

COIN LAUNDRY ASSOCIATION

By-Laws

ARTICLE I - Name

The name of this Association shall be Coin Laundry Association, hereinafter referred to as the "Association" or "CLA".

ARTICLE II - Location

The location of the principal office of this Association shall be determined by the Board of Directors.

ARTICLE III - Purpose

CLA is a voluntary, non-profit, trade association organized to foster the interests of the self-service laundry industry, to improve its service to the public, to inform its members of the developments affecting the industry, and to otherwise promote the interests of the industry through the conduct of lawful trade association activities.

ARTICLE IV - Membership

Section 1. (a) The Association shall have one class of membership: Active.

(b) Active membership shall be open to any individual, partnership, corporation or other entity engaged in, or having interest in owning one or more of the following businesses: (1) manufacturing self-service laundry equipment; (2) selling, as a distributor, such equipment or supplies for such equipment; (3) owning and operating a self-service laundry establishment, or any combination of the three; and (4) conducting other business or professional activities related to the self-service laundry industry. Active members shall have the rights to vote and hold office.

Section 2. Application for membership shall be in writing and applicant shall agree to abide by the By-Laws. CLA shall conduct such appropriate investigation of the applicant as it deems necessary to verify qualification.

Section 3. A member may change its official representative at will upon giving notice thereof to CLA business headquarters, or may when necessary

appoint by written notice to CLA business headquarters, an alternate for its official representative. For the purpose of these By-Laws, the term "member" shall mean the member entity which the official representative or the alternate represents.

Section 4. Resignation of a member shall be in writing addressed to CLA headquarters or evidenced by non-payment of dues. The resignation of a member company shall include the resignation of the official representative. No refund of dues shall be made on resignation.

ARTICLE V - Membership Meetings and Voting

Section 1. The annual meeting (or any special membership meeting) of this Association shall be held at such time and place as the Board of Directors shall determine. Notice of the annual meeting or any special membership meeting shall be sent to each member by any means permitted by applicable law, not less than twenty (20) nor more than sixty (60) days prior to the date of the meeting. In case of a special meeting or when required by statute or these By-laws, the purpose for which the meeting is called shall be stated in the notice.

Section 2. A quorum for the transaction of business at the annual or any special meeting of this Association shall be 30 Active members. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting as required without further notice. If a quorum is present, the affirmative vote of the majority of the Active members represented at the meeting shall be the act of the members, unless the vote of a greater number is required by law, the Articles of Incorporation or these By-Laws.

Section 3. Special meetings of the members may be called by the CLA President/CEO, any five (5) Directors, the Chair, or not less than twenty percent (20%) of the Active members.

Section 4. At any meeting of the Association each Active member shall be entitled to one vote on each question put to a vote.

Section 5. Presence at (unless a member is present to object to the holding of the meeting because improper notice was given), or a written waiver of notice of, any meeting shall constitute proper and adequate notice of such meeting.

Section 6. Voting shall be by official representative or alternate as certified by the CLA business office records as provided in Article IV.

Section 7. At any meeting of members, an Active member may vote either in person or by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after four (4) months from the date of its execution unless otherwise provided in the proxy.

ARTICLE VI - Directors

Section 1. The governing body of the Association shall be its Board of Directors, which shall consist of not less than 15 nor more than 20 voting members, the number each year to be determined by the Board of Directors before the annual meeting, which members shall be the elected officers of the Association, plus those individuals nominated pursuant to Article VIII, Section 12, of these By-laws and elected by the membership. The ratio of voting Directors representing Active members which are manufacturers, distributors, operators, and others conducting business or professional activities related to the self-service laundry industry shall be determined by the Board of Directors as required, except that in no case shall there be less than three (3) voting Board members representing each of the manufacturers and distributors group, and in no case shall there be less than 50% of the total Board represented by the store owner operators. The Directors shall be elected for staggered terms, so that approximately one third of the Board of Directors shall be elected annually by the membership to hold office for a two-year term. No Director can be elected to the Board of Directors for more than three (3) consecutive 2 year terms or not to exceed six (6) consecutive years, unless he or she is currently serving as an elected Officer (i.e., Chair, Chair-Elect, , Treasurer, or Immediate Past Chair) of the Association in such case term limit shall be ten (10) years or at the close of service as Immediate-Past Chair, whichever is sooner.

Section 2. Notwithstanding any terms in these By-Laws to the contrary, all elected Officers of the Association shall automatically remain as Directors until their individual rotations are completed or unless they are removed as per these By-Laws.

Section 3. At the expiration of director's last elected term, he/she shall become an Honorary Director for life as long as he/she continues as a member in good standing, or with a member company in good standing. Honorary Directors shall be entitled to all the rights and privileges of elected members of the Board including attending Board meetings except that of voting and reimbursement of travel expenses. Honorary members of the Board shall be eligible for nomination and election as elected members of the Board of Directors three years after a prior term has expired.

Section 4. Vacancies by resignation or otherwise on the Board of Directors may be filled by a two-thirds vote of the remaining members of the Board at any regular or special Board meeting.

Section 5. The Chair, Chair-Elect, Treasurer, President/CEO (non-voting), Immediate Past Chairman (non-voting), and no more than three additional members of the Board of Directors nominated by the Chair with confirmation by the majority of the Board of Directors, shall constitute the Executive Committee of the Association. In naming the members of the Executive Committee, the Board shall consider the goal of having the Executive Committee reflect and be representative of the make up of the Board of Directors with respect to Manufacturers, Distributors, Operators, and others conducting business or professional activities related to the self-service laundry industry. The Executive Committee, in the interim between Board meetings, shall possess and may exercise all the powers of the Board of Directors in the management and direction of the affairs of the Association, except with respect to authority prohibited, prescribed or limited by prior resolution of the Board of Directors or by statute.

Section 6. Every officer and director of the Association other than the President/CEO must be an Active member of the Association or a representative of an Active member company.

Section 7. Removal of Directors. One or more of the Directors may be removed with or without cause. No Directors may be removed, except as follows:

- a. A Director may be removed by the affirmative vote of two-thirds of the Board of Directors.
- b. No Director shall be removed at a meeting of members entitled to vote unless the written notice of such a meeting is delivered to all members entitled to vote on removal of directors. Such notice shall state that a purpose of the meeting is to vote upon the removal of one or more directors named in the notice. Only the named director or directors may be removed at such meeting.
- c. The provisions of subsections a and b shall not preclude the Circuit Court from removing a director of CLA from office in a proceeding commenced either by CLA or by members entitled to vote holding at least 10 percent of the outstanding votes if the Court finds (1) the director is engaged in fraudulent or dishonest conduct or has grossly abused his or her position to the detriment of CLA, and (2) removal is in the best interest of CLA.

ARTICLE VII - Meetings of Directors

Section 1. There shall be a minimum of two regular meetings of the Board annually to be held at such times and places as the Board shall determine.

Special meetings of the Board may be called by or at the request of the President/CEO, the Chairman or any three voting directors, and shall be held at such time and place as shall be determined by the person or persons calling such meeting.

Section 2. Notice of any special meeting of the Board of Directors shall be given at least five (5) days previously thereto by any means permitted by applicable law. If notice is given by United States mail, such notice shall be deemed to be delivered by the business day following the business day such notice is deposited in the United States mail. If notice is given by electronic mail, such notice shall be deemed to be delivered when sent. A special Board of Directors meeting can also take the form of an audio or video conference, in which case a notification of only 24 hours (excluding weekends and holidays) will be necessary. Any director may waive notice of any meeting.

Section 3. A majority of the members of the Board shall constitute a quorum for the transaction of business at any meeting, provided that if less than a majority of the voting directors are present at such meeting, a majority of the voting directors present may adjourn the meeting as required without further notice.

Section 4. Presence at (unless a member is present to object to the holding of the meeting because improper notice was given), or written waiver of notice of, any Board of Directors meeting shall constitute attendance at such meeting.

Section 5. 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, except where otherwise provided by law or by these By-Laws.

Section 6. Any action required to be taken at a meeting of the Board of Directors or any action which may be taken at a meeting of the directors or a committee thereof may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all of the directors entitled to vote with respect to the subject matter thereof, or by all the members of such committee, as the case may be. Under this provision, Board votes may be taken on designated matters by electronic vote in the absence of a meeting.

Section 7. Members of the Board of Directors or of any committee of the Board of Directors may participate in and act at any meeting of such Board or committee through the use of an audio or video conference or other communications equipment by means of which all persons participating in the meeting can hear and speak to each other. Such meeting shall constitute attendance and presence in person at the meeting of the person or persons participating.

Section 8. Members of the Board of Directors shall receive no compensation for serving as such, but may be reimbursed for travel and related expenses to the extent approved by the Board of Directors.

ARTICLE VIII - Officers

Section 1. The officers of the Association shall be an Immediate Past Chair (non-voting), Chair, Chair-Elect and Treasurer, elected by and from the Board of Directors, and a President/CEO (non-voting) appointed by the Board. The elected officers of the Association shall serve for a term of two years, or less in case of filling in interim vacancy, and, in both cases, until successors are elected. The term of office of the President/CEO shall be determined by the Board of Directors.

The Board of Directors will nominate and elect a Chair-Elect from among Active Board members at their first scheduled meeting every other year. The Board of Directors will also nominate and elect a Treasurer-Elect from among Active Board members at their first scheduled meeting every other year; all Treasurer and Chair nominees must have completed at least three (3) years of service as a director of the Association prior to taking office; the nominee receiving the most number of votes cast by the Board of Directors will be declared Treasurer-Elect and Chair-Elect. Treasurer may serve one term and subsequently run for Chair-Elect, if total service time would fall within the 10-year term limit. Treasurer may serve two consecutive terms in the event they do not plan to run for Chair-Elect. Treasurers serving one term may serve an additional term as Director provided they had served fewer than four years prior to taking office as Treasurer.

In naming the officers of the Board of Directors, the Board shall consider the goal of having the officers of the Board of Directors reflect and be representative of the makeup of the Board of Directors with respect to Manufacturers, Distributors, Operators, and others conducting business or professional activities related to the self-service laundry industry.

Section 2. In the interest of continuity, every two years the officers of the Association will rotate their positions as follows: Immediate Past Chair will depart, the Chair moves to the Immediate Past Chair position and the Chair-Elect moves into the Chair role....

Section 3. No elected officer shall hold more than one office at any one time.

Section 4. The Chair shall preside at all meetings of the Board of Directors and of the Association. The Chair shall be an ex-officio member of all CLA Committees, without the right to vote except in the case of a tie vote and

shall have such powers as prescribed by law, these By-Laws, or as the Board of Directors may prescribe.

Section 5. During the absence or incapacity of the Chair, the Chair-Elect shall perform the duties and have the powers of the Chair. He/she shall also perform any and all regular or special duties assigned to him/her, from time to time, by the Board of Directors.

Section 6. During the absence or incapacity of the Chair and the Chair-Elect, the Immediate-Past Chair followed by the Treasurer shall perform and have the duties of the Chair.

Section 7. The Treasurer shall oversee CLA's financial condition, all funds of the Association, and shall perform such other duties as may be required by the Board of Directors.

Section 8. The President/CEO shall not take official minutes at any regular and special meetings of the Association. President/CEO shall appoint a staff member to serve as Recording Secretary for the purpose of keeping a proper book or books for that purpose, minutes of all proceedings of such meetings, including a record of votes cast for the election of directors and other purposes. He/she shall be the Recording Secretary for the Board of Directors and may, by delegation, be the Recording Secretary for any committee or committees appointed by the Association or by the Board of Directors. The position of Recording Secretary does not constitute a position, office, or right to vote on the Board of Directors. The Chair shall appoint a Director to record minutes during any Executive Sessions.

Section 9. The President/CEO shall give notice in proper form, as required, of all meetings of the Association and of the Board of Directors, and of any committee.

Section 10. All records, such as minute books, reports, and files shall be stored electronically on the CLA server and will be available electronically to any Active Member upon request, during business hours.

Section 11. The Chief Executive Officer shall be the President/CEO of the Association, and shall be employed by the Association which shall fix his/her title, salary, compensation and duties as determined by the Board of Directors. He/she shall direct business of the Association in accordance with these By-Laws and the directive or policy formulated by the Board of Directors.

Section 12. The Chair shall, with the approval of the Board of Directors, appoint a Chairperson for the Nominating Committee at least 120 days before each Annual Meeting of the Association. It is recommended that the Nominating Committee Chairperson have a representative from each of the manufacturer

and distributor groups, and at least two (2) from the Active operator members group. The Nominating Committee shall propose nominees for Directors. The Committee's report shall be sent to the membership before the Annual Meeting. If there are more nominees than vacancies, then the Board of Directors shall be given a list of candidates along with a description and history of each candidate. The Board will then vote for the candidates most qualified and the candidate(s) with the highest number of votes will become the nominees to be presented to the members at the Annual Meeting. The Nominating Committee shall maintain to the best of its ability the ratio between the manufacturers, distributors and operators as specified in Article VI, Section 1. No additional nominations for Directors shall be made except in accordance with the following procedure: for a vacancy on the Board of Directors to be filled by a representative of an Active member which is a manufacturer, distributor, or operator; or by a nominating petition signed by at least 10 Active members in good standing, which nominating petition shall have been received by the Chairman of the Nominating Committee at least 15 days prior to the Annual Meeting.

Section 13. Removal of Officers. One or more officers may be removed by a two-thirds vote of the Board of Directors during a duly called meeting, with or without cause.

ARTICLE IX - Committees

Section 1. The Chair of each committee shall be appointed by the Chair.

Section 2. Unless otherwise provided in these By-Laws or in a resolution creating a committee, committees shall act only in an advisory capacity to make recommendations to the Board of Directors. They shall carry out any programs specifically authorized by the Board of Directors.

Section 3. Except for the Executive Committee, no committee shall have the authority to commit the Association on expenditures.

ARTICLE X - Rules

Section 1. No part of the net earnings of the Association shall inure to the benefit of, or be distributable to its members, directors, officers, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein.

Section 2. Upon the dissolution of the Association, the Board of Directors shall, after paying or making provisions for the payment of all the liabilities of the Association, dispose of all the assets of the Association exclusively for the purposes of the Association in such manner, or to such organization or

organizations which are then qualified as exempt within the meaning of section 501(c) (6) or section 501(c) (3) (but only if the purposes and objectives of such organizations(s) are similar or related to the purposes and objectives of the Association) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine.

ARTICLE XI - Dues

The basis and rates of dues for any class or group of members shall be established from time to time by a majority vote of the members of the Board of Directors.

ARTICLE XII - Compensation of Officers

The Immediate Past Chair, the Chair, Chair-Elect and Treasurer shall receive no compensation for their services other than reimbursement allowed in Article VI, Section 8.

ARTICLE XIII - Statistics

All statistical data received from any member for any purpose shall be held strictly confidential and only be used for the purpose of building a broad statistical information data base that can then be used for the benefit of the entire industry.

ARTICLE XIV - Procedure

Except as otherwise provided in these By-laws, Robert's Rules of Order Newly Revised shall govern in any question of parliamentary procedure.

ARTICLE XV - Amendments

These By-Laws or any parts thereof may be altered, amended, enlarged or repealed by an affirmative vote of two-thirds of the voting members of the Association, or by two-thirds of the voting members of the Board of Directors.

ARTICLE XVI - Indemnification

The Association shall indemnify all officers and directors of the Association to the full extent permitted by the Illinois General Not for Profit Corporation Act of 1986, as amended, and shall be entitled to purchase insurance for such indemnification of officers and directors to the full extent as determined from time to time by the Board of Directors of the Association.

Revision Updates

As amended by the Board of Directors on March 21, 1998
Revised by Board of Directors on April 8, 2000
Revised by CLA Board of Directors on November 17, 2005.
Revised by CLA Board of Directors on April 14, 2010
Revised by CLA Board of Directors on November 2, 2021