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INTERNATIONAL PAINT AND  
PRINTING INK COUNCIL, INC.

By-Laws

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*June 3, 2003*

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**ARTICLE I**

**NAME AND MISSION**

**Section 1 Name**

The name of the organization shall be the International and Paint Printing Ink Council, Inc. (the "Council" or "IPPIC").

**Section 2 Purposes and Mission**

The purposes for which the Council is organized include operating exclusively to promote and represent the common business interests of and improve the business conditions among members of the international paint and printing ink industry.

With respect to international issues, the Council's mission includes:

- a. Promoting the development of product stewardship and environmental responsibility through the implementation of the principles and practices of Coatings Care® by paint and printing ink industries' companies and associations on a worldwide basis.
- b. Facilitating an exchange of views among members and acting as a forum within which global strategies may be developed;
- c. Ensuring representation of the paint and printing ink industries on key issues with international implications;
- d. Acting as the focal point for monitoring and communicating on issues of importance to the paint and printing ink industries;
- e. Developing recommendations and analyses on selected issues of common interest to the participating organizations;
- f. Serving as a forum for open dialogue and exchange between the participating organizations on issues of common interest;
- g. Serving as technical expert in presenting the views of the international paint and printing ink industries to intergovernmental agencies, such as the Economic and Social Council ("ECOSOC") of the United Nations, and to international private organizations, such as the International Standards Organization ("ISO") on issues involving the paint and printing ink industries, including commenting on agenda items, attending and participating in meetings; and

Deleted: and

**ARTICLE II**

**BOARD OF DIRECTORS**

**Section 1 Number, Qualifications, Election and Term of Office**

The number of directors shall be not more than three (3). The Board shall include the chief staff officers of the European Council of the Paint, Printing Ink and Artists' Colours Industry, Japan Paint Manufacturers Association and National Paint and Coatings Association. The directors shall be elected by a two-thirds majority vote of a duly constituted quorum of the IPPIC membership, and each shall

continue in office for a three-year term. Any director may be removed with or without cause by a two thirds majority vote of the IPPIC membership a special meeting called for that purpose. Board members are expected to have representation at all IPPIC Board meetings. Absence from two consecutive IPPIC Board meetings is grounds for expulsion from the IPPIC Board. The directors shall elect, by majority vote of a duly constituted quorum, a Chairman of the Board/President. The Chairman/President shall preside at all meetings of the Board and the IPPIC membership, or in his absence, the Board shall appoint an acting Chairman for the purpose of that meeting.

## **Section 2 Vacancies**

In case of any vacancy in the Board, a successor to fill the un-expired portion of the term may be elected within thirty (30) days by a majority vote of the IPPIC membership.

## **Section 3 Resignation**

Any director may resign at any time by giving written notice of such resignation to a member of the Board. The resignation of any Director shall take effect upon receipt of notice thereof or at such later date specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

## **Section 4 Powers and Duties**

The Board shall have power to elected a Chairman / President of IPPIC and a Secretary Treasurer. On all other matters the Board shall make recommendations for approval by the IPPIC membership.

## **Section 5 Place of Meeting**

The Board may hold their meetings at such place or places and times as the Board may from time to time determine.

## **Section 6 Participation by Conference Telephone**

Any or all directors may participate in a meeting of the Board by means of conference telephone or by any means of communication by which all persons participating in the meeting are able to hear on another, and such participation shall constitute presence in person at the meeting. The meeting shall be duly constituted and its proceedings valid if the Chairman of the meeting is satisfied that directors attending at all meeting places are able to participate fully in the business for which the meeting has been convened and to hear and be heard by all other participants.

## **Section 7 Regular Meetings: Notice**

Regular meetings of the Board shall be held annually with notice at such time and place as determined by the Board. No notice need be given of the first meeting of the Board. Financial reports of the Council prepared either by the Treasurer or by an independent public accountant shall be provided for each regular meeting of the Board, or as otherwise provided by the Board.

**Section 8 Special Meetings: Notice**

Special meetings of the Board may be held at any time and place upon the call of the Chairman of the Board, and all three (3) directors. Ten (10) days' written or electronic notice of the time, place and purpose of every special meeting of the Board shall be given by the Secretary to each director. "Electronic Notice" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process. Without limiting the manner by which notice otherwise may be given effectively to the Board of Directors, any notice to a director shall be effective if given by a form of Electronic Notice consented to by the director to whom the notice is given. Any such consent shall be revocable by the director by written notice to the Council. Any such consent shall be deemed revoked if (a) the Council is unable to deliver by electronic transmission two consecutive notices given by the Council in accordance with such consent and (b) such inability becomes known to the Secretary or any other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

**Section 9 Annual Meeting**

The annual meeting of the Board for the election of officers shall be held at such time and place as determined by the Board with notice given in a manner similar to notice of a regular meeting.

**Section 10 Quorum: Adjournment of Meetings**

Two-thirds of the directors in office shall constitute a quorum for the transaction of business. However, if at any meeting of the Board there is less than a quorum present, the directors present may adjourn the meeting from time to time until a quorum is obtained. At such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. To the extent permitted by law, a resolution in writing, signed by all of the directors, shall be as valid as if it had been passed at a meeting of the directors duly called and constituted.

**Section 11 Voting**

The act of a two-thirds majority of the directors present in person or pursuant to Section 7, herein, at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required elsewhere in these By-Laws.

**Section 12 Waiver of Notice**

Whenever any notice is required to be given to any director under the provisions of the Articles of Incorporation or By-Laws of the Council, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Presence without objection also waives notice.

**Section 13 Action Taken By Directors Without A Meeting**

Any action, which must be or may be taken at a meeting of the directors, may be taken without a meeting if consent in writing, setting forth the action taken, shall be signed by all of the directors. Such consent shall have the same force and effect as a unanimous vote of the directors.

**ARTICLE III****OFFICERS****Section 1 Number and Qualifications**

The two officers of the Council shall be a Chairman of the Board / President, and a Secretary Treasurer.

**Section 2 Appointment and Term of Office**

The two officers of the Council shall be chosen at the Annual Meeting of the Board by a two-thirds majority of the directors present at a meeting at which a quorum is present. Each officer shall hold office for two years, until the next Annual Meeting of the Board.

**Section 3 Chairman of the Board/President: Powers and Duties**

The Chairman/President shall preside over the Board and carry out such other duties as the IPPIC membership prescribes for the head of the organization. The Chairman/President shall conceive and formulate policies and activities and submit to the IPPIC membership for discussion, amendment and approval in the form of operational decisions. In consultation with the IPPIC membership, the Chairman/President will be the officer in charge of the Council's external affairs. He shall perform such other duties as are necessarily incident to the office of Chairman/President. The Chairman/President shall oversee the activities of the Council, subject to the decisions of the IPPIC membership. The Chairman/President shall perform such other duties as are necessarily incident to the office of Chairman/President. The Chairman/President shall also be known as the Chief Executive Officer of the Council.

**Section 4 Secretary Treasurer: Powers and Duties**

It shall be the duty of the Secretary Treasurer to attend and keep the minutes of all meetings of the Board and IPPIC membership, to issue proper notices of all meetings, to perform all other duties associated with the office of Secretary Treasurer and to perform such other duties as the IPPIC membership or the President may from time to time prescribe. The Secretary Treasurer shall have custody of the minute book of the Council and the corporate seal of the Council and the Secretary Treasurer shall have authority to affix the seal to any instrument requiring it, and when he so affixes, it may attest by the signature of the Secretary Treasurer. The Board may give general authority to any other officer to affix the seal of the Council and to attest the affixing by such officer's signature. The Secretary Treasurer may also attest all instruments signed by the President. The Secretary Treasurer shall also have the duty to collect all monies due to the Council and to have custody of the funds of the Council and to place the same in such depositories as may be approved by the Board. He shall approve payment of all bills against the Council, he shall record and submit to the Board and IPPIC members a report of all receipts and disbursements and a report of the financial condition of the Council, both of which reports the Board may cause to be audited by a firm of certified accountant of its own selection. The Secretary Treasurer shall, at the discretion of the Board, furnish a satisfactory bond in such sum as the Board shall prescribe. He shall perform all other duties incidental to the office of Secretary Treasurer and shall perform such other duties as the Board or the Chairman President may from time to time prescribe.

**Section 5 Removal**

Any officer of the Council may be removed without cause by a two-thirds majority vote of the Board then in office.

#### **ARTICLE IV**

##### **IPPIC SECRETARIAT**

The Secretariat is the member association designated to perform the administrative duties of the Council under the direction and authority of the IPPIC membership and the Chairman of the Board / President. The Secretary Treasurer will be an employee of the member association serving as Secretariat.

#### **ARTICLE V**

##### **COMMITTEES**

The IPPIC membership may appoint such committees, as it may deem advisable. Such committees shall have such powers, except to amend the By-Laws or to fill vacancies on the Board.

#### **ARTICLE VI**

##### **ANNUAL FINANCIAL STATEMENTS/BUDGET**

The Chairman of the Board / President and Secretary Treasurer, with the assistance of the Secretariat, shall develop a budget annually to fund the activities of the Council. The budget may fund appropriate projects that advance important goals of the industry worldwide, including those that would support the participation of the Council in and before international organizations. A financial statement showing income and disbursements shall be presented to the Board of Directors and forwarded to each IPPIC member on an annual basis.

#### **ARTICLE VII**

##### **CONTRACTS, NOTES, BANK ACCOUNTS, INVESTMENTS, OTHER FINANCIAL MATTERS**

###### **Section 1 Contracts, Checks, Notes and Bank Accounts**

The Board is authorized to select such depositories as it shall deem proper for the funds of the Council and shall determine who shall be authorized on the Council's behalf to sign bills, notes, receipts, acceptances, endorsements, checks, releases, contracts and documents, provided that unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Council by any contract or agreement, to pledge its credit, or to render it liable for any purpose or in any amount.

###### **Section 2 Investments**

The funds of this Council may be retained in whole or in part in cash, stocks, bonds or other securities, as the Board in its unfettered discretion may deem desirable provided, however, that no investments shall be made in such a manner as to subject the Council to tax under Section 4944 of the Code or the associated regulations.

###### **Section 3 Loans to Directors**

No loans shall be made by the Council to its directors or officers.

#### **ARTICLE VIII**

##### **OFFICE, BOOKS AND CORPORATE SEAL**

###### **Section 1 Office**

The initial principal office of the Council shall be at 1500 Rhode Island Ave. NW, Washington D.C. 20005. The Council may also have offices at such other places within and without the United States as the membership of the Council may from time to time determine.

###### **Section 2 Books**

There shall be kept at the principal office of the Council correct books of account of the activities and transactions of the Council, including a minute book, which shall contain a copy of the Certificate of Incorporation, a copy of these By-Laws and all minutes of the meetings of the Board. The Board may provide for periodic audits of the books of account by such independent public accountants as it selects.

###### **Section 3 Corporate Seal**

The seal of the Council shall be circular in form and shall have inscribed thereon the name of the Council, the words "District of Columbia" and "Corporate Seal", and the year of incorporation.

#### **ARTICLE IX**

##### **PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS**

No director, employee or member, or any other private individual, shall receive at any time any of the net earnings from the operations of the Council, provided that this shall not prevent the reimbursement of proper expenses and the payment to any such person of such reasonable compensation, including performance bonuses, for goods or services rendered to or for the Council in furtherance of any of its purposes as determined by the Board. No person shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Council. All directors of the Council shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of the affairs of the Council, whether voluntary or involuntary, the assets of the Council then remaining in the hands of the Board shall be distributed, transferred, conveyed, delivered and paid over to such institutions (i) which are organized and operated for purposes substantially similar to those of the Council and (ii) which qualify as exempt organizations within Section 501(c)(3) or Section 501(c)(6) of the Code and upon such terms and conditions and in such amounts and proportions as the Board may impose and determine, to be used by institutions receiving the same for a similar or kindred purpose as those set forth in the Articles of Incorporation of the Council and any and all amendments thereto.

#### **ARTICLE X**

##### **FISCAL YEAR**

The Fiscal Year of the Council shall commence on January 1<sup>st</sup> of each year and end on December 31<sup>st</sup> of the same year.

**ARTICLE XI****MEMBERSHIP****Section 1 Membership**

Membership shall consist of national and international associations representing the paint and/or printing ink industries.

**Section 2 Powers and Duties**

The IPPIC membership shall have general power to manage and control the affairs and property of the council. It shall receive recommendations from the Board of Directors. The IPPIC meetings shall have full power by two-thirds majority to adopt rules and regulations governing the actions of the Board and council and shall have full and complete authority with respect to the distribution and payment of monies received by the council from time to time, provided that the fundamental and basic purposes and operating restrictions of the Council as expressed in the Articles of Incorporation, shall not thereby be violated, amended, or changed.

**Section 3 Members**

The members of the Council include:

- Australian Paint Manufacturers' Federation
- Canadian Paint and Coatings Association
- European Council of the Paint, Printing Inks and Artists' Colours Industry
- Japan Paint Manufacturers Association
- Mexican Paint and Printing Ink Manufacturers Association
- National Association of Printing Manufacturers (USA)
- National Paint and Coatings Association (USA)
- Indian Paint Association
- Brazilian Paint Manufactures Association
- Asian Paint Industry Council
- China National Coatings Industry Association

**Section 4 New Members**

New members may be added to the Council upon receipt of a membership application from an eligible association and the approval by a unanimous vote of the current IPPIC membership. The Council shall strive to maintain a diversified membership, which is representative of the global paint and printing ink industries.

**Section 5 Regular Meetings of the Membership**

Regular meetings of the membership shall be held with adequate advance notice and at such time and place as determined by the IPPIC members. At these meetings, the membership shall conduct all required IPPIC business.

**Section 6 Special Meetings of the Membership**

Special meetings of the membership may be held at any time and place upon the call of the Chairman of the Board / President. Ten (10) days' written or electronic notice of the time, place and purpose of every special meeting shall be given by the Secretary to each member. "Electronic Notice" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process. Without limiting the manner by which notice otherwise may be given effectively to the members, any notice to a member shall be effective if given by a form of Electronic Notice consented to by the member to whom the notice is given. Any such consent shall be revocable by the member by written notice to the Council. Any such consent shall be deemed revoked if (a) the Council is unable to deliver by electronic transmission two consecutive notices given by the Council in accordance with such consent and (b) such inability becomes known to the Secretary or any other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

**Section 7 Expulsion and Resignation of Membership**

The Secretary Treasurer may declare forfeited any membership for good and sufficient reasons including, but not limited to, non-attendance at scheduled periodic IPPIC meetings and non-payment of dues. Expulsions by the Secretary Treasurer must be reviewed and approved by a two-thirds majority vote of the Board prior to such expulsions becoming final.

Any member may resign from the Council upon providing three (3) months written notice to the President. In any event, any outstanding fees or dues owed for any Council project must be paid prior to resignation.

**Section 8 Re-Admission of Former Members**

Any member that ceases for any reason to be a member may be readmitted to membership on such terms and conditions as the IPPIC members deems appropriate.

**ARTICLE XII****MEMBER FEES****Section 1 Member Fees**

Member fees may be assessed against each member of the Council by the Secretary Treasurer on an annual basis upon approval of a two-thirds majority of IPPIC members.

**ARTICLE XIII****INDEMNIFICATION**

The Council shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Council) related to the fact that he or she is or was a director, officer, employee or agent of the Council, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonable incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Council and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit 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 which he or she reasonably believed to be in or not opposed to the best interests of the Council, and with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

**ARTICLE XIV****AMENDMENTS****Section 1 Amendments to By-Laws**

These By-Laws may be altered, amended or repealed (except as provided in Section 2 of this Article) at any regular or special meeting of the IPPIC membership by the affirmative vote of a two-thirds majority of the members voting at a meeting at which a quorum is present.

**Section 2 Section 2 Restrictions on Right to Amend**

The IPPIC members shall not have the power to alter or amend the By-Laws in such a manner as to permit any director, officer, agent or employee of the Council ever to receive any compensation from the operations of the Council (except reasonable compensation for services actually rendered to the Council and reimbursement of expenditures incurred in effecting one or more of its purposes), to receive any part of the property or assets of the Council upon its dissolution or termination, or to permit any part of the activities of the Council to consist of carrying on propaganda or otherwise attempting to influence legislation.

**Section 3 Amendments to the Articles of Incorporation**

The Articles of Incorporation of the Council may be altered, amended or repealed by the affirmative vote of a majority of all directors in office. No amendment, alteration or repeal shall be effected which would result in the denial of tax-exempt status under Section 501(c)(6) of the Code and the associated regulations.