



NATIONAL KITCHEN & BATH ASSOCIATION

GOVERNANCE MANUAL

MEMBERSHIP AND CHAPTER POLICIES

(Excerpts from Governance manual)

**NATIONAL KITCHEN & BATH ASSOCIATION
MEMBERSHIP AND CHAPTER POLICIES**

ASSOCIATION

A group of people who voluntarily come together to:

Solve common problems;

Meet common needs; and

Accomplish common goals.

An effective Association is one that recognizes and focuses on the common self-interests of its members.

Chapter Policies:

The purpose of these chapter policies is to set forth guidelines by which the chapters conduct their activities in conformity with the Bylaws of the Association and with applicable laws, State, Federal and Provincial. Volunteer officers at both the chapter and national levels can be held individually and personally liable for violation of the laws governing associations. The Association retains legal counsel to review relevant policies and advise the Association on appropriate activities.

It is also the purpose of these policies to create uniformity among the chapters and to provide an orderly basis for the transaction of business and communication with the Board of Directors and the National Office staff.

These policies should be read in conjunction with the Bylaws and in any instance where the rules conflict with, or are contrary to, the Bylaws of the Association, the Bylaws take precedence.

NKBA Strategic Plan

Mission Statement

The Mission of the National Kitchen & Bath Association is to enhance member success and excellence, promote professionalism and ethical business practices, and provide leadership and direction for the kitchen and bath industry worldwide.

Vision

NKBA member products and services will be in demand worldwide for all living environments.

Goals and Objectives

GOAL I: Knowledge Source

There will be a higher level of education and professionalism in the industry worldwide. NKBA members will be the most highly skilled and recognized for their expertise.

Strategic Objectives

1. Expand the capability of NKBA to serve as the leading resource for developing and maintaining an educated workforce.
2. Increase the offerings and use of the NKBA educational curriculum for NKBA members to progress to higher levels of competency.
3. Increase segment focused education and/or certification.
4. Develop electronic training and testing.

GOAL II: Consumer Awareness

There will be greater awareness and preference for products and professional services from NKBA members worldwide.

Strategic Objectives

1. Increase consumer awareness of the NKBA brand as an international trustmark for safe and healthy environments.
2. Increase consumer and industry awareness of the NKBA as the premier source for professional products and services.
3. Increase usage of the NKBA brand among members.

GOAL III: Membership

The kitchen & bath industry worldwide will find NKBA membership and involvement in the association essential to their professional success.

Strategic Objectives

1. Increase understanding of the value and benefits of NKBA membership for each member segment.
2. Increase opportunities for participation by enhancing chapter activities for all industry segments.
3. Enhance product and service offerings to each member segment to increase perceived value.
4. Expand NKBA member segment involvement in the Association.
5. Develop opportunities to expand NKBA membership worldwide.

GOAL IV: Advocacy

Public policy and legislation affecting the kitchen and bath industry will be positively influenced through the NKBA leadership role in monitoring and affecting industry issues.

Strategic Objectives

1. Expand the capabilities of NKBA to influence legislative and regulatory issues.
2. Increase NKBA's knowledge of emerging issues affecting the industry.
3. Raise member awareness of legislation and regulations affecting the kitchen and bath industry.
4. Raise awareness and the credibility of NKBA certifications.
5. Increase member involvement in legislative and regulatory efforts.

GOAL V: Information Source & Resource

The NKBA will be the information source and resource for the industry worldwide.

Strategic Objectives

1. Increase our understanding of the wants and needs of the industry.
2. Increase members' understanding of the wants and needs of the buying public.
3. Increase awareness, understanding, education and the utilization of existing and emerging technologies.
4. Increase the industry's perception of the NKBA as the source of industry information and education.
5. Expand the NKBA relationships and partnerships with associations and organizations.

GOAL VI: K/BIS

The NKBA will continue to develop a higher level of awareness and continued enhancement of international exhibitions, education and networking opportunities for the kitchen and bath industry.

Strategic Objectives

1. Increase connection of the K/BIS brand with the NKBA.
2. Ensure the ongoing success of K/BIS as the premiere international industry event.
3. Expand technological advancement of K/BIS to ensure comprehensive information exchange.

MEMBERSHIP AND DUES

Reference: NKBA Bylaws, Article IV:

Policies Governing Membership:

I. Membership Categories:

A. Industry Member:

It is the intent of these Bylaws that any business or person actively and directly involved in providing kitchen and/or bathroom products and/or services, is eligible for Industry Membership. Industry Members are granted use of the NKBA logo in their advertising and promotional activities.

Examples include, *but are not limited to*, the following:

1. Dealers
2. Cabinet Shops
3. Decorative Plumbing and Hardware Retailers
4. Home Centers (kitchen and/or bath departments)/Multi-Branch Retailers
5. Manufacturers or Suppliers of kitchen and/or bath products or services
6. Manufacturers' Representatives
7. Distributors of kitchen and/or bath products
8. Fabricators of kitchen and/or bath products
9. Independent designers of kitchens and/or baths
10. Installers of kitchen and/or bath products and/or equipment
11. Builders/remodelers of kitchens and baths
12. Individuals whose primary source of income is derived from the kitchen and/or bath industry

B. Associate Member:

It is the intent of these Bylaws that any individual, firm, or entity which provides auxiliary products or services to the kitchen and bath industry would qualify as an Associate Member. Examples of Associate Members may include, *but not be limited to*, the following:

1. Financial institutions
2. Trade and consumer media
3. Insurance companies
4. Students and educational institutions
5. Affinity program providers
6. Associations and other service organizations
7. Individuals providing auxiliary services to the industry and not qualifying for Industry Membership

C. *Honorary Member:*

Honorary Membership is intended to recognize outstanding and long-term service and commitment to the kitchen and bath industry and/or to the Association. Such membership may be conferred upon an individual by a two-thirds (2/3) vote of the entire Board of Directors. Nominations should be submitted to the President of the Association who will place such nomination on the agenda for the next official meeting of the Board of Directors. Honorary members are exempt from paying dues. Past Presidents of NKBA become Honorary members at the end of their terms of office.

II. *Annual Dues and Fees*

The Board of Directors establishes annual dues and other fees as it determines are necessary to support Association activities. Such dues and fees are reviewed and approved annually as part of the budgeting process. Changes to the dues structure require a two-thirds (2/3) vote of the full Board of Directors. Dues are current as of the date of this manual, but may be changed at any time by the Board.

Dues for Industry Membership for each calendar year shall be based on annual gross revenue directly related to kitchen and bath sales and services.

| NKBA Dues Table: Industry Membership | |
|---|--------------------|
| Annual Gross Revenue (from K & B Business) | Annual Dues |
| Less than \$100,000 | \$ 150 |
| \$100,000 - \$500,000 | \$ 200 |
| \$500,000 - \$1 million | \$ 300 |
| \$1 - \$1.5 million | \$ 350 |
| \$1.5 - \$2 million | \$ 475 |
| \$2 - \$3 million | \$ 575 |
| \$3 - \$4 million | \$ 825 |
| \$4 - \$5 million | \$ 975 |
| \$5 - \$7 million | \$ 1,475 |
| \$7 - \$10 million | \$ 1,875 |
| \$10 - \$15 million | \$ 2,500 |
| \$15 - \$20 million | \$ 3,000 |
| \$20 - \$40 million | \$ 5,000 |
| \$40 - \$100 million | \$ 6,000 |
| \$100 - \$200 million | \$ 8,500 |
| More than \$200 million | \$ 9,500 |

Subsidiaries:

Subsidiaries of member firms are required to hold membership and pay annual dues in the name of the subsidiary company and are not entitled to member benefits unless so subscribed. A subsidiary is defined as a firm, corporation, sole proprietorship, or other entity, which produces its own profit and loss statement but is either partially or wholly owned by a parent company. The parent is not required to be a member in order for the subsidiary to subscribe to NKBA membership.

Branches:

Branch membership is available to any business that is a branch of a member firm (sole proprietorship, corporation, partnership or other business entity). A branch is defined as a separate location under common ownership and name, which is actively engaged in the same business as the original member. All branches must be individually approved and the appropriate fees remitted. No advertising or publicity by the original member is permitted which claims or implies NKBA membership for its branches except for individually approved branches. Dues for branch memberships are assessed following the calculation of appropriate dues for the original Industry Member. Branch membership dues will be assessed at \$100 per branch.

Individual Members:

Industry Member Employees

Employees of Industry Members are entitled to member discounts on the purchase of NKBA products and services, such as member rates for publications, conference and educational program fees, etc. These members do not receive individual mailings or subscriptions to NKBA publications and are not considered voting members of the Association. Members serving in elected NKBA volunteer positions at the chapter, regional or Association level are eligible to vote on all Association matters regardless of their member classification.

Individual Employee Memberships – Member Firm

Employees of Industry Members may choose to have mailings sent to them directly, and be listed as an individual member of NKBA. Such employees, in addition to receiving member discounts through their affiliation with a member business, will also receive the *NKBA Profiles* magazine, Chapter mailings, and other promotional literature at their home address, or other such address as they provide. They will also be listed as a voting member of the Association in the NKBA database and will be entitled to vote on all matters coming before the membership at the NKBA Annual Meeting. Employees of member businesses who wish to be listed as an individual member are billed at the rate of \$50 annually.

Individual Employee Memberships – Non-Member Firm

Employees who are actively engaged in the kitchen and/or bath industry, but whose employer elects **not** to become an NKBA member, may purchase an individual membership at an annual fee of \$100. Membership benefits accrue to that **one** individual, not the business. All NKBA National and Chapter mailings, member discounts on educational programming and the purchase of other goods and services are granted to the single employee member only. Individual members may volunteer to serve on both local and national bodies (**with the exception of Industry Segment Advisory Councils**), and are entitled to vote on issues that may come before the membership. Individual members must also adhere to the following:

- 1) Prohibit listing of non-member company name and physical address on NKBA web site
- 2) Use of consumer leads is not available to this category
- 3) To avoid association with the non-member firm, use of the NKBA logo is restricted from material where the company's logo is imprinted (company letterhead, forms, business cards, etc.)

Retired Members:

Individual members of NKBA who are no longer working full-time in the kitchen and bath industry may qualify for retired member dues of \$50 per year; they continue to hold the same member category but are listed in a "retired member" industry segment. In order to qualify for retired member dues, the members must: 1) provide documentation that he/she is at least 55 years of age; 2) have paid member dues for at least five years; 3) spend fewer than 200 hours per year as a paid employee/consultant in the kitchen and bath industry; and, 4) spend fewer than 500 hours per year as a paid employee/consultant in any field. Retired members are entitled to all member benefits. Retired members are eligible to serve as elected or appointed volunteers at the chapter or national level (except for appointment to an Industry Segment Advisory Council).

Unemployed Members:

Individuals who have been NKBA members for at least two years may qualify for reduced dues of \$50 for up to one year (**one time use only**) if they are temporarily unemployed and actively seeking employment. Members may request this status, in writing, to NKBA's Membership Department. If the request is received between January 1 and September 30, the reduced dues will be in effect for the remainder of the calendar year; if the request is received between October 1 and December 31, the reduced dues will be in effect for the next calendar year.

This category is available to members who are temporarily unemployed and seeking permanent employment or those returning to membership while on "leave of absence" certification status. Members paying dues in this category would be entitled to all benefits accruing to Individual Members employed by non-member firms.

Associates:

Annual Associate Member dues are as follows:

| | |
|---------------------------------|-------|
| Businesses | \$750 |
| Educational Institutions | \$300 |
| Individuals | \$150 |
| Students | \$35 |
| Students at Accredited Programs | \$15 |

Associate members, other than Student members, are to vote on any Association business coming before the membership, and may not serve as the Chair, Vice-Chair, Secretary or Board Representative from an Industry Council or the Board of Chapter Representatives. Associate members are eligible to serve as officers of committees or subcommittees. They are entitled to receive Association mailings and discounts on the purchase of Association goods and/or services, may use the NKBA logo in their advertising and promotional activities, and may serve as appointed members of ad hoc and other committees in their area of expertise.

Student Membership

An individual applying for Student membership from the NKBA must be enrolled at a college, university or technical institute that has been accredited by an institutional accrediting body recognized by the US Department of Education, or a provincial ministry of education in Canada. The Student must be taking courses for credit toward a certificate or degree. Student membership shall be limited to a period of eight (8) years. Students who have not completed a certificate or degree program within that period of time, must change to a full dues-paying Associate Individual member type in order to retain membership, according to NKBA policy as stated above.

National Past Presidents:

National Past Presidents are automatically vested with Honorary membership at the end of their term as National President. In addition, in recognition of a company's contribution to NKBA, the company that employed the President during his/her presidency subsequent to the effective date of this policy (effective 1/1/02) will receive credit against their company's dues of up to \$575 per year for as long as that National Past President is actively involved in that company. National Presidents serving prior to the effective date of this policy shall continue to receive the reimbursement for dues in effect during the time of their Presidency.

Other Fees:

An application fee of \$100 is payable at the time of application and may be waived at any time at the discretion of the Director of Membership or the Executive Committee. Dues are invoiced and are due January 1 for the calendar year. Payment of a pro-rata portion of annual dues for the current year is also due and payable at the time of application. Applications not accompanied by the appropriate fees will be rejected. Dues are pro-

rated based on the date the application is received at NKBA:

Applications received between October 1 of the prior calendar year and March 31 – 100%

Applications received between April 1 and June 30 – 75%

Applications received between July 1 and September 30 – 50%

NKBA Certifications:

Members holding any of the NKBA appellations will be billed a flat fee of \$100 annually, regardless of the number of certifications held, to cover the cost of administering the certification program and maintaining the records of continuing education units (CEUs).

Annual Renewal of Membership:

Membership in NKBA is automatically renewed annually with the payment of appropriate annual dues. Renewing members are also required to complete and return the annual census form incorporated with the dues invoice.

Policies Governing Meetings of the Membership

Annual Meeting

It is NKBA's policy to hold its annual meeting of the members at the Kitchen & Bath Industry Show (K/BIS[®]). The President of the Association presides over this meeting and a "State of the Association" message is delivered by the Chief Executive Officer. Notice of the meeting is mailed to all members of record as of December 31 and is contained in the annual show and conference official program mailed in January.

Policies Governing Lists and Labels:

Lists of NKBA members are available for rent to both members and non-members. As companies benefit from use of the NKBA member list, IENM's will be considered non-members for the purpose of member list acquisition. These lists are the sole property of NKBA and are provided for rent on a one-time basis only to facilitate communications with members and prospective members on topics directly related to the kitchen and bath industry and to fulfillment of NKBA's mission statement. The renter must submit a signed copy of the policy regarding mailing lists along with an order form and a copy of the mailing to be sent out. Approval of the request is based on the content of the proposed mailing at the discretion of the NKBA staff to insure compliance with NKBA policy and to further insure the NKBA's role in the product or program is not misrepresented.

The fee for either paper lists or electronic files will be a flat rate of \$100 for NKBA members and \$.20 per name for non-members (minimum of \$250). An additional fee will be charged for labels, shipping and handling. NKBA will provide a paper list sorted per the instructions on the order form; electronic lists will be provided in a comma delimited, text file. This policy does not affect the existing list policy for Chapters nor does it include lists for K/BIS or other conference

exhibitors or approved list exchanges; that policy and procedure shall be under the aegis of the Communications Department.

Policy Governing Educational Benefits:

Duly elected chapter officers, elected members of NKBA Industry Segment Councils, Standing Committees and members of the NKBA Board of Directors are eligible to attend in-person NKBA-sponsored classes at no charge. However, the officer must pre-register at least two weeks prior to the class being held. In the event that the class does not have sufficient registration, it is subject to cancellation and any costs incurred (such as pre-purchased travel) by the officer are the responsibility of that individual; NKBA is not liable for any costs incurred by the officer either by attending or through cancellation. NKBA will insure that there is sufficient space in the class to accommodate the chapter officers in addition to registered participants. Late and/or on-site registration will not be permitted for officers who wish to take advantage of a waiver of the registration fee.

This policy does not apply to the NKBA e-courses (although a 10% discount is available to officers) or to any course, workshop or conference – in person or online – where NKBA partners with a third-party.

Design Legislation Policy

The National Kitchen & Bath Association (NKBA) is a more than 30,000 member not-for-profit trade association that has educated and led the kitchen and bath industry for over 40 years. As the only trade association dedicated exclusively to the kitchen and bath industry, NKBA is the leading source of information and education for consumers and professionals alike. And, as a Trade Organization, NKBA supports efforts to protect the health, safety and welfare of the consumer by offering the foundation for professional career growth through our course offerings, technical manuals, books and multi-level certification programs. NKBA is an organization that has the qualifications and ability to educate and raise the level of professionalism for the Kitchen and Bath industry. The process for becoming certified by the NKBA in Kitchen and Bath Design includes stringent testing on health, safety and welfare for the protection of the consumer.

It is NKBA's belief that design legislation should contain various methods of entry into the profession and should fully protect the right to practice the profession of Interior Design and/or Kitchen & Bath Design in all locations. Entry methods must be fair and should take into consideration the organizations that actively promote continued education and certification within the industry. This type legislation should not impact the rights of equal opportunity or fair competition.

NKBA is neither for nor against legislation that regulates the use of the title "Interior Designer", as we believe that this type legislation does not effect the Kitchen and Bath Design profession. We are, however, opposed to and will lobby against legislation that attempts to regulate the use of titles associated directly with the kitchen and bath industry (such as Kitchen Designer, Certified Kitchen Designer, Bath Designer, Certified Bath Designer, and Designer).

NKBA seeks to protect the right to practice kitchen and bath design. We oppose any practice

legislation that would limit the ability of the consumer to obtain the expertise of a kitchen and/or bath designer in the planning or designing of the interior of residential spaces.

NKBA recognizes the importance of education and professionalism in the Design community. We believe that the enactment of practice legislation which allows only one method of entry into the field could restrict the opportunity for fair competition, thus limiting the consumer's right of choice.