



**ARTICLE I  
NAME**

The name of this Association shall be NORTH AMERICAN WHOLESALE LUMBER ASSOCIATION, INC.

**ARTICLE II  
OBJECT**

The charter of incorporation of the Association states:

“The objects for which it is formed are to protect the members against un-businesslike methods in the lumber trade; to foster such trade and commerce; to reform abuses in such trade or business; to secure freedom from unjust or unlawful exactions; to diffuse accurate information among its members as to the standing of merchants and others by and with whom said trade or business is conducted and as to other matters to produce uniformity and certainty in the customs and usages of said trade, and of those engaged therein; to settle differences between its members and to promote a more enlarged and friendly intercourse between them;” and to promote businesslike methods in the forest products industry.

To accomplish these objects it is the purpose of the Association -

- (a) To enhance the standing and reputation of the wholesale branch of the forest products industry;
- (b) To afford an agency for the protection and maintenance of the wholesaler as an essential factor in the forest products industry;
- (c) To coordinate the efforts of other wholesale organizations in such a manner as will best serve the needs of the industry and protect the interests of the public;
- (d) To aid in the more efficient distribution of lumber and forest products through the standardization of grades and sizes, through the elimination of unfair practices and trade abuses in cooperation with the proper government and industry officials; through interchange of information as to improved methods of handling, distribution and marketing, and by any other means, and
- (e) To cooperate with all branches of the lumber industry in all constructive programs for the advancement of the industry and in the collection and dissemination of information as to the value and uses of lumber and forest products in order that the efficient and economical use of these products may be maintained.

## *ARTICLE III*

### **MEMBERSHIP**

**Section 1. Classes of Membership.** The membership of this association shall be divided into three classes: (1) Wholesalers; (2) Manufacturers; (3) Service Affiliates. Eligibility for membership in the association is without regard to the applicant's country of domicile.

**Section 2. Wholesalers.** To be eligible for membership in the association as a Wholesaler (including Wholesaler-Processors), an applicant shall be any person, firm or corporation deriving the majority of its gross profit from and regularly engaged in wholesaling and/or offshore trading of forest products and related building materials who demonstrates a commonality of interest with the membership and:

- a. Maintains a sales organization for wholesale purposes  
and
- b. Assumes credit risks due to the purchase and resale of forest products and related building materials  
and
- c. Performs such other functions that are incident to the processing and distribution of said products  
and
- d. The majority of gross profits of such applicant shall be from reselling said products to wholesale trade other than to applicant's owners, stockholders, partners, affiliated firms, subsidiaries or to other entities with whom the applicant has a direct or indirect financial interest.
- e. The majority of sales of the organization involves manufacturers with which there is no exclusive sales agreement.

Wholesale Trade is defined as sales to Retail Building Material Dealers; Retail Building Material Cooperatives; Industrial Accounts; Vertically Integrated Manufacturers; Mass Merchandisers; Millwork & Furniture Manufacturers; Local, State and Federal Government; Offshore Export; and other Wholesale companies. Wholesale Trade requires a distribution step between a wholesale sale and site application.

**Section 3. Manufacturers.** To be eligible for membership in the association as a Manufacturer, an applicant shall be any person, firm or corporation that does not meet the criteria of Section 2 as a wholesaler but sells a significant portion of its products through wholesalers and can meet one or more of the following criteria in the majority of its gross profits:

- a) A manufacturer (from the log) of lumber and/or other forest products.
- b) A manufacturer of forest products and/or related building materials.

Manufacturers do not have the right to vote or hold office.

**Section 4. Service Affiliates.** To be eligible for membership in the association as a Service Affiliate member, an applicant shall be any person, firm or corporation regularly engaged in the business of providing goods and/or services, (other than traditional wood products, engineered wood products and/or wood substitutes) to the members of the association. This definition includes the processing of lumber and/or wood products owned by someone other than the applicant on the basis that processing is a service. The membership classification of a person, firm or corporation that provides both product processing services to others as well as processing its own products for resale shall be determined according to the majority of gross profits. Service Affiliates do not have the right to vote or hold office.

**Section 4A. Import/Export Agent.** An individual or firm who does not meet the criteria of Section 2 and whose principle business function is to bring buyers and sellers together to consummate offshore orders. Import/Export Agents shall be eligible for membership in the Association as Service Affiliate members.

**Section 4B. Manufacturers Representative.** Any individual or firm who does not meet the criteria of Section 2 or 3 and whose principle business function is to facilitate orders between Manufacturers and Wholesalers, does not take title to the product and who receives compensation for their services directly from the Manufacturer or OEM, shall be eligible for membership in the Association as Service Affiliate members.

**Section 5. Divisions.** Any subsidiary or division of an existing Wholesaler member, Manufacturer member or Service Affiliate member of this Association operating under a different name from the parent member firm may be eligible for divisional membership in this Association in the same membership category as the parent member firm. To be eligible for such divisional membership, an applicant shall be any person, firm or corporation, operating as a subsidiary or division of a Wholesaler member, Manufacturer member, or Service Affiliate member under a different name and separated from the operations of said Wholesaler, Manufacturer or Service Affiliate member. Over sixty percent (60%) of the gross profits of said applicant's business shall be derived from sales to firms or wholesale trade not owned or controlled by the Wholesaler, Manufacturer or Service Affiliate member or by the applicant. The applicant shall be regularly engaged in the same business as the Wholesaler, Manufacturer, or Service Affiliate member from whom such divisional membership is derived and both the member and the applicant shall be classified as either Wholesaler, Manufacturer or Service Affiliate members, as the case may be. Divisional members who derive membership from a Wholesaler member shall be accorded all membership services including the right to vote and hold office. Divisional members who derive membership from a Manufacturer and Service Affiliate members shall be accorded all membership services appropriate to their class of membership; however, they do not have the right to vote or hold office. Dues of such divisional memberships shall be one-half the rate of dues of the Wholesaler, Manufacturer or Service Affiliate member, as the case may be.

**Section 6. Branches.** Any branch of an existing Wholesaler, Manufacturer or Service Affiliate member firm operating under the same name as the parent firm may be eligible

for Branch membership in the Association in the same membership category as their parent member firm. Dues for Branch members will be at a level established by the Board of Directors.

**Section 7. Action On Membership Applications.** An applicant who meets the qualifications stated herein and who is favorably passed upon by the Executive Committee or by the Board of Directors, shall become a member of this Association by subscribing to these Bylaws.

**Section 8. Applications for Membership.** Applications for membership shall be filed with the Secretary on a regular blank provided for that purpose in which the applicant agrees to abide by the provisions of these Bylaws and any amendments thereto, and must be accompanied by the written endorsement of company principals from two members in good standing. When such application has been favorably passed upon by the Executive Committee or by the Board of Directors, the applicant shall become a member upon the payment of the annual dues. The Executive Committee or the Board of Directors may use reasonable discretion in regard to such applicants and their qualifications.

Former members of the Association who resigned in good standing may renew their membership in the Association, within five years of their resignation, without endorsement or other approval, other than administrative review by the Association's President, contingent upon there being no substantial change in the nature of the reinstatement applicant's business.

**Section 9. Members in Good Standing.** Any member who defaults in payment of any dues or assessments levied in the manner prescribed by these Bylaws, or defaults in any other obligations to the Association lawfully imposed, after due notice thereof shall have been given to such member, shall not be considered in good standing so long as any such default exists and he shall not be entitled to vote or to receive the special services of the Association during the period of such default.

**Section 10. Resignation.** Any member of the Association in good standing may tender his resignation and such resignation shall be accepted provided said member is not subject to expulsion under the conditions set forth in Section 12 of this article; such member shall nevertheless be liable for dues to the end of his current membership year.

**Section 11. Revocation.** The Board of Directors or the Executive Committee shall have power to revoke the membership of any person, firm or corporation of the Association:

- a. making a general assignment for the benefit of creditors or trust deed, or other general transfer or conveyance of assets for the benefit of creditors;
- b. filing a voluntary or involuntary petition in bankruptcy;
- c. obtaining or suffering the appointment of a receiver on the ground of insolvency.

- d. failing to meet its financial obligation to the Association for goods and services other than those covered by dues.

**Section 12. Expulsion.** Any member of the Association may be expelled for any violation of the Bylaws or Code of Ethics, or for any reason deemed sufficient by the Board of Directors or by the Executive Committee, by a two-thirds affirmative vote of the members of the Board or Committee, as the case may be, present at the meeting. No vote on expulsion may be taken unless a notice is sent to the said member not less than 15 days prior to the meeting, stating the reason for the proposed expulsion, and the time and place where the said meeting is to be held. It shall be the privilege of the said member to appear in person or by counsel at the said meeting and to be heard before final vote is taken on the question of expulsion.

**Section 13. Continuation of Membership.** All members in good standing as of the date of the adoption of any amendments to these Bylaws are automatically continued in membership hereunder in accordance with the classification as to membership as shown on the roster of the Association on said date.

**Section 14. Honorary Members.** Any person who has rendered service to NAWLA or who has added to the general advancement of the interest of the lumber industry may be elected as an Honorary Member of this Association. Honorary Members shall not pay dues. Such memberships voted by the Directors of the Association shall be for a period of time between regularly scheduled NAWLA Annual Meetings.

#### ***ARTICLE IV***

##### **DUES**

**Section 1.** Each member shall pay for current expenses of the Association a sum to be set annually by the Board of Directors. In case the dues are not sufficient to pay the annual expenses of the Association, an assessment may be made upon the members not to exceed 50% of the amount of dues for that member.

**Section 2.** If any member neglects or refuses to pay any dues or assessments within thirty days after due notice by the President, the President may give final notice that unless payment be made within thirty days from said notice such member shall stand suspended and be excluded from all privileges of membership. And unless within thirty days after the said suspension satisfactory explanation of default shall be made and arrears paid, such member shall be expelled. In the event of satisfactory explanation and payment of arrears within said thirty days the member shall be reinstated.

**Section 3.** All dues and assessments are payable at the headquarters of the Association.

**ARTICLE V**  
**DIRECTORS**

**Section 1. Nomination and Election of Directors.** The election of directors of the Association for the terms specified in these bylaws may be held at the annual meeting of the Association or via mail or electronic ballot pursuant to resolution of the Board of Directors.

At least 150 days prior to the annual meeting of the Association, the Chairman shall appoint a nominating committee consisting of five members which shall include the most immediate past Chairman and four voting members of the Association.

The members of the nominating committee may meet either in person or via teleconference to nominate candidates for election of directors to replace those whose terms are expiring in that year. For the purpose of committee action three members will constitute a quorum of the nominating committee.

The immediate Past Chairman shall preside over the nominating committee as its Chairman. The Nominating Committee shall, for the purposes of making nominations of directors and officers:

(a) Assure that the Board of Directors is fairly representative of the eligible membership.

(b) Assure the Board is fairly representative geographically of the members of the Association.

The aforesaid nominations shall be announced to the voting members at least ninety (90) days prior to the opening day of the annual meeting of the Association or such other meeting as may be designated by the Board of Directors. Individual nominations to any of these positions must be made in writing by the official representative of a voting member in good standing and shall be accompanied by signed nominating petitions from no less than five percent (5%) of the voting membership in good standing as of the date of their signing. Such petitions must be received within forty-five (45) days after the announcement of the nominating committee report. Ballots shall be prepared showing the nominees selected by the nominating committee and the alternate nominee(s), if any. Ballots may be mailed or transmitted electronically to all voting members within ten (10) days after the expiration of the time allotted for the submission of the alternative nominations and the balloting shall be closed within fourteen (14) days following the mailing date or transmission date of the ballots. A plurality of the votes shall be necessary to prevail in an election. For the purpose of this section those voting shall constitute a quorum. The results of election by mail or

electronic ballot may be announced prior to or at the Annual Meeting or any other meeting as determined by the Board of Directors.

No person shall be eligible for election to an office or directorship unless that person has been nominated pursuant to this Article. Each director then elected shall assume office at the close of the designated meeting and shall hold office for the term to which that person has been elected and until that person's successor has been duly elected or appointed and qualified.

**Section 2. Eligibility and Compensation.** Any Wholesaler member of the Association shall be eligible to election as Director and all Directors shall serve without compensation. They shall, however, be entitled to be reimbursed for any necessary and proper expenses incurred by them in the performance of their duties as Directors, except for attending meetings called at the time of any regular or special meeting of the members.

**Section 3. Vacancy.** Any vacancy in the Board of Directors may be filled by majority vote of the Directors to serve until the next Annual Meeting at which meeting a successor shall be chosen for the unexpired term; provided, however, that any vacancy in the Board of Directors resulting from an increase in the number of Directors of any class shall be filled by vote of the members by ballot at the first Annual Meeting at which the increase becomes effective.

**Section 4. Meetings.** The Board of Directors shall meet at least once annually. The time and place of all regular meetings of the Board shall be determined by resolution of the Board, or, in the absence of any such resolution, by the Chairman of the Association. Special meetings of the Board may be called by or at the written request of the Chairman or one third of the Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place as the place for holding any special meeting of the board called by them.

Notice of any meeting of the Board of Directors shall be given at least ten days previously thereto by written notice delivered personally or sent by mail, facsimile or e-mail to each Director at his or her address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by facsimile or email, such notice shall be deemed to be delivered when the facsimile or e-mail is transmitted. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. In the case of every meeting of the Board of Directors, other than its regular meetings, the purpose for which the meeting is called shall be stated in the notice or waiver of notice.

**Section 5. Meetings by Telephone or Teleconference.** Members of the Board of Directors or any committee may participate in a meeting of the Board or committee by

means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Participation shall constitute presence in person at the meeting.

**Section 6. Manner of Action.** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board except where otherwise provided by law or by these bylaws. Directors present but not voting with respect to any matter shall be counted for purposes of determining whether a quorum is present, but such abstaining Director shall not be counted for purposes of determining a majority vote hereunder. At any meeting at which the minimum number of Directors is present to establish a quorum, then any action shall require an affirmative vote by five members of the Board of Directors.

**Section 7. Action Without a Meeting.** Any action which lawfully may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by two-thirds of the Directors entitled to vote in respect to the subject matter thereof.

**Section 8. No Proxies Permitted.** No Director may vote by proxy or be counted by proxy in determining a quorum.

**Section 9. Honorary Directors.** Each Chairman of the Association whose term of office as such has expired, and who has not been re-elected, shall automatically become an Honorary Member of the Board of Directors without the right to vote-upon termination of any term as a Director to which he has been elected.

## ***ARTICLE VI***

### **OFFICERS**

The Directors shall, at their annual organization meeting, elect by ballot from their number a Chairman, two Vice Chairmen, a Secretary/Treasurer and shall also appoint and employ a President. The Officers shall each hold office for the term of one year or until their successors are elected. Said Officers shall receive no salary except the President, whose salary shall be fixed by a Compensation Committee which exists for this sole purpose and comprised of the Immediate Past Chairman, current Chairman and First Vice Chairman. The President shall make his office at the headquarters of the Association.

## ***ARTICLE VII***

### **DUTIES OF OFFICERS**

**Section 1. Chairman.** The Chairman shall preside at all meetings of the Association, of the Board of Directors and of the Executive Committee. He shall be a member ex-officio of all regular and special committees and shall have general charge and oversight of the

affairs of the Association subject to the Board of Directors and Executive Committee and shall perform all other duties as usually appertain to his office.

**Section 2. First and Second Vice Chairmen.** In the event of temporary disability or absence of the Chairman, the First Vice Chairman shall act during such absence or disability, and in the event of the disability or absence of the First Vice Chairman, the Second Vice Chairman shall so act and said Officers shall perform such other duties as shall from time to time be prescribed by the Board of Directors.

**Section 3. Secretary/Treasurer.** The Secretary/Treasurer shall be responsible for the following duties: receive all monies payable to the Association; carefully account for all transactions of his office and make a full report of the same at meetings of the Board of Directors, at the Annual Meetings of the members, and/or at any time upon demand of the Chairman or the Executive Committee; have possession of the records and archives of the Association; attend to the proper publication of all reports under the supervision of the Chairman; attend to such correspondence as may be assigned by the Chairman; and, exercise such other powers and perform such other duties as shall from time to time be prescribed by the Board of Directors.

The Secretary/Treasurer shall be the Secretary/Treasurer of the Board of Directors and of the Executive Committee. The Secretary/Treasurer shall cause an audit by public accountants to be made of the Association at least once a year.

**Section 4. President.** The President shall be the chief executive officer of the Association. He shall be a member ex-officio without the right to vote of all regular and special committees, the Executive Committee and the Board of Directors. It shall be his duty, under direction of the Chairman, Board of Directors or Executive Committee, to devote his time and efforts to promoting the objects of the Association and extending its membership and influence. He shall direct the management of the Association and its policies, subject to the approval of the Chairman, Board of Directors or Executive Committee and have general supervision of the main and branch offices of the Association, assistants and department managers and office force, and perform such other duties as are usually pertinent to his office or as may be required of him by the Chairman, the Board of Directors or Executive Committee and may delegate to assistants any portion of the duties herein assigned to him.

**Section 5. Vacancies.** In the event of the death, resignation or permanent disability of any Officer, the vacancy thereby caused shall be filled by the Board of Directors.

**Section 6. Bonds.** All Officers or employees handling money of the Association shall be bonded in such amount as shall be determined by the Board of Directors or Executive Committee. The expense of furnishing such bonds shall be paid by the Association.

**Section 7. Signatures on checks, notes, etc.** All checks and notes of the Association shall be signed and all checks, notes, drafts, bills of exchange and orders for the payment

of money shall be endorsed for collection or deposit in the name of the Association by such Officer or Officers as the Board of Directors of the Association may from time to time designate by resolutions.

**Section 8. Signatures on contracts.** All contracts shall be executed on behalf of the Association by the Chairman, President, or such other Officer or Officers as the Board of Directors may from time to time designate. The Secretary/Treasurer shall attest to the signature of such officer and affix the seal of the Association as may be required.

## **ARTICLE VIII**

### **EXECUTIVE COMMITTEE**

**Section 1. Appointment.** There shall be an Executive Committee composed of the Chairman, the First and Second Vice Chairmen, Secretary/Treasurer, Immediate Past Chairman and the President, who shall not have a vote.

**Section 2. Meetings.** Meetings of the Executive Committee shall be held from time to time upon notice, given by the Secretary/Treasurer if requested by the Chairman, President or by two or more members of the Committee.

**Section 3. Powers.** The Executive Committee shall have all the powers of the Board of Directors when the Board is not in session, provided, however, any action by the Executive Committee which is contrary to any resolution of the Board adopted during the current fiscal year must be approved by a majority of the Board of Directors, which approval may be given by the members of the Board in writing without a meeting.

## **ARTICLE IX**

### **Indemnification**

Except to the extent expressly prohibited by the New York Not-For-Profit Corporation Law, the Corporation shall indemnify any person, made or threatened to be made a party to or called as a witness in or asked to provide information in connection with any pending or threatened action, proceeding, hearing or investigation, or any appeal therein (other than an action or proceeding by or in the right of the Corporation to procure a judgment in its favor), whether civil or criminal, including an action by or in the right of any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any director or officer of the Corporation served in any capacity at the request of the Corporation, by reason of the fact that he or she is or was, or he or she is the executor, administrator, heir or successor of a person who is or was, a director or officer of the Corporation, or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, if such director or officer, acted in good faith, for a purpose which he or she reasonably believed to be in, or, in the case of service for

any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the Corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that his or her conduct was unlawful.

Except to the extent expressly prohibited by the New York Not-For-Profit Corporation Law, the Corporation shall indemnify any person made, or threatened to be made, a party to an action by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was, or he or she is the executor, administrator, heir or successor of a person who is or was, a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of any corporation of any type or kind, domestic or foreign, of any partnership, joint venture, trust, employee benefit plan or other enterprise, against amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred by him or her in connection with the defense or settlement of such action, or in connection with an appeal therein, if such director or officer acted, in good faith, for a purpose which he or she reasonably believed to be in , or, in the case of service for any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the Corporation, except that no indemnification under this paragraph shall be made in respect to (1) a threatened action, or a pending action which is settled or otherwise disposed of, or (2) any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation, unless and only to the extent that the court in which the action was brought, or, if no action was brought, any court of competent jurisdiction, determines upon application that, in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such portion of the settlement amount and expenses as the court deems proper.

The termination of any civil or criminal action or proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such director or officer did not act, in good faith, for a purpose which he or she reasonably believed to be in, or in the case of service for any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the Corporation or that he or she had reasonable cause to believe that his or her conduct was unlawful.

No indemnification shall be made under this bylaw if a judgment or other final adjudication adverse to such person establishes that his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled, and provided further that no such indemnification shall be required with respect to any settlement or other non-adjudicated disposition of any threatened or pending action or proceeding unless the Corporation has given its consent to such settlement or other disposition.

The Corporation shall advance or promptly reimburse, upon request of any person entitled to indemnification hereunder, all expenses, including attorneys' fees reasonably incurred in defending any action or proceeding in advance of the final disposition thereof,

upon receipt of a written undertaking by or on behalf of such person to repay such amount if such person is ultimately found not to be entitled to indemnification or, where indemnification is granted, to the extent the expenses so advanced or reimbursed exceed the amount to which such person is entitled.

Nothing in this bylaw shall limit or affect any other right of any person to indemnification or expenses, including attorneys' fees, under any statute, rule, regulation, certificate of incorporation, bylaw, insurance policy, contract or otherwise.

No elimination of this bylaw, and no amendment of this bylaw adversely affecting the right of any person to indemnification or advancement of expenses hereunder shall be effective until the sixtieth day following notice to such person of such action, and no elimination of or amendment to this bylaw shall deprive any person of his rights hereunder arising out of alleged or actual occurrences, acts or failures to act prior to such sixtieth day. The provisions of this paragraph shall supersede anything to the contrary in these bylaws.

The Corporation shall not, except by elimination or amendment of this bylaw in a manner consistent with the preceding paragraph, take any corporate action or enter into any agreement which prohibits, or otherwise limits the rights of any person to, indemnification in accordance with the provision of this bylaw. The indemnification of any person provided by this bylaw shall continue after such person has ceased to be a director or officer of the Corporation and shall inure to the benefit of such person's heirs, executors, administrators and legal representatives.

The Corporation is authorized to enter into agreements with any of its directors, officers or employees extending rights to indemnification and advancement of expenses to such person to the fullest extent permitted by applicable law, or to provide such indemnification and advancement of expenses pursuant to a resolution of members or a resolution of directors, but the failure to enter into any such agreement or to adopt any such resolution shall not affect or limit the rights of such person pursuant to this bylaw. It is hereby expressly recognized that all directors and officers of the Corporation, by serving as such after the adoption hereof, are acting in reliance on this bylaw and that the Corporation is estopped to contend otherwise. Additionally, it is hereby expressly recognized that all persons who are directors or officers of the Corporation and also serve as directors, officers or employees of corporations which are subsidiaries or affiliates of the Corporation (or other entities controlled by the Corporation) are conclusively presumed to serve or to have served as such at the request of the Corporation and, unless prohibited by law, are entitled to indemnification under this bylaw.

For purposes of this bylaw, the Corporation shall be deemed to have requested a director or officer of the Corporation to serve an employee benefit plan where the performance by such person of his or her duties to the Corporation also imposes duties on, or otherwise involves services by, such person to the plan or participants or beneficiaries of the plan, and excise taxes assessed on a person with respect to an employee benefit plan pursuant to applicable law shall be considered indemnifiable expenses.

A person who has been successful, on the merits or otherwise, in the defense of a civil or

criminal action or proceeding shall be entitled to indemnification as authorized in the first and second paragraphs of this bylaw. Except as provided in the preceding sentence and unless ordered by a court, any indemnification under this bylaw, under any contract or otherwise, shall be made by the Corporation if, and only if, authorized in the specific case:

- (1) By the Board of Directors acting by a quorum consisting of directors who are not parties to such action or proceeding upon a finding that the director or officer has met the standard of conduct set forth in the first or second paragraph of this bylaw, as applicable;
- (2) If such a quorum is not obtainable or, even if obtainable, a quorum of disinterested directors so directs:
  - a. By the Board of Directors upon the opinion in writing of independent legal counsel that indemnification is proper in the circumstances because the standard of conduct set forth in the first or second paragraph of this bylaw, as applicable, has been met by such director or officer; or
  - b. By the members upon a finding that the director or officer has met the applicable standard of conduct set forth in such paragraph.

If any expenses or other amounts are paid by way of indemnification, otherwise than by court order or action by the members, the Corporation shall, not later than the next annual meeting of members, unless such meeting is held within three months from the date of such payment and, in any event, within fifteen months from the date of such payment, mail to its members of record at the time entitled to vote for the election of directors a statement specifying the action taken, or if the Corporation has no members, such statement shall be included in the records of the Corporation open to public inspection.

For purpose of this bylaw, the term “Corporation” shall include any legal successor to the Corporation, including any corporation or other entity which acquires all or substantially all of the assets of the Corporation in one or more transactions.

In case any provision in this bylaw shall be determined at any time to be unenforceable in any respect, the other provisions shall not in any way be affected or impaired thereby, and the affected provision shall be given the fullest possible enforcement in the circumstances, it being the intention of the Corporation to afford indemnification and advancement of expenses to its directors and officers, acting in such capacities or in the other capacities specified in this bylaw, to the fullest extent permitted by law.

## ***ARTICLE X***

### **MEETINGS**

**Section 1. Annual Meetings.** The Annual Meetings of the Association shall be held at such time and place as the Board of Directors or Executive Committee shall direct. At

this meeting the Directors shall be elected as herein provided for and such other business as may properly come before the meeting shall be transacted.

**Section 2. Special Meetings.** Special meetings may be called by the Secretary/Treasurer at the direction of the Chairman, President or Board of Directors, or upon demand in writing stating the object of the proposed meeting and signed by one-fourth of the members of the Association.

**Section 3. Voting Power of Members.** Each Wholesaler member of the Association, whether an individual, firm or corporation shall be entitled to but one vote, to be cast in person or by proxy.

**Section 4. Proxies.** At all meetings of the Association each Wholesaler member shall be entitled to cast by or through a duly accredited Officer or by proxy the vote or votes to which he or it is entitled upon establishing to the satisfaction of the Credentials Committee, appointed by the meeting, his or its non-delinquency to the Association.

## ***ARTICLE XI***

### **NOTICES**

Notices of the time and place of each special meeting of the Board of Directors shall be sent by the Secretary/Treasurer to each member of the Board at least ten days before such meeting. Notice of the time and place of each regular and special meeting of the Executive Committee shall be given by the Secretary/Treasurer to each member of the committee at least five days before such meeting. The notice of all special meetings of members shall state the object of the proposed meeting.

Where provision is made for the sending of notices as hereinbefore stated, the Secretary/Treasurer shall send such notice by mail, facsimile or email addressed to the person to whom the notice shall be sent at that person's last address as it appears on the books of the Association, and where these Bylaws provide for the giving of a notice within a specified time, the transmission of such notice by the Secretary/Treasurer within such time shall be deemed a proper compliance with said provision.

## ***ARTICLE XII***

### **QUORUM**

Seven voting members shall constitute a quorum at all meetings of the Board of Directors, three voting members shall constitute a quorum of the Executive Committee and 20% of the entire Wholesaler membership shall constitute a quorum at annual and special meetings of the Association, provided that one of them in each case is either the Chairman, First Vice Chairman or Second Vice Chairman.

***ARTICLE XIII***

**ASSOCIATION OFFICES**

The headquarters of the Association shall be established in a location determined by the Board of Directors. The Board of Directors is empowered to establish such branch offices which in their judgment shall be required to conduct the work of the organization.

***ARTICLE XIV***

**COMMITTEES**

The Chairman, in consultation with the Directors and/or the Executive Committee, shall appoint certain committees. These committees shall reflect upon the current activities of the Association. The Chairman shall each year determine the number of members of each committee and clearly establish the terms of reference within which each committee shall function.

***ARTICLE XV***

**ARBITRATION**

**Section 1.** In case of a dispute involving a member of this Association arising out of any normal business transaction except the questions of grade and tally, or disputes which have previously been arbitrated, and both parties to said dispute signify their willingness to submit said dispute to arbitration by signing an agreement provided by the Association, the Association shall undertake to arbitrate such dispute under the Association rules and procedure.

**Section 2.** The Arbitration Committee shall forthwith prepare a plan of arbitration procedure and a schedule of arbitration charges to be approved by the Executive Committee or Board of Directors.

***ARTICLE XVI***

**CODE OF ETHICS**

The following shall constitute the basis for a Code of Ethics of this Association:

The members of the NORTH AMERICAN WHOLESALE LUMBER ASSOCIATION, INC. subscribe to the following general rules to be applied in the conduct of their business:

We stand for the maintenance by, and for, the wholesaler of a high standard of Commercial Ethics and Honor in the trade.

We believe in the principle of Arbitration.

We desire to promote the lumber business for the general good of the entire industry and the welfare of our country.

We believe in publicity, the education of all branches of the industry to the highest standards and in the dissemination of the proper knowledge of the economic uses of each wood.

We believe in fair dealing, and the proper fulfillment of all obligations and contracts.

#### ***ARTICLE XVII***

#### **INFORMATION FOR THE PRESS**

All information intended for the press, except by special arrangement of the Board of Directors or Executive Committee, shall be furnished by the President who shall furnish duplicate copies of any information to all papers requesting the same.

#### ***ARTICLE XVIII***

#### **CORPORATE SEAL**

The Association shall have a corporate seal bearing the words, "NORTH AMERICAN WHOLESALE LUMBER ASSOCIATION, INC., Corporate Seal."

#### ***ARTICLE XIX***

#### **EMBLEM**

The Association shall, upon application, and upon payment of necessary cost, furnish each member with an Association emblem, the form and wording of which shall be approved by the Board of Directors or Executive Committee.

#### ***ARTICLE XX***

#### **AMENDMENTS**

Amendments to these Bylaws may be made at any regular, annual or special meeting by the affirmative vote of at least two-thirds of the members present. Additionally, amendments to these Bylaws may be made by mail, facsimile or e-mail ballot to the Wholesaler membership of the association. Passage of amendments to these Bylaws by mail, facsimile or e-mail ballot must be by a majority affirmative vote of the Wholesaler membership of the Association.

