

# **Automatic Transmission Rebuilders Association**

## **By-Laws**





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# **RESTATED BYLAWS OF AUTOMATIC TRANSMISSION REBUILDERS ASSOCIATION (ATRA)**

A California Non-Profit Mutual Benefit Corporation

## **ARTICLE I—NAME**

### **Section 1.01 - Name.**

The name of this corporation is Automatic Transmission Rebuilders Association (“ATRA”).

## **ARTICLE II—OFFICES**

### **Section 2.01 - Principal Office.**

The principal office for the transaction of the activities, affairs, and business of the corporation (“Principal Office”) is located at 2400 Latigo Avenue, Oxnard, Ca. 93030.

### **Section 2.02 - Change of Address.**

The Board of Directors (“Board”) may change the Principal Office from one location to another. Any change of location of the Principal Office shall be noted by the Secretary on these Bylaws opposite this Section, or this Section may be amended to state the new location.

### **Section 2.03 - Other Offices.**

The Board may at any time establish branch or subordinate offices at anyplace or places where the corporation is qualified to conduct its activities.

## **ARTICLE III—MEMBERS**

### **Section 3.01 - Classification of Members.**

The corporation shall have six (6) classes of members, designated as follows: “Supplier”, “Rebuilder”, “Technical Subscriber”, “International Online Subscriber”, “Instructor” and “Student” members. Supplier members and their employees are not eligible to serve as Directors or Officers of the corporation or participate in the Association’s Golden Rule Warranty Program. Technical Subscriber members and their employees, International Online Subscriber members and their employees, Instructor members and Student members are not eligible to serve as Directors or officers of the corporation or participate in the Association’s Golden Rule Warranty Program and except as provided in Section 6.03 of Article VI, *infra*, shall have no voting rights. Any individual, partnership, corporation or limited liability company who meets and satisfies the eligibility and qualification requirements of a Supplier and Rebuilder membership may obtain dual membership status and shall enjoy the privileges and benefits available to each membership.

### **Section 3.02 - Eligibility and qualification for Rebuilder Membership.**

Any individual, partnership, corporation or limited liability company (LLC) within the boundaries of the USA and Canada who maintains a regular retail place of business for the diagnosing, servicing, repairing, installation and rebuilding of automatic transmissions in automobiles and other vehicles (“Repair Business” or “Repair Business Owner”) is eligible to be a Rebuilder member of the corporation, provided such individual, partnership, corporation or limited liability company (LLC) meets the following qualifications:

- A. Legal and Ethical Requirements. Each Rebuilder Member shall pledge, agree, and affirm that it has and will conduct its Repair Business in conformance with the corporation’s “Code of Ethics” as from time to time amended by Resolution of the Board of Directors, “Guarantee Standards”, as from time to time amended by

Resolution of the Board of Directors, -"Advertising Standards" as from time to time amended by Resolution of the Board of Directors, and the "ATRA Minimum Rebuild Standards" pertaining to automotive transmissions as from time to time amended.

- B. Common Name. If an individual, partnership, corporation or limited liability company (LLC) conducts business under a common name at more than one location or with other Repair Business Owners who advertise to the public within the same business promotional program, use a common business logo, or seek to impart to the public that the business is using such common name are associated with one another, the Repair Business Owner of such common name shall obtain a separate membership for each such location and the Repair Business Owner(s) of all such other regular retail places of business using such common name must also be eligible for, qualify for, apply for and obtain and maintain a Re-builder membership.

A member of a common-name group may request approval of Rebuilder Member status as a special exemption. The ATRA BOARD OF DIRECTORS, or a committee formed by the ATRA Board of Directors may conduct a review of said application and have sole discretion to approve or deny their application.

- C. Term of Business and History. Each Repair Business or Repair Business Owner must have been continuously in operation at its present location for a minimum term of two (2) years ("Eligibility Term") prior to its application for membership to ATRA or is sponsored by an ATRA Rebuilder Member in good standing. A sponsor must have first-hand knowledge of the person and his/her business practices and can vouch for their character. Additionally, each Repair Business or Repair Business Owner must have conducted its business operations during such Eligibility Term without any unfavorably-resolved governmental regulatory agency or Better Business Bureau violations, complaints and/or actions. ATRA reserves the right to conduct and undertake a background check of each Repair Business or Repair Business owner to assist in determining such Repair Business or Repair Business owner's eligibility for membership in ATRA."

Each Repair Business Owner applying for Rebuilder membership will have a 90-day probation period. During the probation period the applying shop will be listed as a Technical Subscriber. Additionally, ATRA will conduct a background check of each Repair Business or Repair Business owner to assist in determining such Repair Business or Repair Business owner's eligibility for membership in ATRA. The background check will include, but is not limited to, discovery of any unfavorably-resolved governmental regulatory agency or Better Business Bureau violations, complaints and/or actions during the Eligibility Term.

### **Section 3.03 - Obligations of Rebuilder Members.**

Each Rebuilder member shall:

- A. Conformance with Bylaws. Abide and be governed by the Bylaws and written policies of the corporation.  
B. Golden Rule Warranty. Agree to, and function as, a "Golden Rule Warranty Plan" transmission repair station and, if such member elects, offer the Golden Rule Warranty Program in conformance with the corporation's requirements as from time to time determined.

### **Section 3.04 - Eligibility and Qualification for Supplier Membership.**

Any individual, partnership, corporation or limited liability company (LLC) which is a manufacturer or distributor (or a manufacturer or distributor representative) of merchandise sold to the automobile repair industry or is a supplier of services to the industry is eligible to be a Supplier member of the corporation.

### **Section 3.05 - Obligations of Supplier Members.**

Each Supplier member shall:

- A. Conformance with Bylaws. Abide and be governed by the Bylaws and written policies of the corporation.  
B. Common Name. If an individual, partnership, corporation or limited liability company (LLC) conducts business under a common name at more than one location or with other suppliers of merchandise or services,

the Supplier Owner of such common name shall obtain a separate membership for each such location and the Supplier Business Owner(s) of all such other regular places of business using such common name must also be eligible for, qualify for, apply for and obtain and maintain a Supplier Membership.

### **Section 3.06 - Eligibility and Qualification for Technical Subscriber Members.**

Any individual, partnership, corporation or limited liability company (LLC) having an interest in the automobile repair industry is eligible to be a Technical Subscriber member of the corporation.

### **Section 3.07 - Obligations of Technical Subscriber Members.**

Any individual, partnership, corporation or limited liability company (LLC) who maintains a regular retail place of business for the diagnosing, servicing, repairing, installation or rebuilding of automatic transmissions in automobiles and other vehicles (“Repair Business” or “Repair Business Owner”) or is a manufacturer or distributor (or a manufacturer or distributor representative) of merchandise sold to the automobile repair industry or is a supplier of services to the industry, situated outside the boundaries of the United States of America or Canada is eligible to be a Technical Subscriber member of the corporation, provided such individual, partnership, corporation or limited liability company (LLC) meets the following qualifications:

- A. Conformance with Bylaws. Abide and be governed by the Bylaws and written policies of the corporation.
- B. Legal and Ethical Requirements. Each international member shall pledge, agree, and affirm that it has and will conduct its Repair Business in conformance with the corporation’s “Code of Ethics” as from time to time amended by resolution of the Board of Directors, and the applicable laws, rules and regulations of the jurisdiction in which such member conducts its business.

### **Section 3.08 - Eligibility and Qualification for International Member.**

Any individual, partnership, corporation or limited liability company (LLC) who maintains a regular retail place of business for the diagnosing, servicing, repairing, installation or rebuilding of automatic transmissions in automobiles and other vehicles (“Repair Business” or “Repair Business Owner”) or is a manufacturer or distributor (or a manufacturer or distributor representative) of merchandise sold to the automobile repair industry or is a supplier of services to the industry, situated outside the boundaries of the United States of America or Canada is eligible to be an International member of the corporation, provided such individual, partnership, corporation or limited liability company (LLC) meets the following qualifications:

- A. Legal and Ethical Requirements. Each international member shall pledge, agree, and affirm that it has and will conduct its Repair Business in conformance with the corporation’s “Code of Ethics” as from time to time amended by resolution of the Board of Directors, and the applicable laws, rules and regulations of the jurisdiction in which such member conducts its business.
- B. Name. If an individual, partnership, corporation or limited liability company (LLC) conducts a Rebuilding business under a common name at more than one location or with other Repair Business Owners, the Repair Business Owner of such common name shall obtain a separate membership for each such location and the Repair Business Owner (s) of all such other regular retail places of business using such common name must also be eligible for, qualify for, apply for, and maintain an International Membership.

### **Section 3.09 - Obligations of International Members.**

Each International member shall abide and be governed by the Bylaws and written policies of the corporation.

### **Section 3.10 - Eligibility and Qualification for Instructor Members**

Any individual who is currently occupied as an automotive instructor at an educational facility is eligible to be an instructor member of the corporation, provided such individual, meets the following qualifications:

Legal and Ethical Requirements. Each instructor member shall pledge, agree, and affirm that it will conduct ATRA certification testing within their course curriculum.

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**Section 3.11 – Obligations of Instructor Members**

Each Instructor member shall abide and be governed by the Bylaws and written policies of the corporation.

**Section 3.12 - Eligibility and Qualification for Student Members**

Any individual who is currently enrolled in an automotive course(s) at an educational facility is eligible to be a student member of the corporation, provided such individual, submits proof of enrollment. Student members are restricted to no more than three (3) years of membership as a student member.

**Section 3.13– Obligations of Student Members.**

Each Student member shall abide and be governed by the Bylaws and written policies of the corporation.

**ARTICLE IV—ADMISSION,  
SUSPENSION & EXPULSION****Section 4.01 - Admission as a Member.**

Application for membership as a Rebuilder, Supplier, Technical Subscriber or International member shall constitute authorization to the corporation to determine if all the eligibility and qualification requirements set forth in these Bylaws are met. Admission to membership as a Rebuilder, Supplier, Technical Subscriber or International member may be denied if any information included in the Application is incomplete or untruthful in any material respect or if any of the eligibility and qualification requirements are not met. Any individual, partnership, corporation or limited liability company (LLC) eligible and qualified for membership under Section 3.01,3.02,3.04, 3.06 and 3.08 of these Bylaws, shall, upon approval of the membership application and the payment of such dues and fees as the Board may fix from time to time, be admitted to membership.

A. Membership Term. ATRA membership is based on a fiscal year. Membership shall commence when dues are received at the ATRA international business office.

**Section 4.02 - Application Fee.**

There shall be a fee for making application for membership in the corporation as from time to time determined by Resolution of the Board of Directors.

**Section 4.03 - Dues and Assessments.**

Membership shall be subject to dues, fees and assessments. The amount of dues, fees or assessments and the method of collection shall be fixed from time to time by resolution of the Board of Directors of the corporation.

**Section 4.04 - Number of Members and Good Standing.**

There shall be no limit on the number of members the corporation may admit. Those members who have paid the required dues, fees and assessments in accordance with these Bylaws and who are not suspended shall be members in good standing.

**Section 4.05 - Membership Roster.**

The corporation shall keep in written form or in any form capable of being converted into written form, a membership roster containing the name, address and classification of each member.

**Section 4.06 - Certificates of Membership.**

The corporation may issue membership certificates and the corporation reserves the right to issue identity cards or similar devices to members which serve to identify members qualifying to use the services or attend the functions and activities of the corporation.

**Section 4.07 - Non Liability of Members.**

A member of the corporation shall not solely because of such membership be personally liable for the debts, obligations, or liabilities of the corporation.

**Section 4.08 - Transferability of Membership.**

Neither the membership in the corporation nor any rights in the membership may be transferred for value or otherwise.

**Section 4.09 - Termination of Membership.**

A. Causes. The membership and all rights of membership shall automatically terminate on the occurrence of any of the following causes:

1. The voluntary resignation of a member with notice as prescribed by Section 4.09B. of these Bylaws;
2. Where membership is issued for a period of time, the expiration of such period of time;
3. The death of an individual member;
4. Upon the sale of the business enterprise that qualifies such member for membership
5. Upon termination of membership with the Automatic Transmission Rebuilders Association.
6. By reason of expulsion pursuant to Section 4.09 D. of these Bylaws.
7. Upon a member's failure to timely pay dues, assessments or other monies owing to the corporation.

B. Resignation by Giving Notice. The membership of any member of the corporation shall automatically terminate on such member's written request for such termination delivered to the offices of the corporation personally, by facsimile, telephonically, electronically or deposited in the United States first class mail, postage pre-paid.

C. Effect of Termination. All rights of a member in the corporation and in its property shall cease on the termination of such member's membership. Termination shall not relieve the member from any obligation for charges incurred, services or benefits actually rendered, assessments, or fees, if any, or arising from contract or otherwise. The corporation shall retain the right to enforce any such obligation or obtain damages for its breach.

D. Expulsions and Suspensions. A member may be expelled or suspended and all rights of membership terminated or suspended upon a good faith finding and determination by the Board, or a committee or person authorized by the Board, ("Committee") of any of the following:

1. A member's failure in a material and serious degree to observe the rules of conduct of the corporation, a member's violation of any of the provisions of the Bylaws of the corporation or engaging in conduct materially and seriously prejudicial to the purposes and interests of the corporation.
2. A member's acts or business conduct contrary to the policies, rules or Code of Ethics of the corporation, or found to be injurious or damaging to the auto repair industry, such members, business customers or the motoring public.
3. A member found guilty of deceptive or fraudulent business practices or activities by any governmental or regulatory entity or agency or who agrees or concedes to a civil Judgment with any governmental or regulatory agency which Judgment includes criminal or civil penalties, fines, assessments, mandatory community service and/or other punitive impositions.

E. Investigation and Hearing Procedures Pertaining to Expulsions and Suspensions The Board, or a committee or person authorized by the Board ("Committee") shall conduct an inquiry and/or investigation of complaints or

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other information received by it alleging or evidencing a member's violation of any of the provisions of Section 4.09 D. If grounds appear to exist for expulsion or suspension of a member under Section 4.09 D. of these Bylaws, the procedure set forth below shall be followed:

1. The member shall be given at least ten (10) days prior notice of the proposed expulsion or suspension and the reasons for the proposed expulsion or suspension. Notice shall be given by any method reasonably calculated to provide actual notice. Any notice given by mail shall be sent by first class or registered mail to the member's last address as shown on the corporation's records.
2. The member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed expulsion or suspension. The hearing shall be held, or the written statement considered, by the Committee to determine whether the expulsion or suspension should take place.
3. The Committee shall decide whether or not the member should be expelled, suspended, or sanctioned in some other way. The decision of the Committee shall be final.
4. Any action challenging an expulsion, suspension, or termination of membership, including a claim of alleging defective notice, must be commenced within one year after the date of the expulsion, suspension, or termination.
5. A person whose membership is suspended shall not be a member during the period of suspension.

#### **Section 4.10 - Re-Admission as a Previously Suspended or Reduced Rebuilder Member.**

Re-admittance as a previously suspended Rebuilder Member after one (1) year requires the member to reapply for Rebuilder Membership as stated in Section 4.01 of these Bylaws, in addition to providing the proper paperwork stating there are no further violations of ATRA by-laws, code of ethics, and minimum rebuild standards.

## **ARTICLE V—MEETINGS OF REBUILDER AND SUPPLIER MEMBERS**

### **Section 5.01. - Place.**

Meetings of the Rebuilder and Supplier members shall be held on such dates and at such locations within the United States of America or Canada as may be designated from time to time by resolution of the Board of Directors.

### **Section 5.02 - Annual Meeting.**

The Rebuilder and Supplier members shall meet annually on such date, at such time and location as shall be determined by the Board of Directors for the purpose of transacting such proper business as may come before the meeting.

### **Section 5.03 - Special Meetings.**

Special meetings of Rebuilder and Supplier members shall be called by the Board of Directors and held at such place and at such times within the United States of America as may be ordered by resolution of the Board of Directors or called by Twenty (20) percent of the Rebuilder and Supplier members of the corporation. Twenty (20) percent or more of the Rebuilder and Supplier members of the corporation may call special meetings for

any lawful purpose.

#### **Section 5.04 - Notice of Meetings.**

Written, telephonic or electronic notice of every meeting of Rebuilder and Supplier members shall be either personally delivered, mailed, given or sent not less than Twenty (20) nor more than Seventy Five (75) days before the date of the meeting to each Rebuilder and Supplier member who on the record date for notice of the meeting is entitled to vote. In the event such notice is given by mail or other means of written communication, the notice shall be addressed to the Rebuilder and Supplier member at the address of such Rebuilder and Supplier member appearing on the books of the corporation or at the address given by the Rebuilder and Supplier member to the corporation for the purpose of notice. When no such address appears or is given, notice shall be given at the principal office of the corporation. No meeting of Rebuilder and Supplier members may be adjourned more than forty-five (45) days. If a meeting is adjourned to another time or place, a notice of the adjourned meeting shall be given to each Rebuilder and Supplier member of record who, on the record date for notice of the meeting, is entitled to vote at the meeting.

#### **Section 5.05 - Contents of Notice.**

The notice shall state the place, date and time and general nature of the business to be transacted at the meeting. The notice of any meeting at which Directors are to be elected or removed shall include the names of all those who are nominees at the time the notice is given to the Rebuilder and Supplier members.

#### **Section 5.06 - Quorum.**

A quorum at any meeting of Rebuilder and Supplier members shall consist of one-third (1/3) of the voting power, represented in person, provided, however, that if any regular or annual meeting is actually attended in person by less than one-third of the voting power, the only matters that may be voted on are those of which notice of their general nature was given as provided in Section 5.05 of these Bylaws. For purposes of this Bylaw, "voting power" means the power to vote for the election of Directors at the time any determination of voting power is made.

#### **Section 5.07 - Loss of Quorum.**

The Rebuilder and Supplier members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough Rebuilder and Supplier members to leave less than a quorum, if such action taken, other than adjournment, is approved by at least a majority of the Rebuilder and Supplier members required to constitute a quorum.

#### **Section 5.08 - Adjournment for Lack of Quorum.**

In the absence of a quorum, any meeting of the Rebuilder and Supplier members may be adjourned from time to time by a majority of the votes represented, but no other business may be transacted except as provided in section 5.07 of these Bylaws.

#### **Section 5.09 - Proxy Voting.**

Proxy voting is not permitted at Rebuilder and Supplier member meetings.

#### **Section 5.10 - Voting and membership.**

A. Entitlement. Each Rebuilder and Supplier member in good standing, which may consist of an individual, partnership, corporation or limited liability company (LLC) is entitled to one vote on each matter submitted to a vote of the Re-builder and Supplier members, provided, however, Re-builder and Supplier members who own more than one repair business are entitled to only one vote.

B. Record Date of Membership. The Board of Directors or its delegate(s) shall fix a date as the record date for the purposes of determining the Rebuilder and Supplier members entitled to notice of and to vote at any

meeting of the Rebuilder and Supplier members. Such former record date shall not be more than ninety (90) nor less than ten (10) days before the date of the meeting. Such latter record date shall not be more than sixty (60) days before the date of the meeting.

- C. Approval by Majority Vote: If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the Rebuilder and Supplier members, unless the vote of a greater number is required by the California Non-Profit Mutual Benefit Corporation law or by the Articles Incorporation.
- D. Manner of Casting Votes. Voting may be by voice or ballot, except that any election of directors must be by ballot.
- E. Waiver of Notice or Consent.
1. Written Waiver or Consent. The transactions of any Rebuilder and Supplier member's meeting, however called or noticed and whenever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (1) a quorum is present in person and (2) either before or after the meeting, each Rebuilder and Supplier member entitled to vote, who is not present in person, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of any meeting of the Rebuilder and Supplier members. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes.
  2. Waiver by Attendance. A Rebuilder or Supplier member's attendance at a meeting shall also constitute a waiver of notice of and presence at the meeting, unless such member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened.
- F. Action without a Meeting.
1. Action by Unanimous Written Consent. Any action required or permitted to be taken by Rebuilder and Supplier members may be taken without a meeting, if all Rebuilder and Supplier members consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the Rebuilder and Supplier members. The action by written consent shall have the same force and effect as the unanimous vote of the Rebuilder and Supplier members.
  2. Action by Written Ballot without a Meeting. Any action that may be taken at any meeting of the Rebuilder and Supplier members may be taken without a meeting by complying with Section 5.11 of these Bylaws.

### **Section 5.11. Action without Meeting by Written Ballot.**

- A. Ballot Requirements. Any action which may be taken at any regular or special meeting of the Rebuilder and Supplier members may be taken without a meeting provided there is satisfaction of the following ballot requirements:
1. The corporation distributes the written ballot to every Rebuilder and Supplier member entitled to vote on the matter;
  2. The ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the corporation;
  3. The number of votes cast by ballot with the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action;
  4. The number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot;
- B. Solicitation of Ballots. Ballots shall be solicited in a manner consistent with the requirements of giving notice of Rebuilder and Supplier members' meetings set forth in Section 5.04 of these Bylaws and a voting by
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written ballot set forth in Section 5.11 C. of these Bylaws. All such solicitation shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation shall specify the time by which the ballot must be received in order to be counted.

C. Voting by Written Ballot.

The form of written ballot distributed to Rebuilder and Supplier members shall afford an opportunity on the form of written ballot to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the written ballot is distributed, to be acted on by such written ballot.

In the event of an unopposed election, a written ballot election is not necessary.

**Section 5.12 - Conduct of Meetings.**

A. The president of the corporation or, in his or her absence, the Vice-President of the corporation, or, in his or her absence, any other person chosen by a majority of the voting Rebuilder and Supplier members present in person shall be chairman of and shall preside over the meetings of the Rebuilder and Supplier members.

B. Secretary of Meetings.

The secretary of the corporation shall act as the secretary of all meetings of the Rebuilder and Supplier members; provided that in his or her absence, the chairman of the meetings of the Rebuilder and Supplier members shall appoint another person to act as secretary of the meetings.

C. Rules of Order.

The Robert's Rules of Order, as maybe amended from time to time, shall govern the meetings of the Rebuilder and Supplier members insofar as such rules are not inconsistent with or in conflict with these Bylaws, the Articles of Incorporation of this corporation, or the law.

## **ARTICLE VI—MEETINGS OF TECHNICAL SUBSCRIBER AND INTERNATIONAL MEMBERS**

**Section 6.01 - Place.**

Meetings of Technical Subscriber and International members shall be convened by the Board of Directors only to consider and vote upon a dissolution of the corporation and in such event shall be held on such dates and at such locations within the United States of America or Canada as may be designated by resolution of the Board of Directors.

**Section 6.02 - Annual Meetings.**

Technical Subscriber and International members shall not be required to meet annually.

**Section 6.03 - Voting.**

Each Subscriber Member in good standing is entitled to one vote to be cast only on the issue of dissolution of the corporation.

## **ARTICLE VII—DIRECTORS**

**Section 7.01 - General Corporate Powers.**

Subject to the provisions and limitations of the California Non-Profit Mutual Benefit Corporation law, and any other applicable laws, and subject to any limitations in the Articles of Incorporation and Bylaws regarding actions that require the approval of the members, entitled to vote, the corporation's activities and affairs shall be managed, and all corporate power shall be exercised, by or under the Board's direction.

**Section 7.02 - Specific Powers.**

Without prejudice to the general powers set forth in Section 7.01 of these Bylaws, but subject to the same limitations, the directors shall have the power to:

1. Appoint and remove at the pleasure of the Board all the corporation's officers, agents, and employees; prescribe powers and duties for them that are consistent with the law, with the Articles of corporation, and with these Bylaws.
2. Change the principal business office from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities within or outside California or the United States of America and Canada; and designate any place within the United State of America for holding any meeting of members.
3. Adopt and use a corporate seal; prescribe the forms of membership certificates consistent with the provisions of Section 7313 of the California Corporations Code; and alter the forms of the seal and certificates.
4. Borrow money and incur indebtedness on behalf of the corporation cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, Deeds of Trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

**Section 7.03 - Number.**

The corporation shall have nine (9) directors each representing one of nine regions of the United States of America and Canada as from time to time determined by the Nominations and Elections Committee appointed by the President. Collectively the directors shall be known as the Board of Directors.

**Section 7.04 - Qualifications.**

The directors of the corporation shall be residents of the United States of America or Canada and must also be a Rebuilder member of the corporation. No Supplier member, technical subscriber or international member of the corporation shall serve as director of the corporation. No more than one Rebuilder member of a common name organization shall be eligible for, or serve as a director of the corporation at the same time.

**Section 7.05 - Terms of Office.**

Each director shall hold office for a term of three (3) years commencing on January 1st of the year next following such Directors election.

**Section 7.06 - Nomination.**

Nominations and elections will be held each year for three regionally represented board seats expiring at the end of that year in annually sequential order. The nine geographical regions within the United States and Canada shall be determined annually by a Nominations and Elections Committee appointed by the President of the corporation to assure that the Rebuilder and Supplier members of the corporation are equitably represented by the board. The Nominations and Elections Committee shall review and analyze Rebuilder and Supplier membership density throughout the corporation's membership boundaries to determine equitable regional boundaries to be represented on the Board of Directors. Any person qualified to be a director under Section 7.02 of the Bylaws and whose primary place of business is within a region for which a director is to be elected may be nominated by the method of nomination authorized by the Board of Directors.

The nomination process shall consist of a minimum of 30 days. An additional 30 days shall be allowed for candidates to campaign prior to the election ballots being mailed from the association headquarters to the voting membership.

**Section 7.07 - Election.**

Three directors shall be elected each year by written ballot after nomination as provided in Section 7.04 of these Bylaws. The candidates receiving the highest number of votes in each region for which a director is being elected shall be elected. In case of a tie the winner shall be determined by runoff vote. Directors shall be eligible for re-election without limitation as to the number of terms each may serve, provided such person continues to meet the qualifications required by Section 7.02 of these Bylaws.

The election ballots will be mailed approximately 45 days prior to ATRA's annual conference to allow 30 days for members to cast their vote and at least two (2) weeks for the association to receive the postmarked ballots at the headquarters prior to the annual conference where the official ballot tabulation takes place. In the event of an unopposed election, a written ballot election is not necessary.

**Section 7.08 - Compensation.**

The directors shall be allowed and paid their actual and necessary expenses and per diem allowance incurred in attending meetings of the Board and conducting Board business.

**Section 7.09 - Meetings.**

- A. Call of Meetings. Meetings of the Board may be called by the chairman of the Board or the president or vice-president or the secretary or any two (2) directors.
  - B. Place of Meetings. All meetings of the Board shall be held at the principal office of the corporation as specified in Section 1.01 of these Bylaws or at such other place or places as determined from time to time by the Board.
  - C. Time of Regular Meetings. At least one regular meeting of the Board shall be held annually.
  - D. Special Meetings. Special meetings of the Board may be called by the chairman of the Board or the president or any vice-president or the secretary or any three (3) directors. Special meetings shall be held on seven (7) days notice by written, telephonic or electronic communication. Notice of the special meeting need not be given to any director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of such notice to such director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.
  - E. Quorum. A majority of the authorized number of directors constitutes a quorum of the Board for the transaction of business, except as hereinafter provided.
  - F. Transactions of Board. Except as otherwise provided in the Articles, in these Bylaws, or by law, every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board, provided, however, that any meeting at which a quorum was initially present may continue to transact business notwithstanding the withdrawal of directors if any action taken is approved by at least a majority of the required quorum for such meeting.
  - G. Conduct of Meetings. The chairman of the Board or, any director selected by the directors present shall preside at meetings of the Board of Directors. The secretary of the corporation or, in the secretary's absence, any person appointed by the presiding officer shall act as secretary of the Board. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating at such meeting can hear one another. Such participation shall constitute personal presence at the meeting.
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H. Meetings by Telephone. Any meeting may be held by conference telephone or similar communication equipment, as long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present in person at such meeting.

I. Notice

1. Manner of Giving Notice. Notice of the time and place of meetings shall be given to each director by one of the following methods:
  - a. By personal delivery of written notice.
  - b. By first class mail, postage pre-paid.
  - c. By telephone or facsimile, either directly to the director or to a person at the directors office who would reasonably be expected to communicate that notice promptly to the director; or
  - d. By telegram, charges pre-paid. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the corporation.
  - e. By electronic device.
2. Time Requirements. Notices sent by first class mail shall be deposited in the United States Mail at least four days before the time set for the meeting. Notices given by personal delivery, telephone, or telegram shall be delivered, telephoned, or given to the telegraph company at least 48 hours before the time set for the meeting.
3. Notice Contents. The notice shall state the time of the meeting, and the place if the place is other than the principal office of the corporation. It need not specify the purpose of the meeting.

J. Waiver of Notice. Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

K. Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of the adjournment to another time or place must be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

L. Action without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of such directors.

### **Section 7.10 - Removal of Director**

- A. Removal for Cause. The Board may declare vacant the office of a Director on the occurrence of any of the following events:
1. The director has been declared of unsound mind by a final Order of Court;
  2. The director has been convicted of a felony;
  3. The director's membership has been suspended or terminated.

### **Section 7.11 - Resignation of Director.**

Any director may resign effective on giving written notice to the chairman of the Board of Directors, the president, the secretary, or the Board of Directors of the corporation, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, the successor may be elected to take office when the resignation becomes effective.

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**Section 7.12 - Vacancies on the Board.**

- A. Causes. Vacancies on the Board of Directors shall exist on the death, resignation, or removal of a director; whenever the number of directors authorized is increased; and on the failure of the members in any election to elect the full number of directors authorized.
- B. Filing Vacancies by Director. Except for a vacancy created by the removal of a director vacancies on the Board of Directors may be filled by approval of the Board of Directors, or, if the number of directors then in office is less than a quorum, by (1) the unanimous written consent of the directors then in office; (2) the affirmative vote of a majority of the directors then in office at a meeting held pursuant to notice or waivers of notice as provided in these Bylaws; or (3) A sole remaining director.

**Section 7.13 - Administrative and Advisory Committees of the Board.**

The Board, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees, each consisting of one or more members and individuals of the corporation to serve at the pleasure of the Board. Appointments to committees of the Board shall be by a majority vote of the directors then in office. The Board may appoint one or more directors as members of any such committee.

**Section 7.14 - Executive Committee.**

An Executive Committee comprised of the President, Vice President and Secretary shall be established by the Board by resolution adopted by a majority of the directors then in office, provided a quorum is present. The Board may appoint one or more directors as alternate members of the Executive Committee who may replace any absent member at any meeting. The Executive Committee, to the extent provided in the Board Resolution, shall have the authority of the Board except that the Executive Committee, regardless of Board Resolution may not:

1. Take any final action on any matter that, under the California Non-Profit Mutual Benefit Corporation Law, also requires approval of the members or approval of a majority of all members;
2. Fill vacancies on the Board;
3. Fix compensation of the directors for serving on the Board or any Committee;
4. Amend or repeal Bylaws or adopt new Bylaws; and
5. Create any other Committees of the Board or appoint the members of Committees of the Board.

**ARTICLE VIII—OFFICERS****Section 8.01 - Number and Title.**

The officers of the corporation shall be a President, a Vice-President and a Secretary/Chief Financial Officer and such other officers with such titles and duties as shall be determined by the Board and as may be necessary to enable it to sign instruments. The officers of the corporation shall be elected from among the directors of the corporation and shall serve in such capacity for a term equal to such director's then remaining term as director. The President shall be the Chairman of the Board of Directors of the corporation. Any number of offices may be held by the same person.

**Section 8.02 - Election and Resignation.**

The officers shall be elected by and serve at the pleasure of the Board. Any officer may resign at any time on written notice to the corporation with out prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

**Section 8.03 - Vacancies in Office.**

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office, provided, however, that

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vacancies need not be filled on an annual basis.

#### **Section 8.04 - Responsibilities of Officers.**

- A. Chairman of the Board. A Chairman of the Board shall be elected and shall preside at Board meetings and shall exercise and perform such other powers and duties as the Board may assign from time to time. The Chairman of the Board shall also be the President of the corporation and shall have the powers and duties prescribed by these laws for the President of the corporation.
- B. President. Subject to such supervisory powers as the Board may give to the Chairman of the Board, and subject to the control of the Board, the President shall have all powers provided by the California Non-Profit Mutual Benefit Corporation law. The President shall preside at all members meetings and in the capacity of the Chairman of the Board at all Board meetings. The President shall have such other powers and duties that the Board or Bylaws may prescribe.
- C. Vice-President. In the absence or disability of the President, the Vice-President shall perform all duties of the President. When so acting, the Vice-President shall have all powers of and be subject to all restrictions of the President. The Vice-President shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.
- D. Secretary.
1. Book of Minutes. The Secretary shall keep or cause to be kept, at the corporation's principal office or at such other place the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, of committees of the Board, and of Rebuilder and Supplier member's meetings. The minutes of meetings shall include the time and place of holding, whether the meeting was annual, regular, or special, and if special, how authorized, the notice given, the names of those present at Board and Committee meetings, and the number of Rebuilder and Supplier members present or represented at Rebuilder and Supplier member's meetings. The Secretary shall keep or cause to be kept, at the principal office, a copy of the Articles of Incorporation and Bylaws, as amended to date.
  2. Membership Records. The Secretary shall keep or cause to be kept, at the corporation's principal office or at a place determined by Board resolution, a record of the corporation's members, showing each member's name, address and class of membership.
  3. Notices, Seal and Other Duties. The Secretary shall give, or cause to be given, notice of all meetings of members, of the Board, and of Committees of the Board required by these Bylaws to be given. The Secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.
- E. Chief Financial Officer.
1. Books of Account. The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Chief Financial Officer shall send or cause to be given to the members and directors such financial statements and reports as are required by law, by these Bylaws, or by the Board to be given. The books of account shall be open to inspection by any director at all reasonable times.
  2. Deposit Disbursement of Money and Valuables. The Chief Financial Officer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board may designate, shall disburse the corporation's funds as the Board may order, shall render to the President, Chairman of the Board, and the Board, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the Board by the Bylaws may prescribe.
  3. Bond. If required by the Board, the Chief Financial Officer shall give the corporation a bond in the amount and with the surety of sureties specified by the Board for faithful performance of the duties of the
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office and for restoration to the corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Chief Financial Officer on his or her death, resignation, retirement, or removal from office.

## **ARTICLE IX—INDEMNIFICATION**

### **Section 9.01 - Right of Indemnity.**

To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any “proceeding”, as that term is used in that Section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that Section. “Expenses” as used in this Bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.

### **Section 9.02 - Approval of Indemnity.**

On written request to the Board by any person seeking Indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of Rebuilder and Supplier members. At that meeting, the Rebuilder and Supplier members shall determine under Section 7237(e) whether the applicable standard of conduct set forth in Section 7237(b) and Section 7237(c) has been met and, if so, the Rebuilder and Supplier members present at the meeting in person shall authorize indemnification.

### **Section 9.03 - Advancement of Expenses.**

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 9.01 or 9.02 of these Bylaws in defending any proceeding covered by these Sections shall be advanced by the corporation before [mal disposition of the proceeding, or receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

## **ARTICLE X—INSURANCE**

### **Section 10.01 - Insurance.**

The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officers, directors, employees, or agent status as such.

## **ARTICLE XI—CORPORATE RECORDS, REPORTS AND SEAL**

### **Section 11.01 - Keeping Records.**

The corporation shall keep adequate and correct records of account and minutes of the proceedings of its

Rebuilder and Supplier members, Board, and committees of the Board. The minutes shall be kept in written form. Other books and records shall be kept in either written form or in any other form capable of being converted into written form.

### **Section 11.02 - Annual Report.**

The corporation shall notify each Supplier and Rebuilder member yearly of the member's right to receive a financial report pursuant to California Corporations Code Section 8321(a). On the written request of a Supplier or Rebuilder member the Board shall promptly cause the most recent annual report to be sent to the requesting member. The Annual report shall be prepared not later than one hundred twenty (120) days after the close of the Corporation's fiscal year. The annual report shall contain in appropriate detail the following:

- A. A balance sheet as of the end of such fiscal year and an income statement and statement of changes and financial position for such fiscal year;
- B. A statement of the place where the names and addresses of the current members are located;
- C. Any information concerning certain transactions and indemnifications required by California Corporations Code Section 8322.

### **Section 11.03 - Corporate Seal.**

The Board of Directors shall adopt a corporate seal. The secretary of the corporation shall have the custody of this seal and affix it in all appropriate cases to all appropriate corporate documents. Failure to affix a seal shall not, however, affect the validity of any instrument.

## **ARTICLE XII—CHAPTERS**

### **Section 12.01- Structure of Chapters.**

- A. Regional Chapters of the Association may be established by resolution of the Board of Directors from time to time, and at the pleasure of the Board of Directors.
- B. Only such Chapters as are permitted to be established by the Board of Directors shall be permitted to exist as a lawful Chapter of the corporation. Each permitted Chapter must be a separate and independent entity by way of incorporation or as a limited liability company (LLC) in conformance with the applicable laws of the state or province of its incorporation or establishment and shall have its own officers and Board of Directors, all of whom must be a Rebuilder Member, Supplier Member or Technical Subscriber in good standing with the corporation.
- C. The geographical region of each Chapter shall be determined and established by resolution of the Board of Directors from time to time and shall generally comprise a geographical area no greater than a 300 mile radius from its primary meeting location, except as may be authorized by resolution of the Board of Directors.

### **Section 12.02 - Chapter Affairs.**

- A. Chapters shall conduct their internal affairs in compliance with the applicable laws of the state or province of incorporation or establishment and shall indemnify and hold the corporation free and harmless from all liability and arising from the conduct of its affairs and activities.
  - B. Chapters shall conduct their affairs and activities in conformance with the goals, objectives and purposes of the corporation and shall be financially separate and independent of the corporation. The corporation may, from time to time as determined by the Board of Directors, assist a Chapter with its affairs and activities by financial support, organization or in any other reasonable way.
  - C. Chapters shall participate in the process of accepting new Re-builder members into the association as established by resolution of the board of directors from time to time and may be called upon to initiate investigations of potential Re-builder members prior to acceptance as a member of the association.
  - D. Chapters shall monitor compliance of Re-builder members within the district boundaries of the chapter.
  - E. Chapters shall conduct activities, which may or may not include the use of Chapter funds, for the direct benefit of the constituents of the Chapter.
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**Section 12.03 - Voting.**

Chapters shall conduct elections on a regular basis, with terms not to exceed five (5) years. In the event that there are no challengers to the elected position, a record of no challenge shall be recorded in the chapter records and submitted to the Director of the ATRA Board who represents the district in which the chapter is domicile with a copy thereof to the corporation's business office. The association shall conduct the notice of election to chapter constituents and help conduct the election of chapter officers on behalf of the chapter.

**Section 12.04 - Chapter Oversight**

Chapters shall keep adequate and correct records of accounts and minutes of the proceedings of its meetings and financial activities. These records shall be kept in written form, or technologically capable of being converted to written form. These records shall be submitted on a regular basis no less than once per annum, to the director of the ATRA Board who represents the district in which the chapter is domicile.

**ARTICLE XIII—AMENDMENTS****Section 13.01 - Amendments.**

- A. Amendment by Board. Membership Rights Limitation. Subject to the rights of members as provided by law the Board may adopt, amend, or repeal Bylaws unless the action would:
    - 1. Materially and adversely affect the Rebuilder and Supplier members' rights as to voting, redemption or transfer;
    - 2. Affect the Technical Subscriber or International member's rights as to voting for dissolution of the corporation;
    - 3. Increase or decrease the number of members authorized in total or for any class;
    - 4. Effect an exchange, reclassification, or cancellation of all or part of the membership;
    - 5. Authorize a new class of membership.
  - B. Changes to Number of Directors. Once Rebuilder and Supplier members have been admitted to the corporation, the Board may not, without the approval of the Rebuilder and Supplier members, specify or change any Bylaw provision that would:
    - 1. Fix or change the authorized number of directors;
    - 2. Fix or change the minimum or maximum number of directors; or
    - 3. Change from a fixed number of directors to a variable number of directors or vice versa.
  - C. High Vote Requirement. If any provision of these Bylaws requires the vote of a larger proportion of the Board than otherwise required by law, such provision may not be altered, amended or repealed except by the greater vote.
  - D. Members' Approval Required. Without the approval of the Rebuilder and Supplier members, the Board may not adopt, amend, or repeal any Bylaw that would:
    - 1. Increase or extend the terms of the directors;
    - 2. Allow any director to hold office by designation or
    - 3. selection rather than by election by a member or members;
    - 4. Increase the quorum for members meetings;
    - 5. Authorize cumulative voting.
  - E. Amendment by Rebuilder and Supplier Members. New Bylaws may be adopted or these Bylaws may be amended or repealed by approval of the Rebuilder and Supplier members if that action would:
    - 1. Materially and adversely affect the rights, privileges, preferences, restrictions, or conditions of that class as to voting, redemption, or transfer in a manner different than the action affects another class;
    - 2. Materially and adversely affect that class as to voting, redemption, or transfer by changing the rights, privileges, preferences, restrictions or conditions of another class;
    - 3. Increase or decrease the number of memberships authorized for that class;
    - 4. Increase the number of memberships authorized for another class;
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5. Effect and exchange, reclassification, or cancellation of all or part of the memberships of that class; or
6. Authorize a new class of memberships.

## **ARTICLE XI—CERTIFICATE OF SECRETARY**

### **Section 14.01 - Certificate of Secretary**

#### CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of Automatic Transmission Rebuilders Association, a California Non-Profit Mutual Benefit Corporation that the above restated Bylaws, are the Bylaws of this corporations as adopted by the Board of Directors on April 28, 2014, and that they have not been amended or modified since that date.

Executed on April 28, 2014 at Concord, CA

Secretary

Brad Benrud



## **LEGAL & ETHICAL REQUIREMENTS**

## **AUTOMATIC TRANSMISSION REBUILDERS ASSOCIATION**

### **MEMBER CODE OF ETHICS**

#### **ATRA Members Pledge:**

- To diagnose, repair and warrant transmissions and automobiles with honesty, integrity and expertise;
  - To conduct business affairs with other members, affiliates and competitors, in accordance with the concept of the “Golden Rule”;
  - To strive to maintain the highest level of technical expertise through continuing education of company personnel and technical staff
  - To maintain a clean, safe and orderly workplace, and a professional and courteous staff that will be a credit to the profession;
  - That transmissions represented as “rebuilt” shall conform to the Association Minimum Rebuild Standards
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## **LEGAL & ETHICAL REQUIREMENTS**

All members of ATRA agree that while they remain members of the Association, they will practice the pledges of the Association code of Ethics: that they will adhere to the Service and Repair definitions which are part of these Bylaws; that they will subscribe to the Guarantee Standards which are shown herein; and that they will practice the Advertising Standards that are shown in these pages, and govern their own advertising and merchandising procedures as per the following:

### **THE ATRA CODE OF ETHICS AND MEMBER PLEDGE**

As members of ATRA, we pledge to ourselves and to each other to diagnose transmission problems for customers and for each other in an expert and honest manner, and to state that the removal of a transmission from a vehicle in correction of its problems is necessary, only when this is the case.

We further pledge to provide prompt and courteous in-car diagnosis on behalf of customers of other member shops free of charge (Members may assess a charge up to one (1) hour of diagnostic time for electronic testing and scanning based on the current Golden Rule rate provided the charge is agreed to in advance by the warranting Member).

We further pledge to act with integrity, and to speak at all times in a responsible manner, and in all ways to adhere to the concept of the Golden Rule in our dealings with the motoring public and with our competitors of industry.

We further pledge ourselves to the promotion and improvement of the automatic transmission service and repair industry through maintaining the highest standards for parts and workmanship quality at our places of business.

We further pledge ourselves to the continual training and retraining of ourselves and our employees, in order to keep abreast of the constant changes in the state of the art of our industry.

We pledge to have ourselves and our employees tested and certified on a continuing basis in such a manner as will demonstrate the ATRA member shops are staffed with capable personnel.

We finally pledge that such transmission assemblies as we represent to the consuming public and to other members as “rebuild”, will have been re-processed according to the Association Rebuilding Standards and Definitions as outlined in these By-Laws.

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## **ATRA Member Minimum Rebuilding Standards**

Rebuilder members of ATRA agree to re-process and to label and identify and to represent goods and services which they produce and market, to consumers and to other firms, under the following terms, for as long as they remain Association members:

- A. AN AUTOMATIC TRANSMISSION SERVICE shall consist of accepted external and internal adjustments and minor corrections in keeping with good industry practice: fluid change; new pan gasket; replacement of filter where applicable and appropriate; together with an internal inspection to determine the amount of contamination and debris in the pan.
- B. A TRANSMISSION REPAIR ordinarily consists of the minimum parts replacement and labor operations necessary to correct an immediate automatic transmission malfunction, and the true cause is seldom removed or corrected by a repair being performed. For this reason, a repair shall only be undertaken upon the insistence of the customer and with his full knowledge, and with any guarantee on such work spelled out in writing by the shop, in advance of the work being performed.
- C. EVERY ATRA MEMBER WRITTEN REPAIR ORDER shall carry a specific and legible statement describing work performed on behalf of the customer.
- D. WHENEVER A MEMBER SHOP EXTENDS A WRITTEN WARRANTY to a customer, then the customer shall be fully informed by the shop as to the specifications of the warranty before the work is begun.
- E. ASSOCIATION REBUILDING STANDARDS: no member or person or firm shall represent that any reprocessed automatic transmission has been "rebuilt, according to ATRA specifications"; unless such transmission has been reprocessed in the following manner; and members further agree to extend nationwide, inter-shop warranty coverage only on such transmissions as have been reprocessed in the following manner:
  - 1. All internal and external parts shall be dismantled and thoroughly cleaned and inspected, including the case and bell housing.
  - 2. The following parts shall be replaced with new, each time; all lined friction clutch plates; all gaskets and rubber parts; metal sealing rings as are used in rotating applications; disposable type filters.
  - 3. All bands as are used in dynamic applications shall be replaced with new or re-lined bands, each time.
  - 4. The valve body shall be thoroughly cleaned and inspected; all dirt and varnish and foreign substances removed; all non-serviceable parts replaced, and new gaskets installed where applicable.
  - 5. The torque converter shall be considered to be a part of the transmission; and any torque converter which is installed along with a rebuilt transmission shall be internally cleaned and inspected for wear; externally checked for leaks, cracks, weld failure and hub wear; and starter ring gear wear, where applicable. Any converter which is judged as not capable of delivering new converter performance and life shall be replaced with a new or rebuilt converter. Any converter which is installed along with a rebuilt transmission main body shall be guaranteed by the member along with the rest of the transmission.
  - 6. Any and all other impaired, defective, or substantially worn parts which are not mentioned above, but which would not be expected to deliver new part performance, shall be restored to a sound condition, or replaced with new, rebuilt, or unimpaired used parts.

## Rebuilder Member Guarantee Standards & Golden Rule Procedures

All Rebuilder Members shall warrant their work in compliance with all applicable laws and regulations governing the automotive aftermarket industry.

- A. All Rebuilder members** shall issue a written warranty, to include but not be limited to one of the following warranty options: local limited warranty; extended service agreement; ATRA Golden Rule Warranty.
1. When a Golden Rule Warranty is issued it will be honored at ALL ATRA member shops (the repair facility being approximately 50 miles beyond the originating shop).

**B. Golden Rule Warranty Program**

1. All Rebuilder Members pledge to warranty any complete rebuilds that they desire to be covered by other Rebuilder Member shops under the terms of the ATRA Golden Rule Warranty Plan.
2. All Rebuilder members pledged to warranty under the term plans only those transmissions that have been rebuilt to the standards outlined in “ATRA Minimum Rebuild Standards.” These transmissions can be rebuilt in house or by a qualified ATRA supplier member who has also met the rebuild requirements previously stated.
3. A qualified transmission remanufacturer is one who:
  - a. Is an ATRA Supplier Member in good standing
  - b. Has agreed to supply transmissions that meet or exceed the ATRA minimum rebuild standards as outlined in the ATRA bylaws.

Note: A list of qualified transmission remanufacturers will be available on the ATRA member web site in the Golden Rule Warranty section.

4. In the event that a remanufactured transmission is purchased from a qualified remanufacturer and used by an ATRA Rebuilder Member for use in a Golden Rule Warranty transaction the then payment terms and obligations of any repairing ATRA member shop is limited to R & R of the remanufactured transmission and any external repairs that would otherwise be covered under the Golden Rule Warranty program. Internal repairs are not subject to the terms of the Golden Rule warranty program and must be negotiated between the repairing shop and the transmission remanufacturer. ATRA members are not obligated to make repairs on remanufactured transmissions under the terms of the Golden Rule warranty program.
5. The original member shop is responsible for sourcing and negotiating for a transmission replacement to the repairing shop, as well as repair costs outlined on the ATRA estimator sheet – regardless of any negotiations or reimbursements between the original shop and the transmission remanufacturer.
6. A Golden Rule Warranty may not be issued by a Rebuilder member for transmissions they have rebuilt and that have been installed in a vehicle by a non-ATRA member shop; a Golden Rule Warranty may not be issued on over-the-counter/carry-out transmissions.
7. In those instances where it is unadvisable or undesirable to meet these rebuilding standards, then such transmission work must be described to the customer both verbally and in written form on the repair order as a “transmission repair” and not as “rebuilt”, “overhauled”, “reconditioned”, or any similar terminology.
8. Neither the association nor other Rebuilder Members shall be bound to the specific terms of the Golden Rule Warranty plan when work has been warranted on other than association printed or authorized Golden Rule Warranty Forms.
9. Other Rebuilder members shall not be bound by or obligated to perform work under the terms of the plan when another member has extended coverage beyond the terms of the originally-issued Golden Rule Warranty.
10. Rebuilder Members agree to perform a visual inspection and road test for customers of any Rebuilder member possessing a Golden Rule Warranty, courteously, swiftly, and free of charge. Members may assess a charge up to one (1) hour of diagnostic time for electronic testing and scanning based on the current Golden Rule rate provided the charge is agreed to in advance by the warranting Member.
11. When acting as a repairing shop, for a Golden Rule Warranty, Rebuilder members shall obtain the

name, mailing address, and phone number of the warrantor shop before proceeding with the diagnosis and repair.

12. Repairing member shop shall secure two authorizations (1st to diagnose and 2nd to do the rework) and these authorizations to be secured before proceeding with any work.
  13. An ESTIMATOR sheet must be faxed to the warrantor Member shop with the costs for repairs. The Member warrantor shop must read the ESTIMATOR sheet, sign it, date it, & fax it back to the repairing shop and to ATRA within one (1) business day or 24hrs, unless, the repairs are contested by the warrantor shop; in which case the warrantor shop must contact ATRA within that period.
  14. When the repairs have been completed, the repairing Member shop shall acquire the driver's signature and release the car with no charges to the customer. All repairs must be completed in a timely fashion.
  15. The repairing Member shop shall invoice the originating warrantor Member shop in compliance with the plan terms set forth in the Association policies and procedures and the Warrantor member shop must pay repairing shop within five (5) days of the completion of the rework. ATRA shall guarantee payment for such work performed under plan terms.
  16. The repairing Member shop shall warrant the quality of the work performed to the originating member warrantor shop for 30 days, up to the amount charged for the repair.
  17. No Rebuilder member shall state, advertise or imply or suggest that the Association is a warrantor for any transmission repair work or parts.
  18. A transmission unit may not be shipped or returned to the originating Member warrantor shop for repair. However, a replacement transmission may be shipped to the repairing member shop. Once the vehicle is delivered to the customer then the original transmission may be shipped back to the originating warrantor Member shop.
  19. When a repairing Member shop determines it is unable to meet the terms and conditions of the golden Rule Warranty, the repairing member shop shall promptly advise the ATRA business office and request instructions.
  20. In the event a transmission covered under a golden Rule Warranty, is not rebuilt in conformance to the ATRA Minimum Rebuild Standards, the repairing Member shop shall be required to contact the ATRA business office.
  21. Warranties will be VOID if altered in any way. They will also be VOID if transferred to any other person or vehicle other than named on front of warranty.
  22. The Golden Rule Warranty must be issued and presented to the customer within seven (7) days of the initial repairs.
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## **Member Advertising Standards and use of Association Promotional Materials, Logo and Emblems**

- A. ATRA members pledge to:
- Never to use the Association name or logo in any advertisement or commercial which contain a price for goods or services.
- B. Members pledge and agree to:
- Not incorporate the Association name or any abbreviation of it with a company name;
  - Offer and make available any product or service which is advertised at a stated price, without restriction;
  - If free offers are made, then customers will receive the product or service without cost or obligations;
  - Not create or use advertising that is unrealistic nor illusionary or misleading.
- C. Members who advertise shall be willing to prove the validity of their advertised statements to the Association Executive board or a committee of the Board.
- D. When a membership is cancelled or terminated for any reason, and where the Association name or logo exists in a long-range advertisement or commercial, the membership cancellation may take force at any time, but dues payments shall continue until the advertising has expired at the elections of the Association Membership committee or designated staff.
- E. Membership insignias, plaques, member logos, and signs are for the use of all members of the association.
- F. Golden Rule Warranty insignias, plaques, logos, and signs re for the sole use of Rebuilder members of the association.
- G. Upon resignation or other cancellation of membership, all advertising and promotional aids will be returned to the Association, or the use discontinued, upon request of the Association.
- H. When ATRA members use or reproduce the Association logo the word "Member" will always be used in conjunction with the logo.

Failure to comply with the Member Advertising Standards and use of Association Promotional Materials, Logo and Emblems shall be subject to fees and assessments. The amount of fees or assessments and the method of collection shall be fixed from time to time by resolution of the Board of Directors of the corporation.

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## Citation and Probation Policy

The ATRA Rebuilder Member is the heart of the Association. As such, it is important that all Rebuilder Members conform to the ATRA Code of Ethics.

Furthermore, any Rebuilder Member who violates this policy may receive a Citation, which could result in the restriction, probation, or suspension of Rebuilder Member privileges, including the ability to issue Golden Rule Warranties; or may result in the reduction to Technical Subscriber, which would render them unable to offer Golden Rule Warranties. The following is a list of grounds for issuing a citation:

1. Avoiding Golden Rule Warranty service. Any Rebuilder Member alleged to have avoided honoring Golden Rule warranties will be shopped by ATRA staff three (3) times in a 30-day period. If the shop avoids Golden Rule Warranty service through unwarranted delay or other deception during that 30-day period, the Rebuilder Member is in violation of honoring Golden Rule warranty service.
2. Late Payment of Golden Rule Warranties. ATRA Rebuilder Members must fulfill their obligations for Golden Rule warranty repairs within five (5) business days.
3. Unanswered Written Complaints. If another member or consumer writes a written complaint about a member, that member has no later than 30 days to respond to the complaint. The response must be in writing.
4. Disregard for Golden Rule Policies. The disregard for Golden Rule policies, such as failure to use an estimator sheet, failure to adhere to the Golden Rule pricing structure, or any act that causes unnecessary delays in providing warranty service to the customer, that results in intervention by ATRA may result in a citation.
5. Excessive complaints. Complaints from consumers and fellow members are recorded on each member's permanent file. A citation may be issued to a member shop that has more than 2 complaints within one year.
6. Bylaws violations. Advertising violations, disparaging other ATRA members or issuing an ATRA Golden Rule warranty on a transmission that does not meet the standards outlined on the Golden Rule warranty.

## **Suspension or Expulsion**

Certain infractions will result in instant suspension or expulsion from the Association. They include:

**1. Intentional fraudulent submission of a Golden Rule Estimator Worksheet**

The ATRA Code of Ethics requires honest practices from its members in all business dealings. Any ATRA Rebuilder Member found requiring unnecessary repairs from a fellow ATRA Member will be suspended from ATRA for up to one (1) year.

**2. Failure to honor a legitimate Golden Rule Warranty**

Refusing to honor a Golden Rule Warranty seriously undermines the integrity of the Association. Any ATRA Rebuilder Member found refusing to honor Golden Rule Warranties will be suspended from ATRA for up to one (1) year.

These infractions would be substantiated by the proper paperwork. Repeat offenders may be expelled from ATRA permanently.

All of the above criteria shall be enforced by the ATRA Golden Rule Committee.

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