

**ARTICLE V
MEMBERSHIP**

A. Membership Classification

There shall be four types of members in the Association: Distributor, Manufacturer, Associate and Honorary. Membership is limited to one classification only. An applicant for any membership is limited to one classification only. An applicant for any membership must be sponsored by a SEAL member. An Affirmation of Membership will be required annually by all members of the Association, completed when dues are paid, as described in Article XII, B.

- (1) **Distributor Member**: A Distributor Member shall be a corporation, partnership or individual doing business as an authorized stocking distributor who:
- (a) Does no less than fifty-one percent (51%) of its business in sealant, waterproofing and restoration, or is identified as a significant factor in the waterproofing industry in all geographies served by the distributor. "Significant factor" is further defined as being an authorized stocking distributor and in good credit standing in the industry with a minimum of 25% of SEAL's current active manufacturer members.
 - (b) Is an independent, privately owned, local, regional distributor, or otherwise considered by the board as being consistent with past practices (current active members or prospective) that are focused specifically on the sealant, waterproofing and restoration markets in all geographies they serve.
 - (c) Has specific resources (sales people and staff) in each of their locations that are dedicated 100% to selling and servicing Sealant, Waterproofing, and Restoration projects and contractors.
 - (d) has existed as a business entity for no less than five (5) years; and
 - (e) meets the Association's definition of Distributor by buying large quantities of products for resale and inventory, providing sales and field technical service, providing specification influence and promotion services, providing regional product availability and services, and has the financial strength to support the aforesaid activities.
 - (f) Is not also involved as a manufacturer, or applicator of sealant, waterproofing, restoration materials.

A Distributor Member shall pay full membership dues as prescribed by the Board of Directors and shall have the right to vote. Each Distributor Member shall be entitled to one vote on each matter submitted to a vote of the members. At each election of Directors, every Distributor Member entitled to vote at any such election shall have the right to vote, in person or by proxy, for as many persons as there are Directors to be elected. Distributor Members can meet in an executive session limited to distributors to discuss matters which, in the opinion of the Board of Directors, pertain solely to distributors.

- (2) **Manufacturer Member**: A Manufacturer Member shall be a corporation, partnership or individual doing business as a manufacturer whom:
- (a) manufactures coatings, sealant, waterproofing or other closely allied construction products;
 - (b) is not also involved as a distributor, or applicator of sealant, waterproofing, or restoration materials;
 - (c) must formulate and mix raw materials and package for sale through a distributor network. A majority of its products must be manufactured rather than converted or re-packaged;
 - (d) must provide a system of technical service and field support;
 - (e) has existed as a business entity for no less than five (5) years; and
 - (f) offers products through a national distribution network that includes a minimum of 25% of current active SEAL distributor members as authorized distributors selling their products in the US and Canada;
 - (g) must have a SEAL member sponsor their membership application

A Manufacturer Member shall pay full membership dues as prescribed by the Board of Directors and shall have the right to vote. Each Manufacturer Member shall be entitled to one vote on each matter submitted to a vote of members. At each election of Directors, every Manufacturer Member entitled to vote at any such election shall have the right to vote, in person or by proxy, for as many persons as there are Directors to be elected. Manufacturer Members can meet in an executive session limited to manufacturers to discuss matters which, in the opinion of the Board of Directors, pertain solely to manufacturers. The total number of Manufacturer Members shall not exceed 49% of the total membership of manufacturer, distributor & associate members.

- (3) **Associate Member**: An Associate Member shall be a corporation, partnership or individual doing business as an architect, engineer, consultant, specifier, trade publication or other industry professional or organization directly involved with the sealant, waterproofing and restoration industry and its related services. An Associate Member may also be a manufacturer that does not meet the requirements of Section A (2) as stated in the By Laws.

Excerpt from SEAL Bylaws

An Associate Member is one who:

- (a) **derives a significant portion of its revenue from consulting or** other business directly related to the sealant, waterproofing and restoration industry or, in the case of an industry professional employee, is an individual whose primary responsibilities are directly related to the industry;
- (b) has existed as a business entity for no less than five (5) years or, in the case of an industry professional employee, has worked in the sealant, waterproofing and restoration industry for at least five (5) years;
- (c) is not also involved as a manufacturer meeting the requirements of Section A (2) above, distributor, manufacturer's representative or applicator of sealant, waterproofing or restoration materials;
- (d) in the case of an industry professional firm, has one or more fulltime professional employees, at least one of whom must be certified by an architectural, engineering or specification professional organization.

An Associate Member shall pay full membership dues as prescribed by the Board of Directors and shall have the right to vote. Each Associate Member shall be entitled to one vote on each matter submitted to a vote of members. At each election of Directors, every Associate Member entitled to vote at any such election shall have the right to vote, in person or by proxy, for as many persons as there are Directors to be elected.

Associate Members can meet in an executive session limited to Associate Members to discuss matters which, in the opinion of the Board of Directors, pertain solely to Associate Members. The sum of the total number of Associate Members and Manufacturer Members, together, shall not exceed 49% of the total membership.

- (4) **Honorary Member:** An Honorary Membership may be bestowed upon any non-member or retired member for outstanding achievement in the service of the Association and its goals. Honorary Members shall not pay dues and shall not have the right to vote.