
Bylaws of NHLA

as amended June 1, 2022

ARTICLE I – ORGANIZATION

The National Hardwood Lumber Association is organized not-for-profit. Its income shall be expended only for the establishment, maintenance and development of its own programs, as adopted and approved by the Board of Directors. The purposes of this Association are to establish, maintain and apply a uniform system for the inspection and measurement of hardwood lumber; to establish and maintain training schools and instructional courses for the study of the grading standards and their application, and to publish books and literature applicable to such studies; to conduct conferences, seminars and other educational activities on subjects of importance to the hardwood trade; to encourage research in hardwood timber management and utilization and to disseminate information to the industry; to promote the welfare and protect the interests of the hardwood trade.

ARTICLE II – BYLAWS

These Bylaws may be altered or amended only by a two-thirds vote of the Active Members, in good standing, voting at an Annual Meeting, or a special meeting called for this purpose. Thirty days' written notice, designating the changes that will be proposed at said meeting, must be mailed to each Active Member.

ARTICLE III – QUORUM

A quorum of 10% of the Active Members, in good standing, as of 30 days before the date of a meeting, is required. No amendment to the Bylaws, or the Inspection Rules, may be considered without a quorum. Each Active Member shall be entitled to one vote; there shall be no voting by proxy.

ARTICLE IV – MEMBERSHIP

Section 1. (A) Individuals, firms, or corporations, engaged in the manufacturing, custom kiln drying, wholesaling, or distribution of North American hardwood or cypress lumber, veneer, plywood,

and related products, are eligible for Active Membership if such persons or entities maintain their headquarters in the United States and Canada.

(B) Individuals, firms, or corporations, engaged in the manufacturing, custom kiln drying, wholesaling, or distribution of hardwood lumber, veneer, plywood, and related products, are eligible for Partner Membership if such persons or entities maintain their headquarters anywhere except in North America.

(C) New membership categories require the approval of the NHLA Board of Directors.

Section 2. Individuals, firms or corporations, who are consumers of North American hardwood or cypress lumber, veneer, plywood, or related products, are eligible for Associate Membership.

Section 3. Individuals, firms or corporations who supply services, materials or equipment to the Active or Associate Members of this Association or who are owners of North American hardwood timberlands providing the basic raw materials for the industry are eligible for Sustaining Membership.

(NOTE: Any Active, Associate, or Sustaining member in good standing at the time (September 18, 2003) these amendments to Article IV are approved will be granted "grandfather" status if otherwise ineligible for membership as a result of the amendments.)

Section 4. All applications for membership shall be made to the Secretary-Treasurer in writing on the prescribed form as approved by the Board of Directors.

Section 5. Research members are individuals or organizations which conduct hardwood forestry or hardwood forest products utilization research, or who have an interest in hardwood research results. Research membership is only available to individuals and organizations who do not qualify for Active, Associate, Partner or Sustaining membership in NHLA.

Section 6. NHLA's Inspector Membership is an individual, non-corporate membership category for professional graders and inspectors. Individuals who operate a company or sole proprietorship, and thus qualify for Active, Associate or Sustaining membership, are ineligible for Inspector Membership.

Section 7. All applicants agree to be governed by the Bylaws, Rules and Regulations of the Association.

Section 8. The dues scale of all members shall be established by the Board of Directors.

Section 9. On receipt of properly executed application, the Secretary-Treasurer may extend to the applicant all privileges of membership during the interim between the receipt of application and official consideration by the Board of Directors or the Executive Committee.

Honorary Life Members

Section 10. Honorary Life Membership may be bestowed by unanimous vote of the Board of Directors upon any member or individual who has rendered meritorious service to the Association or who has served the hardwood industry in any outstanding manner.

ARTICLE V – CONTINUITY OF MEMBERSHIP

Section 1. The term of membership begins the first day of the month following receipt of application.

Section 2. At the end of term for which dues have been paid, the Secretary shall bill the member for dues covering the succeeding year.

Section 3. Membership is continuous unless notice of resignation is submitted by a member within thirty days from receipt of bill for membership renewal.

Section 4. If a request for inspection service has been made by a member, after expiration of the membership term, such act shall be regarded as a renewal of the membership obligation for another full year.

Section 5. No membership shall be extended for any fraction of a year unless the member notifies the Association of intention to liquidate and discontinue the business during the succeeding year. In this event, the member may request continuation of the membership on a prorated monthly basis until

liquidation is completed. In this event, the prorated dues shall be billed and become payable monthly in advance.

Section 6. Dues are not refundable or cancellable for fractional terms.

ARTICLE VI--NOMINATING COMMITTEE

Section 1. The Nominating Committee shall be chaired by the most recent and available past Chairman. The Committee shall be composed of four members in addition to the chairman. At least nine months prior to the Annual Meeting, the Executive Committee shall recommend four Committee members for approval by the Board of Directors.

Section 2. No later than 120 days prior to the Annual Meeting at which elections are conducted, the Committee shall invite member firms to submit recommendations of individuals for consideration by the Committee.

Section 3. The Nominating Committee shall select candidates to provide representation by geographic areas as well as membership categories. At least one candidate for each available position shall be nominated.

Section 4. No later than 45 days prior to the scheduled elections, the Committee shall inform the Executive Committee of the proposed slate of nominees.

ARTICLE VII – OFFICERS AND THEIR ELECTION

Section 1. The officers of this Association shall be the Chairman and the First Vice Chairman.

Section 2. The officers shall be elected by a majority vote of those Active Members present and voting at an Annual Meeting convened in an even numbered year, for a term of two years or until their successors are duly elected and qualified. Officers may also be elected at any special meeting which may be convened at any time to dispose of official business of the Association.

Section 3. Should a vacancy occur in the officer ranks, the surviving officers below the rank of the vacancy shall move up to the next higher rank. Vacancies shall be filled at the earliest possible opportunity, regardless of whether they occur in an odd year or in an even year. A majority of those Active Members present and voting shall be necessary for election.

Section 4. An officer elected to fill a vacancy shall not be disqualified from serving a two-year regular term, in addition to filling a vacancy.

Section 5. The Secretary-Treasurer and Executive Manager shall be elected at the Spring Meeting of the Board of Directors, a majority vote of the Board being necessary to election. One person may hold the combined offices of Secretary-Treasurer and Executive Manager.

Section 6. The Chairman—It shall be the duty of the Chairman to preside at all meetings of the Association and of the Board of Directors, and to issue calls for special meetings, as hereinafter provided. He shall appoint all committees except the Nominating Committee and those special committees created by the adoption of a motion which stipulates the committee make-up to implement the motion.

Vice Chairman—It shall be the duty of the Vice Chairman, in their order, to perform the duties of the Chairman during his absence or disability.

Section 7.- The Chairman, Vice Chairman and Finance Committee of the Board of Directors will act as the Board Compensation Committee. Roles and Responsibilities of the Committee include:

- Annual review of Executive Director's process by which staff compensation is structured, including but not limited to the following.
- Performance Measurements
- Compensation guidelines, including process by which such guidelines are structured
- Bonus Structure
- Annual cost of living increases
- On annual basis, the Committee will review the salaries of highly compensated staff as defined by the IRS guidelines.

ARTICLE VIII – DIRECTORS

Section 1. The directory shall consist of at least eighteen, but not more than thirty-six persons representing Active Members, to be elected at each Annual Meeting to serve staggered three-year terms. In addition, the directory shall include the directors-at-large as provided in Section 4.

Eligibility

Section 2. A director must be an Active Member of the Association, or an officer or employee of the firm holding Active Membership. Resignation or retirement from the employ of such Active Member firm, or a change in his status within the firm whereby he is no longer actively associated with the production or sale of hardwood lumber, will disqualify him from continuing as an NHLA Director. In that event, his office shall be considered vacant and a replacement provided at the next Annual Meeting of the Association. The above requirements apply equally to the directors-at-large but not to honorary directors.

Section 3. Any director who has served two consecutive terms of three years each on the Board of Directors may not be nominated or elected for a period of at least one year.

Section 4. The Past Chairmans of the Association, at the expiration of their terms as Chairman, shall become directors-at-large without election or appointment and shall continue in that capacity so long as their firms remain as Active Members, or until the individual resigns.

Section 5. If a vacancy occurs in the directory for any reason, the Chairman of the Association shall appoint an eligible replacement for the departing director who shall serve until the next Annual Meeting of the Association. Such person shall be eligible to serve for two consecutive three year terms thereafter, if elected.

ARTICLE IX – BOARD OF DIRECTORS

Section 1. The Chairman, the Vice Chairman, five Mission Leaders, Directors and Directors-at-Large shall constitute the Board of Directors.

Powers and Duties of Board of Directors

Section 2. The Board of Directors shall have the full power of the Association, save at such times as the Association is in session.

Quorum

Section 3. Fifty-one percent of the Board of Directors shall constitute a quorum.

Honorary Member of the Board of Directors

Section 4. The title of "Honorary Member" of the Board of Directors may be bestowed by unanimous approval upon any Past Chairman who has retired from the Board or upon any former member of the Board of Directors who has rendered distinguished service to the Association.

ARTICLE X – EXECUTIVE COMMITTEE

Section 1. The Chairman, the Vice Chairman and the most immediate and available Past Chairman and five mission leaders shall constitute the Executive Committee. In the event the membership of the Executive Committee falls below eight, the Chairman shall appoint, subject to the approval of the Board of Directors, a sufficient number of directors to constitute a total membership of eight on the Executive Committee. Five members of the Executive Committee shall constitute a quorum.

Section 2. The Chairman, with approval of the Board of Directors, shall appoint five mission leaders to serve staggered three-year terms. Each mission leader shall be assigned to coordinate the activities related to one of the four mission statements plus the administrative/organizational functions of NHLA.

Powers and Duties of the Executive Committee

Section 3. The Executive Committee shall have the full power of the Board of Directors, save at such times as the Board is in session.

Section 4. The Executive Committee shall meet at the call of the Chairman as often as the business of the Association requires.

**ARTICLE XI – ELECTION OF
DIRECTORS**

Section 1. An election of directors to serve for a three-year term. Each Active Member, whether an individual, firm or corporation, shall be entitled to one vote. A majority of the Active Members voting shall be necessary to election.

ARTICLE XII – MEETINGS

Section 1. The Association shall meet in plenary session not less than once annually at a place and date selected by the Board of Directors, or by the Executive Committee of the Association.

Section 2. A special meeting of the Association may be called by the Chairman upon a written request of two-thirds of the members of the Board of Directors. When the Chairman calls a meeting of the Board of Directors, or a special meeting of the Association, members shall have at least thirty days' written notice of same.

ARTICLE XIII – INSPECTION RULES

Section 1. The Chairman shall annually appoint the Chairman, Vice Chairman and not less than eleven other members of the Inspection Rules Committee. Members of this committee shall be representative of various segments of the industry and be selected from the Active Membership.

Section 2. Seven members shall constitute a quorum.

Section 3. The Rules Committee shall meet quadrennially and the Chairman may call a special meeting of the Rules Committee. The quadrennial or special meeting shall be held not less than 120 days prior to the annual meeting of the Association at a time and place designated by the Chairman.

Section 4. The members of the Association shall be given 30 days prior written notice of the time and place of the quadrennial or special meeting of the Rules Committee, together with a copy of the proposals to be considered at such meeting. Any member may attend said meeting, provided he advises the NHLA office at least one week prior to the meeting.

Section 5. At the quadrennial or special meeting, the Inspection Rules Committee shall consider each proposed rules change submitted in writing by a member of the Association to the Secretary on or before March 31 of that year. The Rules Committee shall have the right to approve or reject a proposed rules change or, with the consent of the original proposer, approve a proposed rules change with alterations, amendments or changes acceptable to the Committee. The approval or rejection of a proposal shall be made by a majority vote of the Committee. The Inspection Rules Committee shall have the discretion to conduct research necessary to determine the impact on the industry by any proposed rules change.

Section 6. Following the quadrennial or special meeting of the Rules Committee, all proposed rules changes approved by the Rules Committee shall be submitted by the Secretary to the members not less than 45 days prior to the Annual Meeting. During the Annual Meeting, the Rules Committee shall convene and hold an open forum to discuss such proposed rules changes.

Section 7. Following the Annual Meeting, the Secretary shall mail a written ballot to the Active Members setting forth each proposed rules change. Each Active Member may vote for or against the proposed rules change provided such ballot is returned to and received by the Secretary within 30 days from the date on the ballot. A rules change shall be adopted by the Association upon such change receiving a favorable vote on a two-thirds majority of the votes properly cast by the Active Members of the Association. An approved rules change shall be effective on the second January 1st following the approval.

Section 8. Only those proposed rules changes that have been approved by the Rules Committee at the quadrennial or special meeting shall be discussed at the open forum or voted on by a written ballot; provided however, that if a proposed rules change shall have twice been disapproved by the Rules Committee, in concurrent quadrennial or special meetings, the proposed member may present such proposal at the next scheduled open forum and then by written ballot to the members upon giving written notice to the Secretary not less than 30 days before the Annual Meeting. The Secretary shall notify members of such request and place such proposal upon the agenda of the open forum and on the written ballot to be mailed following the Annual Meeting. Only identical proposals are eligible for the privilege of invoking section 8 and are limited to once per rules proposal. Any proposal that is altered, amended, or changed with the approval of the original proposer will not be eligible. Should two or

more conflicting rules changes be placed on the ballot, they should be coupled so that a vote may be cast for only one of the proposed rules changes. Multiple votes on conflicting rules changes will not be allowed.

Section 9. Members of the Association may, at any time, informally submit changes to the inspection rules for review by the Inspection Rules Committee.

(Note: Proposed changes must comply with Section 5 of Article XIII.)

ARTICLE XIV – AUDITS

The books and accounts of the Association shall be audited annually at the close of the fiscal year by a Certified Public Accountant approved by the Board of Directors, and the auditor's report shall be submitted by the Secretary-Treasurer to the Board of Directors each year.