

**BYLAWS OF THE
NATIONAL ASSOCIATION OF
STEEL PIPE DISTRIBUTORS, INC.**

Amended April 23, 1991, Amended June 10, 1992, Amended June 16, 1993,
Amended October 14, 1995, Amended August 30, 1996, Amended September 27, 1997,
Amended March 7, 1998, Amended February 4, 2000, Amended February 22, 2001,
Amended October 22, 2003, Amended February 26, 2004, Amended March 2, 2006, Amended March 1, 2007,
Amended June 21, 2007, Amended September 19, 2013, Amended February 19, 2015.

Note: Anytime the male gender is used, it shall not be exclusive to the male gender but shall refer to male or female.

**ARTICLE I
OBJECTS AND PURPOSES**

Section 1. Objects and Purposes (Amended 26 February 04) (Amended 21 June 07)

The objects and purposes of the National Association of Steel Pipe Distributors, Inc., (NASPD) shall be to foster and promote the interests of its member persons, partnerships, associations and corporations engaged in the distribution of steel pipe and appropriate related activities; to promote and develop, without pecuniary gain, increased efficiency and economy in the business of its members; to encourage and promote harmony among members; to define and set forth standards of ethical practices throughout the industry; to procure uniformity and certainty in the customs and usages of trade in the industry and related business; to secure freedom from unjust and unlawful exactions; and generally, to promote and foster a broad and friendly intercourse among businessmen.

Section 2. Code of Ethics

The association shall develop and set forth a Code of Ethics, which defines the standards of ethical practice for its members.

By submission of an application for membership or by renewal of existing membership, each member company agrees to conduct itself according to the association's Code of Ethics.

The association shall develop and set forth procedures for enforcement of its Code of Ethics through disciplinary proceedings which are fair and impartial.

CODE OF ETHICS

(Amended 21 June 07)

We believe in the steel pipe and tubular products' industry and in its future. We believe the distributor of these products is an integral and absolutely necessary part and makes for the efficient operation of the industry. Therefore, we, the members of the NASPD, do adopt this Code of Ethics, with each and every member, together and alone, agreeing that he/she will:

1. Comply with all laws of governmental agencies that have jurisdiction over our business affairs.
2. Knowingly make no deliberate misrepresentations to our customers and/or suppliers, either verbally or in writing.

3. Use only legal and ethical means to influence governmental and regulatory legislation, buying practices of customers, or selling practices of suppliers and competitors.
4. Resolve customer complaints promptly and fairly.

ARTICLE II OFFICES

Section 1. Principal Offices

The principal office of the association in the State of Texas shall be located in the City of Victoria, County of Victoria. The association may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the association may require from time to time.

Section 2. Registered Office and Registered Agent

The association shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is identical with such registered office as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the association in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE III MEMBERS

Section 1. Qualifications for Membership (Amended 16 June 93) (Amended 30 August 96) (Amended 21 June 07)

Members of the association shall be an individual or a business enterprise whether organized as an individual proprietorship, partnership, corporation or otherwise, which meets the criteria for one of the classes for membership as defined in Article III, Section 2; which is financially responsible and has been in business for at least 36 months or whose principals (defined as the owner, president, vice president, sales manager or the equivalent thereof) have been in the steel pipe and tubular products distribution industry or related businesses for a period of at least 36 months prior to application for membership; has agreed to conduct itself according to the association's Code of Ethics as described in Article 1, Section 2; and which promotes the general purposes and objectives of the association.

Section 2. Company Branches or Divisions (Amended 14 October 95 (Amended 21 June 07)

Companies with branches or divisions, which operate as one corporate entity, may join the association for one membership fee. Multi-branch companies shall be entitled to one vote only in the region where the home office is located.

Section 3. Members Owned by Other Companies (Affiliated Companies)
(Amended 14 October 95) (Amended 22 October 03) (Amended 21 June 07)

Member companies that are owned by other companies may not join the NASPD as one member. This section does not apply to companies with multi branch operations when the branches operate under the same name as the member. The NASPD will offer a discounted membership to member companies majority owned by another company or principals within that company when the members do not operate under a common name. If the ownership is not a majority ownership, then no discount shall apply. The NASPD Board of Directors will establish the initial discount, which is subject to change by the NASPD Board of Directors, at any time with a minimum of 60 days written notification to all parties.

Section 4. Bankruptcies (Amended 14 October 95)

Current members in good standing who have filed for protection under the bankruptcy code of the United States of America—or similar codes or laws defining creditors’ and debtors’ rights in Canada or Mexico for members domiciled in those countries—shall remain members in good standing, provided that all other criteria for membership are satisfied. New membership shall not be granted to applicants who are under the protection of any chapter of the bankruptcy code of the United States of America, or similar codes or laws defining creditors’ and debtors’ rights in Canada or Mexico for companies domiciled in those countries.

Section 5. Classes of Members (Amended 14 October 95) (Amended 30 August 96)
(Amended 7 March 98)

The association shall have four (4) classes of members, Regular, Associate, Continuing and Professional Affiliate.

(a) Regular Members (Amended 10 June 92) (Amended 26 February 04) (Amended 2 March 06) (Amended 21 June 07)

A regular member shall be a business enterprise or the majority owner of a business enterprise whose principal steel pipe or other tubular steel products distribution business whose business office is located and properly licensed in the United States, its territories and possessions, Canada or Mexico and which maintains a minimum inventory within the United States, its territories and possessions, Canada or Mexico of not less than 1,000 net tons or which derives at least 1/3 of its revenues with a minimum inventory of 500 net tons from the sales of steel pipe or other tubular products, and maintains/operates one or more fixed site distribution facilities, whether owned, leased, or rented and which purchases for its own account and maintains an on-going investment in an inventory of steel pipe or other tubular products.

(b) Associate Members (Amended 7 March 98) (Amended 4 February 2000) (Amended 21 June 07)

An associate member shall be a business enterprise whose principal business office is located and properly licensed in the United States, its territories and possessions, Canada or Mexico that:

- i) is engaged in the manufacturing of steel, steel pipe and/or other tubular products, and/or

- ii)* manufactures and/or sells steel pipe related goods or equipment, and/or provides and sells steel pipe value-added processing services, and/or
- iii)* is engaged in selling or trading of steel pipe or other tubular products and has actively traded or sold a minimum of 2500 net tons of tubular products in the preceding year.

(c) Continuing Members (Amended 30 August 96)

A continuing member shall be an individual that has:

- i)* no direct or indirect financial or management responsibility in a business entity that would otherwise qualify for regular or associate membership and,
- ii)* has been a regular or associate member for a minimum of five years and,
- iii)* is retired or would otherwise like to remain involved.

(d) Professional Affiliate Members (Amended 7 March 98) (Amended 22 October 03)

(Amended 21 June 07)

A professional affiliate member exists exclusively and solely as a privilege extended by the Board of Directors of the NASPD and may be withdrawn at any time without cause by the Board of Directors of the NASPD and shall be a business enterprise that:

- i)* does not qualify in any of the other three membership classes, and
- ii)* provides products or services to regular members of the NASPD, or
- iii)* is a not-for-profit organization addressing issues similar to those important to the NASPD
- iv)* however, in any case, a business enterprise, which derives a majority of their sales revenue via sales over the Internet or via auctions, may not be a member of the NASPD.

Section 6. Election of Members (Amended 14 October 95) (Amended 21 June 07) (Amended September 2013-reaffirmed 19 Feb 2015)

The election to membership in the association shall be in the following manner:

(a) Applications for membership must be sponsored by either three (3) Regular members in good standing or two (2) Regular and one (1) Associate member in good standing, who have conducted business with the applicant or who can otherwise attest to the applicant's qualification for membership based upon first-hand knowledge and such letters of recommendation must be sent to the executive director. Sponsor letters will not be accepted from Continuing or Professional Affiliate Members.

(b) A candidate for membership shall make application in writing to the association on a form provided by the association. Each such application shall be referred to the Board of Directors for approval or rejection. An applicant, receiving at least a two-third (2/3) affirmative vote of a quorum of the Board of Directors, shall thereby become a member of the association.

Section 7. Voting Rights

(a) Regular Members

Each regular member shall be entitled to one (1) vote on each matter submitted to a vote of the members.

(b) Associate Members (Amended 7 March 98)

Voting rights of associate members shall be limited to the annual election of four (4) associate member delegates to serve as associate directors on the Board of Directors.

(c) Continuing Members (Amended 30 August 96) (Amended 21 June 07)

Continuing members shall have no voting rights and may not hold an office position of President, President-Elect, Treasurer and/or Secretary.

(d) Professional Affiliate Members (Amended 7 March 98)

Professional affiliate members shall have no voting rights, and may not hold an elected office.

Section 8. Termination of Membership (Amended 7 March 98) (Amended 21 June 07)

(a) The Board of Directors, at any meeting, by a two-thirds vote of those present may terminate the membership of any member which in its judgment has violated the Bylaws or which has been guilty of conduct detrimental to the best interests of the association. Expulsion of a member by the Board of Directors shall be final and shall cancel all rights, interests, or privileges of such member in the services, resources or assets of the association. Any member, for whom expulsion is proposed, shall be entitled to not less than sixty days advance notice of the charges, the date upon which the hearing by the Board of Directors will be scheduled, and the right to present evidence in defense. The date and place of any such hearing must be reasonable with respect to the location of any member so charged.

(b) If a member has dues or any other fees over thirty (30) days late, the Board of Directors may establish a grace period to allow a member additional time to pay the money owed to the Association in a situation the Board determines to be extraordinary. If payment is not received by the end of the grace period, unless the dues have been waived under other provisions of the Bylaws, the delinquent membership shall be terminated and the member shall be so notified by the executive director.

Section 9. Resignation

Any member may resign by filing a written resignation with the director, but such resignation shall not relieve the member so resigning of the obligation to pay any dues, assessment or other charges theretofore accrued and unpaid.

Section 10. Reinstatement (Amended 21 June 07)

Upon written request and completion of all application procedures as noted in Article III, Section 2, the Board of Directors may, by the affirmative vote of two-thirds (2/3) of the members of the board, reinstate such former member to membership on such terms as the

Board of Directors may deem appropriate. A former member of the NASPD, whose membership has been reinstated, shall not be allowed to hold any position of officer of the NASPD for a period of 12 months following their reinstatement.

Section 11. Transfer of Membership

Membership in this association is neither transferable nor assignable.

Section 12. Power to Waive (Amended 14 October 95)

The Board of Directors may cancel or waive payment of any dues, assessments, or other indebtedness of a member for any period.

ARTICLE IV
ENTRANCE FEES AND DUES

Section 1. Entrance Fees

Each applicant for membership shall, upon election, pay an entrance fee in the amount fixed from time to time by the Board of Directors or as modified by the membership.

Section 2. Dues (Amended 7 March 98)

Membership dues shall be annual dues and shall be payable annually in advance. Invoices are to be sent November 1. Monies are due December 31 for the following year. Membership dues shall be in an amount fixed from time to time by the Board of Directors. A member company with conference, convention or event registration fees, membership dues or other monies more than 30 days past due shall not be allowed to register, attend, or vote at any NASPD function.

Section 3. Proration of Dues Upon Election (Amended 14 October 95)

For members elected to membership during the year, dues shall be prorated on the basis of the number of months remaining in the year from the date of election to membership.

ARTICLE V
REGIONAL DIVISIONS

Section 1. Establishment of Regional Divisions

For the purpose of promoting and fostering broader and more efficient intercourse and communication among members of the association for the consideration of and dealing with problems of a geographical or area nature, the association is hereby divided into the following regional divisions :

(a) **Western Region:**

Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, Wyoming and such portions of Canada as lie directly north of this region;

(b) **Central Region:** (Amended 7 March 98)

North & South Dakota, Nebraska, Kansas, Oklahoma, Arkansas, Louisiana, Texas, the country of Mexico and such portions of Canada as lie directly north of this region.

(c) **Eastern Region:**(Amended 7 March 98)

Minnesota, Iowa, Missouri and all states east of the Mississippi River, together with such portions of Canada as lie directly north of this region.

Section 2. Modification of Regional Divisions

The Board of Directors may from time to time, as it deems advisable and for the benefit of the association, abolish established regional divisions, establish new regional divisions or modify established regional divisions, at all times identifying each such division according to the area embraced thereby.

Section 3. Regional Division Membership

Each member of the association, by virtue of such membership, shall automatically be a member of the regional divisions within the boundaries of which such member's principal place of business shall be located; and as such, members shall be entitled to all the rights and privileges of membership in the regional division. Membership in the regional division shall not be terminated except upon termination of membership in the association or removal of the member's principal place of business from the area embraced within such regional division.

Section 4. Regional/Associate Board of Director Meetings (Amended 21 June 07)

Regional/Associate Vice Presidents will hold at least one meeting with their respective Regional/Associate Board of Directors, by conference call phone or other means, 45 to 60 days prior to each conference/convention so as to report to the NASPD President, prior to the conference/convention, any regional issues/concerns that may require action at the upcoming Board of Directors conference/meeting. Results of the Regional/Associates Meetings shall be reported to the Board of Directors as necessary.

ARTICLE VI
MEETINGS OF MEMBERS

Section 1. Annual Meeting (Amended 14 October 95)

An annual meeting of the members of this association shall be held at least once each calendar year on such date and at such place as shall be fixed by the Board of Directors.

Section 2. Special Meetings

Special meetings of the members may be called by the president, the Board of Directors or not less than one-tenth (1/10) of the members having voting rights.

Section 3. Place of Meeting

The Board of Directors may designate any place, either within or without the State of Texas, as the place of meeting for any annual meeting called by the Board of Directors.

Section 4. Notice of Meeting

Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the president or the secretary or the officers or persons calling the meeting. In case of a special meeting or when required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at its address as it appears on the records of the association, with postage thereon prepaid.

Section 5. Quorum

At any annual or special meeting of the members of the association, the presence in person of representatives of at least one-third (1/3) of the total number of members at the time entitled to vote shall be necessary for a quorum. If a quorum is not present at any meeting of members, a majority of the members present may adjourn from time to time without further notice.

Section 6. Proxies (Amended 14 October 95)

No proxies shall be allowed.

ARTICLE VII
BOARD OF DIRECTORS

Section 1. General Powers

The affairs of the association shall be managed by its Board of Directors.

Section 2. Representation

An equal number of directors shall be elected by the members of each regional division.

Section 3. Number, Tenure and Qualifications (Amended 7 March 98)

There shall be four (4) directors elected from each region to staggered terms of two years from the regular membership of the association unless changed by vote of the members at the annual meeting of the association. Each director can serve no more than three (3) consecutive elected terms. Directors shall hold office until a successor has been elected and qualified.

Section 4. Board Members Ex Officio

The president, the president-elect, the secretary and the treasurer, if elected members of the Board of Directors, shall resign their board position from the region they represent, and shall be declared "board members ex officio" as long as they hold office. They shall have all the same privileges and benefits as current members of the Board of Directors.

Section 5. Directors Ex Officio (Amended 19 Feb 2015)

The Past Presidents of the NASPD shall meet from time to time to nominate individuals that have provided continuing and exemplary leadership contributions to the NASPD for nomination as Directors Ex Officio. Such nominations shall be presented to the NASPD Board of Directors for consideration. The NASPD Board of Directors, by a positive majority vote at the Board of Director's meeting at the annual convention, may bestow the title of "Director Ex Officio" on any individual who has performed outstanding service to this association. Said individual would have the same privileges and benefits as current members of the Board of Directors, but for life. The number of Directors Ex-Officio shall not exceed ten (10) at any time.

Section 6. Associate Directors (Amended 7 March 98)

There shall be four associate directors elected to staggered terms of two years from the associate membership of the association unless changed by vote of the members at the annual meeting of the association. Each director can serve no more than three (3) consecutive elected terms. Directors shall hold office until a successor has been elected and qualified. The associate directors shall have voice and vote in all matters coming before the Board.

Section 7. Presidential Appointees(Amended 7 March 98)

Each year, the president may appoint two (2) members to the Board of Directors for a one year term each. They shall have all the same privileges and benefits as elected members of the Board of Directors.

Section 8. Past-Presidents as Directors (Amended 23 April 91) (Amended 26 February 04) (Amended 19 Feb 2015)

All Past Presidents of the association shall for life be honorary members of the Board of Directors with voting rights for ten years after the end of their tenure as President. Past Presidents shall not be considered part of the required majority of directors needed for a quorum; nor shall they be counted toward achieving the required majority of a quorum.

Section 9. Ineligibility (Amended 21 June 07)

At no time shall there be more than one (1) elected director from any one (1) member company or Affiliated companies. Any elected director changing company affiliation following his election to the office and thereby causing more than one (1) company representative of a member firm to be serving simultaneously on the Board of Directors as elected directors, shall vacate his office and be replaced in accordance with the provisions of this article. In the event an elected director, officer or past president changes company affiliation to a non-member company, that person shall vacate his position and be replaced in accordance with the provisions of this article.

Section 10. Nomination of Elected Directors (Amended 26 February 04)

The nominating committee shall submit to the members of the association a list of proposed nominees for election as elected directors to succeed those elected directors then in office whose terms will expire at the time of the annual meeting. No member of the nominating committee may propose to the nominating committee nor vote on himself or any other

representative of his firm for nomination as a director. But nothing herein shall prevent members of the nominating committee from nominating and proposing the names of other members of said committee. The names the nominating committee chooses shall be reported to the members of the association as part of the notice of the annual meeting of the association.

Section 11. Independent Nominations

Any member of the association and otherwise eligible in accordance with these Bylaws may be nominated for election as a board member by any member of the association in good standing; and the nominee must consent to said nomination before his name can be considered for election to the board. Such nomination shall be made at the annual meeting of the members of the Board of Directors, and must have a second to that nomination. Such nominee shall become a write-in candidate for those who wish to vote for him.

Section 12. Regular Meetings

A regular annual meeting of the Board of Directors shall be held without notice other than this bylaw, immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide by resolution the time and place, either within or without the State of Texas, for the holding of additional regular meetings of the board without notice other than such resolution.

Section 13. Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the president or any three (3) directors. The person or persons authorized to call special meetings of the board may fix any place, either within or without the State of Texas, as the place for holding any special meetings of the board called by them.

Section 14. Notice (Amended 26 February 04)

Notice of any special meeting of the Board of Directors shall be given at least ten (10) days previously thereto by written notice delivered personally or sent by mail or facsimile or via electronic mail to each director at his address as shown by the records of the association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by facsimile or electronic mail, such notice shall be deemed to be delivered when the facsimile or electronic mail is delivered to the telephone company or transmitting company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called nor convened. Neither the business to be transacted, nor the purpose of any regular or special meeting of the board need be specified in the notice or waiver of notice of such meeting unless specifically required by law or by these Bylaws. Prior notice of a special meeting may also be waived by a majority vote of the whole Board of Directors and officers of the association.

Section 15. Quorum (Amended 19 Feb 2015)

A majority of the total number of members of the Board of Directors plus the Officers shall constitute a quorum for the transaction of business at any meeting of the board; but if less than a majority of the directors is present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. If any individual holds multiple positions on the Board of Directors and as an Officer, they will not be counted twice in determining the number of participants to achieve a quorum. For the purposes of a quorum, neither the Past Presidents nor the Directors Ex Officio shall be considered part of the necessary number to reach a quorum.

Section 16. Manner of Acting

The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

Section 17. Vacancies

If a vacancy among the elected directors shall occur for whatever cause, such vacancy shall be filled by majority vote of those directors remaining on the board in the regional division from which the vacating director belonged. Such new director shall also be a member located in the same regional division. In the event of a tie in such vote, the past-president shall cast the decisive vote. A director elected to fill a vacancy shall be elected to serve the unexpired term of his predecessor in office.

Section 18. Compensation (Amended 21 June 07)

Directors shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the board; but nothing herein contained shall be construed to preclude any director from serving the association in any other capacity and therefore receiving compensation.

Section 19. Unanimous Written Consent (Amended 14 October 95)

Any action required by law to be taken at a meeting of directors, or any action, which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing setting forth the action so taken shall be approved by a majority of the directors.

ARTICLE VIII
OFFICERS

Section 1. Elected Officers (Amended 23 April 91) (Amended 7 March 98)

(Amended 26 February 04) The elected officers of the association shall be a president, a president-elect if applicable, four (4) vice-presidents, and a secretary/treasurer. The officers shall be elected by the members at the Annual Meeting of the Association. In the case where a simple majority is not achieved, the top two (2) candidates shall participate in a run-off.

Section 2. **Election of the President** (Amended 7 March 98)

The president shall have served as the immediate past president-elect and shall take office at the first meeting of the Board of Directors after the annual meeting for a one year term with a maximum of two consecutive one year terms. If the president-elect resigns or is unable to serve as president as required, the Board of Directors shall promptly meet at a special board meeting before the annual meeting to elect a replacement.

Section 3. **Election of the President-Elect** (Amended 7 March 98) (Amended 26 February 04)

At the Annual Meeting of the association, the members shall elect the president-elect. The president-elect will serve the last term of the president's tenure. The president-elect nominees shall be comprised of the secretary, treasurer, regional vice presidents and any member in good standing whose name has been placed in nomination by a current board member or the nominating committee. The candidate elected president-elect shall take office at the first meeting of the Board of Directors after the annual meeting of the members.

Section 4. **Secretary/Treasurer** (Amended 14 October 95) (Amended 26 February 04)

The secretary and treasurer or the combined secretary-treasurer shall be elected by the members of the association at the annual meeting and shall take office at the first meeting of the Board of Directors after the annual meeting of the association.

Section 5. **Regional & Associate Member Vice-Presidents** (Amended 7 March 98) (Amended 26 February 04)

A vice president shall be elected from each region of the Board of Directors and from amongst the Associate members by the members of the association at the Annual Meeting.

Section 6. **Additional Officers**

The Board of Directors may appoint additional vice-presidents, assistant secretaries, assistant treasurers and such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the board. These additional officers shall be considered "pro-tem" and their positions shall terminate prior to the annual meeting of members. They shall have no rights or power available to other officers and board members.

Section 7. **Salaries** (Amended 14 October 95) (Amended 21 June 07)

Officers of the association shall not receive any salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the board; but nothing herein contained shall be construed to preclude any officer from serving the association in any other capacity and therefore receiving compensation. The compensation of the staff shall be recommended for action by the executive committee to the Board of Directors.

Section 8. **Terms of Office** (Amended 7 March 98)

The officers of the association shall hold office for one year term(s), and until their successors are chosen and qualify. Any officers elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors whenever in its judgment the best interests of the association will be served thereby. Any vacancy occurring in any office of the association by death, resignation, removal or otherwise shall be filled by the Board of Directors, with exception of the office of regional vice-president which shall be filled only by the vote of those current board members.

Section 9. Authority

Officers and agents shall have such authority and perform such duties in the management of the association as are provided in these Bylaws or as may be determined by resolution of the Board of Directors not inconsistent with these Bylaws.

THE PRESIDENT

Section 10. The President (Amended 23 April 91) (Amended 14 October 95)

The president shall be the ranking and chief executive officer of the association. As such, he shall have the power to call special meetings of the members and directors for any purpose, and he shall preside at all meetings of the members and Board of Directors unless he shall be absent or unless he shall, at his option, designate the president-elect, vice president, or the executive director to preside in his stead at some particular meeting. The president shall have all of the powers granted by the Bylaws to the executive director, including the power to make and sign contracts as stated in Article XI. He/she shall, in general, have supervisory powers over the executive director, the other officers, the executive committee and any other committee and the business activities of the association, subject to the approval or review of the Board of Directors.

THE EXECUTIVE DIRECTOR

Section 11. The Executive Director (Amended 23 April 91) (Amended 27 September 1997)

The executive director shall report to the president and Board of Directors; appoint and discharge, subject to the prior approval of the president and the Executive Committee, employees and agents of the association, and may sign contracts and agreements in the name of and on behalf of the association as stated in Article XI. The executive director shall put into operation such business policies of the association as shall be decided upon by the board and communicated to the executive director by the president or otherwise. In carrying out the business policies of the board, the executive director shall, subject to the powers conferred upon the president under Section 7 of this article, have the general management and control of the business and affairs of the association and shall be the managing executive officer of the association; and the executive director, in carrying out such business policies, is given the necessary authority to discharge such responsibility. He shall see that the books, reports, statements and certificates required by the statutes under which the association is organized or any other laws applicable thereto are properly kept, made and filed according to law; and he shall generally do and perform all acts

incident to the office of president or executive director or which are authorized or required by law.

THE VICE-PRESIDENTS

Section 12. The President-Elect and the Vice-Presidents

The president-elect, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the president, perform the duties and exercise the power of the president. The president-elect and the vice presidents shall also generally assist the president and exercise such other powers and perform such other duties as are delegated to them by the president and as the Board of Directors shall prescribe.

THE SECRETARY

Section 13. The Secretary

The secretary shall attend all meetings of the Board of Directors and all meetings of the members and record all the proceedings of the meetings in a book to be kept for that purpose, and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors, president or executive director, under whose supervision he shall be. He shall keep in safe custody the seal of the association and, when authorized by the Board of Directors, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his signature or by the signature of an assistant secretary.

THE TREASURER

Section 14. Accounting of Funds (Amended 14 October 95)

The treasurer shall keep full and accurate accounts of receipts and disbursements in books belonging to the association.

Section 15. Disbursal

He shall disburse the funds of the association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president, the executive director and the Board of Directors, at the regular meeting of the board or when the Board of Directors so requires, an account of all of his transactions as treasurer and of the financial condition of the association.

Section 16. Surety Bond

If required by the Board of Directors, he shall give the association a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office, and for the restoration to the association, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers,

money and other property of whatever kind in his possession or under his control belonging to the association.

Section 17. Additional Duties

He shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the president or the executive director may from time to time delegate.

ARTICLE IX
OFFICERS' AND DIRECTORS' SERVICES,
CONFLICTING INTERESTS AND INDEMNIFICATION

Section 1. Services

No director and, unless otherwise determined by the Board of Directors, no officer of the association shall be required to devote his time or any particular portion of his time or render services or any particular services exclusively to the association. Each and every director and, unless otherwise determined by the Board of Directors, each and every officer of the association shall be entirely free to engage, participate and invest in any and all such businesses, enterprises and activities, either similar or dissimilar to the business, enterprise and activities of the association, without breach of duty to the association or to its members; subject, however, to sections 3 and 4 of this article, and without accountability or liability to the association or to its members in any event or under any circumstances or conditions.

Each and every director and, unless otherwise determined by the Board of Directors, each and every officer of the association shall, respectively, be entirely free to act for, serve and represent any other associations or corporations, entity or entities, irrespective of whether or not the business, purposes, enterprises and activities, or any of them, thereof be similar or dissimilar to the business, purposes, enterprises and activities, or any of them of the association, without breach of duty to the association or to its members and without accountability or liability of any character or description to the association or to its members in any event or under any circumstances or conditions.

Section 2. Directors' and Officers' Interests in Contracts

No contract nor other transaction between the association and one or more of its directors or officers, or between the association and any firm or partnership of which one or more of its directors or officers are members or employees or in which they are otherwise interested, or between the association and any other association or corporation or other entity in which one or more of the directors or officers of the association are shareholders, members, directors, officers or employees or in which they are otherwise interested, shall be void or voidable by reason of or as a result of such connection with or holding an office or offices as a director or officer of the association or such interest in or in connection with such other firm, partnership, corporation, association or other entity, notwithstanding the presence of such director or directors, officer or officers, at the meeting of the Board of Directors of the corporation which acts upon or in reference to any such contract or other transaction, and notwithstanding his or their participation in such action, if (a) the fact of such interest

shall be disclosed or known to the Board of Directors and the Board of Directors shall authorize, approve or ratify such contract or other transaction by a vote of a majority of the directors present, such interested director or directors to be counted in determining whether or not a quorum is present, but not to be counted in calculating the majority necessary to carry such vote; or if (b) the fact of such interest shall be disclosed or known to the members and the members, either by written consent or by vote of a majority of the members entitled to vote, shall authorize, approve, or ratify such contract or their transaction; nor shall any director or officer be responsible or liable to account to the association for any profits realized by or from or through any such contract or other transaction of the association so authorized, ratified or approved by reason of such interest or his being or having been a director or officer, or both, of the association. Nothing herein contained shall create responsibility or liability in or in connection with any such event or events or prevent the authorization, ratification or approval of such contracts or other transactions in any other manner permitted by law or by statute. This section shall not be construed to invalidate any contract or other transaction, which would otherwise be valid under the common or statutory law applicable thereto.

Section 3. Non-Liability of Directors and Officers in Certain Cases

No director nor officer nor member of the executive committee or any other committee shall be liable for his acts as such if he is excused from liability under any present or future provision or provisions of the Texas Non-Profit Corporation Act or the Texas Business Corporation Act; and, in addition, to the fullest extent now or hereafter permitted by the Texas Non-Profit Corporation Act or the Texas Business Corporation Act, each officer or director or member of any committee shall, in the discharge of any duty imposed or power conferred upon him by the association, be fully protected if, in the exercise of ordinary care, he acted in good faith and in reliance upon the written opinion of an attorney for the association, the books of account or reports made to the association by any of its officials or by an independent certified public accountant or by an appraiser selected with reasonable care by the Board of Directors or by such committee, or in reliance upon other records of the association.

Section 4. Indemnification of Directors and Officers

Each director and each officer or former director or officer of the association and each person who serves at its request as a director or officer of another association in which it owns shares of capital stock or of which it is a creditor, shall be and hereby is indemnified by the association against liabilities imposed upon him and expenses actually and reasonably incurred by him in connection with any claim against him, or the defense of any action, suit or proceeding to or in which he is or may be made a party by reason of his being or having been such director or officer, and against such sums as independent counsel selected by the Board of Directors shall deem reasonable payment made in settlement of any such claim, action, suit or proceeding primarily with a view of avoiding expenses of litigation; provided, however, that no director nor officer shall be indemnified with respect to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty, or with respect to any matters which shall be settled by the payment of sums which counsel selected by the Board of Directors shall not deem reasonable payment made primarily with a view of avoiding

expenses of litigation, or with respect to matters for which such indemnification would be against public policy. Such right of indemnification shall be in addition to, but shall not exclude, any other rights to which directors or officers may be entitled.

Section 5. Insurance

The Board of Directors shall have in its discretion the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the association, or is or was serving at the request of the association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the association would have the power to indemnify him against such liability under the provisions of the Texas Non-Profit Corporation Act or the Texas Business Corporation Act, and the Articles of Incorporation or these Bylaws.

**ARTICLE X
COMMITTEES**

Section 1. Committees of Directors

The president, with the advice and consent of a majority of the directors in office, may designate and appoint one or more committees, each of which shall consist of two (2) or more directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the association. However, no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the Bylaws; electing, appointing or removing any member of any such committee or any director or officer of the association; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another association; authorizing the sale, lease exchange or mortgage of all or substantially all of the property and assets of the association; authorizing the voluntary dissolution of the association or revoking proceedings therefore adopting a plan for the distribution of the assets of the association; or amending, altering or repealing any resolution of the Board of Directors which, by its terms, provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed on it or him by law.

Section 2. Executive Committee (Amended 23 April 91) (Amended 22 February 01) (Amended 26 February 04)

The Executive Committee shall be comprised of the association's president, the four vice presidents, the immediate past president, the secretary, the treasurer, and the president-elect. The executive committee shall assist in managing the association, review and approve the yearly budget before presentation to the Board of Directors, and yearly review the performance of the executive director.

Section 3. Nominating Committee (Amended 7 March 98) (Amended 26 February 04)

The immediate past president shall serve as the chairman of the nominating committee during his term as immediate past president. He shall select two (2) other past presidents to serve on this committee. The active president shall select two additional members of the Board of Directors (one from two separate regions and associate members, alternating each year) to serve on the committee . The committee shall remain in effect until a new past president has been appointed.

Section 4. Other Committees

Other committees not having and exercising the authority of the Board of Directors in the management of the association may be designated by the president upon an approved resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the association and the association shall appoint the members thereof. Any members thereof may be removed by the person or persons authorized to appoint such member whenever in his or their judgment the best interests of the association shall be served by such removal. Current standing committees consist of: Membership, Site Selection, Used Pipe, Awards, Publishing, Bylaws, Communications, Program & Value Added Services, and Education.

Section 5. Term of Office

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

Section 6. Chairman (Amended 1 March 07)

One (1) member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

The member appointed chairman shall not serve as chairman of the committee for more than four successive terms of one year each. A chairman of a committee that has served four successive one year terms may serve as chairman of any other committee as so appointed.

Section 7. Vacancies

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 8. Quorum (Amended 23 April 91)

A majority of the whole executive and nominating 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.

ARTICLE XI
CONTRACTS AND FINANCIAL PROCEDURES

Section 1. Contracts (Amended 14 October 95)

All contracts shall be signed by two (2) of the following: the president, treasurer, executive director; with a limit of \$5,000. All amounts in excess of \$5,000 must be pre-approved by the Board of Directors. All purchases of fixed assets in excess of \$1,000 shall be pre-approved by the Board of Directors. All contracts signed shall be reported to the Board of Directors at the next regular scheduled Board of Director's meeting.

Section 2. Checks and Drafts (Amended 14 October 95)

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the association shall be signed by two (2) of the following: the president, treasurer or executive director.

Section 3. Deposits

All funds of the association shall be deposited from time to time to the credit of the association in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts

The Board of Directors may accept on behalf of the association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the association.

ARTICLE XII
BOOKS AND RECORDS

The association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, 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. All books and records of the association may be inspected by any member or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE XIII
WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of the association, 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 XIV
AMENDMENTS TO BYLAWS

The Bylaws committee shall review and submit to the Board of Directors proposed amendments, alterations or deletions at a regularly scheduled Board meeting. The proposed amendments, alterations or deletions shall be adopted by a majority of the Board of Directors.

(Amended 4/23/91, 6/10/92, 6/16/93, 10/14/95, 8/30/96, 9/27/97, 3/7/98, 2/4/00, 2/22/01, 10/3/03, 2/26/04, 3/2/06, 3/1/07, 6/21/07, 9/19/13, 2/19/15)