



Last Amended 05/06/26

**BY-LAWS
OF
UNITED STATES CUTTING TOOL INSTITUTE**

**ARTICLE I
FORM AND NAME**

The name of this Corporation is the “United States Cutting Tool Institute” (hereinafter called the “Institute”), a not for profit corporation organized under the Delaware General Corporation Law.

**ARTICLE II
PRINCIPAL OFFICE**

The principal office of the Institute shall be located at 1300 Sumner Avenue, Cleveland, Ohio 44115, or at such other place as may be designated by the Board of Directors.

**ARTICLE III
PURPOSES AND DEFINITIONS**

Section 1. The purposes of the Institute shall be to foster, advance and promote the interests of its members; to secure the advantages to be obtained from concerted and joint action on all matters touching or affecting the interests of its members and the Products, as hereinafter defined; to sponsor educational and informational programs of benefit to its members, including the sponsorship of educational programs and the dissemination of information designed to insure compliance of the Institute and of its members with federal and state antitrust laws; to secure the benefits to be derived from friendly communication among and exchange of information by its members for their own welfare; to promote the standardization of sizes, dimensions and tolerances, and to simplify the same in cooperation with the American National Standards Institute, American Society of Mechanical Engineers, and other national and international bodies; to collect and disseminate statistics relating to the cutting tool industry through a simple, adequate reporting system; to increase, through improved service, the use of Products, as hereinafter defined; to do anything which may be necessary, suitable or proper for the accomplishment of any purpose herein set forth or which may be recognized as a proper and lawful objective of trade associations; and to engage and participate in such activities as the Board of Directors may from time to time determine to be for the general welfare of the Institute’s members and of the cutting tool industry. The Institute shall not engage in a regular business of a kind ordinarily carried on for a profit; its activities shall be directed to the improvement of business conditions for all its members in common, as distinguished from the performance of particular services for a particular member or other person.

Section 2. The term “Products”, as used in these By-Laws, shall mean: all tools and tool holders for cutting inserts made from steel, carbide, diamonds, ceramics or other substrate materials designed for cutting materials through use of a power driven machine tool; work holding devices, saw blades, materials that are incorporated into and applied to such tools, including high speed steel, sintered tungsten carbide, diamonds, ceramics, and other substrate materials, tool surface coatings and other post-fabrication tool surface treatments; and the application of such coatings and other tool surface treatments.

Section 3. The term “Electronic Transmission,” as used in these By-Laws, shall have the meaning set forth in the Delaware General Corporation Law.

ARTICLE IV MEMBERSHIP

Section 1. There shall be three categories of membership in the Institute: (i) full membership; (ii) associate membership; and (iii) related company membership.

Section 2. If two or more business entities qualified for full Institute membership are related by ownership (*e.g.*, parent subsidiary corporations, brother-sister corporations, independent divisions of a single corporation), those entities shall collectively be entitled to only one full membership (and vote) in the Institute. Qualified business entities that are related to full members must become related company members as provided by Article VII. If two or more business entities are full members of the Institute at the time of a merger, acquisition, or other event that results in the applicability of this section, these provisions shall be effective as regards to such event as of January 1 of the next following year.

Section 3. (a) All applications for membership shall be made in writing and shall be sent by U.S. mail or Electronic Transmission to the principal office of the Institute. Each application shall be referred to the Board of Directors. An application is accepted if approved by a majority vote of the Board of Directors.

All applications must be acted upon within one year of receipt. If an application is rejected, the applicant shall be notified of such fact in writing, shall be advised of the reasons for the non-approval, and shall be advised of its right to appeal to the Board in writing. Action of the Board on such appeal shall be final.

(b) All applicants for membership shall agree to be bound by the Certificate of Incorporation and these By-Laws and all actions of the Board of Directors taken within its authority hereunder, and to pay all dues and other assessments against them during the period of membership.

Section 4. All members shall recertify to the Secretary/Treasurer, on an annual basis, that they continue to meet the membership eligibility requirements for their respective membership categories as stated in these By-Laws.

ARTICLE V
FULL MEMBERSHIP

Section 1. Full membership in the Institute is open to any business entity organized or legally qualified to do business in North America, if the entity manufactures and/or re-manufacturers Products, or is a post-fabrication tool surface treatment provider, in North America. For the purposes of these By-Laws, the term “business entity” shall be deemed to include a corporation, partnership or sole proprietorship, and a division of any of the foregoing, which is separately managed.

ARTICLE VI
ASSOCIATE MEMBERSHIP

Section 1. An entity that employs 15 or fewer persons and that is otherwise qualified to become a full member of the Institute may, at the entity’s option, become either a full member or an associate member of the Institute. The 15 employee limitation shall be calculated by reference to all employees of the applicant-entity and any entity related by ownership to such applicant-entity that are based in North America.

Section 2. An associate member of the Institute shall be entitled to receive all statistical information concerning the industry published by the Institute; provided, however, that such a member may receive statistics for only those reports in which it provides individual company information. As a minimum, associate members are required to report to the Institute total monthly sales of Products, in dollars, and may be required to report such sales in pieces.

Section 3. An associate member of the Institute shall be entitled to attend Institute meetings by paying a registration fee. An associate member shall have voting rights the same as a full member

Section 4. The provisions of Articles IV and V above shall govern eligibility requirements and applications for associate memberships.

ARTICLE VII
RELATED COMPANY MEMBERSHIP

Section 1. A business entity (whether separately incorporated or a division), which would be qualified for full membership in the Institute but for its relationship to another full member of the Institute, shall be eligible to be a related company member of the Institute.

Section 2. A related company member of the Institute shall be entitled to receive all statistical information concerning the industry published by the Institute; provided, however, that such member may receive statistics for only those reports in which the full member to which it is related provides information that includes information of the related company member.

Section 3. A related company member of the Institute shall be entitled to attend Institute meetings by paying any applicable registration fee. A related company member shall have no voting rights.

Section 4. The provisions of Articles IV and V above shall govern eligibility requirements and applications for related company memberships.

ARTICLE VIII REPRESENTATIVES OF MEMBERS

Each member shall appoint, from its own officers or employees, an official representative of such member to the Institute and up to 2 alternates; the names of such representatives shall be certified in writing by the member to the Secretary of the Institute. The representatives of a member shall be empowered to cast the vote of, act for and bind the member in all matters pertaining to the Institute.

ARTICLE IX INSTITUTE MEETINGS

Section 1. One annual and one semi-annual meeting of the Institute shall be held respectively in the Fall and Spring of each year, on such date and at such hour and place as may be ordered by the Board of Directors.

Section 2. Special meetings of the Institute may be held at such times and places as may be ordered by the Board of Directors. It shall be the duty of the Board to call a special meeting of the members if so requested in writing by 20 percent of the members of the Institute.

Section 3. Notice of all meetings shall be in writing and in each case shall be sent by Electronic Transmission to each member at least ten days (or in the event of an emergency, at least three days) before the date of the meeting.

Section 4. Full Minutes of each meeting of the Institute shall be kept by the Secretary and copies thereof sent to each member of the Institute.

Section 5. No business meeting of the Institute shall be held in a facility owned or regularly occupied by a member of the Institute.

Section 6. A quorum at a meeting of the Institute shall consist of a majority of full members of the Institute. For action by the Institute, an affirmative vote shall be required of a majority of full members thereof present and voting with each full member entitled to cast one vote.

Section 7. Any voting member may grant to another voting member or to an officer of the Institute a written proxy to represent it and to vote on its behalf at an Institute meeting. For any meeting, a copy of such proxy shall be filed with the Secretary/Treasurer.

Section 8. Any action by members of the Institute, except for election of the members of the Board of Directors, and any action by the Board of Directors may be taken by written action or ballot sent to members or directors, as the case may be, in lieu of a meeting. All actions and ballots shall be sent by U.S. mail or Electronic Transmission and shall provide for recording the vote of each member or director, as the case may be, in the affirmative or negative. No member or director may change its, his or her vote given in a written action or ballot after receipt of such action or ballot by the Institute. With respect to any proposed action by members, the affirmative vote of a majority of the members of the Institute eligible to vote and who actually vote on such proposed action (an actual vote means a member eligible to vote has cast a "yes" or "no" vote on such proposed action), so long as a majority of members eligible to vote actually vote on such proposed action, shall be necessary for passage of such action. With respect to any proposed action by the Board of Directors, the affirmative vote of a majority of the directors on such proposed action shall be necessary for passage of such action.

ARTICLE X

BOARD OF DIRECTORS

Section 1. (a) The business and affairs of the Institute, between meetings of its members, shall be carried out by a Board of Directors consisting of from nine to twelve persons as shall be determined from time to time by resolution of the Board; provided, however, that in the event that the person who is elected President of the Institute serves as a Director of the Institute during such person's term as President by reason of subsection (c) below, the number of Directors shall be increased by one during such term.

(b) All Board members shall be elected by vote of the members of the Institute eligible to vote. Only individuals who, at the time of their election, are officers or employees of members of the Institute eligible to vote shall be entitled to be elected as Directors. No more than one representative from any one member, or group of members related as described by Article IV, Section 2, may serve on the Board at any one time. No more than two representatives of associate members may serve on the Board at any one time. If a Director shall cease to be employed by the member of which the Director was an officer or employee at the time of the Director's election, the Director's entitlement to serve as a Director shall automatically terminate.

(c) In addition, if the person elected President of the Institute has not also been elected to serve as a Director of the Institute under subsection (b) above, such person shall, notwithstanding the terms of subsection (b) and Section 2 below, also be a Director of the Institute during such person's term of office as President.

Section 2. The term of office of each Director shall be three years and shall commence immediately following the close of the Annual Meeting of the Institute at which the Director is elected. A Director may serve up to two consecutive terms.

Section 3. The terms of Directors shall be staggered, so that the terms of approximately one third of the total number of Directors shall expire in each year.

Section 4. A vacancy in the Board of Directors created by the ineligibility, resignation, or death of a member shall be filled by the remaining members of the Board from among officers or employees of the full and related company members of the Institute. Service for one year or less in filling a vacancy shall not be counted for purposes of the limitations on terms contained in Section 2 of this Article.

Section 5. Past Presidents of the Institute who are either fully retired from active business life or who are full-time employees of members of the Institute shall be entitled to notice of and to attend meetings of the Board with voice but without vote.

Section 6. Meetings of the Board of Directors shall be held on the call of the President or upon written request to the President made by any three members of the Board, provided that the Board shall in any event hold a meeting in connection with the Semi-Annual and Annual Meetings of the Institute. The notice provisions applicable to Institute meetings, set forth in Section 3 of Article IX, shall be equally applicable to meetings of the Board of Directors, except that notice of such meetings need be given only to the Directors and to any past Presidents.

Section 7. A quorum of the Board of Directors shall consist of not less than one-half of its voting membership; all matters before the Directors shall be decided by a majority of those Directors present and voting at a meeting at which a quorum is present. The Director who is serving as the President of the Institute shall be entitled to vote only when necessary to break a tie vote, but shall otherwise be counted for quorum purposes and shall be entitled to preside over and participate in deliberations of the Board.

Section 8. Full minutes of each meeting of the Board shall be kept by the Secretary and copies thereof sent to each of the Directors and officers.

ARTICLE XI OFFICERS

Section 1. The officers of the Institute shall be a President, who shall preside at all meetings of the Institute, a Senior Vice President, a Vice President, a Secretary/Treasurer, and such other officers as the Board of Directors may from time to time deem necessary or desirable.

Section 2. Immediately following the close of each annual Meeting of the Institute, the newly elected Board of Directors shall elect the President, the Senior Vice President and the Vice President from among the members of such newly elected Board; provided, however,

that the President may either be a member of the newly elected Board or have previously served as a Director of the Institute. Such officers shall serve for a period of one year or until their successors are elected and shall be eligible to succeed themselves in office, except that no person shall serve as President, Senior Vice President or Vice President for more than two consecutive one-year terms.

Section 3. The Secretary/Treasurer shall be appointed by the Board of Directors and shall coordinate and manage the Institute and its finances. The office of Secretary/Treasurer may be filled either by an individual or by a business entity. The Secretary/Treasurer shall be entitled to compensation for such person's or its services at such rates as may be prescribed by the Board of Directors.

Section 4. The duties of the other officers shall be such as customarily are associated with such officers in similar organizations and/or shall be as delegated by the Board of Directors. Unless otherwise prescribed by the Board, all officers other than the Secretary/Treasurer shall serve without compensation.

Section 5. The Board of Directors shall fill all vacancies occurring in the offices created by this Article. Service in filling a vacancy shall not be counted for purposes of the term limitation set forth in Section 2 of this Article.

ARTICLE XII **INDEMNIFICATION**

The Institute shall indemnify every director, officer, employee or agent, and such person's heirs, executors or administrators, or its successors or assigns, against expenses reasonably incurred by such person or it in connection with any action, suit or proceeding to which such person or it may be made a party by reason of such person's or its being or having been a director, officer, employee or agent of the Institute, except in relation to matters as to which such person or it shall finally be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct; in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Institute is advised by the Institute's Legal Counsel that the person or entity to be indemnified did not commit such a breach of duty. The foregoing right of indemnification shall not be exclusive of other rights to which the indemnitee may be entitled under Delaware law, the Certificate of Incorporation of the Institute or otherwise.

ARTICLE XIII **LEGAL COUNSEL**

The Board of Directors shall retain legal Counsel upon such terms as the Board shall deem to be in the best interest of the Institute.

ARTICLE XIV
AUDITOR

The Board of Directors shall retain a firm of certified public accountants for the purpose of auditing the accounts of the Institute on an annual basis.

ARTICLE XV
COMMITTEES

Section 1. There shall be an Executive Committee comprised of the President, the Senior Vice President, and the Vice President. The Executive Committee shall have authority to act in emergency situations pertaining to the welfare of the Institute between meetings of the Board of Directors, subject to the ratification of the Board.

Section 2. The President each year shall appoint a Nominating Committee, consisting of the immediate Past President and such other individuals as the President shall determine, with a view to achieving a balanced representation of Institute members of various types and sizes. The Nominating Committee shall nominate: (i) the Institute's officers, for election by the Board; and (ii) a slate of Board members to replace Directors whose terms are expiring, for election by the Institute.

Section 3. From time to time the Institute, the Board of Directors, or the President with the approval of the Board of Directors, may create such other standing or special committees as are deemed necessary.

Section 4. Full Minutes shall be kept of each meeting of each Committee other than the Nominating Committee, whose chair shall make oral reports to the Board and Institute. Copies of such Minutes shall be filed with the Secretary/Treasurer of the Institute.

ARTICLE XVI
FISCAL YEAR

The fiscal year of the Institute shall be the calendar year.

ARTICLE XVII
[INTENTIONALLY OMITTED]

ARTICLE XVIII
STATISTICS

Section 1. Each member of the Institute shall be required to report to the Institute at least its total monthly shipments/billings of Products, in dollars and units, and may be required to report such sales in pieces. Full members shall provide consolidated reports that include the shipments/billings of Products by all related company members to which it is related.

Section 2. The data reported by Institute members pursuant to this Article shall be compiled into a monthly shipment/billings report, which, to the extent consistent with protection of the confidentiality of individual company data, will be supplied to all reporting members.

Section 3. Subject to approval by the members of the Institute or the Board of Directors, reporting of additional statistical data, either on a mandatory or voluntary basis, may be included in the Institute's statistical program.

ARTICLE XIX

REVENUE

Section 1. Funds for the operation of the Institute and its activities shall be raised by dues and assessments payable by all members of the Institute. In addition, any new member of the Institute may be charged an initiation fee.

Section 2. The initiation fee payable to the Institute upon admission of a new member -- full, related company, or associate -- shall be the amount set from time to time by the Board of Directors.

Section 3. (a) The annual dues payable by each full member of the Institute shall be determined in accordance with a schedule recommended each year at the Annual Meeting of the Institute by the Board of Directors and approved by the members of the Institute eligible to vote. Immediately following each Annual Meeting of the Institute, the Secretary-Treasurer shall require that each full member provide a certification as to the data required for calculation of dues, and such certification shall be the basis for calculation of such member's dues for the next following fiscal year.

(b) The annual dues payable by each associate member and related company member of the Institute shall be, from time to time, established by the Board of Directors.

Section 4. Annual dues shall be payable in advance, in annual or semi-annual installments, at the option of the member, and shall be payable within thirty days after invoice.

Section 5. The officers of the Institute shall not obligate the Institute in excess of the total amount of the approved annual budget; however, the Board of Directors may make appropriations to defray expenses not contemplated by the budget from any surplus funds of the Institute in excess of the requirements of the budget.

ARTICLE XX

INSTITUTE ASSETS

Section 1. In the event that the membership of any member of the Institute is terminated by resignation or for any reason other than dissolution of the Institute, the interest of such member in the funds, investments and other assets of the Institute shall cease and terminate immediately, and such member shall have no claim against the Institute or against the members or their representatives or any of them.

Section 2. This Institute is not organized for pecuniary profit. No dividends shall be directly paid to members nor shall the members be entitled to any portion of the earnings of the Institute derived through increment of value upon its property or otherwise incidentally made; provided, that upon dissolution of the Institute, the members in good standing thereof shall be entitled to a distribution of assets as provided in Section 3 of this Article.

Section 3. Upon dissolution of the Institute, the funds, investments and other assets of the Institute shall be divided among the members in proportion to the amount of dues and assessments paid by them during the five years preceding the fiscal year in which such dissolution takes place.

ARTICLE XXI

RESIGNATION AND EXPULSION

Section 1. Any member, not in default in the payment of dues or assessments, may resign from the Institute on sixty days written notice. Such retiring member shall be liable for its proportionate share of any commitments of the Institute made before its resignation becomes effective although continuing thereafter. Without limitation, all items contained in an annual budget for the Institute, approved by the members of the Institute, shall constitute commitments of the Institute for purposes of this Article. In the event that any member who so resigns is subsequently reinstated as a member of the Institute within one year, no initiation fee shall be required.

Section 2. If any member shall fail to pay a dues installment to the Institute within sixty days after the installment shall have become due, the member shall automatically be suspended from membership. Any member so suspended from the Institute at any time shall continue to be liable for its proportionate share of any commitments of the Institute made before its suspension becomes effective although continuing thereafter. A suspended member shall lose all rights and privileges of membership for the duration of the period of suspension.

Section 3. Any member may be expelled from the Institute for violation of the terms of these By-Laws, nonpayment of dues as described in Section 2 of this Article, failure to continue to meet the requirements for membership in the Institute set forth in these By-Laws, or conduct by a member demonstrating a gross lack of commitment to the purposes or ethical standards of the Institute. Prior to such expulsion, a member shall be advised that a proposal to expel has been made, of the stated reasons for such proposal, and of the right of such member to contest the proposal at a meeting of the Board. Any expulsion of a member shall require the affirmative vote of the Board.

Such expelled member shall continue to be liable for its proportionate share of any commitments of the Institute made before its expulsion becomes effective although continuing thereafter.

Section 4. The words “proportionate share” as used in this Article shall mean a share proportionate to the ratio of dues and assessments paid by the member in question to the total dues and assessments of all members for the fiscal year immediately preceding its resignation, suspension or expulsion.

ARTICLE XXII PROCEDURE

Except as otherwise provided in these By-Laws, Roberts’ Rules of Order shall govern any question of parliamentary procedure.

ARTICLE XXIII AMENDMENTS

In addition to a written action or ballot taken under Article IX, Section 8, these By-Laws, or the Certificate of Incorporation of the Institute, may be amended at any Annual, Semi-Annual, or special meeting of the Institute by vote taken in the manner prescribed in Article IX of these By-Laws, provided that any proposed amendment shall be submitted in writing to the Secretary/Treasurer not less than thirty days in advance of said meeting, and the Secretary/Treasurer shall give the members of the Institute notice of the proposal not less than ten days in advance of such meeting.