body must have determined (a) that the transaction or arrangement is in the MHI's best interest and well-being and for its own benefit, (b) that it is fair and reasonable to the Corporation, and (c) after exercising due diligence, MHI would not obtain a more advantageous transaction with reasonable effects under the circumstances. Where reasonably possible, the Board of Governors shall obtain comparable information to assist it in reaching such conclusions. Comparable information may include appraisals, valuations, competing offers or bids, compensation surveys, reports of experts, and similar data. When setting compensation for disqualified persons, including without limitation officers and Directors, MHI shall obtain comparable information and exclude from the decision making body the applicable disqualified persons and any persons they supervise.

Section 6.5 Minutes.

The minutes of all meetings shall reflect (a) the names of the persons who disclosed any conflicts; (b) the determination as to whether an actual or potential conflict of interest existed; (c) the names of the persons who were present for discussions and votes relating to the transaction or arrangement; (d) the content of the discussions, including any alternatives to the proposed transaction or arrangement and the basis for the determination of the Board, including any comparability data; (e) the voting record, including any abstention from voting; and (f) any action to be taken.

ARTICLE VII

LIMITATION OF PERSONAL LIABILITY OF DIRECTORS

Section 7.1 Limitation of Directors' Personal Liability.

A Director on the MHI Board of Governors shall not be personally liable for monetary damages for any action taken unless the Director has breached or failed to perform the duties of his office under Chapter 57, Subchapter B of the NPCL as in effect at the time of the alleged action by such Director and the breach or failure to perform constitutes self-dealing, willful misconduct or

recklessness. Such limitation on liability does not apply to the responsibility or liability of a Director pursuant to any criminal statute or for payment of taxes pursuant to any Federal, state or local law.

Section 7.2 Preservation of Rights.

Any repeal or modification of this Article by the Corporation shall not adversely affect any right or protection existing at the time of such repeal or modification to which any Director or former Director may be entitled under this Article. The rights conferred by this Article shall continue as to any person who has ceased to be a Director on the MHI Board of Governors and shall inure to the benefit of the heirs, executors, and administrators of such person.

ARTICLE VIII

INDEMNIFICATION

Section 8.1 Mandatory Indemnification of Directors and Officers.

MHI shall indemnify to the fullest extent now or hereafter permitted by law (including but not limited to the indemnification provided by Chapter 57, Subchapter D of the NPCL) each Director and/or Officer (including each former Director or Officer) of the Corporation who was or is threatened to be made a party to or a witness in any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative including an action by or in the right of the Corporation, by reason of the fact that the Director or Officer is or was an authorized representative of the Corporation or is or was serving at the request of the Corporation as a representative of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust or other enterprise against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Director or Officer in connection with such action, suit, or proceeding if such Director or Officer acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of MHI and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action or proceeding by judgment, order, settlement, or 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 that he reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 8.2 Mandatory Advancement of Expenses to Directors and Officers.

MHI may advance expenses (including attorneys' fees) incurred by a Director or Officer of the Corporation referred to in Section 8.1 hereof in defending or appearing as a witness in any civil or criminal action, suit, or proceeding described in Section 8.1 hereof in advance of the final disposition of such action, suit, or proceeding, only upon receipt of an undertaking by or on behalf of such Director or Officer to repay all amounts advanced if it shall ultimately be determined that the Director or Officer is not entitled to be indemnified by MHI as provided in Section 8.4 hereof.

Section 8.3 Permissive Indemnification and Advancement of Expenses.

MHI may, as determined by the Board of Governors from time to time, indemnify in full or in part to the fullest extent now or hereafter permitted by law any person who was or is threatened to be made a party to or a witness in, or is otherwise involved in, any threatened, pending or completed action or proceeding, whether civil, criminal, administrative, or investigative including an action by or in the right of MHI, by reason of the fact that such person is or was an authorized representative of MHI or is or was serving at the request of MHI as a representative of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise, both as to action in his official capacity and as to action in another capacity while holding such office or position, against all expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in conjunction with such action, suit, or proceeding referred to in this Section 8.3 in advance of the final disposition of such action, suit, or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by MHI as provided in Section 8.4 hereof.

Section 8.4 Scope of Indemnification.

Indemnification under this Article shall not be made by the Corporation in any case where a court determines that the alleged act or failure to act giving rise to the claim for indemnification is expressly prohibited by Chapter 57, Subchapter D, of the NPCL or any successor statute as in effect at the time of such alleged action or failure to take action.

Section 8.5 Miscellaneous.

Each Director and Officer of MHI shall be deemed to act in such capacity in reliance upon such rights of indemnification and advancement of expenses as are provided by this Article. The rights of indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which any person seeking indemnification or advancement of expenses may be entitled under any agreement, vote of members, disinterested Directors, statute, or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office or position, and shall continue as to a person who has ceased to be an authorized representative of MHI and shall inure to the benefit of the heirs, executors, and administrators of such person. Any repeal or modification of this Article by the MHI Board of Governors shall not adversely affect any right or protection existing at the time of such repeal or modification to which any person may be entitled under this Article.

Section 8.6 Definition of Authorized Representative.

For the purposes of this Article, the term "authorized representative" shall mean a Director, Officer or employee of MHI or of any affiliated trade association of MHI or a trustee, custodian, administrator, committeeman, or fiduciary of any employee benefit plan established and maintained by the Corporation or by any corporation controlled by the Corporation or person serving another corporation, partnership, joint venture, trust, or other enterprise in any of the foregoing capacities at the request of the Corporation. The term "authorized representative" shall not include money managers or investment advisors (or any employees thereof) hired by

MHI and shall not include agents of MHI unless indemnification thereof is expressly approved by the Board of Governors.

Section 8.7 Procedure to Effect Indemnification.

Unless ordered by a court, any indemnification under this ARTICLE VIII or the NPCL shall be made only following a determination that the indemnification is proper under the circumstances because the person seeking indemnification has met the applicable standard of conduct. Such determination shall be made:

- (a) by the Board of Governors by a majority vote of a quorum consisting of Directors who were not party to the action or proceedings or
- (b) if such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested Directors so directs, by MHI's General Counsel in a written opinion.

ARTICLE IX

RESTRICTIONS REGARDING MHI OPERATIONS

Section 9.1 No Private or Political Beneficiaries.

In keeping with MHI's statement of purpose as set forth in its Fifth Amended and Restated Articles of Incorporation, no part of the revenue or assets of the Corporation shall inure to the benefit of any private individual, and no substantial part of MHI's activities shall involve propaganda or shall otherwise be aimed at influencing legislation, and the Corporation shall not directly or indirectly participate or intervene in (including the publishing or distribution of statements) any political campaign activities on behalf of or in opposition to any candidate for public office.

Section 9.2 No Violation of Purposes.

In no event and under no circumstances shall the Board of Governors make any distribution or expenditure, engage in any activity, hold any assets, or enter into any transaction whatsoever, the effect of which under applicable federal laws then in force will cause the Corporation to lose its status as a nonprofit corporation under Section 501(c)(6) of the Internal Revenue Code.

Section 9.3 Tax Records.

MHI shall maintain at its principal office a copy of its application for exemption and all tax returns filed with the Internal Revenue Service. To the extent required by law, such documents shall be made available during regular business hours for inspection by such persons who are authorized to review them.

Section 9.4 Annual Report

The President as Treasurer of the Corporation shall direct the submission annually to the Board of Governors of a statement containing those details required to be included under the provisions of the NPCL, as it may be amended from time to time or any successor statute governing Pennsylvania nonprofit corporations or these Bylaws.

Section 9.5 Books and Records.

MHI will keep correct and complete books and records of account and will also keep minutes of the proceedings of its Board of Governors and committees. The Corporation will keep at its registered office the original or a copy of its Bylaws including amendments to date, certified by the Chief Executive Officer as Secretary of the Corporation.

Section 9.6 Policies.

Section 9.6.1 The Board of Governors shall adopt and maintain policies relating to the protection of whistleblowers, document retention and distribution, gift acceptance, and spending.

Section 9.6.2 MHI shall not support or oppose candidates for elective office or engage in any other activity which may threaten its tax exempt status.

Section 9.6.3 MHI shall not act as a fundraising agent unless such activities that are approved by the Board of Governors.

Section 9.7 Execution of Notes, Checks, Contracts and Other Instruments.

All notes, bonds, drafts, acceptances, checks, endorsements (other than for deposit), guarantees and all evidences of indebtedness of the Corporation whatsoever, and all properly authorized deeds, mortgages, contracts and other instruments requiring execution by the Corporation, may be signed and delivered by the Chief Executive Officer and authority to sign any of the foregoing, which may be general or confined to specific instances, may be conferred by the Board of Governors upon any other person or persons, subject to such requirements as to countersignature or other conditions, as the Board of Governors from time to time may determine. Any person having authority to sign on behalf of the Corporation may delegate from time to time by instrument in writing all or any part of such authority to any other person or persons if authorized to do so by the Board of Governors, which authority may be general or confined to specific instances. Facsimile or electronic signatures on checks may be used if authorized by the Board of Governors.

Section 9.8. Voting and Acting with Respect to Securities Owned by the Corporation.

The Chief Executive Officer shall have the power and authority to vote, to sell and to act with respect to all stock and other securities in any other corporation held by MHI unless the Board of Governors confers such authority, which may be general or specific, upon some other person. Any person so authorized to vote, to sell or to act with respect to any securities shall have the power to appoint an attorney or attorneys with general power of substitution as proxies or agents

for the Corporation, with full power to sell, vote and to act on behalf of the Corporation with respect to such stock or other securities.

Section 9.9. Borrowing.

No Officer, agent or employee of MHI shall have any power or authority to borrow money on its behalf, to guarantee or pledge its credit, or to mortgage or pledge any of its real or personal property, except within the scope and to the extent of the authority granted by the Board of Governors. Authority may be granted by the Board of Governors for any of the above purposes to any Executive Officer and may be general or limited to specific instances.

ARTICLE X

DUES AND ASSESSMENTS

Section 10.1. Amounts.

The amount of dues and assessments of the Members shall be established by the Corporation.

Section 10.2. Time of Payment; Notice.

Dues and assessments shall be paid on such date in the following year as shall be established by the Corporation. Notice of all dues and assessments shall be given to the Members by the Chief Executive Officer or the Chief Executive Officer's designee at least thirty (30) days before they are due and payable. Members shall pay all dues and assessments directly to the Corporation.

Section 10.3. Delinquencies.

The Chief Executive Officer or a designee shall give notice to any Member which is more than sixty (60) days delinquent in the payment of dues or an assessment. No such Member while in arrears for sixty (60) days or more shall have its vote counted on any matter submitted at any Annual or Special meeting of the Members, and it shall automatically be deprived of all rights and activities attending Membership until said Member is restored to good standing by payment of all dues and/or assessments in default within two (2) years of being delinquent or by action of the Executive Committee or the Board of Governors.

ARTICLE XI

MISCELLANEOUS CORPORATE TRANSACTIONS AND DOCUMENTS

Section 11.1 Execution of Notes, Checks, Contracts and Other Instruments.

All notes, bonds, drafts, acceptances, checks endorsements (other than for deposit), guarantees, all evidences of indebtedness of MHI whatsoever, and all deeds, mortgages, contracts and other instruments requiring execution by MHI may be signed by the Chair, the President or the Chief Executive Officer, and authority to sign any of the foregoing, which may be general or confined

to specific instances, may be conferred by the Board of Governors or the Executive Committee upon any other Person. A Person having authority to sign on behalf of MHI may delegate by written instrument all or any part of such authority to any other Person who is authorized by the Board of Governors or the Executive Committee, said authority being general or confined to specific instances. Electronic signatures on checks may be used if authorized by the Executive Committee or the Board of Governors.

Section 11.2 Voting Securities Owned by MHI.

Securities owned by MHI and having voting power in any other organization shall be voted by the Chair, the President or the Chief Executive Officer, unless the Executive Committee, the Board of Governors or the MHI Investment Committee confers authority to vote with respect to such securities, which may be general or confined to specific investments, upon some other Person. Any Person who is authorized to vote such securities shall have the power to appoint proxies with general power of substitution.

Section 11.3 Grants.

The Board of Governors and the Executive Committee shall have the discretion to reject any grant, gift, or bequest, the conditions of which may be deemed to conflict with or jeopardize the Corporation's purposes. The Board of Governors shall have final authority over the making of all grants and other charitable expenditures, and nothing in this Section shall constitute any restriction or limitation of any powers of the Board conferred by applicable law or these Bylaws. The Board and the Executive Committee may delegate authority under this Article to the Chief Executive Officer.

ARTICLE XII

AMENDMENTS

Section 12. Authority.

These Bylaws and the Fifth Amended and Restated Articles of Incorporation of the Corporation may be altered, amended and/or repealed and new Bylaws may be adopted from time to time by the affirmative vote of two-thirds (2/3) of all of the voting Directors of the Board of Governors in office at any Annual, Regular, Special or Emergency meeting. No provision of these Bylaws shall vest any property or contract right in any person.

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SECRETARY'S CERTIFICATE

MATERIAL HANDLING INDUSTRY

MHI

The undersigned certifies:

1. That the undersigned is the duly elected and acting Secretary of Material Handling Industry, a Pennsylvania nonprofit corporation (the "Corporation"); and

2. That the foregoing Bylaws constitute the Bylaws of the Corporation as duly adopted by the Board of Governors of the Corporation as of the ____th day of _____, 2013.

IN WITNESS WHEREOF, I have hereunto subscribed my name as of this ____ day of _____, 2013.

[Name]
Secretary

CONFIDENTIAL

Name: _____

Material Handling Industry (“MHI”)

Conflict of Interest Disclosure Statement

I. Employment

Current Employer _____

Position _____

To the best of your knowledge, does your employer offer any service (*e.g.*, legal, accounting) or product to, or otherwise do business with, MHI, the “Corporation”?

Yes

No

If yes, what is the service/product and what is the estimated annual dollar volume of such business? _____

II. Investment and Other Financial Relationships

Do you personally offer any service or product to or otherwise do business with the Corporation (or any of its Directors, Officers, or committee members)?

Yes

No

If yes, what is the service/product and what is the estimated annual dollar volume of such business? _____

Do you have an ownership or significant investment interest in or compensation arrangement with any company that does business with the Corporation (or any of its Directors, Officers, or committee members) or can reasonably be expected to do so?

Yes

No

If yes, please provide the name of entity, your relationship to the entity, and the nature of the business. _____

III. Director and Officer Positions

Please list all organizations where you serve as an officer, director, or trustee, whether paid or unpaid. Indicate to the best of your knowledge whether such organization(s) do any business with the Corporation or can reasonably be expected to do so.

<u>Name of Organization</u>	<u>Position</u>	<u>Organization's Business and (Potential) Relationship to Corp</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

IV. Please provide, to the best of your knowledge, the following information for any family member who is employed by, serves as a director/officer/committee member for, or owns or has a significant investment in or compensation arrangement with a company that does business with the Corporation or that reasonably can be expected to do so.

<u>Family Member's Name</u>	<u>Relationship to You</u>	<u>Company Involved</u>	<u>Family Member's Relationship to Company</u>
_____	_____	_____	_____
—	—	—	—
_____	_____	_____	_____
—	—	—	—
_____	_____	_____	_____
—	—	—	—
_____	_____	_____	_____
—	—	—	—

Family members include:

- Spouse
- Children and their spouses
- Parents and their spouses
- Grandparents and their spouses
- Siblings and their spouses
- Grandchildren and their spouses

ATTACH ADDITIONAL SHEETS IF NECESSARY.

The undersigned hereby certifies that:

- He/she has received a copy of MHI's conflict of interest policy, has read and understands the conflict of interest policy, and agrees to comply with the policy.
- He/she has conducted reasonable investigation to ensure that the information contained in this disclosure statement is complete and accurate.

Signature of Officer or Director

Printed Name

Date: _____