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## **BY-LAWS**

### **ARTICLE I NAME AND AUTHORITY**

**SECTION 1.** The organization governed by these By-Laws shall be known officially as the Softwood Lumber Board hereinafter referred to as the “Board.” The total program administered by the Board is the Softwood Lumber Research, Promotion, Consumer Education and Industry Information Order (Order), hereinafter referred to as the “Order” (7 CFR Part 1217). The Board and Order are authorized by the Commodity Promotion, Research, and Information Act of 1996 (the “Act”) [7 U.S.C. 7411-7425].

**SECTION 2.** The Board is an instrumentality of the U.S. Department of Agriculture (the “Department”) and makes recommendations to the Secretary of Agriculture regarding this program. All decisions, fiscal matters, rules and regulations, programs, plans, or other substantive actions of the Board shall be submitted to the Secretary of Agriculture for approval.

### **ARTICLE II PURPOSE**

**SECTION 1.** The purpose of the Board shall be to carry out an effective program of promotion, research, consumer education and industry information for softwood lumber and to establish a fair and orderly procedure whereby adequate funds can be assembled to fulfill the provisions of this program, under the Act, the Order, USDA policies, AMS Guidelines, and these By-Laws.

### **ARTICLE III PRINCIPAL PLACE OF BUSINESS**

**SECTION 1.** The Board’s principal place of business shall be Washington, DC.

**ARTICLE IV**  
**OFFICERS AND THEIR DUTIES**

**SECTION 1.** The Board's officers shall consist of a Chair, First Vice-Chair, Second Vice Chair, Secretary and Treasurer. The First and Second Vice Chair positions shall be filled by one domestic manufacturer and one importer. Board members shall be eligible to serve as Officers after one year of Board service in current or previous terms. Wherever possible, a Board member will serve as an officer on the Executive Committee before assuming the position of Chair.

In addition to the Officers of the Board described herein, there shall be advisory positions of the Softwood Lumber Board's Executive Committee and Board of Directors: Immediate Past Chair, and Chair Emeriti/ae. The year following service as Chair of the SLB, the person who has served as Chair, if still serving on the Board, shall become Immediate Past Chair. Any person who has served as Chair, whether or not serving on the Board, shall be appointed Chair Emeritus/a so that the talents, experience, knowledge and expertise of past Chairs can continue to inform Softwood Lumber Board policies and activities.

**SECTION 2.** The officers shall be elected by the Board for a term of one (1) year from among the qualified Board members. The election shall be held at the beginning of the fiscal year, provided that the Secretary has completed appointments for that year.

Officers are eligible to be elected for multiple terms. In the event of death, resignation, or disqualification of an officer or an Executive Committee member, a successor shall be elected by the Board members as soon as practical, with any such successor to serve out the remainder of the current term.

The Officers shall serve as the Chairs of the Committees of the Board.

**SECTION 3.** The Chair's duties shall be to: (a) preside at all Board meetings; (b) call special Board meetings when deemed necessary; (c) have general supervision of Board affairs, and perform all acts and duties usually incident to and required of an executive and presiding officer; (d) in consultation with the Executive Committee appoint the members of all sub-committees of the Board; and (e) be an ex-officio (non-voting and not counting towards a quorum) member of all committees.

**SECTION 4.** The First Vice-Chair's primary duty shall be to act in the place of the Chair in the Chair's absence, disqualification, or at the Chair's direction. The First Vice Chair shall be an ex-officio (non-voting/would not count towards quorum) member of all committees.

**SECTION 5.** The Second Vice Chair's primary duty shall be to serve as Chairman of the Programs Committee. The second Vice Chair shall act in place of the Chair and First Vice Chair if both are absent.

**SECTION 6.** The Secretary's duties shall be to: (a) keep a complete record of the proceedings at all Board and Executive Committee meetings; (b) attest to all papers, documents, and other instruments on behalf of the Board; and (c) serve as Chair of the Industry Relations & Governance Committee. The Secretary may delegate such duties to the Board's staff.

**SECTION 7.** The Treasurer's duties shall be to: (a) have custody of all funds and property belonging to or under control of the Board; (b) keep regular books of account under the direction of the Board; (c) deposit all funds of the Board, or under its control, in an approved bank or banks designated by the Board; (d) adhere to the Agricultural Marketing Service's policies on investment, security, and collateralization of public monies; (e) submit to the Board and the

Secretary each month a financial report that shall include: (1) a balance sheet, (2) an income statement, and (3) an expense budget showing expenditures during the time period covered by the report, year-to-date expenditures, and the unexpended budget; (f) act as purchasing agent for the Board; (g) serve as custodian of all insurance policies, and any fidelity bonds covering Board officers, employees and agents; and (h) serve as Chair of the Finance Committee. The Treasurer may delegate such duties to the Board's staff. All financial transactions shall be conducted in accordance with the Board's Cash Management and Investment Policies.

## **ARTICLE V EXECUTIVE COMMITTEE**

**SECTION 1.** The Executive Committee shall be elected by the Board. The voting members of the Executive Committee shall consist of the Chair, the First Vice Chair, the Second Vice Chair, Secretary, and Treasurer. The Immediate Past Chair and Chair Emeriti(ae) shall serve on the Executive committee in an advisory capacity, but shall be a non-voting members of the Executive Committee and will not count towards a quorum. In the event the immediate Past Chair is unavailable, the most recent available Past Chair may be designated. Board members shall be eligible to serve on the Executive Committee after one year of Board service in current or previous terms.

**SECTION 2.** The Executive Committee shall carry out the Board's responsibilities as follows: exercise supervisory oversight relating to all plans, operations and functions of the Board; establish policies and objectives in accordance with Board directives; maintain an inclusive and collaborative leadership culture through regular meetings and consultation on decisions and actions to be taken by the Board; and ensure that all Board activities comply with the Act, Order, AMS Guidelines, and these Bylaws.

**SECTION 3.** The term of office for Executive Committee members shall be one (1) year. There shall be no limit to the number of subsequent terms for any Board member on the Executive Committee except the limitation of Board membership.

**SECTION 4.** The Executive Committee shall meet upon the call of the Chair or by call of a majority of its members.

**SECTION 5.** All Executive Committee meetings shall be conducted in compliance with the provisions of Article VIII of these Bylaws and § 1217.46(d) of the Order. A majority of the Executive Committee's voting members shall constitute a quorum for any Executive Committee meeting. Executive Committee meetings shall be conducted within the guidelines, actual or implied, which have been established by the Board. The procedures applicable to the Board in Article VIII, Section 1 and 2 for voting by mail, telephone, electronic mail, facsimile, or any other means of communications shall also apply to voting by the Executive Committee. No proxy votes shall be permitted.

**SECTION 6.** After selection by the Board, the Executive Committee shall enter into a written employment contract with the Chief Executive Officer and shall review this contract annually. The Executive Committee shall evaluate the performance of the Chief Executive Officer on an annual basis with input from the Department and report the results to the Board.

## **ARTICLE VI EMPLOYEES AND THEIR DUTIES**

**SECTION 1.** The Board may hire a Chief Executive Officer, who shall also serve as the Administrative Secretary/Treasurer, and such other employees as the Board may designate.

**SECTION 2.** Subject to the general supervision and control of the Board, the Chief Executive Officer shall: (a) employ, supervise, and be responsible for the discharge of all Board employees, agencies, independent contractors, consultants, and other suppliers; (b) be responsible for all notices the Board is required to give; (c) assemble, compile, analyze, and provide all information necessary in connection with the performance of official Board duties; (d) prepare all resolutions setting forth Board actions; and (e) be responsible to the Board at all times for the proper administration of Board activities.

**SECTION 3.** The Chief Executive Officer shall ensure compliance with all provisions and requirements of the Act, Order, AMS Guidelines and these By-Laws.

**SECTION 4.** The Chief Executive Officer, serving as Administrative Secretary/Treasurer, under the general supervision of the Secretary and Treasurer, shall perform such duties as the Secretary and Treasurer may authorize and direct, including the: (a) preparation and maintenance of minutes of all meetings; (b) collection and deposit of all funds due to the Board; (c) keeping of books of account; and (d) signing of contracts and checks on the Board's behalf.

**SECTION 5.** The Chief Executive Officer shall ensure the performance of Board employees and independent contractors in relation to their duties and responsibilities, including knowledge of the Act, Order, rules and regulations, and USDA policy.

## **ARTICLE VII MEETINGS**

**SECTION 1.** The Board shall hold a meeting shortly after the beginning of each fiscal period, which begins on January 1 of each year.

**SECTION 2.** Other meetings of the Board may be held whenever called by the Chair, or by the First Vice-Chair acting in the Chair's stead, or by joint call of a majority of the Board members. Any and all business coming before the Board may be transacted at such meetings.

**SECTION 3.** At a properly convened meeting, a simple majority of Board members shall constitute a quorum as specified in the Order.

**SECTION 4.** Meetings may be held at locations for the convenience of the Board members or for enhancement of relations with the industry or program participants.

**SECTION 5.** Notice of all meetings, together with a written agenda, shall be mailed, e-mailed, or faxed to each member of the Board. Such notice will be made at least twenty (20) calendar days prior to the meeting date. In case of an emergency, all possible advance notice will be given by fastest practical means of delivery without regard to the twenty (20) day requirement. The Secretary of Agriculture shall be given the same notice as members.

**SECTION 6.** The regular order of Board business unless otherwise determined by the Chair, shall be as follows:

1. Roll Call
2. Antitrust reminder
3. Approval of previous meeting minutes
4. Additions to agenda items
5. Unfinished business and action on written agenda matters
6. New business

**SECTION 7.** All Board proposals, programs, plans, projects, or recommendations, including those to the Secretary of Agriculture, shall be in the form of resolutions. All resolutions, upon adoption, shall be recorded and shall become a part of the official minutes. All adopted resolutions, which constitute Board policy, shall remain as such until amended by Board action.

## **ARTICLE VIII VOTING PROCEDURES**

**SECTION 1.** At a properly convened meeting, members may participate in person or on the telephone, and all votes may be cast in person or electronically, and each member shall have one vote. No alternates or proxy voting are allowed.

**SECTION 2.** In lieu of voting at a properly convened meeting, and when in the opinion of the Chair such action is necessary, the Board may take action if supported by one vote more than 50 percent of the members (unless 2/3 vote is required under the Order) by mail, telephone, electronic mail, facsimile, or any other means of communication. In such event, all members and the Secretary of Agriculture must be notified, and all members shall be provided the opportunity to vote. Any action so taken shall have the force and effect as though such action had been taken at a properly convened meeting. All such votes shall be recorded in Board minutes. Votes taken by telephone shall be confirmed promptly in writing.

## **ARTICLE IX COMMITTEES**

**SECTION 1.** The Board shall establish three standing committees: the Programs Committee; the Finance Committee; and the Industry Relations & Governance Committee. These standing Committees shall be chaired by Officers of the Board as specified in Article IV. In addition the Board shall have the right to establish other ad hoc or working committees as required.

**SECTION 2.** In consultation with the Executive Committee, the Board Chair shall appoint the members of standing, ad hoc, or working committees. Committees may include persons other than Board members with the exception of the Executive Committee.

**SECTION 3.** In consultation with the Executive Committee, the Board Chair shall appoint Chairs of other ad hoc or working committees not otherwise specified in these bylaws.

**SECTION 4.** Each Board committee shall meet at the call of the committee Chair with the consent of the Board Chair. No committee, or any member thereof, shall have the authority to obligate the Board unless the Board has specifically delegated such authority and the delegation is recorded in Board minutes. In the absence of the Secretary or Administrative Secretary, the committee chair shall arrange for and authenticate the committee meeting minutes.

**SECTION 5.** The members of the Industry Relations & Governance Committee, plus the current Chair, First Vice Chair, Past Chair and Chair Emeriti of the Softwood Lumber Board, shall constitute the Softwood Lumber Board Nominating Committee. The Nominating Committee shall:

1. Nominate annually a slate of candidates for Officers and Executive Committee members for recommendation to the Board;
2. Develop a Board succession plan, identify and recruit annually appropriate individuals to fill seats scheduled to become vacant; and
3. Develop a succession plan for senior staff; identify and recruit senior staff as needed.

## **ARTICLE X INSURANCE**

**SECTION 1.** Board officers, employees, and agents who handle funds for the Board shall be placed under fidelity liability insurance issued by a reputable insurance company in an amount to be fixed by the Board. The Board shall also obtain insurance for employee misconduct (crime). The premiums for all such insurance shall be paid by the Board.

## **ARTICLE XI PERSONAL LIABILITY**

**SECTION 1.** No Board member, employee, or contracted staff shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any person for errors in judgment, mistakes, or other acts of either commission or omission of such member, employee, or contracted staff except for acts of dishonesty or willful misconduct.

## **ARTICLE XII PROCEDURE AND TRANSACTION OF BUSINESS**

**SECTION 1.** The Board shall be governed in its deliberations and in the transaction of business by these By-Laws and the provisions of the Order and the Act. Any matter of procedure not covered by these By-Laws shall be governed by Robert's Rules of Order.

**SECTION 2.** No person who is not a Board member or employee or representative of the Secretary of Agriculture shall be entitled to participate in the deliberations and proceedings or speak at official meetings of the Board, its Executive Committee, or its other committees, unless authorized by the Chair or the committee Chair.

**ARTICLE XIII  
POWERS OF THE BOARD**

**SECTION 1.** Any officer, agent, employee appointed, elected, or employed by the Board shall be subject to removal or suspension by the Board at any time. No Board officer, member, employee, or agent shall have the authority to obligate the Board unless such authority has been expressly delegated. All decisions, acts or performances of any such officer, member, employee or agent shall be subject to the continuing right of the Board to disapprove of the same, and upon disapproval by the Board, shall be deemed null and void to such extent as the Board may determine.

**ARTICLE XIV  
EXPENSES**

**SECTION 1.** Board members, committee members, or employees, when acting on authorized business, shall be reimbursed for necessary and reasonable expenses incurred by them in the performance of their duties as set forth in the Board’s Travel Expense Policy.

**SECTION 2.** The Treasurer shall approve all expense vouchers of the Chief Executive Officer. The Chief Executive Officer will approve all other member, committee member, and vendor expenses as well as those of Board employees or independent contractors under the supervision of the Chief Executive Officer.

**ARTICLE XV  
INDEMNIFICATION**

To the fullest extent permitted by law, the Board shall indemnify any employee, officer, contracted staff, Board member and committee member, and any former employee, contracted staff, officer, Board member and committee member (each, a “Potential Indemnitee”), against any and all liabilities (including without limitation judgments, fines, and penalties against such Potential Indemnitee) and reasonable expenses (including without limitation reasonable counsel fees and other reasonable related fees) actually and necessarily incurred by or imposed on him or her, in connection with such Potential Indemnitee’s defense against any claim, action, suit, or proceeding (whether actual or threatened, civil, criminal, administrative, or investigative, including appeals) to which he or she maybe or is made a party by reason of being or having been such a Potential Indemnitee.

**ARTICLE XVI  
AMENDMENTS**

**SECTION 1.** The Board may amend these By-Laws at any Board meeting by an affirmative vote of a majority of its members.

**SECTION 2.** All Board members and the Secretary of Agriculture shall be notified at least twenty (20) calendar days in advance that an amendment will be considered.

**ARTICLE XVII**  
**EFFECTIVE DATE**

**SECTION 1.** These By-Laws and any amendments thereto shall become effective immediately upon adoption by the Board with the approval of the Secretary of Agriculture.