

**BYLAWS  
OF  
SOFTWOOD EXPORT COUNCIL**  
an Oregon nonprofit corporation

**Article I: Name and Purpose**

1.1 Name. The name of this corporation shall be Softwood Export Council (the “Corporation”).

1.2 Purpose. The Corporation is organized as a mutual benefit corporation under the Oregon Nonprofit Corporation Act (the “Act”) and shall be operated as a nonprofit business league pursuant to Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the “Code”), or the corresponding provisions of any future federal income tax laws. In order to promote the common interest of its members and not to engage in a regular business of a kind ordinarily carried on for profit, the Corporation shall be operated exclusively to promote, administer and expend funds to promote and represent the common business interests of, and improve business conditions among, members of the U.S. softwood exporting industry and other interested parties. Without limiting the generality of the foregoing, the Corporation shall promote the expansion of export markets for primary and secondary softwood products manufactured in the United States by coordinating public and private funding efforts in support of export market research, development and promotion activities for U.S. softwood products and other related matters.

**Article II: Membership**

2.1 Members. Membership shall be open to all softwood grading agencies, products trade associations, state government agencies or other related associations with an interest in the export of U.S. softwood products and who agree, as a condition of membership, to abide by and comply with the Corporation’s Code of Ethics (as defined in Article VIII below). There shall be three classes of membership: (a) Association Members; (b) Affiliate Members; and (c) Supporting Members.

2.2 Association Members.

2.2.1 Association Membership shall be open to any grading agency or other association that meets the following three (3) criteria: (a) such entity or association generates all or part of its dues income from companies engaged in the manufacturing, production or distribution of U.S. softwood products; (b) such entity or association has an active export program or committee; and (c) such entity or association has an active full-time management staff.

2.2.2 Association members shall be entitled to vote for the election of Directors in accordance with these Bylaws, and for any other matter requiring a vote of the membership in the Articles of Incorporation (the “Articles”), these Bylaws, or the Act. Each Association

Member shall have a single vote on all matters requiring a vote of the membership, regardless of the number of individual representatives participating in the Corporation on its behalf.

### 2.3 Affiliate Members.

2.3.1 Affiliate Membership shall be open to any entity that does not meet the criteria for Association Membership but that meets the following two (2) criteria: (a) such entity is interested in the export of U.S. softwood products; and (b) such entity is actively engaged in the processing, manufacturing, distributing, transporting, promotion or sale of U.S. softwood products.

2.3.2 Affiliate Members shall be entitled to vote for the election of Directors in accordance with these Bylaws, and for any other matter requiring a vote of the membership in the Articles, these Bylaws, or the Act. Each Association Member shall have a single vote on all matters requiring a vote of the membership, regardless of the number of individual representatives participating in the Corporation on its behalf.

### 2.4 Supporting Members.

2.4.1 Supporting membership shall be open to all other companies, organizations or individuals not directly involved in softwood product, manufacturing or distribution, but that have an interest in the export of softwood products and make a significant financial contribution to the Corporation.

2.4.2 Supporting Members shall not be entitled to vote in any election of Directors or for any other matter requiring a vote of the membership in the Articles, these Bylaws or the Act, nor shall Supporting Members have any right to participate in the management of the Corporation.

2.5 Dues. The Board of Directors shall establish by resolution, and from time to time may modify, a dues schedule for the membership classes of the Corporation. The Board of Directors shall also determine by resolution all other fees and prices to be charged to members and non-members in connection with Corporation activities. Members may pay dues annually at the beginning of the calendar year or quarterly due on the first day of each quarter (January, April, July and October).

2.6 Qualification Decisions. Qualification decisions with respect to a person or person's class of membership shall be made by the Board of Directors in its sole unfettered discretion. Any decision made by the Board of Directors pursuant to this Section 2.6 shall be final and shall not be reviewable by any court.

2.7 Membership Applications. Each member shall execute a membership application and agreement in such form as shall be prescribed by the Board of Directors. The signature of the Corporation President on the membership agreement shall signify that all membership criteria have been met.

## 2.8 Withdrawal, Suspension and Termination.

2.8.1 Any member may withdraw from membership by providing a written resignation to the President of the Corporation; provided, however, that such resigning member's dues have been paid through the date of resignation.

2.8.2 A member who knowingly persists in business conduct at variance with the laws of the United States will be considered to be in violation of these Bylaws and shall be subject to immediate termination.

2.8.3 Members may have their membership privileges terminated or suspended by approval of the Board of Directors. A suspended or terminated member shall be notified within ten (10) business days of such action. The suspended or terminated member shall have the right to a hearing before the Board of Directors within sixty (60) days of receipt of the written request for such hearing delivered to the Corporation's office to appeal the Board's action or to present evidence of the member's intent to conform to the bylaws. The decision of the Board of Directors shall be final, and shall not be reviewable by any court, upon the later of: (a) written notification to the member of the Board's decision following any requested hearing; or (b) thirty (30) days after approval of the action if the member does not request a hearing.

2.8.4 Involuntary termination or suspension of membership shall not relieve any member of liability to the Corporation for payment of dues, fees, payments or other liabilities which remain accrued and unpaid at the effective date of termination or suspension.

2.9 Annual Meeting. The annual meeting of the members shall be held on a date selected by the Board of Directors.

2.10 Special Meetings. Special meetings of the members shall be held at the call of the Board of Directors, or by the call of the holders of at least twenty percent (20%) of the voting power of the Corporation by a demand signed, dated, and delivered to the Secretary of the Corporation. Such demand by the members shall describe the purpose of the meeting.

2.11 Notice of Meeting. Notice of all meetings of the members shall be given to each member at the most recent electronic mail or postal address of such member as set forth in the Corporation's records, by first class mail or facsimile at least thirty (30) days before the meeting. Such notice shall be deemed to be delivered when: (a) deposited in the United States mail so addressed, with first class postage paid, if sent by mail; or (b) received, if sent by facsimile. The notice shall include the date, time, place and purposes of the meeting.

2.12 Fixing of Record Date. For the purpose of determining members entitled to notice of any meeting of members or any adjournment thereof, or in order to make determination of members for any purpose, the Board may fix in advance a date as the record date for any such determination. Such record date shall be not more than seventy (70) days, and in case of a meeting of members, not less than ten (10) days, prior to the date on which that particular action requiring such determination is to be taken; provided, however, that all persons who qualify as either Association or Affiliate Members on a particular date on which a vote of the members is to

be held shall be entitled to vote. If no record date is fixed for the determination of members entitled to notice of or to vote at a meeting, the date on which the notice of meeting is mailed or sent shall be the record date for such determination. Such determination shall apply to any adjournment of the meeting, providing such adjournment is not set for a date more than one hundred twenty (120) days after the date fixed for the original meeting. The record date for the determination of members entitled to demand a special member meeting shall be the date the first member signs the demand.

### 2.13 Waiver of Notice.

2.13.1 Whenever any notice is required to be given to any member under the provisions of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, and delivered to the Corporation for inclusion in the minutes for filing with the corporate records, shall be deemed equivalent to the giving of such notice.

2.13.2 Any member that attends a meeting thereby waives any objection (a) to lack of (or defect in) notice of such meeting, or (b) to consideration of a particular matter at the meeting, unless the member, at the beginning of the meeting or prior to consideration of such matter, objects to holding the meeting, transacting business at the meeting, or considering the matter when presented at the meeting.

2.14 Quorum and Voting. Except as otherwise provided by the law, the Articles or these Bylaws, each voting member shall designate one (1) representative and one (1) alternate. Each voting member shall be entitled to one (1) vote, and its vote shall be cast by its representative or its alternate. A quorum for transaction of business at any meeting of the members shall consist of a majority of the voting members, present either in person or by proxy.

2.15 Proxy Voting. The voting Members may vote by proxy as provided in the Act.

2.16 Action by Written Ballot. Unless otherwise prohibited or limited by law, the Articles, or these Bylaws, any action which may be taken at any annual, regular or special meeting of members may be taken without a meeting if the Corporation delivers a written or electronic ballot to every member entitled to vote on the matter.

2.16.1 A written or electronic ballot shall (a) set forth the proposed action, and (b) provide an opportunity to vote for or against each proposed action.

2.16.2 Approval by written or electronic ballot pursuant to this Section 2.16 shall be valid only when the number of votes cast by ballot equals or exceeds any quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

2.16.3 All solicitations for votes by written or electronic ballot shall: (a) indicate the number of responses needed to meet the quorum requirements; (b) state the percentage of

approvals necessary to approve each matter; and (c) specify a reasonable time by which a ballot must be received by the Corporation in order to be counted.

2.16.4 Except as otherwise provided in the Articles or these Bylaws, a written ballot may not be revoked.

2.17 Action by Consent. Any action required by law to be taken at a meeting of the members, or any action which may be taken at a members' meeting, may be taken without a meeting if a consent in writing, setting forth the action to be taken or so taken, shall be signed by all the members.

### **Article III: Board of Directors**

3.1 General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors (each individually a "Director", and collectively the "Board"), who shall be its ultimate governing authority.

#### 3.2 Number, Tenure and Qualifications.

3.2.1 The Board of Directors shall be comprised of representatives from each Association Member and each Affiliate Member. Each Association Member and Each Affiliate Member shall elect one (1) representative and one (1) alternate to the Board of Directors.

3.2.2 Each representative shall serve for a term of two (2) years or until the member that elected the representative shall elect a successor; provided, however, that the Board shall make reasonable efforts to stagger the terms of Directors so that each year the terms of as close as possible to one-half of the Directors shall expire.

3.3 Removal. Any Director may be removed, with or without cause, at a meeting called for that purpose by a vote of a majority of the members entitled to vote at an election of Directors. Upon such removal, the member who elected the removed Director shall elect a successor.

#### 3.4 Regular Meetings.

3.4.1 Regular Meetings of the Board of Directors shall be held from time to time for the purpose of transacting such business as may come before the meeting. Failure to hold the regular meetings at a designated time shall not work a forfeiture or dissolution of the Corporation.

3.4.2 If a regular meeting is not held at the designated time, the Board may call the meeting at a time fixed by them within thirty (30) days after such designated time by giving proper notice of the meeting.

3.5 Special Meetings. Special meetings of the Board may be called by or at the request of the Chairperson or a majority of the Directors.

3.6 Place of Meeting. Meetings shall be held at a place selected by the Board and specified in the notice of meeting.

3.7 Notice of Meeting.

3.7.1 Notice of any meeting shall be given at least three (3) days prior to such meeting by mail, written notice delivered personally, or electronic mail to each Director at the Director's last known business or electronic mail address (as the case may be) set forth in the Corporation's records. Such notice shall be deemed to be delivered when so addressed and when: (a) deposited in the United States mail, with first class postage paid, if mailed; (b) delivered, if sent by messenger; or (c) if sent by electronic mail.

3.7.2 Any Director may waive notice of any meeting. The attendance of a Director at a 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 business because the meeting is not properly convened.

3.7.3 The business to be transacted at, or the purposes of, any meeting of the Board shall be specified in the notice of such meeting.

3.8 Quorum. A majority of the number of Directors fixed in accordance with Section 3.2 of these Bylaws, either in person or by proxy, shall constitute a quorum for the transaction of business at any meeting of the Board. If less than a majority is present at any meeting, any Director or Directors present may adjourn the meeting without further notice.

3.9 Presumption of Assent. A Director who is present at any meeting of the Board at which action on any the Corporation matter is taken shall be presumed to have assented to the action unless the Director's dissent shall be entered in the minutes of the meeting or unless the Director files a dissent to the action with the secretary of the meeting before its adjournment. Such right to dissent shall not apply to a Director who voted in favor of the action.

3.10 Action Without Meeting. Any action that may be taken at a meeting of the Board may be taken without a meeting if a consent in writing setting forth the actions so taken shall be signed by all Directors.

3.11 Meeting by Telecommunication. Any regular or special meeting of the Board may be held by telephone, telecommunication, or any other means of communication so long as all Directors may simultaneously hear each other during the meeting.

3.12 General Notice; Executive Session. All Board meetings shall be open to the membership and the Board shall advise the membership by electronic mail notice at least two (2) days prior to a Board meeting; provided, however, that at any time during the meeting the Board may go into executive session to discuss and vote upon any issue, in which case all members may be excluded from attended such executive session so long as the Board informs the members of any Board decision resulting from the executive session.

3.13 No Salary. Directors shall not receive salaries for services provided as Directors, but may be reimbursed by the Corporation for expenses incurred in connection with service on the board.

#### **Article IV: Officers**

4.1 Positions and Qualifications. The officers of the Corporation shall consist of a President, a Chairperson, Vice Chairperson, Secretary-Treasurer and Past Chairperson. No individual shall hold more than one office at any given time. Only Directors may serve as Chairperson, Vice Chairperson, Secretary-Treasurer and Past Chairperson.

4.2 Term of Office. Except for the office of President, each officer shall hold office for one year or until removed by the Board. The President shall be employed for such term as may be determined by the Board of Directors.

4.2.1 Subject to section 4.2.4, the Chairperson may be reelected for an additional term commencing at the annual membership meeting.

4.2.2 Subject to section 4.2.4, the Vice Chairperson, upon satisfactory performance, shall become Chairperson upon completion of the previous Chairperson's term of office.

4.2.3 Subject to section 4.2.4, the Secretary-Treasurer, upon satisfactory performance, shall become Vice Chairperson upon completion of the previous Vice Chairperson's term of office.

4.2.4 Notwithstanding anything in section 4.2.1 through 4.2.3 to the contrary, a nominating committee, as it may be constituted from time to time, may at its discretion nominate a full slate of officers to present to the members at annual meetings for approval by the full membership of the Corporation.

4.3 Removal. Any officer may be removed, with or without cause, by the vote of the Board. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. Appointment of an officer shall not of itself create contract rights.

4.4 Vacancies. A vacancy in any office as a result of death, resignation, removal, disqualification or otherwise may be filled by the Board for the unexpired portion of the term.

4.5 President. The President shall be the chief executive officer of the Corporation and, subject to the control of the Board, shall supervise and manage the day-to-day business and affairs of the Corporation. The President shall be the custodian of all Corporation funds, receive all dues and other moneys which may be owed the Corporation, pay all bills and other expenses of the Corporation and keep a true and accurate account according to the wishes of the Board of Directors and the Executive Committee. The President may sign, along with any other officer of the Corporation so authorized by the Board, certificates for membership in the Corporation,

contracts or other instruments which the Board has authorized to be executed, except in cases where the signing of such documents shall be expressly delegated by the Board or these Bylaws to some other officer or agent of the Corporation. The President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

4.6 Chairperson. The Chairperson shall preside at all meetings of the Corporation and the Executive Committee. The Chairperson is empowered to call a meeting of any committee, appoint special committees when necessary and fill vacancies on any committees.

4.7 Vice Chairperson. The Vice Chairperson shall function as the Chairperson if the Chairperson is unable to perform those duties. The Vice Chairperson shall perform such other duties as from time to time may be assigned by the President or the Board.

4.8 Secretary-Treasurer. The Secretary-Treasurer shall record or supervise recording of the minutes of meetings of the members, the Board of Directors, the Executive Committee and all standing committees. The Secretary-Treasurer shall report to the Board of Directors upon the financial condition of the Corporation and shall have such other powers and duties as may be prescribed by the Board of Directors.

4.9 Other Officers. The Board may elect or appoint such other officers, agents and employees as it shall deem necessary and desirable. Such other officers shall hold offices for such terms and have such authority and perform such duties as shall be determined by the Board.

4.10 Salaries. The President shall be an employee of the Corporation and shall receive such salary as may be determined by the Board of Directors. Except as provided in the preceding sentence, the elected officers of the Corporation shall serve without compensation, but may be reimbursed for expenses necessarily incurred in the performance of their prescribed duties.

## **Article V: Committees**

5.1 Executive Committee. The Executive Committee shall consist of the elected Officers and two (2) at-large Directors elected by the Board of Directors. The at-large Directors shall serve on the committee for a term of one (1) year. To the extent possible, the at-large Directors should represent member interest categories such that all interest groups are represented on the Executive Committee.

5.2 Appointment. Except as provided in section 5.1, the Chairperson and Board shall appoint such committees, chairpersons, and members as are deemed necessary to carry out the purposes of the Corporation or to assist the Board in the orderly management of the affairs of the Corporation, consistent with these Bylaws.

5.3 Composition of Committees Exercising Board Functions. Any committee that exercises any function of the Board shall be composed of two (2) or more Directors elected by

the Board by a majority vote of all Directors in office at that time. Action taken by a committee exercising any function of the Board shall be deemed an action taken by the entire Board.

5.4 Quorum and Action. A quorum at a committee meeting at which functions of the Board can be exercised shall be a majority of all committee members in office immediately before the meeting and such majority must include at least two (2) Directors.

5.5 Limitations on the Powers of Committees. No committee may (a) authorize payment of any part of the income or profit of the Corporation to its Directors or officers; (b) approve dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the Corporation's assets; (c) elect, appoint, or remove Directors or fill vacancies on the Board or on any of its committees; and (d) adopt, amend, or repeal the Articles, the Bylaws, or any resolution of the Board.

#### **Article VI: Fiscal Year**

The Corporation's fiscal year shall begin January 1 and end on December 31.

#### **Article VII: Electronic Writings**

To the extent permitted by law, any mail, notice or other item to be delivered in writing to or signed by Directors, officers and members of the Corporation may be delivered by an electronic writing in lieu of a non-electronic writing, all with the same binding effect.

#### **Article VIII: Code of Ethics**

8.1 Code of Ethics. The Board of Directors shall adopt a code of ethics (the "Code of Ethics"), which the Board may from time to time amend, modify, or repeal and replace in its entirety by the vote of the Board.

8.2 Inurement Restriction. No part of the net earnings of the Corporation will inure to the benefit of any private member or individual.

#### **Article IX: Director and Officer Indemnification**

9.1 Indemnification. In all cases, the Corporation shall indemnify, within its capacity at the time of indemnification, any individual made a party to legal proceedings because the individual is or was a Director, Officer, employee, and/or agent of the Corporation against liability incurred in the proceeding if the Board determines that: (a) the conduct of the individual was in good faith; (b) the individual reasonably believed that their conduct was in the best interest of the Corporation, or at least not opposed to its best interest; and (c) in the case of any criminal proceedings, the individual had no reasonable cause to believe their conduct was unlawful.

9.2 Limitation on Indemnification. The Corporation may not indemnify a Director under this Article IX: (a) in connection with a proceeding by or in the right of the corporation in

which the Director was adjudged liable to the Corporation; or (b) in connection with any other proceeding charging improper personal benefit to the Director in which the Director was adjudged liable on the basis that personal benefit was improperly received by the Director.

#### **Article X: Limitation of Director Liability**

No Director or Officer shall be personally liable to the Corporation for monetary damages for conduct as a Director or Officer, except for: (a) any breach of the Director's or Officer's duty of loyalty to the Corporation; (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) any unlawful distribution; or (d) any transaction from which the Director or Officer derived an improper benefit.

#### **Article XI: Dissolution of Final Liquidation**

11.1 Dissolution. A decision to dissolve the Corporation and to distribute its assets in a particular manner requires: (a) the adoption of a plan for dissolution by the Board of Directors, and (b) the approval of the plan for dissolution by two-thirds (2/3) of the members present at a meeting of the members at which a quorum is present, provided, however, that written notice of such meeting shall include a full description of the plan for dissolution and shall be given to the Directors and all members of the Corporation at least thirty (30) days prior to such meeting. The vote of the members at any meeting concerning a proposed dissolution may be accomplished by written or electronic ballot or other reasonable means adopted by the Board.