



**BYLAWS  
Of  
U.S. Working Group, Inc.**

**Amended and Restated, Adopted on August 15, 2016**

**ARTICLE I  
OFFICES**

Section 1.1. The principal office of the corporation is located in such place as the Board of Directors (hereinafter “Board”) may, from time to time, designate. The registered office of the corporation, required by the Vermont Nonprofit Corporation Act (the “Act”), shall be located within the State of Vermont and may be, but need not be, identical with the principal office. The address of the registered office may be changed from time to time.

Section 1.2. The corporation may also have offices at such other places, within or without the State of Vermont, where it is qualified to do business, as its business and activities may require, and as the Board may, from time to time, designate.

**ARTICLE II  
MEMBERS**

Section 2.1. The corporation shall be constituted as a membership organization. All members of the Forest Stewardship Council, A.C. (hereinafter “FSC International”) residing in the United States, whether individual members or member organizations as defined by FSC International (represented by duly designated delegates), shall be eligible to be members of the corporation (hereinafter “members”). The corporation’s highest national authority shall be its membership. The corporation, its Board and members shall be entitled to do all things under these bylaws not inconsistent with FSC International statutes and bylaws or the corporation’s contracts with FSC International, unless FSC International statutes and bylaws violate or cause a violation of laws of the United States or the State of Vermont.

Section 2.2. The members of the corporation are categorized into three chambers. These categories shall be called the social, the economic and the environmental chambers. Each of these three categories shall consist of individual and organizational members. Except as otherwise provided in this section, criteria for membership in each chamber as well as membership standing, including but not limited to issues relating to destitution, suspension and withdrawal, shall be determined by FSC International statutes and bylaws for International members, provided that such statutes and bylaws are not inconsistent with the Act.

Section 2.3.a. **Voting.** Members shall be entitled to vote: (i) for directors, (ii) to amend the articles of incorporation, (iii) to amend the bylaws, (iv) to initiate new policy on matters of national relevance to



the corporation's mission and to membership as a whole, and (v) to clarify, amend, or overturn a policy decision by the Board.

**Section 2.3.b. Voting methods.** For all votes described in this Section 2.3.a., each member shall vote in one, and only one, of the following ways: (i) in person, (ii) by official proxy, (iii) by returning the official ballot by first-class mail or post, or (iv) by electronic mail or internet ballot, in the manner authorized by the member, as made available for such vote.

**Section 2.3.c. Weighting.** (i) **Chambers.** Each of the three chambers shall have an equal vote in any matter. Accordingly, each chamber shall have 100 votes, regardless of the number of members in each chamber. The number of voting members for each chamber shall be divided into 100 according to the weighting of individual members set out below. (ii) **Individual members.** Individual members in each of the three chambers, as opposed to members representing organizations, shall have a cumulative vote no greater than 10% of the vote of their chamber. Accordingly, (A) If the number of individual members who have cast votes in any chamber, including abstentions, is less than or equal to 10% of the total votes cast in that chamber, the weighting for each member in that chamber will be 100 divided by the number of votes cast in that chamber. (B) If the number of individual members who have cast votes in any chamber, including abstentions, exceeds 10% of the total votes cast in that chamber, then (i) the weighting for the individual members in that chamber will be 10 divided by the number of votes cast by individual members in that chamber and (ii) the weighting for members representing organizations in that chamber will be 90 divided by the number of votes cast by such members in that chamber.

**Section 2.3.d. Quorum.** (i) **First ballot.** For all votes described in this Section 2.3., a quorum shall be constituted when at least one-half of all members from each chamber, whether individual members or members representing organizations, has voted as set forth in Section 2.3.b. Abstentions shall be counted towards constituting a quorum. In the event of a quorum, an affirmative weighted vote (as set forth in Section 2.3.c.) of two-thirds shall be required to decide any matter, unless the matter is one for which a different vote is required by express provision of law, the articles of incorporation, or these bylaws. (ii) **Second ballot.** In the event that a quorum is not constituted in a first ballot, as described in Section 2.3.d(i), the matter shall be put to a second ballot within 60 days of the first ballot, at which time a quorum shall be reached if fifty percent of the votes entitled to be cast on the matter have voted as set forth in Section 2.3.b.. In the event of such a quorum is reached with the second ballot, the affirmative weighted vote (as set forth in Section 2.3.c) of two-thirds of the members casting ballots shall be required to decide any matter, unless the matter is one for which a different vote is required by express provision of law, the articles of incorporation, or these bylaws.

**Section 2.4.** A membership vote on any issue subject to vote under these bylaws may be taken without a meeting if the corporation delivers a postal or e-mail ballot to every member entitled to vote on the matter and the requisites of Section 2.3. are satisfied. Members shall have no less than 15 days from the mailing date to cast any and all postal or e-mail ballots. Each ballot shall set forth each proposed action and shall provide an opportunity to vote for or against each proposed action. All solicitations for votes by written ballot shall (i) indicate the number of responses needed to meet the quorum requirements, (ii) state the percentage of approvals necessary to approve each matter other than



election of directors; and (iii) specify the time by which a ballot must be received by the corporation in order to be counted.

Section 2.5. The Board shall be responsible for directing the preparation and taking of any membership vote.

Section 2.6. A majority of any chamber may petition the Board in writing, delivered to the President of the corporation (as defined in Section 7.7), for the establishment of a Special Advisory Panel as described in Article VI. If a majority of the Board favors the petition, the Board shall establish the panel. If a majority of the members that comprise two chambers or the majority of membership as a whole so petition the Board in writing, delivered to the President of the corporation, the Board shall establish the panel.

Section 2.7. If a simple weighted majority of members, weighted as defined in Section 2.3.c., make a written petition to the President of the corporation for a member vote on amendments to the articles of incorporation or bylaws, or to initiate new policy on matters of national relevance to the corporation's mission and to membership as a whole, or to clarify, amend, or overturn a policy decision by the Board, the Board shall put the issue to a membership postal or e-mail vote within 30 days of receipt of the petition. If the Board shall neglect or refuse to put the issue to a membership vote within 30 days, the person or persons calling for the vote may do so in a manner not inconsistent with these bylaws. In any event, members shall have no less than 30 days from the mailing date to cast ballots called for in this section.

Section 2.8. All members shall pay corporation dues or assessments, or both, as prescribed by FSC International in such amounts and payable at such times and by such methods of collection as the Board may by resolution prescribe.

### **ARTICLE III MEMBER MEETING AND REPORTING**

Section 3.1. All meetings of the members shall be held at the registered office or such other places, either within or without the State of Vermont, as the Board may from time to time determine.

Section 3.2. An annual meeting is required. At this meeting the President is required to report to members the activities and financial condition of the corporation.

Section 3.3. In accordance with Vermont statutes, an annual and any special meeting may be conducted by means of any electronic or telecommunications mechanism, including video-conferencing telecommunication.

Section 3.4. In the event of any member meeting, written notice specifying the place, date and hour and the general nature of the issues to be discussed or business to be transacted thereat shall be given



no fewer than 14 days prior (or if notice is mailed by other than first class or registered mail, 30) nor more than 60 days prior to the member meeting to each member of record.

Section 3.4.1. A special meeting, for any purpose or purposes, other than those regulated by statute or by the articles of incorporation, may be called at any time by the holders of at least five percent of the voting power, upon written request delivered to any corporate officer of the corporation. Upon receipt of any such request, it shall be the duty of the Board to fix the time of the special meeting, which shall be held not more than 60 days thereafter. If the Board shall neglect or refuse to fix the date of the special meeting within 30 days after the date the written demand or demands are delivered to a corporate officer and to provide notice thereof, a person signing the demand or demands may set the time and place of the meeting and give notice thereof in accordance with Section 3.4.

Section 3.4.2. Written notice of the special meeting specifying the place, date and hour and the general nature of the issues to be discussed or business to be transacted thereat shall be given no fewer than 14 days prior (or if notice is mailed by other than first class or registered mail, 30) nor more than 60 days prior to the special meeting date to each member of record (postal and/or e-mail) as then appears on the books of the corporation. Business transacted at all special meeting shall be confined to the business stated in the notice.

Section 3.4.3. A member meeting may be held for any purpose, including general information exchange, without the need for a quorum.

Section 3.4.4. No membership vote shall be taken at a member meeting unless the notice thereof shall specifically state the issue or issues that will be subjected to vote. All votes taken at such meetings shall be subject to the provisions of Section 2.3.

Section 3.5. Non-members may attend any meeting as observers at the sole discretion of the Board.

Section 3.6 The Secretary of the corporation shall make available for inspection by any member for the purpose of communication with other members concerning the meeting, at least two business days after notice of each meeting for which the list is prepared and continuing through the meeting, a complete list of individual members and duly designated delegates of member organizations entitled to notice of the meeting, arranged in alphabetical order for International and National members separately, with the postal and e-mail address of each, which list shall be kept on file at the principal office of the corporation and shall be made available to any member upon request. The list shall also include a list of members, if any, who are entitled to vote at the meeting, but not entitled to notice of the meeting, as well as the number of votes each member is entitled to vote at the meeting. It shall be the responsibility of members to insure that the Secretary of the corporation is kept apprised of changes to any of this information. Such list shall also be produced and kept open at the time and place of the meeting or any adjournment and shall be subject to the inspection of any member, a member's agent or attorney during the whole time of the meeting or any adjournment.



## **ARTICLE IV ELECTED AND APPOINTED DIRECTORS**

Section 4.1. Directors shall be of the age of majority in Vermont. Elected directors shall be members, the representative of a duly designated delegate of a member organization, or applicants for membership in good standing (whether they be individuals, a duly designated delegate of an applicant member organization or that duly designated delegate's representative). Directors shall not be duly designated delegates or the representatives of duly designated delegates of certification bodies. No more than forty-nine percent of the individuals serving on the Board may be financially interested persons.

Section 4.2. The number of elected directors that shall constitute the Board shall be nine. There shall be three directors elected from each chamber by the entire membership. The President of the corporation shall serve as a director ex officio. The President shall not have voting power or other rights of membership on the Board and his or her presence at any meeting shall not be counted toward a quorum.

Section 4.3. Each elected director shall hold office for a period of three years and until his or her successor is elected and qualifies. By this model, 1/3 of the authorized number of directors shall be elected to serve on the Board each year. Specifically, each year one director shall be elected from the social, economic, and environmental chambers, respectively. A director may serve for any number of terms, providing that a minimum period of one year's absence from the Board shall occur after every two consecutive full three-year terms.

Section 4.4 The elected members of the Board shall appoint by a two-thirds majority of the elected members of the Board in each chamber up to two members representing each chamber to the Board, provided that no more than three such directors are appointed for the first year in which these amended bylaws are in effect. Such appointed directors shall have full voting rights and shall have terms and term limits equal to those of elected directors.

Section 4.5. A vacancy on the Board shall exist on the death, resignation or removal of any director. Any director may resign effective upon giving written notice to the Board Chair, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If a director ends his or her term prematurely, for whatever reason, and his departure precludes a quorum of the Board, his vacancy shall be filled through appointment by a 2/3 majority of the remaining Board members in each chamber, and each person so elected shall be a director for the remainder of the term or, if the term is in excess of 12 months, until his successor is elected as expeditiously as possible pursuant to these bylaws. A person elected to fill a vacancy on the Board shall hold office for the remainder of the term.

Section 4.6. Directors who are duly designated representatives of member organizations may not be substituted for or be replaced by another person. If a director leaves an FSC member organization and becomes affiliated with another member organization in the same chamber, the director may remain a



member of the Board if both organizations agree to this in writing. If both organizations do not agree in writing, the director will only serve until the next election. If a director leaves an FSC member organization but applies for and thereafter maintains membership in the chamber the director was elected from, the director may remain a member of the Board. If the director becomes affiliated with an organization in another chamber or stops being a member in any chamber, for any reason, the director must resign from the Board.

## **ARTICLE V DIRECTOR ELECTIONS**

Section 5.1. Except as provided above with respect to appointed directors, directors shall be elected by members, and each member shall be entitled to cast one weighted-vote per director vacancy, irrespective of chamber, in any given election, in accordance with Section 2.3.

Section 5.2. Candidates for elected director vacancies shall be nominated by members in accordance with Board promulgated procedures. Only those persons meeting the director qualifications of Section 4.1. shall be eligible for nomination.

Section 5.3. All nominees for director shall fully and timely disclose to the Board any and all relationships in which the nominee derived financial benefit from consultation for or representation of certification bodies in the year preceding nomination, and any and all relationships in which the nominee anticipates deriving such financial benefit during the nominee's possible board tenure. Full disclosure for purposes of this section shall include the names of those party to or anticipated to be party to the relationship, a description of the nature or anticipated nature of the relationship and services rendered or to be rendered, and percentage or anticipated percentage of the nominee's annual gross income derived from the relationship, but need not include specific disclosure of income derived.

Section 5.4. The Board shall call for nominations to fill Board vacancies as expeditiously as possible in the event that a director ends his or her term prematurely, and in the event of natural expiration of a director's term, no less than 60 days prior to the end of the term. The names of qualified nominees shall then be submitted by the Board to the membership for a postal or e-mail vote no less than 15 days prior to the natural expiration of the director's term.

Section 5.5. Where a quorum is secured as required for a membership vote in Section 2.3. of these bylaws:

1. And where the number of nominees is equal to or less than the number of vacancies per chamber, the board shall direct on the ballot that members vote "yes" or "no" for each nominee in that chamber and if a majority of members vote "yes" for the nominee, he or she shall be elected to fill the vacancy for the coming year;
2. And where the number of nominees is greater than the number of vacancies per chamber, the nominee in that chamber receiving the highest weighted vote total shall fill the first vacancy,



and the nominee receiving the second most votes shall fill the second vacancy (if any) and so forth until all vacancies are filled.

Section 5.6. If the number of ballots returned by members in the first ballot under this Article is insufficient to constitute a quorum, the board shall proceed to a second ballot by post or e-mail as prescribed in section 2.3 of these bylaws.

## **ARTICLE VI DIRECTOR DUTIES, MEETINGS, COMMITTEES, AND MISCELLANEOUS**

Section 6.1. The business and affairs of the corporation shall be managed by the Board, which may exercise all such powers of the corporation and do all such lawful acts and things as are not by law, the articles of incorporation or these bylaws directed or required to be exercised and done by the members.

### **DUTIES**

Section 6.2. It shall be the duty of directors to:

1. Adhere to and perform any and all duties imposed on them collectively or individually by law, by the articles of incorporation, by these bylaws or by the FSC-U.S. mission;
2. Oversee the development of national and regional forest management standards for the US;
3. Appoint and remove, employ, supervise and discharge, and, except as otherwise provided in these bylaws, prescribe the duties and fix the compensation of the President;
4. Meet at such times and places as required by these bylaws;
5. Register their addresses with the Secretary of the corporation, and notices of meetings mailed, e-mailed or telegraphed to them at such addresses shall be valid notices thereof; and
6. Provide a means to report required elements at least annually to the membership.
7. Adopt and periodically review a statement of mission and activity for FSC-U.S.
8. Adopt policies and activities, as needed, to support the mission of FSC-U.S.

### **MEETINGS OF THE BOARD**

Section 6.3. Regular meetings of the Board may be held at such time and places as shall be determined from time to time, by resolution of at least a majority of the Board at a duly convened meeting, or by unanimous written consent. Notice of each regular meeting of the board shall specify the date, place, hour and general nature of business to be conducted and shall be given each director at least 7 days before the meeting.

Section 6.4. Special meetings of the Board may be called by the Board Chair on 24 hours notice to each director; special meetings shall be called by the Board Chair of the corporation in like manner and on like notice on the written request of two directors. Notice of each special meeting of the Board shall specify the date, place, hour and general nature of business to be conducted and shall be given each director at least 24 hours before the meeting.



Section 6.5. At all meetings of the Board, a majority of the directors in office shall be necessary to constitute a quorum for the transaction of business, provided that at least two directors from each chamber are included in the quorum. The acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board, except as may be otherwise specifically provided by law or by the articles of incorporation or by these bylaws or when one member of the Board calls for a vote that is weighted by chamber based on the number of directors in each chamber present for the vote, provided that, in no event shall such a weighted vote permit the affirmative vote of less than a majority of the directors present to constitute an act of the Board. If a quorum shall not be present at any meeting of directors, the directors present thereat may adjourn the meeting or hold the meeting and defer all votes. It shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted thereat other than by announcement at the meeting at which such adjournment is taken. The minutes of every Board meeting whether a vote is taken or not, and whether a quorum is present or not, shall be timely distributed to all directors by the Secretary of the corporation.

#### DIRECTOR CONFLICT OF INTEREST

Section 6.6. A director who believes he or she may have a conflict of interest with respect to a particular transaction shall disclose this to the Board. A transaction in which a director has a conflict of interest may be approved in advance by the Board if the material facts of the transaction and the director's interest are disclosed to the Board, the directors approving the transaction in good faith reasonably believe that the transaction is fair to the corporation and the director with the conflict of interest does not cast a vote with respect to the matter. A conflict of interest includes a transaction with the corporation in which a director has a direct or indirect interest and would normally be related to the commercial trade of forest products, and/or certification and/or accreditation decisions. For purposes of this section, a director has a material interest in a transaction if he or she is a party to the transaction, if another entity in which the director has an interest or of which the director is a general partner is a party to the transaction, or if another entity of which the director is a director, officer or trustee is a party to the transaction. The conflict of interest transaction must be approved by the affirmative vote of a majority of directors on the Board who have no direct or indirect interest in the transaction, but a transaction may not be approved by a single director. If it is discovered that a director has a conflict of interest regarding a particular transaction, has not disclosed that conflict of interest to the Board, and has cast a vote with respect to the transaction, the director shall be removed from the Board.

#### EXECUTIVE COMMITTEE

Section 6.7. The Board may, by a 2/3 vote of the Board members from each chamber, designate an Executive Committee consisting of 3 or more Board members (and at least one director from each chamber) and may delegate to such committee the powers and authority of the Board in the management of the business and affairs of the corporation, to the extent permitted by these bylaws, and except as may otherwise be provided, by provisions of law. By a majority vote of its members, the Board may at any time revoke or modify any or all of the Executive Committee authority so delegated, increase or decrease but not below three (3) the number of the members of the Executive Committee, and fill vacancies on the Executive Committee from the members of the Board. The Executive





Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require.

#### OTHER COMMITTEES

Section 6.8. The Board may, by resolution adopted by a majority of the Board, designate one or more committees, each committee to consist of two or more committee members, including one or more of the directors of the corporation, and any number of persons who are not members of the Board. The Board may designate one or more directors in accordance with this Section 6.8 as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Any such committee to the extent provided in such resolution or in the bylaws, shall have and may exercise all of the powers and authority of the Board, except that no committee shall have any power or authority as to the following: (i) the submission to the members of any action requiring approval of members; (ii) the election, appointment or removal of directors or the filling of vacancies in the Board or any of its committees; (iii) the adoption, amendment, clarification or repeal of the bylaws; (iv) the amendment, clarification or repeal of any resolution of the Board; (v) action on matters committed by the bylaws or resolution of the Board to another committee of the Board; (vi) the amendment or repeal of the articles of incorporation; (vii) to authorize distribution; (viii) to approve or recommend to members the merger, dissolution or sale, pledge or transfer of all or substantially all of the corporation's assets.

The section of Article VI which govern meetings, notice and waiver of notice, action without meetings and quorum and voting requirements of the board of directors, shall apply to all committees and their members as well.

#### SPECIAL ADVISORY COMMITTEES

Section 6.9. The Board may, by resolution adopted by the majority of the directors in office when the action is taken, designate one or more Special Advisory Committees (hereinafter "SAC") or Standards Development Groups (hereinafter "SDG") to advise it on regional forest management standards or policy matters of national relevance to the corporation's mission and to membership as a whole, or for any other reason not otherwise specifically prohibited by law or by the articles of incorporation or by these bylaws, except that the Board shall designate one or more SACs or SDGs if required to do so by the provisions of Article II. Each SAC or SDG shall consist of at least three members of the corporation, with one from each chamber. At the discretion of the Board, additional SAC or SDG members who are not members of the corporation may be added to each SAC or SDG. Each SAC or SDG shall be responsible for timely communicating and consulting with membership in the course of its deliberation and shall, within the time prescribed in the Board's resolution, report its recommendations and conclusions to the Board for appropriate action by the Board. The SAC's or SDG's recommendations may include a recommendation that the issue be put to a vote of the membership.

#### DISPUTE RESOLUTION COMMITTEE

Section 6.10. The Board shall establish a Dispute Resolution Committee (hereinafter "DRC") to address disputes and grievances from members in a transparent manner. The committee shall be comprised of members, shall be named by the Board and shall be made up of at least three representatives, with at



least one from each chamber. Members may submit disputes or grievances in relation to membership, performance of the President, the Board or officers, or regional standards, to the DRC with a copy to the Board Chair. Disputes or grievances must be submitted in writing and must be seconded by two other members. If the DRC finds that the dispute or grievance has merit, it shall submit its findings to the Board and the Board shall propose an appropriate action to the member(s) within 120 days thereof. If said member(s) opposes the proposed action in writing within 30 days, the matter shall be finally determined, after consultation with the full DRC, by a vote of the Board taken no more than 30 days from the date the proposed action is so opposed.

#### PARTICIPATION IN MEETING BY TELEPHONE

Section 6.11. One or more directors (or non-director members designated pursuant to this Article) may participate in a meeting of the Board or of a committee of the Board through the use of any means of communication, including by means of conference telephone or similar communications equipment, provided that all persons participating in the meeting can hear each other and simultaneously communicate with each other during the meeting. All directors (or non-director members designated pursuant to this Article) so participating shall be deemed present at the meeting.

#### INFORMAL ACTION BY DIRECTORS OR COMMITTEES

Section 6.12. Any action that may be taken by the Board or the members of a committee of the Board (including the members of a committee of Board and non-Board members) may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the directors or the members of the committee, as the case may be, and shall be filed with the Secretary of the corporation. Any manual, facsimile, confirmed or electronic signature consenting to the action shall be acceptable for purposes of this section.

#### COMPENSATION OF DIRECTORS

Section 6.13. Directors shall serve without compensation. Upon request, directors shall be allowed reasonable reimbursement of expenses incurred in travel to Board and member meetings. Nothing in this section shall preclude appropriate compensation of the President, although the President shall not receive additional compensation for service to the Board.

#### LIABILITY OF DIRECTORS

Section 6.14. No person who is or was a director of this corporation shall be personally liable for monetary damages for any action taken, or any failure to take any action, as a director, unless: a) the director has breached or failed to perform the duties of his or her office as mandated by law; and b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. This provision of the bylaws shall not apply to: the responsibility or liability of a director pursuant to any criminal statute; or the liability of a director for the payment of taxes pursuant to local, state or Federal law. If Vermont law hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended Vermont law.



## REMOVAL

Section 6.15. A director may be removed for failure to attend three successive Board meetings by a vote of the majority of the directors then in office. In addition, the members may remove one or more directors elected by the members at a meeting called for that purpose, if notice has been given that the purpose of the meeting is such removal, and if the number of votes cast to remove the director would be sufficient to elect the director according to sections 2.3(a,b,c). The Board of may also remove a director who has been appointed by the Board by an affirmative 2/3 majority vote of directors then in office in accordance with Section 4.4.

## ARTICLE VII OFFICERS

Section 7.1. The officers of the corporation shall be a President, a Board Chair, a Vice Chair, a Secretary, and a Treasurer. All officers shall be of the age of majority in Vermont.

Section 7.2. The Board, immediately after each director election, shall elect a Board Chair, a Vice Chair and a Treasurer, each of whom must be a member of the Board and these shall hold office until their successors are chosen and have qualified.

### THE BOARD CHAIR

Section 7.3. The Board Chair shall be the chief executive officer of the corporation; he or she shall preside at all meetings of the members and directors, shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the board are carried into effect.

### THE VICE-CHAIR

Section 7.4. The Vice Chair shall assist the Board Chair in all tasks as requested by the Board Chair and/or the Board and shall, in the absence or disability of the Board Chair, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board may prescribe or the Board Chair may delegate to him or her.

### THE SECRETARY

Section 7.5. The President shall permanently fill the position of Secretary, or in his/her absence, the Board Chair may appoint a staff person to act as Secretary. The Secretary shall attend all sessions of the Board and all meetings of the members and record the minutes indicating the time and place of each meeting, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof, and shall perform like duties for the committees of the Board when required. The Secretary shall maintain these official documents of the organization as well as the original, or a copy, of the articles of incorporation and these bylaws as amended or otherwise altered to date. The Secretary shall maintain a list of members, member addresses including e-mail addresses, and member chamber affiliation, shall give, or cause to be given, notice of all meetings of the members and of regular and special meetings of the Board, and shall perform such other duties as may be prescribed by the Board or Board Chair, under whose supervision he or she shall be. The assistant Secretary, if any, shall,



in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary.

#### THE TREASURER

Section 7.6. The Treasurer shall monitor the corporation's bookkeeping, including bank accounts, accounts receivable and payable, or as mandated by the Board, and shall oversee the preparation and presentation of all financial reports for Board approval, or as requested by external auditors. The Treasurer shall present a financial report at regular Board meetings, including at minimum: the amount of cash on hand at the beginning of the period in question, the amount received since the close of the previous period in question, the amount paid since the close of the previous period, and the balance on hand. The Treasurer shall exhibit at all reasonable times the books of account and financial records to any director of the corporation, or to his or her agent or attorney, on request therefor. The Treasurer will normally delegate authority for managing the corporation's day-to-day accounts to the President, upon approval of the Board.

#### THE PRESIDENT

Section 7.7. The President shall be directly answerable to the Board and shall be responsible for day-to-day management of the corporation, implementation of the corporation's strategic plan and the programs derived therefrom, and any other activities the Board may assign from time to time. The President's responsibilities shall include, but shall not be limited to: recruiting, training and managing staff; providing leadership in the regional standards setting process; developing and implementing an effective fundraising program; developing and implementing a communications plan; keeping membership and FSC International informed of Board, committee and corporation activities; liaising with and coordinating the corporation's responsibilities with respect to FSC International; maintaining an effective dialogue with certification's stakeholders, including those who produce, utilize and sell forest products, environmental, social and business interest groups, funding organizations, and consumers; and representing the corporation in various fora throughout the US and internationally, including at conferences, workshops and meetings.

#### REMOVAL AND RESIGNATION

Section 7.8. Any officer elected or appointed by the Board, may be removed by the Board for failure to attend three successive Board meetings or whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Removal shall require a majority vote of a quorum of directors. Any Officer may resign at any time by giving written notice to the board or to the Board Chair or Secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Removal or resignation of an officer shall be without prejudice to the contract rights of the officer or the corporation. However, appointment of an officer shall not of itself create contract rights.



## VACANCIES

Section 7.9. Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer other than that of Board Chair, may be filled temporarily by appointment by the Board Chair until such time as the Board shall fill the vacancy. Vacancies occurring in offices of assistant officers of the corporation appointed at the discretion of the Board may or may not be filled, as the Board shall determine.

## **ARTICLE VIII FIXING RECORD DATE**

Section 8.1. The Board may fix a time, not more than 70 days prior to the date of any member meeting or any adjournment thereof or any postal or e-mail vote as a record date for the determination of the members entitled to notice of, and to vote at, any such meeting, or through any such postal or e-mail balloting. In such case only members of record on the date so fixed shall be entitled to notice of, and to vote at, such meeting, or in such postal or e-mail balloting, notwithstanding any increase or other change in membership on the books of the corporation after any record date fixed as aforesaid. If no such record date is fixed, the record date for determining members entitled to notice of or vote at a member meeting or through a postal or e-mail vote shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting or postal or e-mail vote is held.

## **ARTICLE IX EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

### EXECUTION OF INSTRUMENTS

Section 9.1. The Board, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation 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 to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

### CHECKS AND NOTES

Section 9.2. The Treasurer, with the approval of the Board, may delegate authority for managing the organization's day-to-day accounts to the President, and checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the President or any other duly authorized member of the corporation's staff. When a check, draft, promissory note, order for the payment of money, or other evidence of indebtedness of the corporation is in excess of \$15,000, there must be at least two signatures, or otherwise written approval, from two duly authorized members of the corporation's staff.



## DEPOSITS AND INVESTMENTS

Section 9.3. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board may select and/or invested in such investments as approved by the Board.

## GIFTS

Section 9.4. The Board may accept on behalf of the corporation any contribution, gift, bequest, or devise given without conditions for the nonprofit purposes of this corporation.

## ARTICLE X

### CORPORATE RECORDS, REPORTS AND SEAL

#### MAINTENANCE OF CORPORATE RECORDS

Section 10.1. The corporation shall keep at its principal office: a copy of the corporation's articles of incorporation and bylaws as amended or otherwise altered to date; minutes of all meetings of directors and committees of the Board, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof; resolutions adopted by the Board; all written communications to members generally, including any financial statement furnished; a list of the names and business addresses of its current directors and officers; a list of the names of each member and their organizational affiliation and chamber; the corporation's most recent periodic report required by the State of Vermont; and adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses.

#### CORPORATE SEAL

Section 10.2. The Board may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument. Nothing in this section shall apply to the corporation's use of the FSC logo, which shall be governed by separate agreement between FSC International and the corporation.

#### DIRECTORS' INSPECTION RIGHTS

Section 10.3. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation and shall have such other rights to inspect the books, records and properties of the corporation as may be required under the articles of incorporation, other provisions of these bylaws, and provisions of law.

#### MEMBERS INSPECTION RIGHTS

Section 10.4. Every member shall have the absolute right at any reasonable time to inspect and copy the corporation's: articles of incorporation and bylaws as amended or otherwise altered to date; resolutions adopted by the Board; the minutes of all member meetings, meetings of directors and committees of the Board; all written communications to members generally, including any financial



statements furnished therewith; the list of the names and business addresses of its current directors and officers; the list of the names of each member and their organizational affiliation and chamber; and the corporation's most recent periodic report required by the State of Vermont.

#### RIGHT TO COPY AND MAKE EXTRACTS

Section 10.5. Any inspection under the provisions of this Article may be made in person or by a director or member's agent or attorney. The right to copy records includes, if reasonable, the right to receive copies made by photographic, xerographic or other means. The corporation may impose a reasonable charge, covering the costs of labor and material, for copies of any documents provided to the member. The charge may not exceed the estimated cost of production or reproduction of the records.

#### PERIODIC REPORT

Section 10.6. The Board shall cause any annual or periodic report required under law to be prepared and delivered to an office of the State of Vermont within the time limits set by law.

### **ARTICLE XI GENERAL PROVISIONS**

#### FINANCIAL REPORT TO MEMBERS

Section 11.1. The Board Chair of the corporation shall present to the members a financial report as prescribed by law, a copy of which report shall be filed with the corporation. This may be done at an annual meeting or electronically.

#### FISCAL YEAR

Section 11.2. The fiscal year of the corporation shall be the calendar year unless otherwise determined by the Board.

#### NOTICES

Section 11.3. Whenever, under the provisions of the statutes or of the articles of incorporation or of these bylaws, notice is required to be given to any person, it may be given to such person either personally, or by e-mail (solely in the manner authorized by the member), or by sending a copy thereof by first class mail postage prepaid, charges prepaid to the person's mailing address appearing on the books of the corporation, or in the case of e-mail, to the person's e-mail address authorized by the member. If the notice is sent by mail or by email, it shall be deemed to have been given to the person entitled thereto when deposited in first class postpaid United States mail. If the notice is sent by e-mail, it shall be deemed to have been given to the person entitled thereto when sent. If a member's mailing address or e-mail address should change or otherwise become ineffective for receipt of notice and the member shall fail to so inform the Secretary prior to the provision of notice under this section, said notice shall nonetheless be deemed effective for all purposes.

#### WAIVER OF NOTICE

Section 11.4. Whenever any written notice is required to be given by statute or by the articles of incorporation or by these by-laws, a waiver thereof in writing, signed by the person or persons entitled



to such notice, whether before or after the time stated therein, shall be deemed the equivalent of the giving of such notice. The business to be transacted or the purpose of the meeting shall be specified in the waiver of notice of such meeting. Attendance of a person at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

## **ARTICLE XII INDEMNIFICATION**

Section 12.1. The corporation shall indemnify any person who was or is a party (other than a party plaintiff suing on his or her own behalf or in the right of the corporation), or who is threatened to be made such a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including, but not limited to, an action by or in the right of the corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a trustee, partner, director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (such person being herein called an "Indemnified Person"), against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding (herein called collectively the "Indemnified Liabilities"), to the fullest extent permitted by Vermont law, provided that the act or failure to act giving rise to the claim for indemnification is not determined by a court to have constituted self-dealing, willful misconduct or recklessness. In addition the corporation shall indemnify any Indemnified Person against the Indemnified Liabilities to the full extent otherwise authorized by law.

Section 12.2. Expenses incurred by an Indemnified Person in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as authorized in the manner provided in Section 12.3 of this Article, upon (i) receipt of a written undertaking by or on behalf of such Person to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the corporation as authorized in this Article, (ii) receipt of a written affirmation of such Person's good faith belief that he or she has met the standards of conduct described in the Act and (iii) a determination being made that the facts then known to those making the determination would not preclude indemnification under the Act.

Section 12.3.

(a) Any indemnification under Section 12.1 of this Article (unless ordered by a court) shall be made by the corporation unless a determination is reasonably and promptly made that indemnification of the Indemnified Person is not proper in the circumstances because he or she has not satisfied the terms set forth in Section 12.1.

(b) Expenses shall be advanced by the corporation to an Indemnified Person upon a determination that he or she is an Indemnified Person as defined in Section 12.1 of this Article and has satisfied the terms set forth in Section 12.2 of this Article.





(c) All determinations under this Section 12.3 shall be made: (1) By the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) If such a quorum is not obtainable under (c)(1) of this Section, by a majority vote of a committee duly designated by the Board (in which designation directors who are parties may participate), consisting solely of two or more directors not at the time parties to the proceeding or (3) even if a quorum is obtainable, (i) if the Board or its committee in the manner prescribed in subdivision (1) or (2) of this subsection so directs or (ii) if a quorum of the Board cannot be obtained under subdivision (1) and a committee cannot be designated under subdivision (2), by majority vote of the full Board in which directors who are parties may participated, by independent legal counsel in a written opinion.

Section 12.4. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of shareholders or disinterested directors or otherwise, both as to action in this official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 12.5. The corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or who while a director, officer, employee or agent of the corporation is or was serving at the request of the corporation as a trustee, partner, director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

### **ARTICLE XIII IRC 501(C)(3) TAX EXEMPTION PROVISIONS**

Section 13.1. This corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.

Section 13.2. No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation [except as otherwise provided by Section 501(h) of the Internal Revenue Code], and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Section 13.3. Notwithstanding any other provisions of these Bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.



Section 13.4. No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members, directors or trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Section 13.5. Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of the State of Vermont.

#### **ARTICLE XIV AMENDMENTS**

Section 14.1. The bylaws may be amended, repealed or altered in whole or in part by the membership and the Board in accordance with the Act, unless the proposed changes do not relate to the number of directors, the composition of the board, the term of office of directors, or the method or way in which directors are elected or selected, in which case Board approval is not required. The Board must approve changes by a vote of the majority of the Board, in accordance with the voting requirements in Section 6.5.

Section 14.2. In the event that changes to the by-laws are approved by the Board (if such approval is required by Section 14.1), then the members will be notified with 30 days of these proposed changes. Within this notification and within any notification relating to proposed amendments to the bylaws, members will be informed of the proposed changes and of their right to vote on the proposed changes to the by-laws. To be adopted, the proposed changes must be approved by the Board in accordance with Section 14.1 and approved by a 2/3 majority of the members in each chamber.

#### **ARTICLE XV CONSTRUCTION AND TERMS**

Section 15.1. If there is any conflict between the provisions of these bylaws and the articles of incorporation of this corporation, the provisions of the articles of incorporation shall govern.

Section 15.2. If there is any conflict between the provisions of these bylaws and the articles of incorporation of this corporation and FSC International statutes and bylaws, FSC International statutes and bylaws shall govern, unless FSC International statutes and bylaws violate or cause violation of laws of the United States or the State of Vermont.

Section 15.3. Should any of the provisions or portions of these bylaws be held unenforceable or invalid for any reason, except in the event of a vote of the membership to the contrary, the remaining provisions and portions of these bylaws shall be unaffected by such holding.

**Forest Stewardship Council—US**

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Minneapolis, MN 55401

612-353-4511 Phone

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Section 15.4. All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

These Amended and Restated Bylaws were adopted on August 15, 2016 by the members of the corporation.

Certified by the Secretary of the corporation.

A handwritten signature in black ink, appearing to read 'C. B. B.', is written above a horizontal line.

Secretary