

DESIGN INSTITUTE FOR EMERGENCY RELIEF SYSTEMS USERS GROUP

BYLAWS

1. Identification

- 1.1 Name: The name of this organization shall be the Design Institute for Emergency Relief Systems Users Group of the American Institute of Chemical Engineers ("DIERS").
- 1.2 Office: The principal office of DIERS is 3 Park Avenue, New York, New York 10016-5991 at the offices of the American Institute of Chemical Engineers ("AIChE").
- 1.3 Limitation on Actions: DIERS shall not have the authority to act for, or in the name of, AIChE, or any sponsor or participant, except with the explicit authorization of the AIChE Board of Directors or its Chemical Engineering Technology Operating Council, or said sponsor or participant. DIERS shall not have the authority to incur any financial obligations in the name of AIChE, sponsors or participants. Nothing in these bylaws shall be construed to replace, contradict or circumvent AIChE's constitution and bylaws.

2. Membership

- 2.1 Members: DIERS shall have one (1) class of members ("Members") which may be industrial or engineering organizations interested in the design, use or manufacture of emergency relief systems or devices, or degreed individuals who practice emergency relief system evaluation and design who are not affiliated with any such organizations.
- 2.2 Membership Agreement: Any organization or unaffiliated individual becomes a Member of DIERS upon execution of a Membership Agreement by a responsible official.
- 2.3 Bylaws: Members are subject to the Bylaws of DIERS.
- 2.4 Withdrawal: Members may withdraw from the organization with 30 days written notice, but remain bound by any existing confidentiality agreements.
- 2.5 Termination or Rejection: AIChE has the sole right and discretion to reject a particular Member or to terminate any organization's or individual's membership if AIChE can demonstrate reason to believe that such Member or potential Member has misused AIChE copyright or intellectual property or has engaged in activities that appear to violate the letter or spirit of anti-trust laws or regulations.

3. Purposes and Scope

- 3.1 Technical Information: DIERS will develop and exchange information, know-how, experiences, techniques, procedures and special design features, etc., as practiced by member companies for the purpose of
 - 3.1.1 Reducing the frequency and potential consequences of pressure-producing accidents and

- 3.1.2 Promoting the development of new techniques that improve the design of emergency relief systems.
- 3.2 DIERS Design Methodology: DIERS will maintain and upgrade the DIERS Design Methodology by providing a forum for discussion and a mechanism for exchange and/or development of information regarding specific improvements, modifications, clarifications or corrections. Members are encouraged to submit sufficient technical documentation to enable other Members to make practical use of the information at the user's risk. This information may be submitted freely with the expectation of similar sharing by other Members in accordance with Article 4.
- 3.3 Ad hoc Technical Subcommittees: DIERS will form ad hoc Technical Subcommittees in specific areas of interest to the Members. Subcommittees will be formed by majority vote of a quorum of eligible DIERS members. Subcommittees will continue to exist until their mission is complete or until their effort is terminated by majority vote of a quorum of the eligible DIERS members, at which time they will be dissolved.
- 3.4 Safety Information: DIERS will encourage information exchange with respect to accidents, near misses and methods of loss prevention so that all can benefit from the lessons taught by experience.
- 3.5 Cooperative Research: DIERS may solicit and obtain information from industry on research needs in the area of emergency relief systems. Depending upon these needs, DIERS may, upon approval of the Members, define research projects, solicit and evaluate research proposals, solicit funds from Members to support research, collect dues to support research, and review progress of funded research. DIERS will make research results available to its Members, the chemical processing industries and hydrocarbon processing industries (CPI/HPI), and to the general public on a regular basis.
- 3.5.1 Subject to final review and authorization by AIChE, DIERS shall have the authority to enter into contracts and agreements necessary for the successful operation of a research program devoted to emergency relief systems. Such research may be funded from the general account of DIERS or by the joint contribution of a group of Members that elect to sponsor the project. All research contractors engaged by DIERS shall be selected as the result of a competitive bidding process. Only members of DIERS whose operations do not compete with those of potential bidders may participate in the creation of requests for proposal and in review and selection of proposals. Results of projects sponsored and funded by a subgroup will be restricted to that group for one (1) year, unless the subgroup agrees unanimously to earlier release.
- 3.5.2 Should a research program encounter unforeseen technical difficulties, which make it obvious that the program will not meet its objectives, the program, may be terminated by a simple majority vote of either (a) in the case of projects funded from the general account, the Members, or (b) in the case of projects funded by sponsoring Members, those sponsoring Members. After payment of all obligations, including any appropriate AIChE direct and indirect charges, any funds remaining in a jointly funded subgroup account shall be distributed to (a) in the case of projects funded from the general account, back to the general account

or (b) in the case of projects funded by sponsoring members, to the sponsoring members on a pro rata basis.

3.5.3 Results of any generally funded research project shall be promptly communicated to Members, but shall not be released by Members or AIChE to non-members or the general public until one (1) year (unless a shorter period is authorized pursuant to Article 3.5.1) from the issuance of the summary report for the project, at which time the results of the research projects will be available to the general public. Such information can be provided to non-member organizations or individuals at a reasonable cost set by the Members or required to obtain patent protection.

3.6 DIERS Operations

3.6.1 Operation support services for DIERS will be provided by AIChE at cost whenever feasible. When it is not feasible for AIChE to provide services, DIERS may contract with an outside party. All services, including donated services and services in kind, must be subject to AIChE procurement practices.

3.6.2 DIERS members will refrain from improper and unethical business practices including but not limited to: (a) discussing competitive information such as markets and pricing, (b) improper use of DIERS and AIChE logos and trademarks, (c) improperly implying endorsement of a product or activity by DIERS or AIChE, and (d) non-competitive procurement.

3.6.3 DIERS meeting attendees will equitably share the cost of DIERS meeting and payment will be rendered to the DIERS Secretary-Treasurer before the close of the meeting, except in those cases, such as public conferences, when a registration fee is assessed and payment made to participate.

4. Information Exchange

4.1 Information Sharing: To facilitate the sharing of information among Members of DIERS, information provided to DIERS will be furnished and received on a no-obligation basis.

4.2 Warranty Limitation: No warranty or assurance, expressed or implied, is provided by AIChE, DIERS, their employees and consultants, their officers or directors, their members or their members' employers with respect to accuracy, completeness, utility, merchantability or fitness of any information furnished to or obtained from DIERS.

4.3 Use of Information: Any and all information obtained directly or indirectly from DIERS will be used at the user's own risk and by using this information, the user accepts any legal liability or responsibility whatsoever for the consequence of its use or misuse. DIERS, AIChE, and their employees and consultants, their officers or directors, their members or their members' employers assume no liability for the use of any such information or as a result of participation in DIERS activities.

4.4 Information Release: Information originating with Members that is shared with other Members will not be released outside the DIERS membership without the consent of the originating Member.

5. Finances

- 5.1 Membership Fees: It is intended that the costs of operating the DIERS Users Group will be funded from sales of DIERS products and from the contributions of DIERS Users Group meeting attendees. If operating costs cannot be funded from these mechanisms, the DIERS Users Group Administration Committee shall have the authority to establish annual dues or to seek funding through mechanisms such as, but not limited to:
 - 5.1.1 Voluntary contributions not attributed to a specific project.
 - 5.1.2 Voluntary contribution in support of specific cooperative research projects.
 - 5.1.3 Grants from foundations and government funding organizations.
- 5.2 Payments: All payments by Members shall be sent to the following address: American Institute of Chemical Engineers, Attention: DIERS Users Group, 3 Park Avenue, New York, NY 10016-5991.
- 5.3 Custody of Funds: AIChE shall have custody of all monies received for the benefit of DIERS.
- 5.4 Authorization of Expenditures: Payment of financial obligations committed by a majority vote of the sponsoring Members and authorized by AIChE as specified in section 7.2.3 shall be approved by the Chairman from funds held in custody by AIChE. Disbursement of funds shall follow AIChE internal operating rules.
- 5.5 Dissolution: Any funds in the name, possession or subsequently received on behalf of DIERS at the time of its dissolution shall be used for the benefit other AIChE organizations that support Emergency Relief Systems technologies, currently CCPS and DIPPR.

6. Intellectual Property Matters

- 6.1 Assignee of Inventions: AIChE shall be the assignee of all inventions made in the course of research sponsored by DIERS and shall use best efforts to obtain patents thereon. Should any patent matters remain unresolved at the time of dissolution of DIERS, AIChE shall assume full authority for evaluating any inventions made in the course of research sponsored by DIERS and for obtaining patent protection on those inventions it considers meritorious.
- 6.2 Licenses: Each Member of DIERS will be granted a non-exclusive royalty free license under all patents issued to AIChE as assignee of research sponsored by DIERS. Royalty-based licenses may be granted by AIChE to other organizations and individuals at a reasonable fee.
- 6.3 Trademark: Each Member of DIERS may claim in their literature that they are members of DIERS. However, the DIERS and AIChE logos may only be used with the express written consent of the AIChE Director of Industry Technology Alliances and in accordance with guidelines for their usage.

- 6.4 Endorsements: DIERS may recommend that certain products and events be endorsed or sponsored by DIERS. Such endorsement is subject to review and approval by the AIChE Director of Industry Technology Alliances.

7. Function

- 7.1 DIERS shall have the following functions:

7.1.1 It shall be responsible for the technical programs.

7.1.2 It shall be responsible for reporting technical results to Members.

7.1.3 It shall review and edit reports prior to external publication.

7.1.4 It shall solicit and evaluate research proposals from suitable organizations, with the exception that companies that are eligible to bid on the proposals, and companies that compete with potential bidders, are not permitted to participate in solicitation and evaluation of proposals.

7.1.5 With regard to contracts for the performance of research, it shall, working with the AIChE Director of Industry Technology Alliances, tie the disbursement of funds to completion of work and agreed-to deliverables.

7.1.6 It shall elect a Chair and a Secretary-Treasurer as officers for a term of two years.

- 7.2 Duties of the Chair:

7.2.1 The Chair shall have the authority to call meetings, propose the meeting agenda, preside at meetings, and will ensure that records are kept. In the absence of the Chair at meetings, the Secretary-Treasurer chairs the meeting.

7.2.2 The Chair shall appoint members of ad hoc Technical Subcommittees to deal with topics of interest to the Members.

7.2.3 The Chair shall have the authority to negotiate contracts as approved by DIERS. Authorization to execute contracts rests with the AIChE Director of Industry Technology Alliances or the Executive Director of AIChE, according to AIChE purchasing and contracting rules.

7.2.4 The Chair shall maintain a record of all financial transactions, monitor receipts and expenditures and arrange for payment of obligations from funds held in custody by AIChE.

7.2.5 The Chair shall appoint members of Committees to monitor research projects funded from the general account of DIERS. The opportunity to serve on such committees shall be open to all Members.

7.2.6 The Chair shall arrange for external presentation/publication of the cooperative research and technical information developed as a result of the efforts of DIERS on such terms as authorized by DIERS.

- 7.2.7 The Chair shall assist the AIChE Director of Industry Technology Alliances in assuring the proper and ethical conduct of business, as discussed in section 3.6.2.
- 7.2.8 The Chair shall recommend organizations and products for DIERS endorsement to AIChE for approval.
- 7.3 Duties of the Secretary-Treasurer:
 - 7.3.1 The Secretary-Treasurer shall be responsible for keeping summary minutes of DIERS meetings. If the Secretary-Treasurer does not attend a DIERS Users Group meeting, the Chair shall act as Treasurer and shall appoint an acting secretary for the meeting.
 - 7.3.2 The Secretary-Treasurer shall collect meeting fees, if any, arrange payment of any obligations for which meeting fees are to be directly applied, and send the remainder to AIChE for custody.
 - 7.3.3 The Secretary-Treasurer shall assist the Chair in presiding at meetings and will perform such other duties as the Chair may request.
 - 7.3.4 The Secretary-Treasurer shall take over the duties of the Chair until a replacement can be elected should the Chair be unable to complete his or her term of office. An interim Secretary shall be appointed.
- 7.4 AIChE:
 - 7.4.1 AIChE shall provide oversight of DIERS activities, shall be represented on governing bodies with voting and veto rights, shall receive regular reports and shall have the authority to review records of DIERS.
 - 7.4.2 AIChE shall serve as custodian of membership and trustee for the finances of DIERS.
 - 7.4.3 AIChE shall receive, safeguard, account for, invest and disburse all monies of DIERS upon acknowledgement of milestone completion by DIERS and approval by the Chair, subject to AIChE internal control procedures. Interest from investments shall be credited in accordance with standard AIChE accounting practices.
 - 7.4.4 AIChE will be held to the same confidentiality requirement as is DIERS in accordance with Article 4 and the individual member confidentiality agreements.
 - 7.4.5 AIChE shall lend its name to DIERS and shall provide publicity through its publications, annual and national meetings, and other appropriate media. AIChE shall have publication and sales rights to result of projects sponsored through DIERS, subject to specified time restrictions on release, except where such rights are explicitly waived by the Executive Director of AIChE. Any net income from such publications shall be made available to AIChE and DIERS on a mutually agreed upon basis but not in conflict with standard AIChE accounting practices. Any inventions and/or patents arising out of and issued with respect to research from DIERS will be assigned to AIChE, except where such rights with respect to

a specific research contract are explicitly waived by the Executive Director of AIChE upon recommendation of the responsible project steering committee and the Administrative Committee.

7.4.6 AIChE, in consultation with the Chair, shall appoint an Administrative Committee to oversee key activities of DIERS. These activities may include, but are not limited to:

- Fundraising, including grants and donations.
- Soliciting voluntary contributions for projects.
- Setting dues, if funding sources are not adequate.
- Liaison to sister organizations, including AIChE's Center for Chemical Process Safety (CCPS) and the AIChE Safety and Health Division.

The Administrative Committee shall consist of eight (8) to twelve (12) members, including the Chair, the Secretary-Treasurer, and the AIChE Director of Industry Technology Alliances. The balance of the committee shall be made up of representatives of industry, consulting/engineering firms, equipment vendors, and other groups represented among the DIERS membership. Positions shall be filled with the goal of balanced representation. However, the combined categories of consulting/engineering and equipment manufacturers shall not represent more than one-fourth (1/4) of the total members of the Administrative Committee, and no more than one representative from any DIERS member organization may be a member of the Administrative Committee.

The Chair of the Administrative Committee shall be the AIChE Director of Industry Technology Alliances. Administrative Committee members shall serve for two years provided they maintain ongoing participation and maintain membership in good standing in DIERS.

The Administrative Committee shall provide advice to AIChE and the AIChE Director of Industry Technology Alliances on the scope and direction of DIERS programs, and shall determine annually by reviewing budget performance whether dues will be required to be set in order to meet DIERS objectives of the coming year, or conversely whether the objectives should be scaled back. The Administrative Committee will meet as necessary, but at least once each year. Special meetings of the Administrative Committee may be called at any time by the President or Executive Director of AIChE or the AIChE Director of Industry Technology Alliances

8. Meetings

- 8.1 **Member Representatives:** Each organizational Member will be allowed up to three (3) employees at any session of a meeting. With advance permission of the Chair, manufacturing company members may be allowed up to five (5) employees at a given session of a meeting.
- 8.2 **Frequency:** Meetings may be called by the Chair and shall be called when requested in writing by at least twenty-five percent (25%) of the Members.
- 8.3 **Notice of Meetings:** Written notice shall be sent by first-class mail or e-mail to each Member at the address of record at least fifteen (15) days before each meeting and shall state the date, place and purpose of the meeting.

- 8.4 Voting: Each Member present at a Meeting of DIERS shall have one vote whenever a vote is required or taken. Absentee balloting by surface mail or fax may be allowed for specific vote at the discretion of the Administrative Committee, provided that ballots are received in the AIChE office in advance of the DIERS Meeting at which the vote is to be taken.
- 8.5 Quorum: Twenty-five percent (25%) of eligible Members shall constitute a quorum for the transaction of any business for which a vote is required. A simple majority of Members present is sufficient to decide matters voted upon, except as noted in Article 9. If Absentee balloting is allowed, a vote must be received from twenty-five percent (25%) of eligible members.

9. Revisions

- 9.1.1 Amendment and Repeal: These Bylaws may be amended or repealed by a two-thirds (2/3) vote of the AIChE Board of Directors or its Chemical Engineering Technology Operating Council at any meeting at which there is a quorum. By-law amendments may be proposed by Members, AIChE Staff, or the AIChE Board of Directors or its Chemical Engineering Technology Operating Council. Proposals should be sent to AIChE Director of Industrial Technology Alliances, who will present the proposals to the AIChE Board of Directors or its Chemical Engineering Technology Operating Council.

10. Termination

- 10.1 Duration: These Bylaws shall be effective from the date of ratification by the AIChE Board of Directors or its Chemical Engineering Technology Operating Council and will continue indefinitely, unless a two-thirds (2/3) majority of the Members vote to dissolve DIERS, or until a 2/3 majority of the AIChE Board of Directors or its Chemical Engineering Technology Operating Council votes to dissolve DIERS, in which case it may continue in existence for an additional period of up to six (6) months for the purpose of receiving and distributing research reports and settling accounts. It shall then render its final operational report and dissolve. Any remaining duties and obligations of DIERS shall then be assumed by AIChE to the extent of remaining funds.
- 10.2 Termination by AIChE Board of Directors or its Chemical Engineering Technology Operating Council: DIERS may be terminated by AIChE by written notice to DIERS at least six (6) months prior to the effective date of termination.
- 10.3 Organizational Renewal: The purpose, scope and organization of DIERS will be reviewed by its Members and by AIChE every four (4) years.