

**BYLAWS OF  
NEW YORK AND LONG ISLAND LUMBER ASSOCIATION**

**Adopted November 6, 2013**

**Table of Contents**

|            |  |   |
|------------|--|---|
| Article 1. | Identification .....   | 3 |
|            | 1.1 Name .....   | 3 |
|            | 1.2 Not-for-Profit Status .....  | 3 |
|            | 1.3 Principal Office .....   | 3 |
|            | 1.4 No Anti-Competitive Provisions .....                                   | 3 |
|            | 1.5 No Coercion .....  | 3 |
|            | 1.6 No Discrimination .....  | 3 |
| Article 2. | Mission and Purpose of the Northeastern Retail Lumber<br>Association ..... | 3 |
| Article 3. | Members .....  | 4 |
|            | 3.1 Categories of Membership .....   | 4 |
|            | 3.2 Dealer Members .....   | 4 |
|            | 3.3 Associate Members .....  | 4 |
|            | 3.4 Honorary Memberships .....   | 4 |
|            | 3.5 Not-for-Profit Memberships .....                                       | 5 |
|            | 3.6 Election of Members .....  | 5 |
|            | 3.7 Membership Rights .....  | 5 |
|            | 3.8 Membership Records .....   | 5 |
|            | 3.9 Non-liability of Members .....   | 5 |
|            | 3.10 Termination of Membership .....                                       | 5 |
| Article 4. | Board of Directors .....   | 5 |
|            | 4.1 Authority .....  | 6 |
|            | 4.2 Composition .....  | 6 |
|            | 4.3 Terms of Office .....  | 6 |
|            | 4.4 Elections .....  | 6 |
|            | 4.5 Meetings .....   | 6 |
|            | 4.6 Quorum and Voting .....  | 6 |
|            | 4.7 Conflict of Interest .....   | 7 |
|            | 4.8 Meetings by Telephone .....  | 7 |
|            | 4.9 Action Without a Meeting .....   | 7 |
|            | 4.10 Committees .....  | 7 |
|            | 4.11 Compensation .....  | 7 |
|            | 4.12 Vacancies .....   | 7 |
|            | 4.13 Removal .....   | 7 |

|             |  |    |
|-------------|--|----|
| Article 5.  | Annual and Special Meetings .....      | 7  |
| 5.1         | Annual and Special Meetings .....      | 8  |
| 5.2         | Quorum and Voting .....                | 8  |
| Article 6.  | Executive Committee and Officers ..... | 8  |
| 6.1         | Executive Committee .....              | 8  |
| 6.2         | Officers .....                         | 8  |
| 6.3         | Terms of Office .....                  | 9  |
| 6.4         | Elections .....                        | 9  |
| 6.5         | Vacancies .....                        | 9  |
| 6.6         | Meetings .....                         | 9  |
| 6.7         | Action Without a Meeting .....         | 9  |
| 6.8         | Quorum and Voting .....                | 9  |
| 6.9         | Removal .....                          | 9  |
| 6.10        | The President.....                     | 9  |
| 6.11        | The Vice-President.....                | 9  |
| 6.12        | The Treasurer .....                    | 9  |
| 6.13        | The Secretary .....                    | 10 |
| 6.14        | Compensation .....                     | 10 |
| 6.15        | Debts or Liabilities .....             | 10 |
| Article 7.  | Finances .....                         | 10 |
| 7.1         | Fiscal Year .....                      | 10 |
| 7.2         | Operating Budget .....                 | 10 |
| Article 8.  | Association Transactions .....         | 10 |
| 8.1         | Contracts .....                        | 10 |
| 8.2         | Indebtedness .....                     | 11 |
| 8.3         | Deposits .....                         | 11 |
| Article 9.  | Books and Records .....                | 11 |
| Article 10. | Restrictions on Activities .....       | 11 |
| Article 11. | Dissolution .....                      | 11 |
| Article 12. | Personal Liability .....               | 11 |
| Article 13. | Indemnification .....                  | 12 |
| Article 14. | Amendments .....                       | 12 |

## **NYLILA Bylaws (with proposed changes)**

### **BYLAWS OF NEW YORK AND LONG ISLAND LUMBER ASSOCIATION**

#### **Article 1** **Identification**

**Section 1.1 Name.** The name of the Association shall be the New York and Long Island Lumber Association (hereinafter referred to as "NYLILA" or the "Association").

**Section 1.2 Non-Profit Status.** The Association is not intended as a profit-making corporation, nor is it founded with the expectation of making a profit. The Association shall use its funds only for the purposes specified in these Bylaws.

**Section 1.3 Principal Office.** The location and principal office of NYLILA shall be 585 North Greenbush Road, in the City of Rensselaer, New York 12144 or such other office as the Board of Directors may designate from time to time.

**Section 1.4 No Anti-Competitive Provisions.** No rules, regulations, or Bylaws shall be adopted in any manner limiting competition or production, restraining trade, regulating prices or pooling profits, inconsistent with federal or state statutes. Both NYLILA and its members shall fully comply with federal and state antitrust laws.

**Section 1.5 No Coercion.** No coercive measures of any kind shall be used toward any member, potential member, or non-member either to induce him or her to join NYLILA or to buy or refrain from buying from any particular person or organization.

**Section 1.6 No Discrimination.** NYLILA shall not engage in or knowingly allow discriminatory practices against any member, potential member, or non-member.

#### **Article 2** **Mission and Purpose of the New York and Long Island Lumber Association**

The purpose of the Association is to engage in the following activities:

The Association is organized and shall at all times be operated exclusively for purposes consistent with Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law) (the "Code").

Within these restrictions, the Association is organized for the following purposes:

The mission of the New York and Long Island Lumber Association is to unite, represent, train, and lead independent lumber and building material dealers doing business in New York City, the five boroughs and Long Island. The New York and Long Island Lumber Association pledges to help its members successfully progress toward the future while preserving and celebrating their industry's rich history.

**The primary functions of the Association include:**

- Providing a strong, unified voice for the lumber and building material industry at the state and local level;
- Providing educational training and development for the owners, managers, and employees of its members;
- Providing information that will assist each and every member in the management of their firm;
- Serving as a clearinghouse of ideas for industry issues;
- Promoting a high standard of business ethics and industry stewardship;
- Promoting a safe and profitable business environment; and
- Creating an environment that will attract young people to its industry, and help them to develop strong leadership skills.

b. To engage in any and all lawful purposes, activities and pursuits, which are substantially similar to the foregoing and are or may hereafter be authorized by Section 501(c)(6) of the Internal Revenue Code and are consistent with those powers described in the Act, as amended and supplemented.

**Article 3**  
**Members**

**Section 3.1 Categories of Membership.** There shall be four categories of membership: Dealer Membership, Associate Membership, Honorary Membership, and Non-Profit Membership. NYLILA will be primarily structured to serve Dealer Members.

**Section 3.2 Dealer Members.** Any organization with a place of business in Good Standing with the Northeastern Retail Lumber Association and within the metropolitan area of New York City or the Long Island region may become a Dealer Member if: it maintains a facility that is equipped to serve the public or the professional trades, its facility includes an office, storage yard or warehouse, its facility is kept open during business hours, and it carries an inventory of lumber and/or building materials or millwork to sell in small or large quantities to the general public (including the professional trades) and not exclusively or primarily for its own consumption.

**Section 3.3 Associate Members.** Any person or organization who or that actively supplies lumber and/or or building materials or services to the Dealer Members, or any Dealer Member who retires from the lumber and building materials industry, may become an Associate Member of NYLILA. Associate Memberships are not transferable. A person or organization eligible for membership both as a Dealer Member and an Associate Member may not become an Associate Member until the requirements for Dealer Membership have been satisfied. Associate Members shall be entitled to vote and hold office.

**Section 3.4 Honorary Members.** A member upon retirement from the lumber or building material business, or any individual with the approval of the Board of Directors, may, by reason of distinguished service to NYLILA and the industry, be

elected an Honorary Member. Honorary Members shall not be entitled to vote or to hold office.

**Section 3.5 Not-for-Profit Members.** A not-for-profit organization supporting the mission and purpose of the NYLILA through one or more of its primary functions may become a non-voting member of NYLILA. Membership applies to the organization, but not the individual members of the organization.

**Section 3.6 Election of Members.** The Board of Directors will elect all members. All members must subscribe to the Bylaws of NYLILA and be in good standing with the NRLA. Any member may resign by filing written notice with NYLILA's Secretary, but such resignation will not relieve the member of the obligation to pay any accrued and unpaid invoices or other charges. Any question arising as to eligibility for membership in NYLILA shall be referred to the Executive Committee for determination.

**Section 3.7 Membership Rights.** The Association shall be controlled by its members. There is no limitation in the number of members in the Association. Membership interests in the Association are not transferable. All rights, privileges, and interests of a member in the Association shall cease upon termination of membership.

**Section 3.8 Membership Records.** The Association shall maintain membership records including the name and address of each association member. The records shall contain the date upon which an applicant becomes a member of the Association, and the date the membership of any member ceases. The membership records shall be kept in the principal place of business of the Association.

**Section 3.9 Non-liability of Members.** No member by virtue of just being a member of the Association shall be liable for the debts, liabilities, or obligations of the Association.

**Section 3.10 Termination of Membership.** A member's membership interest in the Association shall terminate on the occurrence of any of the following events:

- a. Upon receipt of a member's written resignation of membership in the Association;
- b. Upon the dissolution of the member;
- c. Upon the failure of a member to remain in good standing with the NRLA.
- d. Upon the Board of Directors determination that a member:
  - i. has engaged in conduct violating the purposes for which the Association was formed, or
  - iii. has breached the duty of good faith owed to the Association.

#### **Article 4** **Board of Directors**

**Section 4.1 Authority.** The business and affairs of the Association shall be controlled and governed by the Board of Directors, which shall have the right to exercise all powers of the Association as permitted by law. Each director shall execute all duties through the use of the standard as to what in the Director's opinion

is in the best interest of the Association. In making all decisions, a Director shall utilize such reasonable care and inquiry as a reasonably prudent person in a similar situation would employ.

**Section 4.2 Composition.** The business and affairs of NYLILA shall be managed by a Board of Directors. The Board of Directors shall consist of the members of the Executive Committee, with the exception of the President, and not fewer than eight(8) nor more than fifteen (15) directors, including a representative from the Northeastern Young Lumber Execs (NYLE).

**Section 4.3 Terms of Office.** Directors shall be elected bi-annually at the annual meeting, by a majority vote of members present.

**Section 4.4 Elections. The members shall conduct such elections through the following procedure:**

Forty Five (45) days before the annual meeting, the Nominating Committee shall publish a proposed slate of nominees. Nominations from the membership shall be submitted to the Nominating Committee no later than forty (40) days before the annual meeting, closing the opportunity for further nominations. The slate of nominees shall be sent to the members thirty (30) days before the annual meeting. A vote will be taken by the membership at the annual meeting for approval by a majority vote.. Proxies are acceptable in accordance with applicable law.

**Section 4.5 Meetings.** The Board of Directors shall meet at least three times per year. The signature of the President must authenticate all resolutions by the Board of Directors.

**Section 4.6 Quorum and Voting.** A majority of serving directors shall constitute a quorum at any meeting of the Board of Directors. Each director shall be entitled to one vote. Notice by email shall be given to each director at least five (5) days prior to any meeting. Unless otherwise stated, a simple majority of votes casted shall be sufficient for the adoption of any motion.

**Section 4.7 Conflict of Interest.** Directors shall serve in a representative or fiduciary capacity requiring loyalty to the NYLILA. At all times while serving, directors shall further the interests of the NYLILA as a whole.

Any director who is aware of a potential conflict of interest with respect to any matter coming before the Board shall not participate in discussion of, or vote in connection with, the matter.

Each director shall disclose any situation which, might be construed as a conflict of interest with the individual's duty to the NYLILA. Such conflicts may include using information obtained through position on the Board of Directors for personal or business gain or those arising out of serving in a dual role as a Board member and a representative of the NRLA, the Northeastern Young Lumber Executives Association Inc., the Lumber and Building Material Dealers Foundation, or other NYLILA related entity. The Board shall render a final judgment on what constitutes a conflict of interest.

**Section 4.8 Meetings by Telephone.** NYLILA shall ensure the ability of Directors to participate in any annual, regular, or special meeting of the Board by means of telephone conference or similar communications equipment by which all persons participating in the meeting are able to hear each other at the same time. Such participation shall constitute presence in person at such meeting.

**Section 4.9 Action Without a Meeting.** Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. "Written" or "in writing" means any communication transmitted or received by electronic means, and includes the transmission or receipt of a vote, consent, or proxy by electronic means, with the transmission thereof to be deemed the equivalent of a physical signing thereof. The resolution and the written consents by the members of the Board or Committee shall be filed with the minutes of the proceedings of the Board or Committee.

**Section 4.10 Committees.** The Chair of the NYLILA and Board of Directors may create standing and special committees as determined to be in the best interest of the Association. The Board of Directors shall approve, determine the duties, powers, and composition of such committees, except that the Board shall not delegate to such committees those powers, which by law may not be delegated. Each such committee shall submit to the Board of Directors at such meetings as the Board may designate a report of the actions and recommendations of such committees for consideration and approval by the Board of Directors.

**Section 4.11 Compensation.** Directors shall not receive any salaries for their services on the Board, but the Board may authorize reimbursement of actual expenses incurred on behalf of the Association by officers or members.

**Section 4.12 Vacancies.** A vacancy or vacancies on the Board of Directors shall not interrupt the continuity of association business, and the continuing directors shall for this purpose be deemed to constitute the full Board of Directors. Any vacancy occurring on the Board of Directors shall be filled as soon as conveniently possible by a majority vote of the Board of Directors. A director elected by the Board of Directors to fill a vacancy shall be appointed for the unexpired term of their predecessor in office.

**Section 4.13 Removal.** Any director may be removed, with or without assignment of cause, by a vote of seventy-five percent of the Directors present at any meeting of the Board of Directors. No member of the Board shall be removed from office unless such director receives notification of the meeting at which removal is to be considered and is informed of the opportunity to be heard at such meeting.

## **Article 5** **Annual and Special Meetings**

**Section 5.1 Annual and Special Meetings.** The annual meeting of the members of NYLILA shall be held at such time and place as the Board of Directors may decide. The Board of Directors may call special meetings of the membership. Notice of all

annual or special meetings shall be mailed to each member of the Association at least ten (10) days prior to the date thereof. Special or Annual Meetings called to amend the Bylaws require thirty (30) days written notice.

**Section 5.2 Quorum and Voting.** Subject to whatever minimum is prescribed by New York law, one-tenth of the voting members of the Association shall constitute a quorum for the transaction of business at any annual or special meeting. Each member is entitled to one vote. Unless otherwise stated, a simple majority of votes casted shall be sufficient for the adoption of any motion.

All members who are eligible to vote, and are unable to attend the annual meeting or special meeting shall be given the opportunity to vote by proxy.

## **Article 6** **Executive Committee and Officers**

**Section 6.1 Executive Committee.** There shall be an Executive Committee whose members shall include the officers of the Association, including the President of the Board of Directors, the immediate past President, the Vice President, the Treasurer, the Secretary. Other members may be designated at the sole discretion of the Board of Directors. The Executive Committee shall consist of not fewer than five (5), but not more than seven (7).. Between meetings of the Board of Directors, the Executive Committee shall be empowered to act on the Board's behalf.

**Section 6.2 Officers.** The officers of the Association shall consist of a President, Vice President, Treasurer, Secretary, and may include one additional Vice-President, and such other officers and assistant officers and agents as may be deemed necessary by the Board of Directors.

All officers and directors, with the exception of the President, and the Immediate Past Chair, must be either a Dealer Member or an Associate Member, or a representative thereof, and shall be elected by a majority of the members present at the annual meeting of NYLILA. The majority of the officers must represent Dealer members of the Association.

**Section 6.3 Terms of Office.** Officers shall be elected annually to serve for two years or until their successors are chosen. The Treasurer's service shall not exceed three consecutive two-year terms.

**Section 6.4 Elections.** The officers of the Association shall be elected annually by the general membership at the annual meeting. Each officer shall hold office until a successor is elected.

**The members shall conduct such elections through the following procedure:** Forty five (45) days before the annual meeting, the Nominating Committee shall publish a proposed slate of nominees. Nominations from the membership shall be submitted to the Nominating Committee no later than forty (40) days before the



annual meeting, closing the opportunity for further nominations. The slate of nominees shall be sent to the members thirty (30) days before the annual meeting. A vote will be taken by the membership at the annual meeting for approval by a majority vote. Proxies are acceptable in accordance with applicable law.

**Section 6.5 Vacancies.** A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

**Section 6.6 Meetings.** The Executive Committee shall meet as needed.

**Section 6.7 Action Without a Meeting.** Any action required or permitted to be taken by the Executive Committee may be taken without a meeting if all members of the Executive Committee consent in writing to the adoption of a resolution authorizing the action. "Written" or "in writing" means any communication transmitted or received by electronic means, and includes the transmission or receipt of a vote, consent, or proxy by electronic means, with the transmission thereof to be deemed the equivalent of a physical signing thereof. The resolution and the written consents by the members of the Executive Committee shall be filed with the minutes of the proceedings of the Executive Committee.

**Section 6.8 Quorum and Voting.** A majority of the voting members serving on the Executive Committee shall constitute a quorum at any Executive Committee Meeting. Each Executive Committee Member, with the exception of the President who is a non-voting member, shall be entitled to one vote. Unless otherwise stated, a simple majority of votes cast shall be sufficient for the adoption of any motion.

**Section 6.9 Removal.** Any officer may be removed, with or without assignment of cause, by a vote of seventy-five percent of those present at any meeting of the Board of Directors. No officer shall be removed from office unless such officer receives notice of the meeting at which removal is to be considered and is informed of the opportunity to be heard at such meeting.

**Section 6.10 The President.** The President shall preside at all meetings of NYLILA, and shall perform all other duties incumbent with the office. The President shall act as President to the Board of Directors and the Executive Committee, and have the power to call special meetings of the Board of Directors and of the Executive Committee. The President shall be a member, ex-officio, with the right to vote, on all committees. The President shall appoint, subject to the approval of the Board of Directors, such committees as deemed necessary. The president may not miss 3 consecutive meetings and/or number based on meetings planned annually.

**Section 6.11 The Vice President.** The Vice President shall assist the President in discharging their duties and during any absence shall, in the order of their election, discharge such duties. The vice president may not miss 3 consecutive meetings and/or number based on meetings planned annually.

**Section 6.12 The Treasurer.** The Treasurer shall be the financial officer of the Association, and shall arrange for the custody of Association funds and securities. The Treasurer shall ensure the deposit of such funds in the name of the Association

in such depositories as may be designated by the Board of Directors. The Treasurer shall ensure the disbursement of funds of the Association as directed by the Board of Directors and shall keep records of account showing accurately at all times the financial condition of the Corporation. The Treasurer shall receive and give receipt for monies due and payable to the corporation from any source whatsoever, and furnish to the President and the Board of Directors, whenever requested, a statement of the financial condition of the Association, and shall perform such other duties as these bylaws may require or the Board of Directors may prescribe. The accounts of the Treasurer shall be audited at least bi-annually by a Certified Public Accountant. The treasurer may not miss 3 consecutive meetings and/or number based on meetings planned annually.

**Section 6.13 The Secretary.** The Secretary shall attend meetings of the Board of Directors and shall keep, or cause to be kept, in a book provided for the purpose, a true and complete record of the proceedings of such meetings. The Secretary shall attend to the giving and serving of all notices of the Association, and shall perform such other duties as these Bylaws may require or as the Board of Directors may prescribe. The secretary may not miss 3 consecutive meetings and/or number based on meetings planned annually.

**Section 6.14 Compensation.** Executive Committee members shall not receive any salaries for their services, but the Board may authorize reimbursement of actual expenses incurred on behalf of the Association by officers or members.

**Section 6.15 Debts or Liabilities.** Other than budgeted approved expenses, no debt or liability in excess of \$1,000 shall be created or incurred by NYLILA without the prior approval of the Board of Directors or the Executive Committee.

## **Article 7** **Finances**

**Section 7.1 Fiscal Year.** The fiscal year of the association shall begin on October 1 and end on the following September 30 or such other period as determined by the Board of Directors.

**Section 7.2 Operating Budget.** Each year, the Treasurer shall oversee the preparation of the Association's operating budget for the ensuing fiscal year. The Executive Committee shall give preliminary approval of the budget. A final budget shall be presented to the Board of Directors and approved at the annual meeting. The budget may be amended by the Board of Directors when necessary.

## **Article 8** **Association Transactions**

**Section 8.1 Contracts.** The Board of Directors may authorize any officer or officers, agent or agents of the Association in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined by specific instances.

**Section 8.2 Indebtedness.** All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Association, shall be signed by the President, their authorized agent, or Treasurer. All expenditures shall be consistent with section 6.19 of these Bylaws.

**Section 8.3 Deposits.** All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories, as the Board of Directors shall select.

### **Article 9** **Books and Records**

The Association shall keep at the principal office correct and complete books and records of account; minutes of the proceedings of Board of Directors; and a register of the names and addresses of the directors of the corporation. All books and records of the corporation may be inspected at the NYLILA headquarters by any director, or agent or attorney thereof, for any proper purpose at any reasonable time. The review of all documents shall be consistent with all state and federal laws.

### **Article 10** **Restrictions on Activities**

Notwithstanding any other provisions of these Bylaws, no director, officer, agent or any other representative of the Association shall take any action, or carry on any activity by, or on behalf of the Association not permitted to be taken by an organization exempt under section 501(c)(6) of the Internal Revenue Code, as it now exists, or may hereafter be amended, or any corresponding section of any future tax code.

### **Article 11** **Dissolution**

In the event of dissolution of the Association, the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the Association to the extent assets of the Association permit, dispose of all the assets of the Association exclusively for the purposes of the Association as the Board of Directors shall determine, in such manner as required by section 501(c)(6) of the Internal Revenue Code (or corresponding provision of any future United States Internal Revenue law) and in accordance with the statutes of New York State.

### **Article 12** **Personal Liability**

No officer or director of the Association shall be personally liable to the Association for monetary damages for or arising out of a breach of fiduciary duty as an officer or director notwithstanding any provision of law imposing such liability; provided, however, that the foregoing shall not eliminate or limit the liability of an officer or director to the extent that such liability is imposed by applicable law (i) for a breach of the director's duty of loyalty to the Association, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of the law, or

(iii) for any transaction from which the officer or director derived an improper personal benefit.

### **Article 13** **Indemnification**

The Association shall, to the extent legally permissible, indemnify each person who may serve, or who has served at any time as an officer or director of the Association. Indemnification shall include all expenses and liabilities, including, without limitation to: counsel fees, judgments, fines, excise taxes, penalties and settlement payments, incurred by reason of their service.

No indemnification shall be provided for persons legally deemed to not have acted in good faith or in the best interests of the Association. Further, any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at the time parties to the proceeding.

Indemnification shall extend to the heirs, executors, and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to, and not exclusive of, all other rights to which any person may be entitled.

This Article constitutes a contract between the Association and the indemnified officers and directors. No amendment or repeal of the provisions of this Article shall limit the right to indemnification of an officer or director for any act or omission. The right to indemnification of an officer or director shall be provided to the full extent permitted by this Article, as so amended, and any laws of this State. This section is intended to be in addition to, and not in limitation of, any other provisions of the Bylaws or any agreement of the Association, or any law that provides a right to indemnification of an officer or director.

### **Article 14** **Amendments**

Amendments to the NYLILA Bylaws may be made at the annual or special meeting by an affirmative vote of 2/3 of the members casting votes or ballots so long as the membership is given thirty (30) days written notice prior to the vote.

All members who are eligible to vote, and are unable to attend the annual meeting, special meeting or Board of Directors meeting, shall be given the opportunity to vote by proxy.

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