



FOODSERVICE PACKAGING
INSTITUTE

BYLAWS

OF THE

FOODSERVICE PACKAGING INSTITUTE, INC.

As Amended: October 14, 2010

ARTICLE I – NAME AND OFFICE

1.1 The name of this Association shall be the Foodservice Packaging Institute, Inc. (the “Institute”). It shall be a non-profit trade association, organized and incorporated under the laws of the State of New York.

1.2 The offices of the Institute shall be in the Washington, DC area.

ARTICLE II – PURPOSES AND ACTIVITIES

2.1 The purposes of the Institute shall be to promote the material-neutral business interests and general welfare of the single-use foodservice packaging industry in North America.

2.2 In furtherance of the purposes of the Institute, but not in limitation thereof, it may conduct activities such as:

- a. To provide a lawful forum for the discussion of matters relating to the business of the industry.
- b. To advocate, promote and represent the interests of the industry, in every lawful way, with governmental agencies and to oppose legislation having the effect of discriminating against members, products or materials of the foodservice and packaging industry.
- c. To gather, compile and disseminate lawful statistical and other information concerning the industry.
- d. To conduct market research and product promotion in various market sectors.
- e. To engage in industry and general programs related to the environmental and ecological problems that bear on the manufacture, use and disposition of single-use foodservice packaging.

- f. To cooperate with other related associations and societies in matters of common interest.
- g. To engage in such other lawful trade association activities as will promote the industry and be consistent with the public interest.

ARTICLE III – DEFINITION

3.1 The term “foodservice packaging” primarily includes single-use products such as cups (beverage and portion), plates, platters, bowls, trays, beverage carriers, bags (single portion and carry-out), containers, lids and domes, wraps, straws, cutlery and utensils for the service and/or packaging of prepared foods and beverages in foodservice establishments. Other related products such as placemats, doilies and tray covers; trays used in packaging raw meat, poultry, seafood, produce, and other food products; and egg packaging are also included. Additional products may be included from time to time by the Board of Directors.

3.2 A “single-use foodservice packaging product” is defined as an item that is intended to be used only once and is then available for recycling, composting or other disposition.

ARTICLE IV – MEMBERSHIP

4.1 Membership Categories: There shall be four categories of Membership designated as Converter, Supplier, Customer and Associate.

- a. Converter Membership: Any person, firm or corporation that is engaged in the manufacture and sale of single-use foodservice packaging products as defined in Article III shall be eligible for Converter Membership. On written application, an eligible candidate may be elected to Converter Membership by a majority vote of the Board of Directors.
- b. Supplier Membership: Any person, firm or corporation which is a supplier (i.e. raw material or machinery) to converters of single-use foodservice packaging products shall be eligible for Supplier Membership. On written application, an eligible candidate may be elected to Supplier Membership by a majority vote of the Board of Directors. Supplier members shall not hold office except as authorized herein. Supplier members may attend the meetings of the Institute and such Committee, Group and Division meetings as deemed appropriate by the Chair of such divisions.
- c. Customer Membership: Any person, firm or corporation that is a current or potential customer (i.e. foodservice operator, distributor or group purchasing organization) of converters of single-use foodservice packaging products shall be eligible for Customer Membership. On written application, an eligible candidate may be elected to Customer Membership by a majority vote of the Board of Directors. Customer members shall not vote nor hold office except as authorized herein. They may participate in the affairs of the Institute to the extent determined by the Board of Directors.

- d. Associate Membership: Other firms, corporations or individuals engaged in businesses which are deemed, from time to time by the Board of Directors, to be significantly related to the foodservice packaging industry, may be elected to Associate Membership. Associate members shall not vote nor hold office except as authorized herein. They may participate in the affairs of the Institute to the extent determined by the Board of Directors.

4.2 Representation: Each member shall notify the Secretary of the Institute, in writing, of the name of the individual who shall represent such member at meetings and in its relations in the Institute. Each representative is to serve on the Board of Directors.

4.3 Groups and Divisions: The membership of the Institute may be organized into groups and divisions as determined from time to time by the Board of Directors. Each group and division may hold separate meetings, may establish committees and may pursue such courses of action as it may deem desirable, provided that such action is not determined by the Board of Directors to be in conflict with these bylaws or prejudicial to the interests of the Institute.

4.4 Suspension for Non-Payment of Dues or Assessments: Any member failing to pay dues or assessments within a period of ninety days after such dues or assessments shall have become due or payable, shall be suspended from all rights and privileges of membership, and if such arrearages are not paid within ninety days after such suspension, shall, unless an arrangement for payment of such arrearages be approved by the Board of Directors, be deprived of membership. The Board of Directors shall refuse to recognize any further application from such member unless and until all such arrearages are paid in full.

4.5 Suspension for Other Reasons: Any member failing to abide by the terms of the Certificate of Incorporation, these bylaws, and any amendments thereto, may, after reasonable notice and opportunity to be heard, at the discretion of the Board of Directors, be suspended from all rights and privileges of membership. If such suspension shall continue for a period of one hundred twenty (120) days and during that time the member shall not satisfy the Board of its willingness to abide by the said terms, the member shall be deprived of membership. A member which knowingly persists in business conduct at variance with the laws of the United States, so as to jeopardize the legality of the activities of the Institute, shall be determined to have failed to abide by the Certificate of Incorporation and bylaws of the Institute.

4.6 Resignation and Discontinuance of Business: A member may resign, subject to the obligations of Article 4.7, by giving written notice to and received by the President of the Institute on or before the date of the annual meeting of any year. The discontinuance of a member from such business as qualifies it for membership shall be promptly communicated to the President and shall automatically operate as a resignation.

4.7 Dues Payments Upon Suspension, Termination, Resignation or Discontinuance: A member whose membership is suspended or terminated or which resigns or discontinues qualifying business shall remain liable for the payment of all dues and financial obligations to the Institute which have accrued and will accrue through the end of the fiscal year in which suspension, termination, resignation or discontinuance becomes effective.

4.8 Release of Interest: Termination of membership in the Institute in any manner whatsoever, shall operate as a release of all right, title or interest on the part of such member in or to the Institute, its property and assets and the right to vote shall cease.

4.9 Obligation of Members: Membership in the Institute shall constitute an agreement among the members: to abide by the terms of Certificate of Incorporation, and these bylaws; to participate in applicable, lawful Institute activities, and to pay promptly such dues as may be levied under Article V herein.

ARTICLE V – FINANCES

5.1 Budget: The annual budget, setting forth an estimate of expenses for the succeeding fiscal year and providing for such reserves as may seem desirable, shall be prepared by the Executive Committee, and submitted to the Board of Directors at the annual meeting. It shall become effective if approved by a three-fourths majority vote of those directors present and constituting a quorum.

5.2 Dues: The annual membership dues, to meet the expenses of the Institute, shall be established on an equitable basis by the Board of Directors. The Board of Directors may prescribe minimum and maximum annual dues irrespective of any rate or basis otherwise established.

5.3 Dues Payments Upon Merger or Acquisition of Member Companies: In the event that two Institute member companies merge, or one member company acquires another, Institute dues will be assessed using the following formula:

- a. In the first year following the merger or acquisition, the highest dues-paying member company will be assessed its full dues, plus 50 percent of the dues amount which would be otherwise payable by the lower dues-paying member company;
- b. In the second year following the merger or acquisition, the highest dues-paying member company will be assessed its full dues, plus 25 percent of the dues amount which would be otherwise payable by the lower dues-paying member company; and
- c. In the third year following the merger or acquisition, the highest dues-paying member company will be assessed its full dues at the company's normal rate.

5.4 Fiscal Year: The Institute's fiscal year shall be the twelve months from January 1 to December 31, inclusive.

5.5 Audit: There shall be an annual audit of the accounts of the Institute.

ARTICLE VI – MANAGEMENT

6.1 **Board of Directors:** The management of the affairs, funds and property of the Institute shall be vested in the Board of Directors which shall consist of one representative designated by each Converter and Supplier member of the Institute.

6.2 **Meetings:** The Board of Directors shall meet at least twice a year at a time and place designated by the Executive Committee to approve the budget, establish dues, elect officers and conduct other necessary business. Regular and special meetings of the Board shall be held at the call of the Chair or upon the request of any five members thereof. Ten days notice of the time and place of all such meetings shall be given to all Board members. The Secretary shall issue the call of all such meetings. Except as otherwise specifically provided herein, a majority of the Directors shall constitute a quorum for the transaction of all business. Any or all Directors may participate in a meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting. A majority vote of Directors present at any duly called meeting of the Board, a quorum being present, shall be required to carry any resolution except as otherwise provided herein. At any meeting of the Board at which a quorum is not present, the members present by a majority vote may adjourn the meeting to such time and place as they may designate.

6.3 **Action Without Meeting:** Any action required by law to be taken at a meeting of the Board of Directors, or any action that may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Directors.

ARTICLE VII – OFFICERS

7.1 **Officers:** The elected officers of the Institute shall be a Chair, a first Vice Chair and a second Vice Chair. The appointed officers shall be a President, a Secretary and a Treasurer. More than one appointed office may be held by a single individual. The elected officers shall not receive compensation for their services. The appointed officers shall receive such compensation as shall be determined by the Board of Directors. The Board shall have the power, from time to time, to create other offices and appoint officers thereto, including one or more Vice Presidents; to prescribe the powers and duties of such officers and fix their compensation, if any.

7.2 **Term of Officers:** The Chair, the first Vice Chair and the second Vice Chair shall be elected annually by the Directors from among the Converter members of the Board. They shall serve until the next Annual Meeting of the Board or until their successors are elected. The President and other appointed officers shall be appointed by and serve at the pleasure of the Board.

7.3 **The Chair:** The Chair shall be the chief executive officer of the Institute. He or she shall preside at all meetings of the Institute, of the Board of Directors, and the Executive Committee and shall appoint and, ex officio, be a member of all other committees, except as otherwise provided in the bylaws.

7.4 The Vice Chairs: The first Vice Chair and in his or her absence or disability, the second Vice Chair, shall perform the duties of the Chair in the event of the Chair's absence or disability.

7.5 President: Subject to the authority of the Board of Directors or the Executive Committee and the Chair, the President shall be the chief operating and administrative officer of the Institute, in general charge of its headquarters, its operating staff and of its activities. He or she shall be a person who is qualified to serve as a trade association manager and may attend, ex officio, without voting power, meetings of all committees, the membership, and the Board. He or she shall have authority to select and employ staff as he or she requires within the limits of the budgets approved. He or she shall have custody of all corporate and other records, statistics, and documents of the Institute.

7.6 Vice President: Any Vice President or Vice Presidents as the Board of Directors may choose to elect shall perform all such duties as from time to time may be requested of him or her by the Board of Directors, the Executive Committee and Chair, or the President. In case of the President's absence or inability to act, any Vice President so authorized by the Board of Directors or the Executive Committee may perform the duties of the President and when so acting shall have all powers of the President, subject to all the restrictions upon the President and to the authority of the Board of Directors and the Executive Committee.

7.7 Secretary and Treasurer: The Secretary shall perform such duties as may be required by the Board of Directors and the President. He or she shall be responsible for the minutes of the meetings of the Institute. The Treasurer shall cause to be received and kept on deposit the funds of the Institute, in such bank or banks as may be designated by the Board of Directors, and shall cause to be paid therewith obligations of the Institute as authorized from time to time by the Board of Directors. The Treasurer shall cause to be prepared and submitted at each Annual Meeting, and at such other times as the Board may require, a report showing aggregate receipts and itemized disbursements of all funds of the Institute.

7.8 Bonding: The Officers, and any other person entrusted with the handling of the funds or property of the Institute, shall, at the direction of the Board of Directors, furnish, at the expense of the Institute, a fidelity bond approved by the Board, in such sum as the Board shall prescribe.

7.9 Vacancies: Vacancies in any office may be filled for the balance of the term thereof by the Directors.

ARTICLE VIII – COMMITTEES

8.1 Executive Committee: The Executive Committee shall be a standing Committee consisting of the Chair, the first Vice Chair, the second Vice Chair, at least one but no more than two immediate past Chairs and at least two Converter members, one raw material Supplier member, one machinery Supplier member and one Converter member who is headquartered outside of the United States. The Executive Committee shall be subject to the Board but shall have and exercise all the powers of the Board during intervals between meetings of the Board.

8.2 Nominating Committee: Not less than 30 nor more than 60 days before the annual meeting of the Board, the Chair shall appoint a Nominating Committee of 3 persons. The Nominating Committee shall report to the annual meeting of the Board each year a slate of candidates for Chair and for the first and second Vice Chairs.

8.3 Other Committees: The Chair shall appoint such other committees as may be deemed desirable. The purpose of each such committee shall be fully set forth at the time of its appointment. The Secretary shall record and file the date, place of and attendance at each meeting of any such committee and all minutes of its proceedings. The members appointed to any such committee shall continue as members thereof until the annual meeting of the Board next ensuing after such appointment.

8.4 Vacancies: Vacancies in any committee may be filled for the unexpired term by the Chair.

ARTICLE IX – MEETINGS

9.1 Annual Meeting: The annual meeting of the Institute shall be held at such time and place, during the last quarter of each year, as shall be determined, in advance, by the Chair. The members shall be given not less than thirty days written notice of such meeting. The regular business of the annual meeting shall include receiving the reports of officers and committees.

9.2 Special Meetings: Special meetings of the Institute shall be called at the discretion of the Chair or upon written request to the President by five or more members of the Board of Directors. Ten days notice of all special meetings shall be given.

9.3 Quorum and Voting: At any meeting of the Institute, Group, Division or Committee thereof, a quorum shall consist of a majority of the membership entitled to vote thereat, except as otherwise provided in these bylaws. Action at any meeting shall be by affirmative vote of a majority of the members present and entitled to vote, in person or by proxy except as otherwise provided for in these bylaws. Each Converter and Supplier member shall be entitled to one vote and shall have the right to delegate such power by proxy in writing. A proxy may be revoked by a member any time prior to its exercise.

9.4 Mail, Facsimile or Electronic Mail Vote: Whenever, in the judgment of the Chair, or in the judgment of any Group, Division or Committee Chairs on questions concerning their respective Groups, Divisions or Committees, any question or proposal shall arise which it is determined should be put to a vote of the membership, the Board of Directors or any Group, Division or Committee and it is deemed inexpedient to call a meeting for such purpose, the question or proposal shall be submitted by mail, facsimile or electronic mail. The question or proposal shall be decided by a majority of the voters entitled to vote thereon except where another number is required by law or these bylaws, received within two weeks after the date of mailing/faxing/e-mailing such question, provided that at least two-thirds of the members entitled to vote on the question have voted.

9.5 Parliamentary Rules: Robert's Rules of Order, as revised, shall be the governing parliamentary law of the Institute in all cases not provided for in its bylaws, or its own rules.

9.6 Minutes: Written minutes will be kept of all meetings of the membership, the Board of Directors, Groups, Divisions and Committees of the Institute

9.7 Telephonic or Video Meetings: Any meeting of any Group, Division or Committee may, in the discretion of its Chair and upon notice as provided in these bylaws, be held by telephonic, video or other means of communication, provided that all members of such Group, Division or Committee entitled to participate in such meeting may simultaneously hear each other during such meeting. Any or all members of any Group, Division or Committee may participate in any meeting of such Group, Division or Committee, by means of communication by which all members participating may simultaneously hear each other during the meeting. A member participating in any such meeting by this means is deemed to be present in person at the meeting.

ARTICLE X – RECORDS

10.1 Confidential Data: Whenever it shall become necessary for the Institute to obtain from members statistical or confidential information, such data shall be kept in the custody of the President and Secretary. It shall be the duty of the President, Secretary and the Institute’s staff not to disclose this information to anyone except in composite or coded form which safeguards the identity of individual companies or under the compulsion of legal process.

ARTICLE XI – MISCELLANEOUS

11.1 Seal: The Seal of the Institute shall be of such design as approved by the Board of Directors.

11.2 Indemnification: Any person who shall be or has been involved in or who shall be or who has been made party to any claim, action, suit or proceeding by reason of the fact that he or she, his or her testator or his or her intestate is or was a director, officer or employee of the Institute shall be indemnified by the Institute against all costs and expenses, including attorney’s fees, reasonably incurred by or imposed upon him or her in connection with or arising out of such claim, action, suit or proceeding, or in connection with or arising out of any appeal therein (such expenses to include the cost of reasonable settlements made with a view to curtailment of costs of litigation), except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such officer, director or employee is liable for negligence or misconduct in the performance of his or her duties. Such right of indemnification shall not be exclusive of any right or rights to which such director, officer or employee may be entitled as a matter of law or otherwise.

Any amount which may be paid by way of indemnity in accordance with the provision of the proceeding paragraph shall be promptly announced by the members, such announcement to specify the person or persons paid, the amount or amounts of the payment or payments and the final disposition of the claim, action, suit or proceedings.

11.3 General Counsel: The Board of Directors shall retain a General Counsel. It shall be the duty of the General Counsel to review the activities of the Institute from time to time and to make reports to the Board of Directors, the Executive Committee and the President relating to the legal status of such

activities. General Counsel shall receive advance notice of all meetings of the Institute, the Board of Directors, Groups, Divisions and Committees and may, at his or her discretion, attend any such meetings. Recommendations of General Counsel concerning modification of the program of the Institute shall be received by the Board of Directors for appropriate action of record. Minutes of all meetings shall be reviewed by Counsel prior to publication.

11.4 Notice: Any written notice required to be given hereunder may be delivered by hand, regular or overnight mail, facsimile or electronic mail to such address, number or electronic mail address as is maintained in the membership records of the Institute. A written waiver of notice signed by any person entitled to any notice under these bylaws, whether before or after the time stated therein, shall be equivalent to the giving of notice. Attendance at, or participation in, a meeting by any person waives any required notice to him or her of the meeting unless such person at the beginning of the meeting, or promptly upon his or her arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

11.5 Non-discrimination Policy: The Institute will not discriminate on the basis of gender, race, color, religion, national or ethnic origin, age, sexual orientation or disability. Wherever in these bylaws the male personal pronoun is used it shall be interpreted to include the female personal pronoun as appropriate in the circumstances, and whenever the female personal pronoun is used, it shall be interpreted to include the male personal pronoun as appropriate in the circumstances.

ARTICLE XII – AMENDMENTS

12.1 Amendments: These bylaws may be amended or replaced in whole or in part by a two-thirds vote of the entire Board of Directors at any duly noticed meeting of the Board. At least ten days written notice shall be given of the substance of such proposed amendment or repeal. Amendments may also be effected by mail or e-mail vote in accordance with Article 9.4 subject to the requirement of a two-thirds vote stated in the first sentence of Article 12.1.

12.2 Proposer: A proposal to amend or repeal the bylaws may be made at any time by any member in good standing.

ARTICLE XIII – DISSOLUTION

13.1 Dissolution: The Institute shall continue until such time as it shall be dissolved by a three-fourths (3/4) vote of its Converter members in good standing, provided that they represent at least seventy-five percent (75%) or more of the Converter members' dues paid during the previous twelve month's period at a meeting called, upon thirty days written notice, for that purpose. In the event of dissolution, all unrestricted funds on hand after payment of all of the indebtedness of the Institute shall be divided among the Converter and Supplier members then in good standing on the following basis:

- a. Dues collected from such members, during the preceding and consecutive ten (10) years shall be totaled for all such members combined. The ratio of the individual member's

payments to the total payments of all such members shall determine the individual member's share of the assets to be divided.

- b. If a member has withdrawn from the Institute during the ten year period and subsequently again become a member, its distributive share shall be based only on the total of its contribution since it last became a dues-paying member in good standing.
- c. Any unpaid dues or indebtedness of a member to the Institute shall be deducted from the member's distributive share.

13.2 Dissolution may not be effected by a mail or e-mail vote.