

WORLD MILLWORK ALLIANCE

BY-LAWS

ARTICLE I NAME AND LOCATION

SECTION 1. The name of the association shall be WORLD MILLWORK ALLIANCE. Whenever used in these By-laws, the word "Association" or the acronym "WMA" shall mean the World Millwork Alliance.

SECTION 2. The corporate office of the Association shall be in Memphis, Tennessee.

SECTION 3. The executive office of the Association shall be located in New Port Richey, County of Pasco, State of Florida.

ARTICLE II OBJECTIVES OF THE ASSOCIATION

SECTION 1. The objectives for which this Association is formed are as follows:

A. To promote the use and increase the consumption of stock millwork and related building products, including such new products as from time to time become identified with millwork distribution, and to advocate and promote the sale of such products through millwork distributors.

B. To perform such functions which promote and provide leadership, codes, standards and certification support, education, promotion, networking, and advocacy to, and for, the welfare of the millwork distribution industry and the membership.

ARTICLE III MEMBERSHIP

SECTION 1. Types of Membership. The membership of the Association shall consist of Distributors, Associate Members and Affiliate Industry Professionals.

SECTION 2. Distributor Membership. Any person, firm, division, or entity, is eligible to become a Distributor Member if the applicant qualifies as a One Step Distributor, Two Step Distributor, or Millwork and Building Material Supplier, as those terms defined below; and if the applicant is being engaged in the value-added bona fide distribution of millwork related building products for at least one year prior to application for membership, and meets all of the following criteria:

One Step Distributor Member is any person, firm, division, or entity, which is a pre-hanger of interior and/or exterior doors with delivery capability or is being engaged in the value-added bona fide distribution of millwork related building products, and which holds inventory, provides credit, and sells wholesale to the builder, remodeler, or consumer.

Two Step Distributor Member is any person, firm, division, or entity, which is a pre-hanger of interior and/or exterior doors with delivery capability or is being engaged in the value-added bona fide distribution of millwork related building products, and which holds inventory, provides credit, and sells wholesale to the dealer (lumberyards and specialty dealers).

Millwork and Building Material Supplier is any person, firm, division, or entity, which is a value-added millwork shop, with shop capabilities, that may sell wholesale to the builder, remodeler, or consumer or through retail operations or affiliates. Membership is restricted to the Millwork and Building Material Supplier primary member and does not include or extend membership, membership benefits and privileges, to the Millwork and Building Material Supplier members, its' affiliates or any individual or company members.

A. The applicant or member must be recognized as a person, firm, division, or entity performing a bona fide sales function by representative buyers and sellers of millwork and related products in its trading area.

- B. The applicant or member must maintain a full-time sales organization who is actively and regularly engaged in soliciting millwork sales.
- C. The applicant or member must maintain an adequately staffed and equipped office and warehouse of sufficient size to permit the maintenance of an inventory to adequately satisfy customers and potential customers and which is continuously open to customers during normal business hours.
- D. The applicant or member must own or otherwise have readily available delivery vehicles in sufficient quantity to adequately service its customers and potential customers at all reasonable times.
- E. The applicant or member must purchase millwork and related products in carloads, truckloads, or related bulk quantities in order to maintain an inventory of such product large enough to adequately serve its customers and potential customers.
- F. The applicant or member must periodically prepare and distribute in printed or electronic format and/or make available on the company website to its customers and potential customers a stock list, price list or catalog covering millwork and related products available for sale or provide price quotations to customers.
- G. The applicant or member must invoice and assume full credit responsibility in connection with its sales.

SECTION 3. Application for Membership.

- A. All applicants desiring to become members shall make written application using a membership form supplied by the Association. The President of the Association shall certify on the application that the applicant meets the requirements of the By-laws and provided such complete information as is required by the application form. Completed applications shall be submitted to the Membership Committee and Board of Directors for consideration. Neither the receipt of the application, nor the deposit in a bank of the dues payment, shall constitute acceptance as a member of the Association. If there are no facts shown as to the applicant not qualifying for membership under the By-laws, then the applicant shall become a member.
- B. In order for a Distributor Member to be accepted for membership in the Association subsequent to the approval of the application, all millwork business locations (branches or otherwise) of the prospective member shall be part of the Association Membership and pay the appropriate dues. Thereafter, unless the President determines consistent with Section 12 of this Article that one or more locations are not part of the millwork industry, all locations must be part of the membership.
- C. Applicants that do not meet the criteria for membership will be notified and any monies will be refunded.

SECTION 4. Continuing Membership. Current members shall each year certify to the Association that they continue to qualify for membership in accordance with these By-laws.

SECTION 5. Associate Member. Any persons, firms or entities are eligible to become an Associate Member if the applicant qualifies as a Manufacturer Member Product or Service Provider Member, as those terms are defined below.

Manufacturer Member is any persons, firms or entities engaged in the manufacturing of millwork or building related products to be sold through various channels; such as, wholesale distributors, dealers, home centers, or importers of millwork who manufacture and/or sell to distribution.

Product or Service Provider Member is any business entity which sells or provides, or seeks to sell or provide, business products not related in building or services which could be utilized by various areas of distribution. Service companies may be comprised of but not limited to logistic and support firms that provide products; such as, software programs, material handling equipment, production machinery or recruitment services.

SECTION 6. Affiliate Millwork Professional Member. Any person, firm or entity is eligible to become an Affiliate Millwork Professional Member providing the applicant qualifies as a Manufacturer Representative, Broker, Co-operative Organization or Group Purchasing Organization (GPO), as those terms defined below.

Manufacturer Representative Member is any independent person, firm or entity which sells for and markets millwork products on a contract basis for one or more manufacturers to anyone the manufacturer identifies as a potential customer.

Co-operative Organization or Group Purchasing Organization Member is any person, firm or entity which sells to and markets millwork products for the dealer. Membership is restricted to the Co-operative Organization or Group Purchasing Organization main headquarters, or primary division; and does not include or extend membership, or membership benefits and privileges to the Co-operative Organization or Group Purchasing Organization's members, any individual or company members.

A Millwork Broker or Trader is any person firm or entity engage in selling and marketing millwork products on behalf of one or more manufacturers, not as an employee or under a contractual employment arrangement. Their role involved facilitating the sale of millwork products to distributors or dealers.

SECTION 7. Additional Locations. In order for an Associate Member or Affiliate Millwork Professional Member to be accepted for membership in the Association, only one millwork business location of the prospective Associate Member or Affiliate Millwork Professional Member shall be part of the Association membership and pay the appropriate dues. Any additional locations as stated for Members in Section 5 and 6 will obtain separate membership and be assessed the full dues as an Associate Member or Affiliate Millwork Professional Member.

SECTION 8. Application Approval. All Associate Members and Affiliate Millwork Professional Members applications shall be subject to approval by the Membership Committee and the Board of Directors and as stated in Section 3 A and C of this Article.

SECTION 9. Dues and Privileges. The annual dues and the rights, privileges and responsibilities of Associate Membership and Affiliate Millwork Professional Member shall be established by the Board of Directors. An Associate Member shall be entitled to hold the office of Associate Vice Chairman in the Association or serve as a member of the Board of Directors, but not share in the treasury surplus or the distribution of assets of the Association.

SECTION 10. Resignation. All memberships shall be for a minimum period of one year. Thereafter, any member shall have the right to withdraw from the Association by giving thirty days' written notice to the Association. The withdrawal shall become effective upon the expiration of the notice, but such resignation shall not relieve the obligation to pay any dues accrued and unpaid, and any assessments theretofore levied and unpaid, or to pay any obligations to the Association which arose out of acts of the Association performed prior to acceptance of the resignation.

SECTION 11. Termination. Membership in the Association shall cease and terminate in the event that a member ceases to meet the criteria for membership applicable to that member's membership category.

SECTION 12. Expulsion. Any member who shall have made a false statement in the application of membership, who fails to adhere to these By-laws or the rules and regulations of the Association or whose conduct shall have been found by the Board of Directors to be prejudicial to the welfare, interest, or character of the Association, may be censured, suspended, or expelled from membership by the Board of Directors. No termination shall be affected without due notice to the member and an opportunity for said member to appear before the Board of Directors and be heard at a meeting considering the termination.

In the event that a Distributor Member has multiple business locations (branches, divisions, or otherwise) and one or more of said multiple business locations ceases to qualify for membership, the President may only terminate or modify the membership of the location(s) that no longer qualifies for membership.

SECTION 13. Reclassification of Membership. In the event a Distributor Member, Associate Member or Affiliate Millwork Professional Member ceases to qualify as a member or change its classification of membership under these By-laws, the President may request the member reclassify their membership by reapplying for membership under the appropriate category as a new member.

SECTION 14. Voting Rights and Privileges. Each Distributor Member Company's designated home office entity shall be entitled to one vote on each matter submitted to the vote of the membership of the Association. Branch warehouses or divisions of Distributor Member entities may be enrolled in the Association as separate members and shall have the rights and privileges of membership, except the right to vote. The Associate Member shall have the rights and privileges of the membership, except for the right to vote as a Member.

SECTION 15. Member-At-Large Member. The Association has established a category of membership, Member-At-Large Member, for individuals who were formerly employed by a member and who served at the committee level or higher and who do not qualify in any other membership category. Renewal of a Member-At-Large Member is on an annual basis with approval of the Membership Committee. A Member-At-Large Member shall have the rights and privileges of the membership, except for the right to vote as a Member.

ARTICLE IV DUES

The dues of the Association shall be fixed in such manner as may be directed by the Board of Directors. Failure to pay dues in a timely manner negates membership in the Association as per accepted policy.

ARTICLE V MEETINGS

SECTION 1. General Distributor Meeting. A General Distributor Meeting may be held from time to time. The place and time of the General Distributor Meeting shall be established by the Board of Directors.

SECTION 2. Special Meetings. Special meetings of the membership of the Association shall be held in the event of any of the following: A. At the call of the Chairman.

B. At the request of a majority of the members of the Board of Directors.

C. At the request of 25% of the voting Distributor Members of the Association.

D. The time and place of the special meeting shall be fixed by the Board of Directors.

SECTION 3. Notice of Meeting. Notice of the time and place of the General Distributor Meeting or any special meeting of the Association shall be given to the membership at least thirty days prior to the said meeting.

SECTION 4. Quorum. At any meeting of the members of the Association, one-third of the Distributor Member entities holding membership in the Association shall constitute a quorum. Attendance at a General Distributor Meeting in conjunction with the holding of a regular or special meeting of the membership shall constitute attendance at the meeting for the purposes of a quorum.

SECTION 5. Voting. Each Distributor Member Company's designated home office entity shall be entitled to one vote on each matter submitted to the vote of the membership of the Association. Branch warehouses or divisions of Member entities, do not have voting privileges.

ARTICLE VI FISCAL YEAR

The Association's fiscal year shall begin on January 1st of each calendar year and shall end on December 31st of each calendar year. The Treasurer shall prepare a report for the first quarter Board of Directors meeting and for the General Distributor Meeting stating the condition of the membership, finances of the Association, and other information of interest to the membership.

ARTICLE VII OFFICERS

SECTION 1. Officers. The officers of the Association who shall be members, shall be a Chairman, First Vice Chairman, Treasurer, President-Secretary, Associate Vice Chairman, and Immediate Past President, all of whom shall serve without compensation, with the exception of the President-Secretary. The officers may also include a Second Vice Chairman. Except for the Associate Vice Chairman, who must be eligible for Associate Membership Status during their terms, all officers must be eligible for Distributor Membership Status during their terms.

SECTION 2. Election and Tenure. The Chairman, First Vice Chairman, Treasurer, Associate Vice Chairman, and Immediate Past Chairman shall be elected officers, and shall be elected by the Board of Directors, at the meeting of the Board of Directors that immediately follows the General Distributor Meeting of the membership, in the manner provided in the By-laws or any medium conducted by law. The Board of Directors may, but shall not be required to, elect a Second Vice Chairman. Such officers shall hold office for a period of two (2) years or until their successors are elected and qualified, except for the Treasurer who shall hold office up to four (4) consecutive years or until their successor is elected and qualified; and the Associate Vice Chairman who shall hold office up to two (2) years as this officer position does not allow for further rotation through the Chair positions. Officers may succeed themselves but must be duly elected to do so.

SECTION 3. Chairman. It shall be the duty of the Chairman to preside at all meetings of the Association and the Board of Directors and to appoint all committees and to perform such other duties that may be required of him or her by these By-laws or by the Board of Directors.

SECTION 4. First Vice Chairman. It shall be the duty of the First Vice Chairman to serve on any committee determined by the President; and to perform the duties of the Chairman in the absence or inability of the Chairman to act in the unexpired portion of the term. The First Vice Chairman shall also assume such other responsibilities as may be determined by the Board of Directors.

SECTION 5. Second Vice Chairman. It shall be the duty of the Second Vice Chairman to serve on any committee, or act as ex officio chairman of any committee, as deemed by the President; and coordinate the activities of the committees and their chair. The Second Vice Chairman shall also perform the duties of the Chairman in the absence, or inability, of the Chairman and the First Vice Chairman and to act in the unexpired portion of the term. He shall assume such other responsibilities as may be determined by the Board of Directors.

SECTION 6. Secretary. It shall be the duty of the Secretary to keep minutes of all meetings of the Association and the Board of Directors and to subscribe the name of the Secretary to such legal and other documents as may be necessary. The Secretary shall assume such other responsibilities as may be determined by the Board of Directors. The Secretary's position shall be filled by the President.

SECTION 7. Treasurer. It shall be the duty of the Treasurer to chair or be a member of the Finance Committee, and any other committee determined by the Chairman, as well as to review and be informed about the collection, receipt and custody of all monies and securities of the Association, to review and be informed of all disbursements as authorized by the Board of Directors as well as reviewing and being informed of the correct record of all receipts and disbursements. The Treasurer shall make any reports relative thereto to the Chairman and to the Board of Directors as often as they shall require. If authorized by the Board of Directors, he shall sign or countersign checks and other instruments of the Association. The Treasurer may serve up to four (4) consecutive years or until a successor has been appointed.

SECTION 8. Associate Vice Chairman. This position is to be filled by an Associate Member. It will be the duty of the Associate Vice Chairman to chair or be a member of the Associate Committee, or any other committee as determined by the Chairman. The Associate Vice Chairman may serve up to two (2) years as Associate Vice Chairman and has board voting privileges; however, this position does not allow for further rotation through the Chair positions.

SECTION 9. Immediate Past Chairman. It shall be the duty of the Immediate Past Chairman to serve as an advisor and consultant to the Chairman and Board members upon request. The Immediate Past Chairman shall continue to

remain active in committee work by serving as chair of the Nominating Committee and any other committee as determined by the Chairman.

SECTION 10. President. The President shall be employed by the Board of Directors for and on behalf of the Association. The President shall be the Chief Executive Officer and shall oversee and manage the Association operations on a day-to-day basis. The President shall perform the duties normally attendant to such a position, as well as such other duties as may be negotiated between the President and the Board of Directors at the time of the President's employment, or any renewal thereof.

ARTICLE VIII BOARD OF DIRECTORS

SECTION 1. Powers. The Board of Directors shall establish the policies for the Association decide and determine matters properly brought before it, advise the officers of the Association, perform such acts as are set forth in these By-laws and do all acts necessary and desirable in the conduct of the Association business consistent with these By-laws.

SECTION 2. Composition. The Board of Directors shall consist of not less than 11 members and not more than 13 members and shall be elected by majority vote of the Distributor Members present at the General Distributor Meeting of the membership or any medium conducted by law. The newly elected Board of Directors shall take office immediately following their election. Only one employee of a Distributor Member entity may serve in that capacity at any one time as a director or officer. Up to two Associate Members may serve as directors on the board with board voting privileges in the board meetings. Only one employee of an Associate Member entity may serve in that capacity at any one time as a director or officer. All elected officers of the Association and the Immediate Past Chairman of the Association shall be ex officio members of the Board of Directors and entitled to vote. Except for the Associate Members, who must be eligible for Associate Membership during their terms, all Directors must be eligible for Distributor Membership during their terms. No elected officer and no Director shall receive any salary or compensation for any services as such.

SECTION 3. Term. The Distributor Members of the Board of Directors shall hold office for three years, with one third or less of the members of the Board to be newly elected each year. The Associate Members of the Board of Directors shall hold office for up to a three-year term. Each Director shall hold office until a successor is elected or qualified.

SECTION 4. Board Meeting. A regular meeting of the Board of Directors shall be held at the time of the General Distributor Meeting of the Association, at which time the elected officers of the Association shall be elected by the Board of Directors. Other meetings of the Board of Directors shall be held at such times and places as the Board may determine or upon call of the Chairman. Written notices of such meetings shall be delivered to the members at least thirty days prior to such meeting.

SECTION 5. Quorum. One-third of the members of the Board shall constitute a quorum for the transaction of business. No determination of the Board shall be effective unless made with the affirmative vote of the majority in the number of those present at any meeting at which a quorum is present.

SECTION 6. Action Without Meeting. Any action required of the Board of Directors may be taken without a formal meeting of such Board if written consent thereto, and approval thereof, setting forth the action so taken, shall be signed by a majority of all the Directors, provided such proposed action is submitted in writing to all the Directors.

SECTION 7. Absence. Should any Director absent himself from three consecutive meetings of the Board, a majority of the remaining Directors may, at said third meeting or the next succeeding meeting, remove said Director from office.

SECTION 8. Vacancies. Any vacancies that may occur on the Board by reason of death, resignation, failure to meet qualifications on an on-going basis or otherwise, may be filled by the Board of Directors for the unexpired term. If in the judgment of the Board of Directors it is deemed advisable to elect a Director or Directors by written ballot, the President, on authorization of the Board, shall submit a written ballot to the members of the Board. At least thirty

days written notice shall be given of the closing time of any such written ballot, and a majority of the written ballots cast within the closing time shall prevail.

ARTICLE IX COMMITTEES

SECTION 1. Powers. With the exception of the Executive Committee, committee members are not empowered to implement or designate Association policy.

SECTION 2. Executive Committee. The Association shall have an executive committee which shall consist of the Chairman, First Vice Chairman, Second Vice Chairman, if any, Treasurer, President, Secretary, Associate Vice Chairman, and Immediate Past Chairman. Each of the elected officers shall hold office as directed in Article VII, Section 2. The Executive Committee is prohibited from acting for the Board only on such matters which the Board may reserve unto itself, in advance, or which may similarly be expressly reserved to the Board by the By-laws. Meetings of the Executive Committee may be called by or at the request of the Chairman. The person or persons authorized to call meetings may fix any place as the place for holding such meeting. Any meeting of the Executive Committee or other committees may be held, and action taken through the use of conference telephone or other communication equipment by means of which all persons participating in the meeting can communicate with each other. Any action required or permitted to be taken at a meeting of the Executive Committee may be taken without a meeting, if consent in writing, setting forth the action so taken, shall be signed by all the members entitled to vote with respect to such action. The Executive Committee shall act as an advisory body to the President, instructing and counseling with him/her in all policy matters of the Association as may be reasonably necessary in order to carry out the duties and obligations required by these By-laws, or those which cannot be properly deferred to a regular meeting of the Board.

SECTION 3. Membership Committee. The Chairman shall appoint a membership committee whose duties shall be to encourage membership in the Association by qualified applicants and carry out those functions as required and directed by Article III of these By-laws.

SECTION 4. Nominating Committee. The Chairman may appoint a nominating committee whose duty it shall be to recommend nominations for the Board of Directors and officers except the Immediate Past Chairman. The Nominating Committee shall be comprised of up to seven (7) members consisting of the Immediate Chairman, who will chair the committee, former Chairman, before the Immediate Past Chairman and who continues to be a member, and up to five (5) additional committee members designated by the Chairman. It is understood that the Nominating Committee participate and have a complete understanding of the needs of the association and the value of membership. It is therefore recommended that the Nominating Committee consider candidates who are an active member and possesses experience in the important areas of the organization.

SECTION 5. Other Committees or Groups. The Chairman shall and may create and appoint such other standing and special committees or groups to advise the Executive Committee and Board of Directors as are necessary and advisable in the conduct of the Association business. The Board of Directors shall have the power to also create Committees or Groups of the Association; to define and limit their functions; prescribe the procedure for such Committee or Group; and to discharge or terminate any such Committee or Group.

SECTION 6. Quorum. A majority of the members on any Committee or Group shall constitute a quorum, unless otherwise provided by the Board of Directors. The act of a majority of the Committee members or Group shall be that act of the Committee or Group.

SECTION 7. Compensation. No committee member shall be entitled to compensation for any services.

ARTICLE X MERGER OR CONSOLIDATION

SECTION 1. The Association may effect a merger, consolidation or other joiner with another lawfully constituted association or other organization whenever, in the judgment of the Board of Directors and the membership of the Association, such action becomes advisable or advantageous in serving the best interests of the membership of the Association.

SECTION 2. Any merger, consolidation or other joiner shall be binding on the Association only after approval by a majority of the Board of Directors present at a meeting called for such purpose and ratified by a two-thirds majority of the Distributor members of the Association voting at a meeting of the distributor membership or by proxy vote in writing by mail, or any medium conducted by law.

ARTICLE XI AMENDMENTS

SECTION 1. Amendments of these By-laws may be made with the approval of the Board of Directors and the affirmative vote of the majority of votes cast by Distributor Members, provided that a quorum of Distributor Members casts votes.