

**BYLAWS OF
RHODE ISLAND LUMBER AND BUILDING MATERIALS DEALERS
ASSOCIATION**

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**BYLAWS OF
RHODE ISLAND LUMBER AND BUILDING MATERIAL DEALERS
ASSOCIATION**

ARTICLE 1

Identification

Section 1.1 Name. The name of this corporation shall be the Rhode Island Lumber and Building Materials Dealers Association and shall herein be referred to as “RILBMDA” or “the Association.” The Association is incorporated under the laws of the State of Rhode Island and Providence Plantations.

Section 1.2 Nonprofit Status. This 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 and its Articles of Incorporation.

Section 1.3 Offices. The principal business office of the Association shall be 251 Fairgrounds Rd., P.O. Box 217, West Kingston, RI, 02892-1512. Such office may be changed from time to time by the Board of Directors (the “Board”), and the Association may also have offices at such other places as the Association may require.

ARTICLE 2

Statement of Purposes

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 specific purposes:

- a. To represent, unite, train, and lead independent lumber and building material dealers in the State of Rhode Island.
- b. To educate, instruct, inform, and assist its membership in techniques, concepts, products, skills and general philosophy of the lumber and building materials industry.
- c. To provide a forum for the discussion of ideas pertaining to the goals and principles of the lumber and building materials industry and to have an avenue for the presentation of such ideas.
- d. To develop the abilities and potential of its members for additional responsibilities and advancement in their respective firms and within the lumber and building materials industry.
- e. To promote social interaction among the members of RILBMDA, the Northeastern Retail Lumber Association (“NRLA”), and others associated with the lumber and building materials industry.
- f. To engage in any and all other lawful purposes, activities and pursuits, which are substantially similar to the foregoing and which 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 three categories of membership: Dealer Member, Associate Member, and Honorary Member (collectively, the “Membership” and individually, a “Member”). RILBMDA will be primarily structured to serve Dealer Members.

Section 3.2 Dealer Member. Any organization with membership in good standing in the

NRLA with a place of business in the State of Rhode Island may become a Dealer Member if:

- (i) it maintains a facility which is equipped to service the public or professional trades;
- (ii) its facility includes an office, storage yard or warehouse;
- (iii) its facility is kept open during business hours; and
- (iv) it carries an inventory of lumber and 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 Member. Any organization, which actively supplies lumber or building materials or services to Dealer Members may become an Associate Member of RILBMDA. An Associate Member in good standing of NRLA will be considered an Associate Member of RILBMDA. An 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 on matters requiring a vote by the Membership, except in the case of elections and Bylaw amendments, which shall be Dealer Member only votes. Associate Members are not eligible to become an officer of the Association.

Section 3.4 Honorary Member. A Member upon retirement from the lumber and building material business, or any individual, may by reason of distinguished service to the Association and/or to the industry be elected an Honorary Member by the Board.

Honorary Members will have no voting rights, pay no annual dues, and be exempt from fees for membership meetings.

Section 3.5 Election of Members. All new Members must be approved by the Board. All Members must adhere to these Bylaws, as may be amended from time to time and each Member shall pay annual dues to the NRLA in an amount determined by the NRLA Board of Directors. In the event a Member's membership is terminated for any reason pursuant to Section 3.9 below, such Member shall not be entitled to receive a pro-rated refund of dues paid to the Association .

Section 3.6 Membership Rights. The Association shall be controlled by Members. There is no limitation on the number of Members in the Association. Memberships in the Association

are not transferable. All rights, privileges, and interests of a Member in the Association shall cease upon termination of membership.

Section 3.7 Membership Report. The secretary of the Association shall maintain a membership report listing the name and address of each Association Member. The report shall also contain the date upon which an applicant becomes a Member and the date the membership of any Member ceases. The membership report shall be kept in the principal place of business of the Association .

Section 3.8 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 3.9 Termination of Membership. A Member's membership in the Association shall terminate on the occurrence of any of the following events:

- a. Upon receipt by a director 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 pay membership dues by the due date. Termination of membership for non-payment of dues may occur without notice being given by the Association. Membership may be reinstated in full once delinquent dues are paid within thirty days of the due date.
- d. If, after being given an opportunity to be heard, the Board for the Association finds that a Member has engaged in conduct that violates the purposes for which the Association was formed to such a degree that the Member's membership in the Association should be terminated.

ARTICLE 4

Board of Directors

Section 4.1 Authority. The business and affairs of the Association shall be controlled and governed by the Board, which shall have the right to exercise all powers of the Association as permitted by law. The Board shall consist of up to seven individuals (collectively, the "Directors" and each a "Director"). Each Director shall execute all duties through the use of the standard as to what in the Director's opinion is in the best interests 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. The Board may decide and vote on any issue a member may bring up. The Board may bring to the Membership any issue for a binding or non-binding vote as they see fit.

Section 4.2 Composition. The Board shall be composed of the Executive Committee of the Association, the Immediate Past President, and an Associate Member Director. Directors must be representatives of a Member. There shall not be more than two Directors affiliated with a single Member company.

Section 4.3 Terms of Office. Directors shall be elected at the annual meeting of the Membership, whenever terms are ending or eligible for renewal, by a majority vote of Dealer Members present. Each Dealer Member is entitled to one vote.

Section 4.4 Meetings. The Board shall hold an annual meeting of the Membership between October 1 and December 31 of each year (the "Annual Meeting") and may elect the time and place for other meetings of the Board and Membership. Special meetings of the entire Membership may be called by the Board, upon written request of five (5) or more Members filed with the secretary. Notice of any meetings of the Membership shall be sent at least five (5) days in advance of such meeting and shall include the date, time, place, and purpose of such meeting. At any meeting of the Membership, each Member company may be represented by as many employees as desired, who shall be allowed a voice in discussions, but only one representative from each Member company shall be recognized for the purposes of determining quorum and in any vote taken at such meeting. Regular meetings of the Board shall be held at such time and place as the Board shall determine. Notice of meetings of the Board shall be sent to each Director at least seven (7) days prior to the set time for such meeting. Other meetings of the Board may be called by the president or by one-half of the Directors then in office by delivering notice in writing, of the date, time, place, and purpose of such meeting, to all directors at least seven (7) days in advance of such meeting. Attendance of a director at any meeting constitutes a waiver of notice of the meeting, except when 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.

Section 4.5 Quorum and Voting. One-third of the total number of Dealer Members shall constitute a quorum for the transaction of business at a Membership meeting, with the exception of the Annual Meeting which requires a majority of Dealer Members to achieve a quorum. Each Member shall have one vote. A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. At any meeting of the Board at which a quorum is present, a majority of those present shall decide any matter, unless a different vote is specified by law, the Articles of Incorporation, or these Bylaws. The order of business may be altered or suspended at any Membership meeting by a majority vote of the members present. The usual parliamentary rules as laid down in "Robert's Rules of Order" shall govern all deliberations, when not in conflict with these Bylaws.

Section 4.6 Meetings by Alternate Means. One or more Directors may participate in any annual, regular, or special meeting of the Board by means of conference telephone, virtual meeting platform, 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 4.7 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 Directors or committee members 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 Directors or committee members shall be filed with the minutes of the proceedings of the Board or committee.

Section 4.8 Committees. The Board may create such standing and special committees as it determines to be in the best interest of the Association . The Board shall 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. The president shall appoint a chairperson for each committee. Each such committee shall submit to the Board, 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. Any committee may be terminated at

any time by the Board.

Section 4.9 Compensation. Directors as such 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 4.10 Vacancies. A vacancy or vacancies in the Board shall not interrupt the continuity of Association business, and the continuing Directors shall for this purpose be deemed to constitute the full Board. Any vacancy occurring in the Board shall be filled as soon as conveniently possible by a majority vote of the Board. A Director elected by the Board to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office.

Section 4.11 Removal. Any Director may be removed, with or without assignment of cause, by a vote of two-thirds of the entire board of directors, at any meeting of the Board. No Director shall be removed from office unless the notice of the meeting at which removal is to be considered states such purpose and opportunity to be heard at such meeting is given to the Director whose removal is sought.

ARTICLE 5

Executive Committee and Officers

Section 5.1 Officers. The officers of the corporation shall consist of a president, 1st vice president, 2nd vice president, a treasurer, and a secretary.

Section 5.2 Executive Committee. The officers shall comprise the Executive Committee of the Association . Between meetings of the Board, the Executive Committee shall be empowered to act on the Board's behalf, but shall not have the authority to act in a manner that violates Section 7-6-26 of the Rhode Island Nonprofit Corporation Act. A majority of members of the Executive Committee shall constitute a quorum for the transaction of business at any meeting of the Executive Committee. Majority vote of those Executive Committee members present will determine outcome.

Section 5.3 Election. Only representatives of Dealer Members are eligible to become officers of the Association . The officers of the Association shall be elected whenever terms are ending or eligible for renewal by the Dealer Members of the Association at the Annual

Meeting. Each officer shall hold office until a successor shall have been elected.

Section 5.4 Vacancies. If a vacancy occurs on the Executive Committee, the Board shall appoint new officers(s) to serve until the next Annual Meeting or until a special election is held.

Section 5.5 Removal. Any officer may be removed, with or without assignment of cause, by a vote of two-thirds of the entire Board, at any meeting of the Board. No officer shall be removed from office unless the notice of the meeting at which removal is to be considered states such purpose and opportunity to be heard at such meeting is given to the officer whose removal is sought.

Section 5.6 President. The office of President shall be filled by an employee or owner of a Dealer Member. The president shall preside at all meetings of the Board and the Executive Committee, and shall be a member ex-officio, with the right to vote, of all committees except the Nominating Committee. In the event of a tie vote, the president shall cast the deciding vote at meetings of the Board, Executive Committee, and all committees except the Nominating Committee. The president, or other officer or agent of the Association authorized by the Board, may sign any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed. The president shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board from time to time. The term of office of the president shall be two (2) years. The president will also be eligible to serve up to two 1-year extensions to his/her term, for a maximum of four total consecutive years, if duly nominated and elected for each extension.

Section 5.7 Vice Presidents. The 1st vice president shall assist the president in discharging his/her duties and during his/her absence shall discharge his/her duties in his/her stead. The office of 1st and 2nd vice president shall be filled by an employee or owner of a Dealer Member. The office of 2nd vice president shall assist the president and 1st vice president as requested. The 2nd vice president shall discharge the duties of the 1st vice president in the absence of the 1st vice president. The terms of 1st vice president and 2nd vice president shall be two years. Vice presidents will also be eligible to serve up to two 1-year extensions to his/her term, for a maximum of four total consecutive years in each position, if duly nominated and elected for each extension.

Section 5.8 Treasurer. The treasurer, or other officer or agent of the Association authorized by the Board, shall have charge and custody of and be responsible for all funds and securities of the Association, receive and give receipt for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies, or other depositories as shall be selected by the Board; and in general perform all of the duties incident to the office of treasurer and such others as may from time to time be assigned by the Board. The term of office of the treasurer shall be two (2) years. No term limits.

Section 5.9 Secretary. The secretary shall keep the minutes of the meetings of the Board and the general membership meetings in one or more books provided for that purpose; ensure that all notices are given in accordance with the provisions of these Bylaws; be custodian of the corporate records; and in general perform all such duties as may from time to time be assigned by the Board. The term of office of the secretary shall be two (2) years. No term limits. The secretary position may also be held in conjunction with another officer position.

Section 5.10 Immediate Past President. The immediate past president will hold a director position to provide continuity and counsel to the board. The immediate past president shall chair the nominating committee. The term of office of the immediate past president shall run concurrent to the current president's term.

Section 5.11 Associate Director. There shall be one Director on the RILBMDA Board who is a representative of an Associate Member (the "Associate Director"). The Associate Director's term shall be two years and shall be limited to a maximum of one term.

Section 5.12 Nominating Process. The Board shall appoint a Nominating Committee, chaired by the immediate past president, consisting of three (3) total members, including the immediate past president (two (2) representatives from Dealer Members and one (1) representative of an Associate Member). The Nominating Committee shall prepare a list of nominations for officers and Directors of the Association and will meet and make its report to the Board in October of each year for the Board's approval. The approved slate of nominees will be mailed or e-mailed to all Members, with the notice of the Annual Meeting, at least thirty (30) days in advance of the Annual Meeting.

ARTICLE 6

Finances

Section 6.1 Fiscal Year. The fiscal year of the corporation shall begin on October 1 and end on the following September 30 or such other period as determined by the Board.

Section 6.2 Operating Budget. Each year, the Treasurer shall oversee the preparation of the Association's operating budget for the ensuing fiscal year. A draft of the proposed operating budget shall be circulated to the Board in September for comments. A final operating budget shall be presented to the Board and approved prior to the Annual Meeting. The Board may amend the operating budget when necessary.

Section 6.3 Financial Oversight. The Board will appoint a minimum of two members, including a committee chair, to a Financial Oversight Committee. This committee will be responsible for reviewing the financial books and records of the association. A review of the records should take place at least annually and may be conducted more often as the committee determines. The committee's chair will report back to the Board at least annually regarding the results of the review or more often as the committee determines. The committee should set minimum expectations for the Treasurer and ensure that they are being adhered to. The committee is not an Audit Committee and does not bear any legal or financial responsibility.

ARTICLE 7

Association Transactions

Section 7.1 Contracts. Except as set forth in Section 7.2, the Board 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 7.2 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 treasurer.

Section 7.3 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 shall select.

ARTICLE 8

Books and Records

The Association shall keep at the office or offices determined by the Board correct and complete books and records of account; minutes of the proceedings of Board; and a register of the names and addresses of the Directors of the corporation. All books and records of the Association may be inspected by any Director, or agent or attorney thereof, for any proper purpose at any reasonable time.

ARTICLE 9

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, as it now exists or may hereafter be amended, or any corresponding section of any future tax code.

ARTICLE 10

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 the Association 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 distributions must be to one or more organizations which are exempt from tax as organizations described in Section 501(c)(6) of the Code or in section 501(c)(3) of the Code.

ARTICLE 11

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 which 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 12

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 against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding to not have acted in good faith in the reasonable belief that such action was in the best interests of the Association; and further provided that 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.

Reasonable expenses incurred by a Director who is a party to a proceeding may be paid or reimbursed by the Association in advance of the final disposition of the proceedings upon receipt by the Association of:

(1) A written affirmation by the Director of the director's good-faith belief that the Director has met the standard of conduct necessary for indemnification by the Association as authorized in this section; and

(2) A written undertaking by or on behalf of the Director to repay the amount if it is ultimately determined that the Director has not met the standard of conduct, and after a determination that the facts then known to those making the determination would not preclude indemnification under this section. The undertaking required by this paragraph is an unlimited general obligation of the Director but need not be secured and may be accepted without reference to financial ability to make repayment. Determinations and authorizations of payments under this paragraph shall be made accordance with Section 7-6-6(e) of the Rhode Island Nonprofit Corporation Act.

The indemnification provided hereunder shall inure 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 which adversely affects the right of an indemnified officer or director with respect to these acts or omissions which occurred at any time prior to such amendment or repeal.

ARTICLE 13

Amendments to Bylaws

These Bylaws may be amended at any regular or special meeting of the Membership by a two-thirds vote of the Dealer Members present, provided that a quorum is present (a majority of the Dealer Members). The proposed amendment shall have been submitted to the Board in writing and a copy of the proposed amendment(s) mailed or e-mailed to each dealer member at least thirty (30) days prior to the date of the meeting, and a copy of the same included in the call for the meeting. These Bylaws may be amended by the Dealer Membership through a mail or electronic vote if the above requirements are satisfied.

(End of Bylaws)