

RSES EDUCATIONAL FOUNDATION BYLAWS

(as revised November 1996)

ARTICLE I • NAME, ORGANIZATION, OFFICES

Section 1. The registered name of this organization shall be RSES Educational Foundation, Inc., hereinafter referred to as the “Foundation.” The name may be shortened in routine use by eliminating the acronym “RSES.” The name may be lengthened by spelling out the acronym RSES to “Refrigeration Service Engineers Society.”

Section 2. The Foundation Articles of Incorporation shall be registered in the State of Illinois under the provisions of the Illinois General Not-for-Profit Corporation Act. The territorial jurisdiction of the Foundation shall be unlimited.

Section 3. The Foundation shall maintain a registered business office in the State of Illinois. The registered Foundation agent shall operate from such office, the address of which shall be noted on Foundation official correspondence and records. The Board of Trustees may direct that one or more Foundation sub-offices be established outside the State of Illinois.

ARTICLE II • MISSION, OBJECTIVE

Section 1. The mission of the Foundation is to advance the professionalism of the international heating, ventilating, air conditioning, and refrigeration (HVACR) industry involved in HVACR applications, installations, operations, maintenance, service, and education.

Section 2. The principal objective of the Foundation is to support the Refrigeration Service Engineers Society (RSES) and other clients and members through the development of professional-level educational, training, and testing programs and materials.

ARTICLE III • SEAL, EMBLEM, JOURNAL

Section 1. The corporate seal of the Foundation shall reflect the organization’s registered name, and the words, “Corporate Seal, Illinois.”

Section 2. The name and emblem of the Foundation are registered trademarks of the Foundation. Members of the Foundation in good standing are granted a license to use such trademarks on business-related advertising such as telephone yellow pages, and newspaper and magazine advertisements. Such use shall be accompanied by the words, “Member RSES Educational Foundation.” However, neither the Foundation name nor the emblem shall be used to imply an endorsement of a product, service, brand, or firm. All planned use of the Foundation name or emblem shall first be submitted to the Executive Vice President to insure such use is within stated parameters. The Board of Trustees may terminate any such license as it deems appropriate.

Section 3. The Board of Trustees may designate an Official Foundation Journal for the purpose of publishing notices, decisions, reports, papers, and other important activities and documents of the Foundation.

ARTICLE IV • ELECTED OFFICERS

Section 1. The officers of the Foundation shall be a President, a Vice President, a Treasurer, a Secretary and a Sergeant at Arms. In addition to the duties noted in Sections 4 through 7, the Board of Trustees may designate other officer duties and responsibilities from time to time.

Section 2. Foundation officer positions shall be held by the same persons who hold elected or appointed positions of the same title in the Refrigeration Service Engineers Society (RSES). Foundation officers shall take office concurrent with officially assuming their RSES officer position. They shall hold office until a successor has been duly elected or appointed.

Section 3. In that the Foundation is international in scope, Foundation officers and other Trustees shall be deemed international officers and international trustees.

Section 4. The President shall be the principal executive officer of the Foundation. Subject to the direction and control of the Board of Trustees, the President shall: be in overall charge of the business activities of the Foundation; direct the Executive Vice President; insure that directives of the Board of Trustees are carried out; be an ex-officio member of all committees; and in general, discharge all duties incident to the office of President. The President shall preside at all meetings of the Board of Trustees, except in those instances in which the authority to preside is expressly delegated to another officer of the Foundation. The President may execute Foundation contracts, deeds, mortgages, bonds, or other instruments which the Board of Trustees has

authorized to be executed. Such instruments may be executed either with, or without, the seal of the Foundation, and individually, or in concert with the Secretary or other officer so authorized by the Board of Trustees, or the Executive Vice President.

Section 5. Duties of the Vice President - The Vice President shall assist the President in the discharge of duties as the President may direct, and shall perform such other duties as from time to time may be assigned by the President or the Board of Trustees. In the absence of the President, or in the event of his/her inability or refusal to act, the Vice President shall perform the duties of the President. When so acting, the Vice President shall have all the powers of, and be subject to all the restrictions upon the President.

Section 6. Duties of the Treasurer - The Treasurer shall be the principal Accounting and Financial Officer of the Foundation and shall have charge of and be responsible for the maintenance of adequate books of account for the Foundation. Shall have charge and custody of all funds and securities of the Foundation and be responsible, therefore, and for the receipt and disbursement thereof.

Section 7. Duties of the Secretary - The Secretary shall record the minutes of the meetings of the Board of Trustees in one or more books provided for that purpose; (a) See that all notices are duly given in accordance with the provisions by these bylaws or as required by law. (b) Be custodian of the corporate records and the seal of the Foundation. (c) Perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Trustees.

Section 8. Duties of the Sergeant at Arms - The Sergeant at Arms shall perform all duties commonly charged to a Sergeant at Arms, including assisting the presiding officer on matters of parliamentary procedure, and performing such other duties as from time to time may be assigned by the President or Board of Trustees.

ARTICLE V • EXECUTIVE VICE PRESIDENT

Section 1. The Executive Vice President of RSES shall be the registered Foundation agent and chief staff executive of the Foundation.

Section 2. He or she shall perform the services and duties customarily performed by a person holding such a position, to include other reasonable duties as the President or the Board of Trustees may from time to time determine. Such duties shall include: responsibility for all management functions of the Foundation; administering all staff matters; managing the Foundation investment portfolio; assisting all Foundation officers in the performance of their duties; directing all business activities of the Foundation; executing contracts, agreements, and commitments on behalf of the Foundation, as authorized by the Board of Trustees; assisting committees with staff support and the development of official proposals; and acting as the principal spokesperson for the Foundation.

ARTICLE VI • BOARD OF TRUSTEES

Section 1. The Foundation shall be governed by a Board of Trustees. The Board of Trustees shall be subject to these bylaws and such policies, procedures, rules, and regulations as they have promulgated, or shall promulgate from time to time hereafter.

Section 2. Ten Trustees shall constitute the Foundation Board of Trustees. Trustee positions shall be held by officials of RSES who hold positions in the Society as follows: President, Vice President, Treasurer, Secretary, Sergeant at Arms, Chairperson of the Educational and Examining Board, the surviving immediate past President, and three International Directors. The three International Director/Trustees shall be appointed by the RSES President within ten days of the President assuming the office of RSES President. Except for the three Trustees appointed by the President, all other Trustees shall serve ex officio.

Section 3. All Trustees shall be entitled to vote. However, the President shall vote only to decide a tie vote. The Executive Vice President shall participate in all open sessions of the Board of Trustees, however, shall not be entitled to vote. Trustees need not be residents of the State of Illinois.

Section 4. Two regular annual meetings of the Board of Trustees shall be conducted: one in conjunction with, or no more than 60 days prior to, the midyear RSES Board of Directors meeting; the second in conjunction with the RSES annual business meeting.

Section 5. Special meetings of the Board of Trustees may be called by the incumbent President, or by six Trustees acting in concert, none of whom are the President. The person or persons calling a special meeting of the Board of Trustees shall establish the time, place, and agenda for such meeting in consultation with the Executive Vice President. No other new business of any kind may be acted upon in a special meeting except for the business noted in the meeting notice.

Section 6. Trustees shall be given notification of any regular or special meetings at least 14 days in advance of each meeting. Notice shall be in writing and mailed to each Trustee to the address on file with the Executive Vice President. Such notice shall be deemed to have been delivered when deposited in the United States mail in a sealed, postage prepaid, addressed envelope.

Section 7. Six Trustees, three of whom are non-officers, shall constitute a quorum for the purpose of transacting Foundation business at a regular or special meeting of the Board of Trustees. Only the President or presiding officer may excuse a Trustee from attending a meeting, and only for good and sufficient reasons as the President or presiding officer may determine.

Section 8. The act of a majority of the members of the Board of Trustees who are present at a meeting at which a quorum is present, shall be deemed to be the act of the Board of Trustees, unless a greater number of members is required by statute, these bylaws, or the articles of incorporation. All meeting minutes shall be recorded on a format established by the Executive Vice President.

Section 9. Any non-ex-officio member vacancy in the Board of Trustees shall be filled by the President within ten days of the vacancy occurring. Such a Trustee will be appointed for the unexpired term of his/her predecessor Trustee.

Section 10. Trustees shall not receive any compensation for their services, but by resolution of the Board of Trustees, expenses of attendance, if any, may be allowed for regular or special meetings of the Board. Nothing stated herein shall be construed to preclude any Trustee from serving the Foundation in a non-Trustee capacity and receiving reasonable compensation therefor.

Section 11. Any duality of interest on the part of any Trustee shall be disclosed to the Board of Trustees, and made a matter of record through an annual procedure, and also when the interest becomes a matter of Trustee action. Any Trustee having a duality of interest shall not vote or use his personal influence on the matter, and he or she shall not be counted in determining the quorum for the meeting. The minutes of the meeting shall reflect that a disclosure was made, the abstention from voting, and the quorum situation. Any new Trustee will be advised of this policy upon entering the duties of his office.

ARTICLE VII • COMMITTEES

Section 1. There shall be the following standing committees:

- ▶ Marketing and Membership Committee.
- ▶ Program Development Committee.

Section 2. The President shall appoint the Chairperson and members of each committee, except that the incumbent Chairperson of the RSES Educational and Examining Board shall be the Chairperson of the Program Development Committee.

Section 3. The President or the Board of Trustees may appoint special committees to perform a specified function or mission at any time. Special committees appointed by the President will expire upon completion of the President's term of office. Special committees shall consist of two or more Trustees, one of whom must be a non-ex-officio Trustee.

ARTICLE VIII • MEMBERS, DEPOSITS, ASSESSMENTS

Section 1. The Board of Trustees may establish one or more classes of membership in the Foundation.

Section 2. The Board of Trustees shall establish the amount of annual assessment charged to members. Assessments shall be payable in advance, due initially upon becoming a member, and each year thereafter on the anniversary of the member's initial join date. Late payments greater than 60 days will result in a new member join date being established. From time to time the Board shall review the dues structure and may direct changes. A member is considered in good standing if dues are paid and current.

Section 3. The Board of Trustees may at their option, waive some or all of a member's annual dues for the coming assessment year, provided the member has met or exceeded an established level of Foundation purchases in the prior assessment year.

Section 4. Member benefits may be established or reduced by the Board of Trustees with or without referral to the Marketing and Membership Committee. Members in good standing shall receive one or more subscriptions to the Official Foundation Journal.

ARTICLE IX • GENERAL BUSINESS

Section 1. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Foundation shall be signed either by the President, Treasurer, or Executive Vice President, and countersigned by an agent of the Foundation approved by the Board of Trustees.

Section 2. All Foundation funds shall be promptly deposited to the credit of the Foundation in such banks, or other regulated depositories as the Board of Trustees may authorize. Funds excess to immediate fiscal needs shall be invested in interest bearing investments approved by the Treasurer.

Section 3. No indebtedness shall be incurred on behalf of the Foundation by any officer, Trustee, or member unless authorized in advance of incurring the debt by the Board of Trustees, or noted as an expense item in the operative Foundation budget.

Section 4. The Board of Trustees shall obtain an appropriate fidelity bond covering any Trustee, employee, or agent of the Foundation who manages or administers Foundation assets.

Section 5. The Board of Trustees may accept on behalf of the Foundation any contribution, gift, bequest, or instrument for general or special Foundation purposes. The Board of Trustees may establish a program to grant gifts, awards, or scholarships that are consistent with the purposes of the Foundation, and as set forth in the Articles of Incorporation, these bylaws, and such official policies and procedures as may be promulgated from time to time.

Section 6. The Foundation shall reimburse the Refrigeration Service Engineers Society for any costs and expenses incurred by RSES on behalf of the Foundation. Where possible, such costs and expenses shall be identified and documented in the annual Foundation budget.

Section 7. The Executive Vice President shall bill all recipients of Foundation goods and services according to a general payment schedule established by the Treasurer and approved by the Board of Trustees.

ARTICLE X • ADMINISTRATION

Section 1. The fiscal year of the Foundation shall commence on July 1 of each year and end on June 30 of the following year.

Section 2. All money or fiscal notes remitted to the Foundation shall be in U.S. dollars or the equivalent.

Section 3. Whenever any notice is required to be given under the provisions of the General Not For Profit Corporation Act of Illinois, or under the provisions of the Foundation articles of incorporation or bylaws, a written waiver of such notice shall be deemed as equivalent to actually giving such notice. Such a waiver shall be signed by the person or persons entitled to receive such notice, whether signed before or after any time stated in the notice.

Section 4. The Foundation shall maintain complete accounting records, minutes of Board meetings, and general written and electronic records of a historical nature as determined by the Executive Vice President. All such records shall be maintained at the registered business office and another location remote from the business office.

Section 5. The Foundation shall indemnify all persons serving as a Foundation officer, Trustee, employee, or agent who served as an officer or director of the Refrigeration Service Engineers Society or another Foundation corporation or association at the request of the Board of Trustees. Such indemnification shall include the heirs, executors, and administrators of such persons, and shall be in addition to, and not exclusive of, any and all other rights to which they may be entitled. This action is intended to indemnify all such persons against expenses incurred by them in connection with the defense or settlement (including attorney fees, judgments, or fines) resulting from any action, suit, or proceeding in which they are made parties by reason of having been a Foundation officer, Trustee, employee, or agent.

Section 6. Exceptions to Section 5, above, are where the officer, Trustee, employee, agent, or other noted person adjudged in any action, suit, or proceeding shall be judged to be liable for willful misconduct in the performance of Foundation duties, and to such matters as shall be settled by agreement predicated on the instance of such liability. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person engaged in willful misconduct, or in a manner not in the best interests of the Foundation.

Section 7. The provisions of Sections 5 and 6, above, are severable. Therefore, if any of their provisions shall contravene or be rendered invalid under the laws of a particular state, county, or other political jurisdiction, such contravention or invalidity shall not invalidate other provisions of the cited sections. Rather, they shall be construed as if not containing the particular invalid provision, be construed and enforced accordingly.

ARTICLE XI • PARLIAMENTARY RULES

Section 1. Robert's Rules of Order, as revised from time to time shall decide all questions of debates or proceedings of the Foundation, provided such rules do not conflict with any laws of the State of Illinois or these bylaws.

Section 2. The Foundation shall in all deliberations and proceedings follow a policy of non-discrimination on the basis of race, creed, religion, disability, sex, age, national origin, or affectional preference.

ARTICLE XII • AMENDMENTS

Section 1. The power to alter, amend, repeal, or adopt new bylaws, shall be vested only in the Board of Trustees.

Section 2. Such action may be taken at a regular or special meeting of the Board of Trustees provided written notice of the contemplated bylaws action is given fourteen or more days before such meeting.

Section 3. Adoption of such actions shall require vote approval of at least seven Trustees.

ARTICLE XIII • DISSOLUTION

Section 1. The Foundation shall apply its funds only to accomplish the objectives and purposes specified in its articles of incorporation and these bylaws, and no part of said funds shall inure, or be distributed to the members of the Foundation.

Section 2. In the event of dissolution or discontinuance of the Foundation, the Board of Trustees shall transfer such funds, monies and other possessions after the payment of all outstanding liabilities to the Refrigeration Service Engineers Society, or to a similar not-for-profit HVACR organization dedicated to the future of member education.

Section 3. In the event such an organization does not exist, or is unacceptable to the Board of Trustees, then said transfer shall be made to one or more regularly organized and qualified charitable, educational, scientific, and philanthropic organizations as shall be selected by the Board of Trustees.