

BYLAWS OF MAGNESIUM OXIDE BUILDING PRODUCTS ASSOCIATION

ARTICLE I. Name and Address

The name of this corporation shall be Magnesium Oxide Building Products Association. The Board of Directors may designate other names for specific activities and programs as it deems appropriate. The principal office shall be 4500 Morris Park Drive, Mint Hill, North Carolina 28227.

ARTICLE II. Objectives

The Association's purpose shall be to advance the magnesium oxide building product industry's interests forward in North America and around the world.

ARTICLE III. Membership

Membership will be open to companies with an interest in the Association's mission and the employees working for those companies. Additional membership categories are available.

ARTICLE IV. Board of Directors

- A. *Composition of the Board of Directors.* The number of members of the Board of Directors shall be at least five and no more than eleven. Directors shall be of adult age. Directors shall be employees of member companies in good standing with the Association. Only one Board Member employed by a member organization may serve at any time. More than 50% of Board Members must work for manufacturing or supply companies.
- B. *Election.* Candidates for membership shall be selected from among those nominated by the Nominating Committee, which shall consist of three people appointed by the Chairperson. A majority of members present may also nominate candidates for positions on the Board of Directors. Directors shall be elected by a majority vote of those members present.
- C. *Terms.* Each director shall serve for a term of three years and may be extended until such time as a successor is selected. Initially, one-third of the Directors shall serve three-year terms; one-third shall serve two-year terms and one-third shall serve one-year terms. Terms shall be established so that one-third of the Directors may be elected each year. Terms are limited to two consecutive terms.
- D. *Removal.* A Director who has missed three or more consecutive meetings may be removed by a majority vote of the Directors then sitting. A Director may be removed for any reason by a vote of two-thirds of the Directors then sitting.
- E. *Vacancies.* Vacancies may be filled at any time by a majority vote of Directors then sitting.
- F. *General Powers.* The Board of Directors shall constitute the governing body of the Association. The Board of Directors shall manage the business and affairs of the Association. It shall have all powers necessary to carry out the objectives of the Association as set forth in Article II. The Board of Directors may accept, on behalf of the Association, any contribution, bequest, or devise.
- G. *Meetings.* Meetings of the Board of Directors shall be held at least four times each year via remote method or in-person at a reasonable time and place designated by the Chairperson. The Chairperson may designate additional meeting dates. One-third of the board Directors then sitting may, by written request, schedule additional meetings.
- H. *Annual Meeting.* Once per year a meeting of the Board of Directors shall be designated as the "Annual Meeting," at which new Directors are elected and other formal annual business

conducted.

- I. *Notice of Meetings.* Board members shall receive ten days' notice in advance of regularly scheduled meetings. This notice may be given in writing, in person, by email, or by any other reasonable method.
- J. *Waiver of Notice of Meeting.* A Director may, in writing, waive notice of any meeting of the Board of Directors either before or after the meeting, and such waiver shall be deemed the equivalent of giving notice. Attendance of a Director at a meeting shall constitute waiver of notice of that meeting, unless attendance is for the express purpose of objecting to the transaction of business because the meeting has not been lawfully called or convened.
- K. *Adjournment.* A meeting of the Board of Directors may be adjourned. Notice of the adjourned meeting or of the business to be transacted there, other than by announcement at the meeting at which the adjournment is taken, shall not be necessary. At an adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting originally called.
- L. *Informal Action.* If all the Directors severally or collectively consent in writing to any action taken or to be taken by the Association, the action shall be as valid as though it had been authorized at a meeting of the board.
- M. *Remote Attendance.* Meetings and votes may be held via electronic means such as video meeting, telephone call, email, or electronic survey tool.
- N. *Resignations.* Any Director may resign at any time by giving notice of resignation to any officer of the Board of Directors.
- O. *Quorum.* A quorum shall be more than fifty percent of the Directors then sitting.
- P. *Voting.* Votes may be prompted when a quorum is available by a motion from any Director and a second motion in support by another Director. Directors then sitting will discuss the motion and the Chairperson or delegate will call for a vote. A motion or vote will pass with a minimum of two-thirds of eligible Directors present.
- Q. *Proxy Voting.* There shall be no proxy voting. Upon a vote of a majority of Directors then sitting, the Board of Directors may allow proxy voting on a specific resolution, provided that a copy of the resolution shall be distributed to Directors at least seven days prior to the meeting at which proxy voting on the resolution is proposed.
- R. *Committees.* The Board of Directors may appoint any committee it deems necessary to carry out its functions.
- S. *Compensation of Board Members.* No member of the Board of Directors shall receive any salary or compensation for service as a Director. No Director shall receive any service or benefit not provided to the general public. Directors may receive reimbursement for out-of-pocket expenses incurred while conducting authorized business on behalf of the Association. Directors shall be entitled to receive reasonable fees for goods or services rendered to the Association in capacities other than as Directors.

ARTICLE V. Officers

- A. *Officers.* The Board of Directors shall have a Chairperson, a Vice-Chairperson, a Secretary, a Treasurer, and a Director-At-Large.
- B. *Duties of Officers.*
 - *Chairperson.* Shall preside at all meetings of the board and executive committee. The Chairperson shall appoint members to standing and *ad hoc* committees. The

Chairperson shall perform whatever duties the Board of Directors may from time-to-time assign.

- *Vice-Chairperson*. Shall carry out the duties of the Chairperson when the Chairperson is absent or incapacitated; shall have the same power and duties as the Chairperson when acting in that capacity; and shall perform whatever duties the board may from time-to-time assign.
- *Secretary*. Shall have charge of such books, documents and papers as the Board of Directors may determine; shall keep, or cause to be kept, a true and complete record of the meetings of the Board of Directors; shall give, or cause to be given, notice of all meetings of the Directors; shall keep, or cause to be kept, a record containing the names, alphabetically arranged, of all persons who are members of the Association, showing their places of residence, the names of persons entitled to participate in corporate affairs. Such books shall be open for inspection as provided by law. The Secretary shall, in general, perform all the duties incident to the office of Secretary subject to the control of the Board of Directors and shall perform other duties as may be prescribed by the Board of Directors.
- *Treasurer*. Shall have custody of all corporate funds, property and securities subject to such regulations as may be imposed by the Board of Directors. The Treasurer shall keep, or cause to be kept, full and accurate accounts of receipts and disbursements and shall deposit, or cause to be deposited all corporate funds and other valuable effects in the name of and to the credit of the Association in a depository or depositories designated by the Board of Directors. Corporate funds may be deposited only in banks or institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. The Treasurer shall give to the Chairperson or board, whenever they require it, an account of transactions as Treasurer and of the financial condition of the Association and shall, in general, perform all duties incident to the office of Treasurer, subject to the control of the Board of Directors.
- *Director-At-Large*. Shall represent the general membership on the Board of Directors by attending and actively participating in Board meetings, providing general oversight of the activities and operations of the Association, and providing direction to the formulation and achievement of the Association's vision, mission, and strategic goals.
- *Executive Committee*. The Executive Committee shall be composed of the officers of the Board of Directors and other Directors as a majority of the Board of Directors shall designate. They shall meet as needed to plan for the Board of Directors' work and to fulfill tasks assigned to them by the Board of Directors.
- *Election and Terms*. The Officers shall be elected by the Board of Directors. The term of office shall be for three years or until the Director's term expires.

ARTICLE VI. Staff

- A. *Staffing Decisions*. Staffing decisions and activities shall be led by the Chairperson or a delegate. Hiring shall be conducted in full compliance with the Association's anti-discrimination policy. The Association may hire employees who are members of the immediate family (spouse, grandparent, parent, brother or sister, son or daughter) of any member of the Board of Directors member, or of any person who will supervise the employee.
- B. *Executive Director*. Upon the hiring of an Executive Director, the Executive Director may hire other staff members as the Board of Directors authorizes. The Executive Director shall be an *ex officio* member of the Board of Directors. The Executive Director shall not be entitled to vote

but shall be entitled to notice of and attendance at meetings, except those portions of a meeting at which matters directly relating to the Executive Director are discussed.

C. *Other Staff.* All other staff shall be supervised by and accountable to the Executive Director.

ARTICLE VII. Finances

- A. *Fiscal Year.* The fiscal year of the Association shall begin on July 1st and end on June 30th.
- B. *Budget.* The Board of Directors shall prepare and adopt an annual budget at its first meeting each year.
- C. *Annual Financial Statement.* The Association shall prepare an annual financial statement for distribution to members of the Board of Directors.
- D. *Fiscal Policy.* The Board of Directors shall adopt and from time to time review a fiscal policy setting out a formal procedure that shall govern internal controls, the signing of checks; the obligation of funds; approval of contracts, leases, deeds and mortgages; and other significant aspects of the organization's fiscal operation. The fiscal policy shall ensure that the Association shall have sound financial controls that are appropriate, under generally accepted accounting principles, to its size and purpose.
- E. *Seal.* The Association will not use a common seal. The signature of the name of the Association by an authorized person shall be legal and binding.

ARTICLE VIII. Parliamentary Procedures

Robert's Rules of Order shall be the parliamentary authority for all matters of procedure not specifically covered by these bylaws.

ARTICLE IX. Amendments of the Charter and Bylaws

These bylaws may be amended, supplemented, or repealed by a two-thirds vote of the Board of Directors present at any meeting at which a quorum is present. Before Directors may vote on an amendment to the charter or bylaws, notice must be given to Directors of the proposed amendment at a prior meeting of the board, and in no case less than 70 days before the amendment is to be considered. These bylaws shall become effective upon approval by the Board of Directors.

ARTICLE X. Statement of Nondiscrimination

The Association shall not discriminate against any person in the hiring of personnel, election of members of the Board of Directors, provision of service to the public, the contracting for or purchasing of services or in any other way, on the basis of race, color, sex, national origin, disability, age, or any other basis prohibited by law. This policy against discrimination includes, but is not limited to, a commitment to full compliance with Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and any subsequent amendments statutes.

ARTICLE XI. Conflict of Interest Policy

The Association has developed and will regularly communicate to members the following **Conflict of Interest Policy**:

The purpose of this Conflict of Interest Policy is to protect the interests of the Magnesium Oxide Building Products Association (MgOBPA) in connection with any transaction arrangement that

might benefit the private interests of any employee, any association Officer, Director, Committee or Board Member, or Member (herein collectively referred to as "MgOBPA Members"). Employees and any MgOBPA Members in a position to act on behalf of the Association shall perform their duties for MgOBPA in good faith and with the degree of care that an ordinarily prudent person would exercise under similar circumstances.

An actual or potential conflict of interest occurs when an employee or MgOBPA Member is in a position to influence a decision that may result in a personal gain for that employee or for a relative or interested party as a result of MgOBPA's business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee or Association member is similar to that of persons who are related by blood or marriage.

Employees and MgOBPA Members have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes the framework within which MgOBPA wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees and MgOBPA Members can seek further clarification on issues related to the subject of acceptable standards of operation within the company and the industry. Contact the Board Chairperson for more information or questions about conflicts of interest.

Employees and MgOBPA Members must act with loyalty to the Association meaning that no employee or MgOBPA Member may use their position with the Association to make personal profit or gain other personal advantage without the express prior written consent from MgOBPA.

Transactions with outside firms must be conducted within a framework established and controlled by the Board of Directors. Business dealings with outside firms should not result in unusual gains for those firms. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit either the employer, the employee, or Association members. Promotional plans that could be interpreted to involve unusual gain require express prior written consent from MgOBPA.

Employees and MgOBPA Members may not engage in any transaction or arrangement or undertake positions with other organizations that involve a conflict of interest except in compliance with this Policy. Employees and MgOBPA Members should avoid both actual conflicts and the appearance of conflicts of interest.

MgOBPA Members shall excuse themselves from voting on any transaction or arrangement in which they have a potential or actual conflict of interest and shall not be present when such vote is taken.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees or MgOBPA Members have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to the Board Chairperson as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

A. *Records of Proceedings.* The minutes of the Board of Directors and all committees with Board delegated powers shall contain:

- I. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was

present, and the Board of Directors' or committee's decision as to whether a conflict of interest in fact existed.

- II. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement and a record of any votes taken in connection with the proceedings.
- III. A statement that the interested person was not present when the Board of Directors or committee considered whether the matter represented a conflict of interest and did not vote on the matter itself.

B. Compensation.

- I. A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.
- II. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.
- III. No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

C. Annual Statements. Each Board of Director and member of a committee with Board of Directors delegated powers shall annually sign a statement that affirms such person:

- I. They received a copy of the Conflict of Interest Policy;
- II. Has read and understood the policy;
- III. Has agreed to comply with the policy; and
- IV. Understands the Association is charitable and to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

D. Periodic Reviews. To ensure the Association operates in a manner consistent with federally-approved purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- I. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- II. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Association's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further activities and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

E. Use of Outside Experts. When conducting the periodic reviews, the Association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

Approval Signature: _____

Name: _____

Date: _____

Title: Chairperson, Board of Directors