

**Operating Procedures
Of
High Density Packaging User Group International, Inc.**

**Section I
MEMBERS**

(A) **Classes of Membership.** High Density Packaging User Group International, Inc. (HDP) shall have three classes of membership as defined below:

- 1) **Executive.** Executive members are those members who play a significant leadership role in the affairs of the corporation and are entitled to appoint one (1) representative to a seat on the corporation's Board of Directors (BOD). The dues for Executive members shall be Ten Thousand Dollars (\$10,000.00) per year, in addition to Regular-A or Regular-B member dues described in the following subparagraphs. The number of Executive members will be limited to 12, and at no time can the number of Supplier Executive members equal or exceed the number of User Executive members.
- 2) **Regular-A.** Regular-A members are member companies with annual revenue of Fifty Million Dollars US (\$50,000,000.00) or more. Regular-A members have all of the rights of a regular member, including the right to attend all member meetings and vote. The dues for Regular-A members shall be Seventeen Thousand Dollars US (\$17,000.00) per year payable annually.
- 3) **Regular-B.** Regular-B members are member companies with annual revenue of less than Fifty Million Dollars US (\$50,000,000.00) have all of the rights of a regular member, including the right to attend all member meetings and vote. The dues for Regular-B members shall be Eight Thousand Five Hundred Dollars US (\$8,500.00) per year payable annually.

(B) **Conditions of Membership.** The HDP Board of Directors will review and approve the selection of Member Category. A full Member may be any corporation, company, firm or organization which:

- (1) Is involved in the use, sale or manufacture of electronic and opto-electronic components and materials.
- (2) Pays such initiation fees and annual dues as may be determined by the Board; and
- (3) Meets such other criteria for admission as shall be established from time to time by resolution of the Board.
- (4) Remains in good standing by insuring that all subsequent contributions, dues, assessments, and fees, together with such penalties for late payment as may be determined by the Board, have been paid within the period set up by the Board and the member continues to meet all the other requirements of membership. Except as otherwise provided herein, eligibility and qualification of membership and all questions of good standing, rights, privileges, and responsibilities of Members will be determined by the Board.

(C) **Privileges of Membership.** All members in good standing shall be entitled to one vote on each matter submitted to a vote of the members. Members who are suspended or otherwise fail to be in good standing shall not be entitled to vote on any matter. Each member in good standing shall be entitled to participate on any project or activity in which HDP is involved, and shall be entitled to receive all publications of HDP which are intended for regular distribution. Any member can have several representatives on any program or project.

(D) **Primary Contact.** Each member will provide name and address of a primary and alternate contact. All HDP official documentation will be sent to the primary contact person. The members shall be responsible for apprising HDP of contact name and address changes.

(E) **Consequences of Resignation or Termination of Membership.**

- 1) Notwithstanding anything in the Bylaws to the contrary, a member's obligation to pay contributions, dues, assessments, or fees under any contract with HDP shall continue for the remaining term of the contract without regard to the member's voluntary resignation.
- 2) Upon termination a member shall be entitled to no further benefits of, and shall have no obligations of membership, but shall be entitled to retain the benefits previously received subject to the terms and conditions governing such benefits.

Section II PROJECTS

(A) **Purpose.** Projects are the main deliverable for HDP, and it is through leadership of and participation in projects that the membership will realize their maximum value. Because each project is different, HDP will strive to provide the maximum freedom to the Project Leaders and participants, however, some guidelines will be followed.

(B) **Project Stages.** Most projects will progress through the following stages:

- 1) **Project Idea** A project idea can come from a member, a non-member, the staff, or other organizations. The idea should address problems or issues in the electronics or opto-electronics components area.
- 2) **Project Definition.** This is the formation stage of the project where the project plan is created and interested parties are recruited. Any individual (Champion) who is willing to prepare a short description of the Project Idea, the problem addressed and a proposed solution or investigation, can present that description to the HDP staff. If the idea fits within the HDP charter, and appears to have some interest among HDP membership, the staff will distribute the description to the membership and establish a conference call to discuss the project. At this point, the idea has entered the Project Definition stage. During this stage, all interested companies and organizations, regardless of their membership status may participate, at the discretion of the team Champion. The Project Definition Team will discuss the problem and possible approaches, and prepare a Project Proposal for submission to the HDP BOD. The proposal will generally follow the HDP Project Proposal Template and contain sufficient information for the BOD to determine if the proposed project fits the HDP charter, has sufficient support (at least 4 participating companies), has a team leader, and a defined timeline and outcome.
- 3) **Project Implementation.** Once approved by the BOD, the project moves into the implementation stage. At this point, only HDP Members and certain non-members who have signed a Research and Development (R&D) agreement describing their rights and responsibilities will be permitted to participate. The team will hold regularly scheduled teleconferences and conduct other activities to perform the tasks identified in the Project Proposal according to the Proposal timeline. The Team Leader or his designate will present a status update at all HDP Member Meetings.

(C) **Research and Development Agreements.** Each Technology Program shall be governed by the terms of a Research and Development Agreement entered into between HDP and those Members (or others) participating in that Technology Program. Such Research and Development Agreements shall define the scope and goals of that Technology Program, as well as the rights and obligations of HDP and the

participants or members thereof. Each Member (or others) participating in one or more Technology Programs shall by execution of a Research and Development Agreement evidence their intention to abide by the policies governing transfer and licensing of technology set forth in that agreement. A general agreement, executed by a member at the time of joining HDP will suffice for most projects.

- (D) **Participation in Technology Programs or Projects.** The rights of Members (or others) to participate in planned or existing Technology Programs or Projects are as follows:
- 1) **Project Definition Teams.** Participation on Project Definition Teams will be open to all interested companies and organizations, at the discretion of the Team Leader, regardless of their membership status.
 - 2) **Implementation Projects.** Any member, and only members in good standing, may become participants in Technology Programs or Projects that are moving into the implementation stage, unless the Board determines that the participation by such Member(s) threatens the continued viability or operations of HDP or the Technology Program or Project in question. Companies that are not otherwise eligible for membership may become participants of a Technology Project only upon unanimous approval of the existing project participants, and execution of the appropriate R&D agreement. The Project Leader may invite non-members to attend single team teleconferences and meetings for a specific contribution.
 - 3) **Existing Technology Programs.** Any Member may participate in a Technology Program or Project in which such Member was not previously a participant or member provided that (i) the Board determines that participation by such Member does not threaten the continued viability or operations of HDP or the Technology Program or Project involved, and (ii) except where a specific Research and Development Agreement provides otherwise, such Member agrees to abide by conditions established by the existing project members, which reflect the efforts already expended within the Technology Program or Project, as well as the previous risks borne by the then current participants or members.
- (E) **Control of Resources.** All resources contributed to a project shall be used in that Technology Program or Project for the benefit of the then current participants in a manner as a majority of those participants elect.
- (F) **Project Operating Principles.** Following are the principles that will guide the project activities:
- 1) To take any formal action, a quorum of at least three members must be present.
 - 2) The Project shall operate on a basis of consensus of all members present if at all possible. If a minority of members are in disagreement, the Project may vote on an item, with two-thirds (2/3) of the members present required to approve the item.
 - 3) The responsible person from each company shall attend all meetings if possible to maintain consistency in the work of the Project. If not able to attend, the responsible person shall designate a suitable, knowledgeable person in their absence to speak and vote for the company. This person shall inform the responsible member of the discussions of the Project and the actions taken.
- (G) **Termination of Technology Programs or Projects.** A request to terminate a Technology Program or Project may be made at any time by (a) participant (b) the ED; or(c) the BOD. Such request, if approved by three-fourths of the Technology Program's or Project's participants shall result in termination. If terminated, the participants shall be liable for all costs of terminating the Technology Program or Project, including outstanding obligations to vendors, licensors, licensees, employees, and other third parties.

- (H) **Rights to Technology.** HDP and its members in good standing have rights to use the information and documents generated or acquired by the projects. Release of information to the public will be determined by the BOD, based on the recommendation of the Project Team, at the time the project ends. Any preliminary release of information outside of the HDP membership must be approved by the BOD.

Section III

SERVICES AVAILABLE TO MEMBERS

- (A) **Facilitating Work.** HDP Staff will provide all reasonable and timely support to the members and projects.
- (B) **Administration.** The HDP User Group shall provide a neutral chairman for the Project meetings to help conduct the meetings if needed. The Project leader and the HDP User Group representative will decide on the responsibilities during the meetings.
- (C) **Running of Projects.** The HDP User Group Staff shall support the Projects in their work by arranging meeting locations, conference calls, or electronic forums for Project meetings.
- (D) **Communications.** The HDP User Group Staff shall assist the Projects in distributing meeting notices, minutes and status reports, deliverable documents, and by maintaining a members only web page for each active project.