BYLAWS
of the Association of Pool and Spa Professionals d/b/a
POOL & HOT TUB ALLIANCE

The Association of Pool & Spa Professionals d/b/a the Pool & Hot Tub Alliance (“PHTA”), a nonstock corporation duly formed under the provisions of the Virginia Nonstock Corporation Act, Chapter 10, Title 13.1 of the Code of Virginia (the “Act”), hereby adopts the following Bylaws.

ARTICLE I
PURPOSE; CORPORATE POWERS

SECTION 1. Purpose. PHTA is organized and shall be operated as a business league within the meaning of §501(c)(6) of the Internal Revenue Code of 1986, as amended, and shall have the purposes specifically set forth in PHTA’s Articles of Incorporation, as amended.

SECTION 2. Powers. Subject to PHTA’s Articles of Incorporation, PHTA shall have the power to do all things necessary or convenient to carry out its business and affairs, including, without limitation, those powers enumerated in Section 13.1-826 of the Act.

ARTICLE II
MEMBERSHIP

SECTION 1. General. Regular membership in PHTA is available to any person, firm or entity active in the Industry, subject to such criteria and procedures as the Board of Directors may prescribe from time to time. Regular members shall have voting privileges. Subclasses of regular membership and additional classes of non-voting membership may be established by the Board of Directors from time to time. The Board of Directors shall have the authority to determine the proper membership class or subclass of any member or applicant for membership.

As used herein, the “Industry” means the swimming pool and hot tub industry, including without limitation those individuals and entities engaged in the design, manufacture, construction, ownership and/or operation of, the wholesale and retail distribution of, and/or the providing of services connected with swimming pools, hot tubs and related equipment and supplies.

SECTION 2. Dues and Assessments. The Board of Directors may determine from time to time the annual dues payable to PHTA by members of each class. The Board of Directors shall also be entitled to levy assessments upon members in addition to annual dues.

SECTION 3. Regions. PHTA may be organized by regions designated by the Board of Directors from time to time. The Board of Directors, in its sole discretion, is authorized to establish the boundaries of the regions. The organization of PHTA by regions and the role of regions within PHTA, generally, shall be governed by policies established by the Board of Directors from time to time.

SECTION 4. Chapters. Subject to such policies as the Board of Directors may establish from time to time, the Board of Directors shall have the authority to (i) approve chapters of PHTA
and (ii) disassociate any chapter from PHTA. The role of chapters within PHTA shall be governed by policies established by the Board of Directors from time to time.

SECTION 5. **Segments.** Any business or marketing segment of the Industry may be aligned or organized into a segment of PHTA by the Board of Directors from time to time. The Board of Directors, in its sole discretion, is authorized to establish the criteria applicable to segments. The organization of segments and the role of segments within PHTA, generally, shall be governed by policies established by the Board of Directors from time to time.

SECTION 6. **Voting Rights.** Each regular member in good standing shall be entitled to one vote on each matter submitted to the membership. As prescribed by the Board of Directors, each regular member shall designate a voting agent who shall be entitled to cast the vote of the member on all matters upon which the member is entitled to vote. Voting by proxy is not permitted.

SECTION 7. **Code of Ethics.** Each member of PHTA shall be required to affirm and observe PHTA’s Code of Ethics as may be approved by the Board of Directors from time to time. PHTA's Code of Ethics shall be included in the application for membership in PHTA and shall be communicated to the members from time to time in the manner determined by the Board of Directors.

SECTION 8. **Resignation.** Any member may resign by filing a written resignation with the Secretary/Treasurer of PHTA. No member shall be entitled to a refund of membership dues paid prior to the date of the resignation. Resignation shall not excuse the member from liability for any dues, assessments or other charges that have accrued prior to the date of resignation and remain unpaid.

SECTION 9. **Transfer of Membership.** Membership in PHTA is not transferable. However, in the event a member entity is acquired by or merges with a new entity, or otherwise experiences a change of control as determined in the sole discretion of the Board of Directors, membership may be conferred upon such acquiring or surviving entity pursuant to a process prescribed by the Board of Directors.

SECTION 10. **Removal of a Member.** The Board of Directors shall prescribe the criteria and procedures applicable to the removal of a member, provided that such criteria and/or procedures shall be made available to any member upon written request.

**ARTICLE III**

**MEETINGS OF MEMBERS**

SECTION 1. **Place of Meetings.** All meetings of the members shall be held at such place, either within or without the Commonwealth of Virginia, as from time to time may be fixed by the Board of Directors.

SECTION 2. **Annual Meeting.** An annual meeting of the members shall be held at least once each calendar year, on a date determined by the Board of Directors, for the purpose of electing directors and addressing any other business that the Board of Directors may bring before the meeting.
SECTION 3. **Special Meetings.** Special meetings of the members may be called by the Chair or a majority of the Board of Directors.

SECTION 4. **Notice of Meetings.** Notice of all meetings of the members shall be delivered to the members in accordance with the terms of this Section 4 or, at the discretion of the Board of Directors, in any other manner that may be permitted under the Act from time to time, notwithstanding anything to the contrary stated in this Section 4. Unless greater notice is required by the Act, a written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail or electronic transmission, to each member not less than ten (10) nor more than sixty (60) days before the date of such meeting. If mailed, the notice of the meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of PHTA with postage prepaid thereon. If sent by electronic transmission, the notice of the meeting shall be deemed delivered when such electronic message enters the information processing system designated by the member to receive electronic transmissions, as it appears in the records of PHTA.

SECTION 5. **Quorum.** Ten percent (10%) of the voting members shall constitute a quorum at a meeting of the members. Unless otherwise provided herein or in the Act, the act of a majority of voting members present at a meeting at which a quorum is present shall be the act of the membership.

**ARTICLE IV**

**BOARD OF DIRECTORS**

SECTION 1. **General.** The affairs of PHTA shall be conducted under the direction of its Board of Directors, subject to any express provisions of these Bylaws to the contrary and except as may otherwise be provided under the Act.

SECTION 2. **Number and Term of Office.** PHTA shall be governed by a Board of Directors comprised of at least nine (9) and no greater than thirteen (13) individuals, as determined from time to time by the Board of Directors.

Following the completion of the terms of directors appointed pursuant to the January 29, 2019 Agreement Regarding Industry Unification to which PHTA is a party, directors shall be elected by the voting members to serve staggered two-year terms, subject to a maximum of three consecutive, full, two-year terms, provided, however, that the term of any director elected as an officer shall be extended to coincide with his or her service as an officer.

SECTION 3. **Nomination of Candidates for Director Positions.** Each year when at least one director’s term is expiring, the Board of Directors shall appoint a Nominating Committee for the purpose of forming a slate of candidates to fill open or expiring director positions. The Nominating Committee shall be comprised of directors appointed by the Board of Directors and shall be chaired by the Immediate Past Chair. The President/CEO of PHTA shall be a non-voting, observing member of the Nominating Committee.

SECTION 4. **Elections.** The directors of PHTA shall be elected by the voting membership either at the annual meeting or by any other lawful means, including by mail or electronic ballot, as determined by the Board of Directors. If there shall be a single candidate nominated by the Nominating Committee for each open position on the Board, it shall be the
responsibility of the Secretary to cast a single unanimous ballot at the annual meeting of members signifying election to the position. The nominees receiving the greatest number of votes shall be elected to fill the director position(s).

SECTION 6. Resignation/Removal. A director may be removed with or without cause by a vote of the regular members. A director may resign at any time by providing written notice of resignation to the Secretary or, in the case of the resignation of the Secretary, to the Chair. A director who is absent from three consecutive meetings of the Board of Directors shall, unless such absences are excused by the affirmative act of the Board of Directors, be deemed to have resigned from the Board of Directors and from any office held.

SECTION 7. Vacancies. Any vacancy occurring in the Board of Directors shall be filled by a successor director elected by the Board of Directors in its sole discretion. The term of any such successor director shall be the remaining portion of the term of the vacated director position.

ARTICLE V
MEETINGS OF THE BOARD OF DIRECTORS

SECTION 1. Regular Meetings. Regular meetings of the Board of Directors shall be held no less than three (3) times annually. One such meeting shall constitute the annual meeting of the Board of Directors and shall be held on the same date and at the same place as set by the Board of Directors for the annual meeting of the members. All other regular meetings of the Board of Directors shall be held at such dates and times as from time to time may be fixed by the Board of Directors.

SECTION 2. Special Meeting. Special meetings of the Board of Directors may be called by the Chair or by a majority of the Board of Directors. Notice of a special meeting shall be delivered in the manner set forth in Section 3 of this Article V. Attendance of a director at any special 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 or convened.

SECTION 3. Notice. Notice of all meetings of the Board of Directors shall be delivered to the directors in accordance with the terms of this Section 3 or, at the discretion of the Board of Directors, in any other manner that may be permitted under the Act from time to time, notwithstanding anything to the contrary stated in this Section 3. Notice of meetings of the Board of Directors shall be given not less than twenty (20) days (or, with respect to special meetings, twenty-four (24) hours) nor more than sixty (60) days before the date of such meeting by written or printed notice delivered personally or sent by mail or electronic transmission to each director at his or her last mailing address, or last email or other electronic address, as the case may be, as shown on the records of PHTA. If mailed, the notice of the meeting shall be deemed delivered when deposited in the United States mail addressed to the director at his or her address as it appears on the records of PHTA with postage prepaid thereon. If sent by electronic transmission, the notice of the meeting shall be deemed delivered when such electronic transmission enters the information processing system designated by the member to receive electronic transmissions, as it appears in the records of PHTA.
SECTION 4. Quorum. A majority of the voting directors elected and serving at the time of any meeting shall constitute a quorum for the transaction of business. Unless otherwise provided herein or in the Act, the act of a majority of directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. Less than a quorum may adjourn any meeting.

SECTION 5. Voting and Manner of Acting. Each voting member of the Board of Directors shall be entitled to one vote. 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. Voting by proxy is not permitted.

SECTION 6. Parliamentary Rules. The most recent edition of Robert’s Rules of Order, Newly Revised, shall be the governing parliamentary rules of the PHTA in all instances not addressed in these Bylaws or in policies or procedures duly adopted by the Board of Directors.

SECTION 7. Action without Meeting. The Chair may submit issues to the Board of Directors for a vote by written consent. The Chair’s submission to the Board of Directors may occur by mail or by electronic means, provided that, in order to constitute the action of the Board, unanimous written consent must be obtained in the form of one or more signed counterpart documents. Any action taken or resolution passed by unanimous written consent shall be reported at the next regular meeting of the Board of Directors. Notwithstanding the foregoing, the Board of Directors may take action without a meeting by any other procedure that may be permitted under the Act from time to time.

SECTION 8. Meetings by Telephone. A meeting of the Board of Directors (or a committee thereof) may be held by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and speak to each other, and participation by such means shall constitute presence in person at such meeting and waiver of any notice requirements.

SECTION 9. Compensation. Directors shall serve without salary or other compensation, but, by resolution of the Board, may be allowed to receive reasonable and necessary expenses incurred incident to business of the PHTA.

ARTICLE VI
OFFICERS

SECTION 1. Officers. The officers of PHTA shall be a Chair, Chair-Elect, Secretary, Treasurer, Immediate Past Chair, President/CEO and such other officers as may be authorized from time to time in accordance with these Bylaws. No person shall hold more than one office at a time. Neither the Chair nor the Chair-Elect shall be eligible for re-election.

SECTION 2. Nomination, Election and Term of Officer Positions. Annually at the initial meeting of the newly-elected Board of Directors, the Board of Directors shall elect from among its members a Chair-Elect, a Secretary and a Treasurer. The Chair shall first accept nominations for the position of Chair-Elect. Each candidate shall be a director that has been a member in good standing for not less than two (2) years prior to the nomination. Following nominations, the Board of Directors shall conduct the election of the Chair-Elect in the manner deemed appropriate by the Board. This nomination and election process shall then be repeated for the offices of Secretary and Treasurer.
The President/CEO shall be appointed by the Board of Directors for such term as the Board of Directors determines appropriate. Each officer other than the President/CEO shall hold office for one year. Each officer of PHTA shall serve until his or her successor shall have been duly elected and duly certified as elected and shall have qualified. Any elected officer may be removed by the Board of Directors whenever in its judgment the best interests of PHTA would be served thereby.

SECTION 3. Vacancies. Any vacancy in any elected office other than Chair may be filled by the Board of Directors for the unexpired portion of the term. In the event of the death, permanent disability, resignation or removal of the Chair, the Chair-Elect shall automatically accede to the office of Chair and shall hold office for the remainder of the unexpired term without precluding his or her ability to serve a full elected term thereafter.

SECTION 4. Chair. The Chair shall be the chief elected officer of PHTA and shall chair meetings of the Board of Directors and members. The Chair shall oversee all functions of PHTA, preside at business meetings, serve as ex-officio, non-voting member of all committees and segment councils and, together with the Chair/CEO, act as spokesperson for PHTA. The duties of the Chair may, in part, be delegated to the Chair-Elect, Secretary, Treasurer or President/CEO, as appropriate. He or she shall sign, with the Secretary or other proper officer of PHTA so authorized by law and the Board of Directors, all deeds, mortgages, bonds, contracts, or any other instruments which the Board of Directors has authorized to be executed, except where the signing and execution thereof shall be expressly delegated by the Board of Directors, by these Bylaws or by law to some other officer or agent of PHTA. Upon conclusion of his or her term as Chair, the Chair shall succeed to the office of Immediate Past Chair.

SECTION 5. Chair-Elect. The Chair-Elect shall have such duties as may be assigned to him or her by the Chair or the Board of Directors. In the absence of the Chair or in the event of the Chair’s inability to act, the Chair-Elect shall perform the duties of the Chair. Upon the conclusion of his or her term as Chair-Elect, the Chair-Elect shall succeed to the office of Chair.

SECTION 6. Secretary. The Secretary shall act as secretary of all meetings of the Board of Directors and members, and shall keep the minutes, or shall have the minutes kept, of all such meetings. The Secretary shall cause to be kept complete and accurate accounts of committee meetings, as well as any other information that may be required by law. The Secretary shall perform such other duties as shall from time to time be assigned to the Secretary by the Board of Directors. The Secretary shall cause all records to be maintained at PHTA headquarters with appropriate off-site backups. The duties of Secretary may be delegated by the Board of Directors to the PHTA’s professional staff.

SECTION 7. Treasurer. The Treasurer shall cause to be kept complete and accurate accounts of receipts, disbursements, investments, and financial reports, as well as any other information that may be required by law. The Treasurer shall also serve as Chair of the Finance Committee. The Treasurer shall review financial statements, tax returns, budgets and investment statements. The duties of Treasurer may be delegated by the Board of Directors to the PHTA’s professional staff.
SECTION 8. **Immediate Past Chair.** The Immediate Past Chair shall chair the Nominating Committee and have such duties as may be assigned to him or her by the Chair or the Board of Directors.

SECTION 9. **President and Chief Executive Officer.** The Board of Directors shall cause PHTA to employ or engage a President and Chief Executive Officer with authority, duties and responsibilities commensurate with such position. Subject to the overall guidance and direction of the Board of Directors, the President/CEO shall perform all duties incident to the position and such other duties as may be prescribed by the Board of Directors from time to time. He or she shall have full authority for the management of PHTA’s business and affairs, subject to the Bylaws and other governing documents, including sole and exclusive authority for the engagement and discharge of all other employees and the delegation of responsibilities to them. The President/CEO, along with the Chair, shall act as a spokesperson for PHTA. The President/CEO will establish and maintain procedures for administration of PHTA’s activities and office(s).

SECTION 10. **Removal/Resignation.** An elected officer may be removed only by the Board of Directors, whenever in its sole judgment the best interests of PHTA will be served thereby. An officer may resign by providing written notice thereof to the Secretary or, in the case of the resignation of the Secretary, to the Chair.

SECTION 11. **Compensation.** Elected officers shall serve without salary or other compensation, but, by resolution of the Board, may be allowed to receive reasonable and necessary expenses incurred incident to business of the PHTA.
ARTICLE VII
COMMITTEES

SECTION 1. **Committees; Authority of Committees.** The Board of Directors may designate and appoint the members of 1 or more committees, each of which shall consist of 2 or more members. No committee shall have the power to (a) alter, amend, or add to these By-Laws, (b) remove any officer or director from office, (c) fill vacancies in the Board of Directors of in any committee of the Board, (d) amend or repeal any resolution of the Board which by its terms shall not be so amendable or repealable, or (d) take any other action exclusively reserved to the Board of Directors by these Bylaws, the Corporation's Articles of Incorporation, or the Act. The President/CEO may recommend such persons for membership in any committee, but such persons shall be approved for membership in the committee by the Board of Directors. A list of all committees designated by the Board of Directors, and the responsibilities thereof, shall be included in the PHTA policies and procedures.

SECTION 2. **Expenditure of Funds.** The Board of Directors must approve in advance all expenditures by any committee.

SECTION 3. **Term of Office.** Each member of a committee shall continue as such until the earliest to occur of the following: (i) the appointment of his or her successor, (ii) the termination of the committee, (iii) the expiration of the term for which he or she was appointed, if such there be, (iv) the removal of the member from such committee by the person or persons authorized to appoint such member, or (v) the member’s ceasing to qualify to be a member thereof.

SECTION 4. **Chair.** One member of each committee shall be appointed Chair of the committee by the Chair of the PHTA, unless otherwise provided in these Bylaws or by policy established by the Board of Directors. A committee chair shall have a vote on committee matters only to create or break a tie.

SECTION 5. **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 appointment.

SECTION 6. **Quorum.** Unless otherwise provided in these Bylaws or by policy or resolution approved by the Board of Directors, a majority of the entire 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 lawful act of the committee.

SECTION 7. **Rules.** Each committee may adopt rules for its own governance not inconsistent with law, with these Bylaws or with rules adopted by the Board of Directors.

ARTICLE VIII
CONTRACTS, CHECKS, DEPOSITS AND FUNDS

SECTION 1. **Contracts.** The Board of Directors may authorize any officer of PHTA, in addition to those officers so authorized by law and these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of PHTA, and such authority may be general or confined to special instances.
SECTION 2. **Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of PHTA in excess of an amount determined from time to time by the Board of Directors shall have two signatories. Any authorized officer of PHTA shall sign checks and drafts in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 3. **Deposits.** All funds of PHTA shall be deposited from time to time to the credit of PHTA in such banks, trust companies or other depositories as the Board of Directors may select.

SECTION 4. **Investments.** The funds of PHTA may be retained in whole or in part in cash or be invested and reinvested from time-to-time in such manner as the Board of Directors may deem desirable, subject to the limitations, if any, now imposed or which may hereafter be imposed by law regarding such investments.

**ARTICLE IX**

**OFFICE, BOOKS AND RECORDS AND AUDIT**

SECTION 1. **Office:** The office of the PHTA shall be located at such place as the Board of Directors may from time-to-time determine.

SECTION 2. **Books and Records.** PHTA 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 the names and members of all of its committees, and shall keep at this principal office a record containing the names, addresses, classifications and regional designations of all of its members, whether voting members or otherwise. Members shall have only such rights to inspect the books and records of PHTA as is provided in the Act.

SECTION 3. **Audits.** The Treasurer shall oversee the preparation of annual financial statements for PHTA in conformity with generally accepted accounting principles (GAAP), as well as an audit report of an independent certified public accountant selected by the Board of Directors and engaged by PHTA. The financial statements and audit report shall be presented to and reviewed by the Board.

**ARTICLE X**

**FISCAL YEAR**

The fiscal year of PHTA shall be as determined from time to time by the Board of Directors.

**ARTICLE XI**

**AMENDMENT OF BYLAWS**

These Bylaws may be amended or repealed by the Board of Directors, acting in the manner prescribed in these Bylaws.