BYLAWS

OF

NORTHEASTERN RETAIL LUMBER ASSOCIATION, INC.

Table of Contents

Article I. Identification
- 1.1 Name
- 1.2 Non-Profit Status
- 1.3 Principal Office
- 1.4 No Anti-Competitive Provisions
- 1.5 No Coercion
- 1.6 No Discrimination

Article II. Mission and Purpose of the Association
- 2.1 Purpose
- 2.2 Additional Authorization

Article III. Members
- 3.1 Categories of Membership
- 3.2 Dealer Members
- 3.3 Associate Members
- 3.4 Retired Members
- 3.5 Non-Profit Members
- 3.6 Automatic Additional Memberships
- 3.7 Election of Members
- 3.7A Retail Companies located outside the NRLA Territory; Individual Location Memberships [NEW]
- 3.8 Membership Records
- 3.9 Non-liability of Members
- 3.10 Termination of Membership

Article IV. Board of Directors
- 4.1 Authority; Duties
- 4.2 Composition; Eligibility
- 4.3 Terms of Office
- 4.4 Elections
- 4.5 Meetings
- 4.6 Waiver of Notice
- 4.7 Quorum and Voting
- 4.8 Conflict of Interest
- 4.9 Meetings by Telephone
- 4.10 Action Without a Meeting
- 4.11 Compensation
- 4.12 Vacancies and Newly Created Directorships
- 4.13 Removal

Article V. Advisors to and Committees of the Association
- 5.1 Advisors
- 5.2 No Compensation
- 5.3 Committees

Article VI. Annual and Special Meetings
- 6.1 Annual and Special Meeting of Members
- 6.2 Notice of Special Meetings of Members
- 6.3 Quorum, Adjournments of Annual and Special Meetings of Members
- 6.4 Conduct of Meetings of Members
- 6.5 Member Voting
- 6.6 Proxy Votes of Members
- 6.7 Action by the Members
- 6.8 Special Actions Requiring Vote of Members

Article VII. Executive Committee and Officers
- 7.1 Executive Committee; Terms
- 7.2 Meetings
- 7.3 Action Without a Meeting
- 7.4 Quorum and Voting
- 7.5 Officers
- 7.6 Terms of Office
- 7.7 Elections
- 7.8 Removal
- 7.8a Vacancies on the Executive Committee
- 7.9 The Chair
- 7.10 The Chair-Elect
- 7.11 The President
- 7.12 The Vice-President(s)
- 7.13 The Secretary-Treasurer
- 7.14 Compensation
- 7.15 Delegation by President
- 7.16 Board of Directors of Lumber and Building Material Dealers Foundation

Article VIII. Contracts, Checks, Bank Accounts and Investments
- 8.1 Checks, Notes and Contracts
- 8.2 Investments
- 8.3 Debts or Liabilities

Article IX. Finances
- 9.1 Fiscal Year
- 9.2 Operating Budget

Article X. Association Transactions
- 10.1 Contracts
- 10.2 Indebtedness

Article XI. Books and Records

Article XII. Restrictions on Activities

Article XIII. Personal Liability

Article XIV. Indemnification and Insurance

14.1 Indemnification
14.2 Insurance
14.3 Successors; Rights Not Exclusive

Article XV. Dissolution

Article XVI. Amendments

ARTICLE I – Identification

Section 1.1 – Name

The name of the Association shall be the Northeastern Retail Lumber Association, Inc. (hereinafter referred to as “NRLA” 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 NRLA 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 NRLA 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 NRLA or to buy or refrain from buying from any particular person or organization.

Section 1.6 – No Discrimination

NRLA shall not engage in or knowingly allow discriminatory practices against any member, potential member, or non-member.

ARTICLE II – Mission and Purpose of the Association

Section 2.1 – Purpose

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) (the “Code”).

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

The mission of the Association is to unite, represent, train, and lead independent lumber and building material dealers doing business in the northeastern United States. The 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 all levels of government;
- 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;
- Assisting members in reducing their cost of doing business through group programs;
- Promoting a high standard of business ethics and industry stewardship;
- Guiding affiliated and contracted organizations to accomplish these purposes;
- 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.

Section 2.2 – Additional Authorization

The Association is also authorized to engage in any and all lawful purposes, activities and pursuits, that are substantially similar to the foregoing and are or may hereafter be authorized by Section 501(c)(6) of the Code and are consistent with those powers described in the New York Not-for-Profit Corporation Act, as amended and supplemented (the "Act").

ARTICLE III – Members

Section 3.1 – Categories of Membership

There shall be five categories of membership: Dealer Membership, Associate Membership, Honorary Membership, Retired Membership, and Non-Profit Membership. NRLA will be primarily structured to serve Dealer Members. Memberships are not transferable, regardless of category. Honorary Members approved by the NRLA Board of Directors prior to February 15, 2022 will continue to receive the same benefits of membership as a retired member. Except for Honorary Members, Retired Members and Non-Profit Members who may vote at the committee level (excluding the NRLA Executive Committee), all members of NRLA are entitled to vote and, in the case of

individual members or individuals designated by organization members, hold office in NRLA.

Section 3.2 – Dealer Members

Any individual or organization with a place of business within the states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Washington D.C., or adjoining states, may become a Dealer Member if: that individual or organization maintains a facility that is equipped to serve the public and/or the professional trades, with a facility that includes an office, storage yard or warehouse, that is kept open during business hours, and 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 that individual's or organization's own consumption.

Section 3.3 – Associate Members

Any individual or organization who or that actively supplies lumber and/or building materials, millwork, or services to one or more Dealer Members, may become an Associate Member of NRLA. An individual 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 are entitled to vote and hold office.

Section 3.4 – Retired Members

Any individual who is retiring from the industry and who is a Dealer Member or Associate Member, or whose organization is a Dealer Member or Associate Member may, by written notice to the Board of Directors, become a Retired Member of NRLA. Honorary Members approved prior to February 15, 2022 by the NRLA Board of Directors will receive the same membership benefits as Retired Members.

Section 3.5 – Non-Profit Members

A non-profit organization supporting the mission and purpose of NRLA through one or more of its primary functions may become a non-voting member of NRLA. Membership applies to the organization, not the individual members of the organization. Non-profit Members shall not be entitled to vote or to name representatives to hold office in NRLA.

Section 3.6 – Automatic Additional Memberships

Membership in NRLA includes membership in at least one state and local association with which NRLA is affiliated, as determined by the Board of Directors from time to time. A member of NRLA may be a member of more than one affiliated state or local association. Unless by resolution the Board of Directors changes the list of state or local associations offering automatic membership, such list shall include the following: Central New York Retail Lumber Dealers Association Inc., The Lumber Dealers

Association of Connecticut Inc., Eastern Building Material Dealer Association which includes Pennsylvania, Maryland Delaware and Washington D.C., Eastern New York Lumber Dealers Association Inc., Retail Lumber Dealers Association of Maine Inc., Massachusetts Retail Lumber Dealers Association Inc., Mid-Hudson Lumber Dealers Association Inc., NHRLA Inc. (New Hampshire Retail Lumber Association), New York and Long Island Lumber Association, New Jersey Building Material Dealers Association Inc., Northern New York Lumber Dealers Association Inc., Rhode Island Lumber and Building Materials Dealers Association Inc., Vermont Retail Lumber Dealers Association Inc., and Western New York Lumber Dealers Association Inc. Members are eligible to apply for membership in the Northeastern Young Lumber Executives Association Inc. if the Member meets the eligibility requirements of such organization.

Section 3.7 – Election of Members

The Board of Directors will elect all members and determine whether to approve changes in the category of a member's membership, upon receiving the recommendation of the Membership Committee. There is no limitation to the number of members in the Association. All members must subscribe to the Bylaws of NRLA and pay the dues set by the Board of Directors. Any member may resign by filing written notice with NRLA's Secretary-Treasurer, but such resignation will not relieve the member of the obligation to pay any accrued and unpaid dues, assessments, or other charges. Memberships are not transferable. Any question arising as to eligibility for membership in NRLA shall be referred to the Board of Directors for determination.

Section 3.7A – Retail Companies Headquartered outside of NRLA Territory; Individual Location Memberships

In the event that a retail company is located outside of the NRLA territory and includes locations within the NRLA territory and the company declines to join the NRLA under a single, unified membership, the NRLA reserves the right to seek membership from the individual locations of such company that are located within the NRLA's geographic territory. Such individual locations may join the NRLA as separate and independent member companies, subject to all applicable membership criteria, dues obligations, and the approval of the Board of Directors.

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 solely by virtue of 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 death or dissolution of the member;

c. Upon the failure of a member to pay membership dues by the due date (Termination of membership for non-payment of dues occurs automatically without notice being given by the Association. Membership may be reinstated in full if delinquent dues are paid within eighteen months of the due date); otherwise, the delinquent member must apply for membership as a new member; or

d. Upon the Board of Directors' determination that a member:

i. is ineligible for membership,

ii. 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.

All rights, privileges, and interests of a member in the Association shall cease upon termination of membership.

ARTICLE IV – Board of Directors

Section 4.1 – Authority; Duties

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. Every Director in exercising his or her powers and discharging his or her duties shall act honestly and in good faith with a view to the best interest of the Association and its members and shall exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

Section 4.2 – Composition; Eligibility

The Board of Directors shall consist of not fewer than twelve (12) nor more than thirty-five (35) Directors. Dealer Members and Associate Members may serve on the Board of Directors. The Board shall include within such number the members of the Executive Committee (other than the President) as voting members, ex officio, the President of each state and local association affiliated with NRLA and the President of the North

American Young Lumber Employees. Subject to such minimum and maximum, the number of Directors may be increased or decreased from time to time by resolution of the Board, but such action by the Board shall require a vote of a majority of the entire Board and no decrease shall shorten the term of any incumbent Director. The entire Board shall consist of the number of Directors that were elected as of the most recently held election of Directors. Directors must be at least eighteen (18) years of age at the time of election. Directors must be members of the Association or acting as the representative designated by an organization that is an Association member. State and local association Presidents or the North American Young Lumber Employees President may select an alternate Director to vote at Board meetings if the primary Directors representing the State and Local Association, or North American Young Lumber Employees cannot attend the meeting. If an alternate Director intends to represent a state and local association at a Board meeting, the state and local association President must notify the NRLA Chair and Secretary-Treasury in writing at least one (1) day prior to the scheduled Board meeting naming the alternate director and authorizing such alternate Director to act on behalf of the state and local association or the North American Young Lumber Employees at the Board meeting. The alternate Director shall have no right to vote or other rights until the NRLA Chair accepts the alternate Director at the meeting. Alternate Directors must be individual members of NRLA, or affiliated with organizations that are members of NRLA.

Section 4.3 – Terms of Office

Directors shall be elected annually at the Annual Meeting of the Members (as defined in Section 6.1), by a majority vote of Members present and absentee ballots submitted by those who are eligible to vote. The term of a Director shall be three (3) years unless filling a vacancy, in which case, the term shall extend until the next regular election held at the Annual Meeting of the Members. Each Director so elected shall hold office until his or her successor has been duly elected and qualified or until his or her earlier death, resignation, or removal.

Section 4.4 – Elections

The Members shall conduct such elections through the following procedure: Sixty (60) 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 Nominating Committee shall then finalize the slate of Board nominees from among all proposed candidates. Ballots shall be sent to the Members thirty (30) days before the annual meeting. Ballots may be mailed or electronically sent or carried to the annual meeting. Proxies are acceptable in accordance with applicable law.

Section 4.5 – Meetings

The Board of Directors shall meet at least two (2) times per year. Regular meetings of the Board shall be held at such places, within or outside the State of New York, and the dates and times determined from time to time by the Board of Directors.

Special meetings of the Board of Directors may be called by the Secretary-Treasurer and must be called by the Secretary-Treasurer upon the written request of ten percent (10%) of the Members eligible to vote. Special meetings may be held, either within or outside of the State of New York, and the time shall be specified in the notice of the meeting. Notice of all Board meetings shall be delivered by mail at least seven (7) days before the meeting, or (except for notice of a special meeting pursuant to Section 4.13) by sending notice by electronic transmission at least three (3) days before the meeting to the usual business, residence, or electronic address of each Director.

Section 4.6 – Waiver of Notice

Any Director may waive notice of the meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted, or the purpose of any meeting of the Board need not be specified in the notice, or waiver of notice of such meeting, unless specifically required by law, or these Bylaws. Notice of a meeting may be waived if the requirements for a meeting in person are met.

Section 4.7 – 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 (1) vote. Unless otherwise stated in the Association’s Articles of Incorporation or these Bylaws, a simple majority of votes cast shall be sufficient for the adoption of any motion.

Section 4.8 – Conflict of Interest

Directors shall serve in a representative or fiduciary capacity requiring loyalty to NRLA at all times while serving, and Directors shall work to further the interests of NRLA as a whole.

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

Each Director shall disclose to the Board any situation which might be construed as a conflict of interest with the individual’s duty to NRLA. Such conflicts may include using information obtained through the Director’s 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 a state and local association, the North American Young Lumber Employees Association Inc., the Lumber and Building Material Dealers Foundation, or other NRLA-related entities. The Board shall render a final judgment on what constitutes a conflict of interest.

Section 4.9 – Meetings by Telephone

NRLA 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 4.10 – 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 4.11 – 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. Nothing herein shall prevent the Association from compensating NRLA employees performing customary duties, including employees who may also serve as Directors.

Section 4.12 – Vacancies and Newly Created Directorships

Nominees to fill any newly created Directorship or to fill any vacancy shall be presented to the Board of Directors by the Nominating Committee. Any newly created Directorship or vacancy on the Board arising at any time and from any cause may be filled at any meeting of the Board by a majority of the Directors then in office, regardless of their number. The Directors elected shall serve until the next Annual Meeting of the Members at which the election of Directors is the regular order of business and a successor is elected or appointed or qualified.

Section 4.13 – Removal

Any Director may be removed, with or without cause, by a vote of seventy-five percent (75%) of the Directors then in office at a regular meeting or special meeting of the Board called for that purpose; provided further than at least one (1) weeks' notice of the proposed action shall have been given to the entire Board then in office. Missing three consecutive meetings of the Board unless a majority of the Directors has excused such Director from attendance due to circumstance(s) may constitute cause for such removal.

ARTICLE V – Advisors to and Committees of the Association

Section 5.1 – Advisors

The Board may appoint from time to time any number of persons as advisors of the Association to act either singly or as a committee or committees of the Association. Each advisor shall serve at the pleasure of the Board and shall have only the authority and obligations as the Board may from time to time determine.

Section 5.2 – No Compensation

Advisors to the Board of Directors or committees thereof may be paid, but may not be voting members of the Board of Directors or any committee thereof. The Board may also authorize reimbursement to advisors for expenditures reasonably incurred in connection with activities for the benefit of the Association.

Section 5.3 – Committees

The Board of Directors may create from their number, or from among such other persons as the Board may see fit, standing and special committees (other than the Executive Committee, which shall be established pursuant to Article VII) as determined to be in the best interest of the Association. Committee members shall not receive any salaries for their services on the committee(s), except that the Board may authorize reimbursement of expenditures reasonably incurred in connection with activities for the benefit of the Association.

ARTICLE VI – Annual and Special Meetings

Section 6.1 – Annual and Special Meeting of Members

The annual meeting of the Members (the "Annual Meeting of the Members") for the election of the Directors and for the transaction of such other business as may come before the Members, including the delivery of a financial statement, shall be held each year at the place (which may be either within or outside the State of New York), time and date, in the first quarter of the fiscal year as may be fixed by the Board, or, if not so fixed, as may be determined by the Chair.

Special Meetings shall be held whenever called by resolution of the Board, the Chair or any Chair-Elect, or written demand to the Secretary-Treasurer of at least ten percent (10%) of the Members eligible to vote. The Secretary-Treasurer upon receiving the written demand or resolution shall promptly give notice of such meeting as provided below, or if the Secretary-Treasurer fails to do so within five (5) business days thereafter, any Member signing such demand may give such notice.

Section 6.2 – Notice of Special Meetings of Members

Written notice of the place, date and hour of any meeting (other than the Annual Meeting of the Members) shall be given to each Member entitled to vote at such meeting by mailing the notice by first class mail, postage prepaid, personal delivery, fax or email not less than ten (10) nor more than fifty (50) days before the date of the meeting; provided, however, that a special or Annual Meeting of the Members called to amend these Bylaws shall require at least (30) days written notice. Notice of Special Meetings shall indicate the purpose for which they are called and the person or persons calling the meeting.

Section 6.3 – Quorum, Adjournments of Annual and Special Meetings of Members

At all Annual and Special Meetings of the Members, ten percent (10%) of Members eligible to vote shall constitute a quorum for the transaction of business. Proxies and ballots shall count toward determining a quorum. In the absence of a quorum, the Members present in person shall adjourn the meeting from that time until a quorum is present. Notice of the new meeting is not required if the time and place for the new meeting is announced at the meeting at which the adjournment is taken, and at the new meeting any business may be transacted which might have been transacted at the meeting as originally called.

Section 6.4 – Conduct of Meetings of Members

The Chair of the Association shall preside at all meetings of the Members, or in the absence of the Chair, an acting Chair shall be chosen by the Members present. The Secretary-Treasurer of the Association shall act as Secretary-Treasurer at all meetings of the Members, but in the absence of the Secretary-Treasurer, the presiding member may appoint any person to act as Secretary-Treasurer of the meeting.

Section 6.5 – Member Voting

At any meeting of the Members, each voting Member present, in person or by proxy, or ballot, shall be entitled to one (1) vote. Upon demand of any Member, any vote for Directors or upon any question before the meeting shall be conducted by ballot. The record eligibility of voting rights shall be set ten (10) days before the date of the meeting. An organization that is a voting Member must designate one individual to vote on behalf of that organization.

Section 6.6 – Proxy Votes of Members

Every Member entitled to vote at a meeting of Members, or to express consent or dissent without a meeting may authorize another voting Member or Members to act for such member by proxy. Every proxy must be in writing and signed by the Member or the Member's duly authorized officer, director, employee or agent, or by email and set forth information from which it can be reasonably determined that the proxy was authorized by that Member. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except as otherwise provided by law. For the purposes of conducting meetings, all proxies shall be delivered to the Secretary-Treasurer or, upon the absence of the Secretary-Treasurer, the Member appointed to act as Secretary-Treasurer of the meeting.

Section 6.7 – Action by the Members

Except as otherwise provided by statute or by these Bylaws, any corporate action authorized by a majority of the votes cast at a meeting of the Members shall be the act of the Members. Action may be taken without a meeting on written consent, setting forth the action to be taken, signed by all of the Members. Such consent may be written or electronic. If the consent is written, it must be signed by the Member. If the consent is electronic, it must be able to be reasonably determined to have been sent by the Member.

Section 6.8 – Special Actions Requiring Vote of Members

The following actions may not be taken without approval of at least two-thirds (2/3) of the votes cast of those voting members present or who have submitted a proxy at a meeting of the members:

a. Any amendment of the Certificate of Incorporation;

b. A petition for judicial dissolution;

c. Disposing of all, or substantially all, of the assets of the Association;

d. Approval of a plan of merger; or

e. Revocation of a voluntary dissolution proceeding.

The affirmative votes cast in favor of any action described in this subsection shall be at least equal to the minimum number of votes necessary to constitute a quorum. Blank votes or abstentions shall not be counted in the number of votes cast.

ARTICLE VII – Executive Committee and Officers

Section 7.1 – Executive Committee; Terms

There shall be an Executive Committee whose members shall include the Chair of the Board of Directors, the Immediate Past Chair, the Chair-elect, the President (who shall be a non-voting member of the Executive Committee), the Secretary-Treasurer and at least three (3) members-at-large, one of whom shall be the current director representative of the Lumber and Building Material Dealers Foundation, and one whom shall be a current representative of the American Building Materials Alliance. Other members may be designated at the sole direction of the Board of Directors. The Executive Committee shall consist of not fewer than eight (8) but not more than twelve (12) members. Between meetings of the Board of Directors, the Executive Committee shall be empowered to act on the Board's behalf. All member-at-large positions shall serve for two (2) years, or until their successor is chosen.

Section 7.2 – Meetings

The Executive Committee shall meet at least two (2) times per year.

Section 7.3 – 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 resolutions 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 7.4 – Quorum and Voting

A majority of the members of 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 (1) vote. Unless otherwise stated, a simple majority of votes cast shall be sufficient for the adoption of any motion.

Section 7.5 – Officers

The Officers of the Association shall consist of a Chair, Chair-elect, President, Secretary-Treasurer, and may include one or more Vice-Presidents, and such other officers and assistant officers and agents as may be deemed necessary by the Board of Directors. Any two (2) or more offices may be held by the same person, except no individual may simultaneously serve as President and Secretary-Treasurer.

All Officers, with the exception of the President and the Immediate Past Chair, must be an individual who is a Dealer Member or the designated representative of an organization that is a Dealer Member, and shall be elected by a majority of the voting

members present in person or by proxy at the Annual Meeting of the Members and Members voting by ballot in advance of the meeting pursuant to Section 7.7 hereof.

Section 7.6 – Terms of Office

Officers shall be elected annually to serve for two (2) years or until their successors are chosen. The Secretary-Treasurer's service shall not exceed three consecutive two-year terms.

Section 7.7 – Elections

The Members shall conduct elections of Officers through the following procedure. Sixty (60) days before the Annual Meeting of the Members, 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 of the Members, closing the opportunity for further nominations. Ballots shall be sent to the Members (30) days before the Annual Meeting of the Members. Ballots may be mailed or carried to the Annual Meeting of the Members. Proxies are acceptable in accordance with applicable law.

Section 7.8 – Removal

Any Officer may be removed, without assignment of cause, by a vote of seventy-five percent (75%) 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 7.8a – Vacancies on the Executive Committee

In the event of a vacancy on the Executive Committee occurring outside of the regular Nominating Committee timeframe, the NRLA Executive Committee shall propose a nominee to the Nominating Committee. The nominee proposed by the Nominating Committee shall be subject to approval by the Board of Directors. The approved nominee shall serve until the next regular annual election.

Section 7.9 – The Chair

The Chair shall preside at all meetings of NRLA and shall perform all other duties incumbent with the office. The Chair shall act as Chair to the Board of Directors and the Executive Committee. The Chair shall be a member, ex-officio, with the right to vote on all committees. The Chair may recommend for the approval of the Board of Directors, such committees as deemed necessary.

Section 7.10 – The Chair-Elect

The Chair-Elect shall assist the Chair in discharging the duties of the Chair and during any absence of the Chair shall discharge the duties of the Chair.

Section 7.11 – The President

The President shall be appointed by the Executive Committee. The President shall be the principal executive officer of the Association, shall have general and executive management, and control the business of the Association and shall see that all orders and resolutions of the Board of Directors and Executive Committee are carried into effect. The President shall perform such duties as are provided by the laws of the State of New York, or by these Bylaws, or as may be prescribed from time to time by the Board of Directors. It shall be the duty of the President to keep Members informed of matters of general interest to the Association, and to assist them in all legitimate ways in conducting their business when so directed by the Executive Committee. The Executive Committee will determine the President's salary.

Section 7.12 – The Vice-President(s)

In the absence or disability of the President, the Board of Directors may designate one (1) or more Vice-Presidents to perform the duties and execute the powers of the President. The Vice-President(s) shall perform such other duties as these Bylaws may require or as the Board of Directors, the Executive Committee, or the President may prescribe.

Section 7.13 – The Secretary-Treasurer

The Secretary-Treasurer shall be the financial officer of the Association and shall arrange for the custody of Association funds and securities. The Secretary-Treasurer shall ensure the deposit of such funds in the name of the Association in depositories as may be designated by the Board of Directors. The Secretary-Treasurer shall ensure the disbursement of funds of the Association as directed by the Board of Directors and shall keep records of accounts showing accurately at all times the financial condition of the Association. The Secretary-Treasurer shall receive and give receipt for monies due and payable to the Association 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 Association shall be audited at least once a year by a Certified Public Accountant.

The Secretary-Treasurer 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-Treasurer 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.

Section 7.14 – 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 members of the Executive Committee.

Section 7.15 – Delegation by President

The President, with the approval of the Executive Committee, may delegate authority and duties as deemed necessary.

Section 7.16 – Board of Directors of Lumber and Building Material Dealers Foundation

NRLA Directors shall annually approve the composition of the Board of Directors of the Lumber and Building Material Dealers Foundation. The Lumber and Building Material Dealers Foundation shall serve as the supporting organization of the Association as provided in section 509 (a) (3) of the Internal Revenue code.

ARTICLE VIII – Contracts, Checks, Bank Accounts and Investments

Section 8.1 – Checks, Notes and Contracts

The Board is authorized to select the banks or depositories it deems proper for the funds to the Association and shall determine who shall be authorized on the Association's behalf to sign checks, drafts or other orders for the payment of money, acceptances, notes or other evidences of indebtedness, to enter into contracts or to execute and deliver other documents and instruments.

Section 8.2 – Investments

The investments of the Association may be retained in whole or in part in accordance with the Investment Policy adopted by the Board of Directors.

Section 8.3 – Debts or Liabilities

Other than budgeted approved expenses, no debt or liability in excess of Twenty-Five Thousand Dollars ($25,000.00) shall be created or incurred by NRLA without prior approval of the Board of Directors or the Executive Committee.

ARTICLE IX – Finances

Section 9.1 – 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 9.2 – Operating Budget

Each year, the Finance Committee 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 Fall Leadership Meeting. The budget may be amended by the Board of Directors when necessary.

ARTICLE X – Association Transactions

Section 10.1 – 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 Association, and such authority may be general or confined by specific instances.

Section 10.2 – 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 or Secretary-Treasurer or their designee. All expenditures shall be consistent with Section 8.3 of these Bylaws.

ARTICLE XI – Books and Records

The Association shall keep at its principal office correct and complete books and records of account; minutes of the proceedings of the Board of Directors; and a register of the names and addresses of the Directors of the Association. All books and records of the Association may be inspected at the NRLA 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 XII – 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 Code.

ARTICLE XIII – 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 Officer's or 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 XIV – Indemnification and Insurance

Section 14.1 – Indemnification

The Association shall, to the extent now or hereafter permitted by law, indemnify each person made, or threatened to be made, a party to any action or proceeding by reason of the fact that he or she or his or her testator is or was a Director, Officer or Employee or agent of the Association, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees. No indemnification may be made to or on behalf of any such person if (a) his or her acts were committed in bad faith or were the result of his or her active and deliberate dishonesty and were material to such action or proceeding or (b) he or she personally gained a financial profit or other advantage to which he or she was not legally entitled in the transaction or matter in which indemnification is sought.

Section 14.2 – Insurance

The Association shall have the power to purchase and maintain all insurance policies deemed to be in the best interest of the Association including insurance to indemnify the Association from any obligation which it incurs as a result of its indemnification of Directors, Officers and employees pursuant to Section 14.1 above.

Section 14.3 – Successors; Rights Not Exclusive

The indemnification provided hereunder shall insure to the benefit of 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 the State of New York. 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 XV – Dissolution

In the event of the liquidation, dissolution or winding up of the affairs of the Association, whether voluntarily, involuntarily, or by operation of law, the Board of Directors shall, except as otherwise provided by law, transfer all of the assets of the Association in such a manner as the Directors, in the exercise of their discretion, may by a majority vote determine; provided, however, that any such distribution of assets shall be calculated to carry out the objects and purposes of the Association; and provided further that all such

distribution must be to one (1) or more organizations which are exempt from tax as organizations described in Sections 501(c)(6) or 501(c)(3) of the Code.

ARTICLE XVI – Amendments

These Bylaws may be amended or repealed by vote of at least two-thirds (⅔) of the voting Members of the Association at a meeting duly called for the purpose of altering these Bylaws at which a quorum is present, and for which written notice of such meeting setting forth the proposed alteration is given in accordance with Section 6.2 of these Bylaws.

Adopted at the NRLA Special Membership Meeting on February 1, 2024

AMENDMENT LEGEND

■ **Text shown in** red with underline represents new language proposed for adoption. This includes:

- Section 3.7A – National Company Membership; Individual Location Memberships (new section)