


WAREHOUSING EDUCATION AND RESEARCH COUNCIL

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BYLAWS

Adopted January 20, 1993 Amended and Restated May 1, 2006
Amended and Restated October 12, 2010

ARTICLE I: NAME & LOCATION

The name of the corporation shall be WAREHOUSING EDUCATION AND RESEARCH COUNCIL. The registered office shall be maintained in Illinois and such other offices may be established as the Board of Directors deems necessary or appropriate.

ARTICLE II: ORGANIZATION

The corporation is not organized for pecuniary profit and shall use its funds only to accomplish the objectives and purposes specified in these bylaws under Internal Revenue Code 501(c)(6). Reserves may be accumulated to ensure stability and continuing operations.

ARTICLE III: OBJECTIVES AND PURPOSES

In order to further the purposes delineated in the Articles of Incorporation, dated September 19, 1977, the following additional Objectives and Purposes are adopted:

To establish, maintain and operate a non-profit professional society composed of individuals and companies who have a professional interest in business activities related to warehousing.

To conduct and support educational and research programs to assist the membership or any segment thereof.

To acquire and disseminate information regarding trends and conditions in warehousing, logistics, distribution and related fields.

To provide a forum for the exchange of ideas among logistics and distribution professionals.

To promote, maintain and conduct any other projects, enterprises or activities in which a corporation not-for-profit may legally engage.

To cooperate with other industries and organizations to further the above objectives.

To engage in any and all activities which a corporation organized under the provisions of Internal Revenue Code 501(c)(6) and the Illinois Not for Profit Corporation Act may perform.

ARTICLE IV: MEMBERSHIP

Section 1. Classes of Members – There shall be seven classes of Council membership: Charter, Practitioner, Supplier, Protege, Educator, Student and Honorary Life Members.

Charter Members shall be those individuals who organized the Council.

Practitioner Members shall be those individuals other than Charter Members and Honorary Life Members who practice the logistics/distribution profession. These members typically are employed by a 3PL operations organization, manufacturing firm, retailer/e-tailer, direct marketer, cataloger, wholesaler or distributor, government or utility.

Supplier Members shall be those individuals other than Charter Members and Honorary Life Members who are employed by organizations market or render products or services to those who practice the logistics/distribution profession. These members typically work for a 3PL sales organization, consulting firms, material handling equipment manufacturers, distributors, dealers, or integrators, trade press, real estate firms, carriers, software, hardware or peripheral providers, transportation carriers, recruiting or staffing firms.

Protégé Members shall be those individuals who are practitioners and who are mentored by Practitioner Members.

Educator Members shall be those individuals who are full-time members of the instructional staff of an accredited college, university, trade, technical, specialty or high school.

Student Members shall be those individuals who are enrolled as full-time students in an accredited college, university, trade, technical, specialty or high school.

Honorary Life Members shall be those Charter or Practitioner, Supplier, Educator, and Student Individual Members or other persons who, through their knowledge and activities, made substantial contributions to the field of warehousing. They shall be elected to honorary life membership by the Board of Directors, and upon such election shall no longer be required to pay dues or assessments.

Corporate Membership

There shall be two classes of Council corporate membership: Corporate Practitioner Members and Corporate Supplier Members.

Corporate Practitioner Members shall be those organizations who practice the warehousing profession. These organizations typically include 3PL operations organization, manufacturing firm, retailer/e-tailer, direct marketer, cataloger, wholesaler or distributor, government or utility.

Corporate Supplier Members shall be those organizations who provide products or services to those who practice the logistics/distribution profession. These organizations typically include a 3PL sales organization, consulting firms, material handling equipment manufacturers, distributors, dealers, or integrators, trade press, real estate firms, carriers, computer software, hardware or peripheral providers, transportation carriers, recruiting or staffing firms.

The Board of Directors may determine/set varying structures for each corporate membership type with consideration to pricing and benefit levels.

Section 2. Eligibility – Membership in the Council shall be open to all individuals and corporate/companies who have a professional interest in fields of business activity related to logistics and distribution. No person shall be refused membership because of race, religion, national origin or sex.

No person or organization shall be refused membership or suspended or expelled under the provisions of Section 7 of this Article for any anti-competitive purpose, or if the exclusion, suspension or expulsion of that person from membership shall have an anti-competitive effect.

Section 3. Application – Any person or organization eligible for membership under these bylaws may apply for membership according to a procedure established by the Board of Directors.

Section 4. Payment of Dues – Dues for new members shall be payable in full with application.

Section 5. Voting – Each member shall be entitled to one vote on each matter submitted to a vote of the members.

Each corporation/organization shall be entitled to one vote on each matter submitted to a vote of the members. The person deemed the primary contact shall receive the opportunity to vote on behalf of the corporation/organization.

Section 6. Duration of Membership and Resignation – Membership is continuous until terminated as provided herein. The resignation-in-good-standing of a member shall be accepted after thirty (30) days' notice in writing to the Chief Executive Officer, and only if all dues and other obligations to the Council have been paid in full through the date of resignation. Such member, upon acceptance of its resignation, shall forfeit thereupon all rights, privileges and interest of a member in or to the Council. The duration of a student member shall be extended until the end of the calendar year next after their completion of their term at the qualified educational institution.

Section 7. Suspension and Expulsion – Any membership may be suspended or terminated for cause. Sufficient cause for such suspension or termination of membership shall be violation of the bylaws or any lawful rule or practice duly adopted by the Council, or any other conduct prejudicial to the interests of the Council. Suspension or expulsion shall be by two-thirds vote of the entire membership of the Board of Directors; provided that a statement of the charges shall have been sent by certified or registered mail to the last recorded address of the member or in the case of corporate members, to the last recorded address of the primary contact, at least twenty (20) days before final action is taken thereon. This statement shall be accompanied by a notice of the time and place of the meeting of the Board of Directors at which the charges shall be considered and the member shall have the opportunity to appear in person and/or to be represented by counsel to present any defense to such charges before action is taken thereon.

Section 8. Reinstatement – Members who have voluntarily resigned or who have been terminated for nonpayment of dues and who continue to meet the qualifications of membership will automatically be reinstated upon payment of dues for one year's time. Members suspended or expelled for good cause may petition the Board of Directors for reinstatement. The Board may, in its sole discretion, grant such petition if it is determined that the violations leading to the member's expulsion have ceased and are unlikely to recur.

Section 9. Transfer of Membership – Membership in the Council is not transferable or assignable.

ARTICLE V: DUES

Section 1. Annual Dues – The annual membership dues shall be determined by the Board of Directors.

Section 2. Failure to Pay Dues – Members who fail to pay their dues within thirty (30) days from the time the same become due shall, without further notice and without hearing, be dropped from the rolls and thereupon forfeit all rights and privileges of membership; provided that the Board of Directors may by rule prescribe procedures for extending the time for payment of dues and continuation of membership privileges upon request of a member and for good cause shown.

ARTICLE VI: MEETINGS OF MEMBERS

Section 1. Annual Meeting – There shall be an annual meeting of the Council during the spring of each year, unless otherwise ordered by the Board of Directors, for election of officers, for receiving the annual reports, and the transaction of other business. The time and place, within or without the state of Illinois,

shall be determined by the Board. Notice of such meeting, signed by the Chief Executive Officer (or other officer designated by the Board of Directors), shall be mailed to the last recorded address of each member or in the case of corporate members to the primary contact no fewer than thirty (30) days and no more than sixty (60) days before the time appointed for the meeting.

Section 2. Special Meetings – Special meetings of the Council may be called by the President or the Board of Directors, or shall be called by the President upon written request of 25% of the members of the Council. Notice of any special meeting shall be mailed to each member at the member's last recorded address no less than thirty (30) days and no more than sixty (60) days in advance, with a statement of time and place and information as to the subject or subjects to be addressed.

Section 3. Quorum – Ten percent (10%) of the voting members of the Council shall constitute a quorum, and, in case there be less than this number, the presiding officer may adjourn the meeting until a quorum is present. Unless otherwise stated by these bylaws, the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the members.

Section 4. Order of Business – The order of business shall be determined by the Board of Directors and may be altered or suspended at any meeting by a majority vote of the members present. The current edition of "Robert's Rules of Order" shall govern all deliberations, when not in conflict with these bylaws.

ARTICLE VII: BOARD OF DIRECTORS

Section 1. Authority – The Board of Directors shall supervise, control and direct the affairs and property of the Council, shall determine its policies or changes therein within the limits of the bylaws, shall actively prosecute its purposes and shall have discretion in the disbursement of its funds. It may adopt such rules and regulations for the conduct of its business as shall be deemed advisable, and may, in the execution of the powers granted, appoint such agents as it may consider necessary or appropriate, and establish foundations or entities to be affiliated with the Council for specific purposes.

Section 2. Composition – The Board of Directors shall be composed of the President, Vice President, Secretary/Treasurer, Immediate Past President, and no fewer than four (4) and no more than nine (9) functional Directors. In addition, the Chief Executive Officer shall be a member of the Board without the right to vote. Each functional director shall be appointed by the President and shall serve for a two (2) year term. Each member of the Board of Directors shall hold office until the next annual meeting of members which coincides with the expiration of his or her term and until a successor shall have been elected or appointed and qualified. Members of the Board of Directors need not be residents of the State of Illinois.

Section 3. Eligibility – No two (2) or more individuals employed by any one company, enterprise or business organization or other entity, including any subsidiary thereof, shall serve concurrently on the Board of Directors of the Warehousing Education and Research Council except, after acceptance, appointment or election, a Board member or member who has accepted an invitation to serve on the next Board should subsequently become employed by a company, enterprise, business organization or entity including any subsidiary thereof by which another Board member or designated future Board member is employed, he/she may complete his/her term of office as specified in these bylaws.

Section 4. Voting – Each officer and director with the exception of the Chief Executive Officer shall be entitled to one vote on all matters coming before the Board of Directors.

Section 5. Meetings – The Board of Directors shall hold its first and its last regular meeting in conjunction with the annual conference of the Council each year. The Board may hold such other regular and special

meetings as it may deem necessary. The President or the Chief Executive Officer shall have the power to call for a meeting of the Board. Notice of all meetings of the Board of Directors shall be mailed or emailed to each member of the Board at the member's last recorded address at least ten (10) days in advance of such meetings.

Section 6. Audits – The Board of Directors shall cause the books and accounts of the Council to be audited annually, by an auditor of recognized responsibility selected by it.

Section 7. Quorum – A majority of the whole Board shall constitute a quorum at any meeting of the Board. Any less number may adjourn from time to time until a quorum is present.

Section 8. Manner of Acting – The act of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or by these bylaws.

Section 9. Absence – Any member of the Board of Directors unable to attend a meeting shall, in a letter addressed to the President or Chief Executive Officer, state the reason for absence. If an officer or director is absent from two consecutive meetings for reasons which the Board has failed to declare to be sufficient, a resignation shall be deemed to have been tendered and accepted.

Section 10. Compensation – Officers and Directors as such shall not receive any compensation for their services but the Board may by resolution authorize reimbursement of expenses incurred in the performance of their duties. Such authorization may prescribe procedures for approval and payment of such expenses by designated officers of the Council. Nothing herein shall preclude a director from serving the Council in any other capacity and receiving compensation for such services.

Section 11. Resignation or Removal – Any officer or director may resign at any time by giving written notice to the President, the Chief Executive Officer, or to the Board of Directors. Such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of acceptance thereof as determined by the President or Board.

Any officer or director may be removed by a two-thirds vote of the Board at any regular or special meeting at which a quorum is present whenever in their judgment the best interests of the corporation will be served thereby.

Section 12. Vacancies – Any vacancies that may occur on the Board by reason of death, resignation, or otherwise may be filled by the President for the unexpired term. A member appointed to fill a vacancy shall do so for the unexpired term of the predecessor in office.

Section 13. Telephone Conferences – Members of the Board, or of any committee designated by the Board, may take any action permitted or authorized by these bylaws pursuant to meeting by means of conference telephone or similar telecommunications equipment by means of which all persons participating in a meeting can communicate with each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.

Section 14. Written Consent of Directors – The Board may take any action permitted or authorized by these bylaws or the Articles of Incorporation without a meeting if a consent in writing, setting forth the action taken, shall be signed by all of the directors entitled to vote on the matter. Such consent shall have the same force and effect as a unanimous vote at a duly called and constituted meeting at the Board of Directors.

ARTICLE VIII: OFFICERS

Section 1. Elective Officers – The elective officers of the Council shall be a President, Vice President, and Secretary/Treasurer.

Section 2. Election of Officers – At each annual meeting of the Council, the Vice President shall automatically become and assume the duties of the office of President until the next annual meeting, without the necessity of any vote of the members, and the other officers shall be elected by majority vote of the members present.

Section 3. Term of Office – Each elective officer shall take office immediately upon election and shall hold it until the next annual meeting, or until their successors have been elected.

Section 4. Vacancies – A vacancy in the office of President shall be filled for the balance of the term by the Vice President who shall also serve a full term as President. In such event the position of Vice President shall remain vacant until the next annual meeting. Vacancies in the office of Vice President and Secretary/Treasurer shall be filled for the balance of the term by appointment by the President.

Section 5. President – The President shall be the principal elective officer of the organization, shall preside at meetings of the Council and of the Board of Directors and of the Executive Committee, shall be a member ex-officio, with right to vote, of all committees except the nominating committee, and shall appoint functional directors as set forth in Article VII, Section 2. The President shall also, at the annual meeting of the Council and at such other times as the President shall deem proper, communicate to the Council or to the Board of Directors such matters and make such suggestions as may in the President's opinion promote the welfare and increase the usefulness of the Council, and shall perform such other duties as are necessarily incident to the office of President or as may be prescribed by the Board of Directors. The President may delegate to other officers such responsibilities and functions of the office as the President deems advisable.

Section 6. Vice President – The Vice President, in the absence of the President, shall preside at meetings of the Council. In the event of the absence or disability of the President, the Vice President shall perform all the duties of the President. The Vice President will appoint a nominating committee no less than ninety days prior to the annual meeting.

Section 7. Secretary/Treasurer – The Secretary/Treasurer shall keep the minutes of all regular and special meetings of the Council and of all meetings of the Board of Directors; issue calls for meetings; issue and distribute to all members of the Council such information as, in the opinion of the Secretary/Treasurer, will be helpful to the members or will contribute to the efficiency of the work of the Council; and notify members of their appointment on standing or special committees. The Secretary/Treasurer shall, in cooperation with the Chief Executive Officer, collect all membership dues, fees and assessments and shall receive all moneys donated or otherwise given to the Council. The Secretary/Treasurer shall, in cooperation with the Chief Executive Officer, have charge of and be responsible for all funds and securities of the Council; receive and give receipt for moneys due and payable to the Council from any source whatsoever and deposit all such moneys in the name of the Council in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article X of the bylaws. The Secretary/Treasurer shall in general perform all the duties incident to the office of the Secretary/Treasurer and such other duties as may from time to time be assigned by the President or by the Board of Directors. In the event of the absence or disability, temporary or permanent, of either the President or Vice President, the Secretary/Treasurer shall perform all the duties of the Vice President. In the event of the absence or disability of both the President and Vice President, the Secretary/Treasurer shall perform all the duties of the President.

Section 8. Chief Executive Officer – The Chief Executive Officer (CEO) shall be the chief operating officer of the Council and shall, under the direction of the President and Board of Directors, be responsible for, and have authority over, all management functions. In pursuit of these functions, the CEO shall employ and may terminate members of the staff as necessary to carry out the work of the Council, and fix their compensation within the approved budget.

The CEO shall define the duties of the staff, supervise their performance, establish their titles, and delegate those responsibilities of management as shall, in the judgment of the CEO, be in the best interest of the Council.

The responsibilities and authority of the Chief Executive Officer shall extend to operating and managing the Council in all of its activities, which shall also include the planning and execution of such programs and activities as may be authorized by the President or Board of Directors, new services and projects appropriate to the perpetuation of the Council and its purposes and objectives.

The CEO shall be the custodian of the seal and records of the Council, and shall have the power to make, under the direction of and subject to the approval of the President and/or the Board of Directors, any and all contracts for and in the name of the Council. Except as the Board of Directors may otherwise provide, no contract shall be binding upon the Council unless executed by the CEO as provided by this bylaw. The CEO may serve in an ex-officio capacity on all committees, and shall be the representative of the Council under the direction of the President or Board of Directors. The CEO shall see that the wishes of the Council, as expressed at its meetings or by its Board of Directors, are carried out. The CEO shall also perform such other duties, and have such other power, as may be assigned by the President and/or the Board of Directors.

Any of the powers and duties of the CEO shall at all times be subject to assignment to any other officer or agent of the Council by the President, with the approval of the Board of Directors.

Section 9. Bonding – At the direction of the Board of Directors, any officer or employee of the Council shall furnish, at the expense of the Council, a fidelity bond, in such a sum as the Board shall prescribe.

Section 10. Executive Committee – There shall be an Executive Committee, which shall consist of the President, the Vice President, the Secretary/Treasurer, and the Immediate Past President. In addition, the CEO shall be a member of the Executive Committee without the right to vote.

During the interim between regular or special meetings of the Board of Directors, the Executive Committee may exercise all the powers of the Board, as defined in these bylaws. Actions of the Executive Committee shall be consistent with the directions and policies of the Board.

ARTICLE IX: COMMITTEES

Section 1. Appointment and Composition – The President, subject to the approval of the Executive Committee, shall annually appoint such standing, special, or subcommittees as may be required by the bylaws or as the President may find necessary. Each committee shall consist of one director (as chairman), and such other members as designated by the director. Activities recommended by the committees must be submitted to the full Board of Directors for approval.

Section 2. Committee Reports and Minutes – It shall be the duty of all committees to keep minutes of all regular and special committee meetings and to prepare written reports to be submitted to the CEO as

promptly as possible for transmittal to the Board of Directors. Such reports may contain definite recommendations, unless intended to be reports of progress, or for information purposes only.

Section 3. Terms of Office – Each member of a committee shall continue as such until the next annual meeting of the members of the Council and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member resigns or is removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 4. Quorum – A majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 5. Nominating Committee – At least 90 days prior to the annual meeting, the Vice President shall appoint a nominating committee of three members which shall present a slate of nominees for all offices except that of President at the annual meeting. The committee shall notify the CEO, in writing, at least thirty (30) days before the date of the annual meeting, of the names of the candidates it proposes, and the CEO shall mail a copy thereof to the last recorded address of each member at least twenty (20) days before the annual meeting.

Section 6. Independent Nominations – Nominations for officers may also be made, endorsed with the names of not less than twenty-five members of the Council, if received by the CEO at least fifteen (15) days prior to the annual meeting for immediate transmittal by the CEO to the members.

ARTICLE X: CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts – The Board of Directors may authorize any officers, agents or agents of the Council, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Council and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. – All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Council, shall be signed by such officer or officers, agent or agents of the Council and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the CEO or Secretary/Treasurer.

Section 3. Deposits – All funds of the Council not otherwise employed shall be deposited from time to time to the credit of the Council in such banks, trust companies or other investments as shall be selected by the Secretary/Treasurer and approved by the Board of Directors.

ARTICLE XI: BOOKS AND RECORDS

The Council shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote.

ARTICLE XII: MAIL VOTE

Whenever, in the judgment of the Board of Directors, any question shall arise which it believes should be put to a vote of the active membership and when it deems it inexpedient to call a special meeting for such purpose, the Board may, unless otherwise required by these bylaws, submit such a matter to the membership in writing by mail for vote and decision, and the question thus presented shall be

determined according to a majority of the votes received by mail within 30 days after such submission to the membership, provided that in each case votes of at least 25 percent of members shall be received. Any and all action taken in pursuance of a majority mail vote in each case shall be binding upon the Council in the same manner as would be action taken at a duly called meeting.

ARTICLE XIII: FISCAL YEAR

The fiscal year of the Council shall begin on the first day of July and end on the last day of June in the following calendar year.

ARTICLE XIV: DISSOLUTION

The Council shall use its funds only to accomplish the objectives and purposes specified in these bylaws, and no part of said funds shall inure, or be distributed, to the members of the Council. In the event of the dissolution of the Council, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Council, dispose of all of the remaining assets to such organization or organizations organized and operated for one or more of the purposes contained in these bylaws as shall at the time qualify as an exempt organization or organizations under the Internal Revenue Code.

ARTICLE XV: SEAL

The Council shall have a seal of such design as the Board of Directors may adopt.

ARTICLE XVI: WAIVER OF NOTICE

Whenever any notice whatsoever is required to be given under the provisions of the General Not For Profit Corporation Act of Illinois or under the provisions of the Articles of Incorporation or the bylaws 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 deemed equivalent to the giving of such notice.

ARTICLE XVII: AMENDMENTS

These bylaws may be altered, amended, or repealed and new bylaws may be adopted by two-thirds of all the members of the Board of Directors, provided that at least fifteen days' written notice is given of intention to alter, amend or repeal or to adopt new bylaws at such meeting.

Amendments to the bylaws may also be proposed in writing to the Board of Directors by not less than ten percent (10%) of the members having voting rights at such time. If the Board of Directors shall decline to adopt such amendment to the bylaws, it shall cause the proposed amendment to be submitted to a vote of the members at the next meeting of the members following the action of the Board of Directors. The Chief Executive Officer shall include such proposed amendment in the notice of meeting sent to each member. If adopted by the members, such amendment to the bylaws shall not thereafter be altered or amended except by action of the members.

ARTICLE XVIII: INDEMNIFICATION

The Council shall provide for the indemnification of the Council and all officers, directors, employees and agents of the Council, to the full extent permitted by the General Not For Profit Corporation Act of the State of Illinois, and shall be entitled to purchase insurance for such indemnification to the full extent as determined from time to time by the Board of Directors of the Council.