

BYLAWS OF THE CEDAR SHAKE & SHINGLE BUREAU

Adopted by
The Cedar Shake & Shingle Bureau (“CSSB”)
at its Annual Meeting
Seattle, Washington
September 20, 1963

Revised:

*September 24, 1965; September 22, 1967;
January 1, 1968; January 1, 1972;
March 30, 1973; July 1, 1974; September 20, 1974;
February 1, 1976; January 1, 1980;
September 24, 1982; December 8, 1982;
September 19, 1986; September 17, 1987;
September 24, 1988; September 23, 1989;
October 6, 1990; September 13, 1991;
September 25, 1992; June 9, 1993;
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September 20, 1996; September 13, 1997;
September 23, 2000; September 12, 2003;
September 10, 2004; December 4, 2006;
November 26, 2007; September 22, 2008;
March 17, 2010; November 24, 2010;
October 18, 2012; December 27, 2012;
January 6, 2015; November 2, 2015;
October 19, 2016; November 29, 2017;
November 14, 2018
January 22, 2020
November 30, 2020
October 25, 2022
October 4, 2023*

CEDAR SHAKE & SHINGLE BUREAU,

a nonprofit corporation,
organized under the Washington Nonprofit Corporation Act,
RCW 24.03, as amended from time to time (the “Act”)

**AMENDED AND RESTATED BYLAWS
Adopted November 26, 2007**

ARTICLE I

Purpose, Powers, and Restrictions

Section 1: Purpose.

The purpose of the Cedar Shake & Shingle Bureau (“CSSB”) is to benefit and promote the wood shake and shingle industry and the interests of manufacturers, processors, treaters, wholesalers, brokers, distributors, retailers, installers, purchasers, sellers, users, and consumers of wood shakes and shingles (“Products”), including but not limited to, CSSB Members.

Section 2: Powers.

CSSB shall have the power to engage in any lawful activity for which corporations may be organized under the Act, as may be amended, that is consistent with its purpose set forth in Section 1 above.

Section 3: Restrictions.

CSSB is not organized for profit. All funds collected by CSSB from its Members shall be devoted to furthering the purpose and activities of CSSB. No Member or former Member shall have any interest in such funds or in any property of CSSB, and no part of its net earnings shall inure to the benefit of any director or officer of CSSB or to any Member or private individual. This shall not prevent the following:

- (a) CSSB may reimburse the expenses of its directors, officers, and employees in accordance with these Bylaws.
- (b) CSSB may make payments and distributions in furtherance of its purpose set forth in Section 1 above.
- (c) CSSB may pay reasonable compensation to any employee, including employees who are officers of CSSB.

ARTICLE II

Offices

Section 1: Principal Office.

The principal office of CSSB shall be the Canadian address posted on the CSSB website or at such other place as the Board of Directors may designate. CSSB may have such other offices, either within or without the State of Washington, as the Board may designate or as the business of CSSB may require.

Section 2: Registered Office.

CSSB's registered office is LPSL Corporate Services, Inc., 1420 Fifth Avenue, Suite 4100, Seattle, Washington, USA 98101-2338, or such other registered office as the Board may designate or as the business of CSSB may require.

ARTICLE III

Members

Section 1: Members.

CSSB shall be comprised of Members who:

(a) submit an application for Membership as a Mill-Member and/or Affiliate-Member and pay the admission fee(s) established by the Board of Directors. A Mill-Member or applicant for Membership as a Mill-Member that owns, operates, manages, or controls, directly or indirectly, in whole or in part, an office, facility, or other premises used in connection with the promotion, marketing, distribution, purchase, sale, installation, maintenance, and/or repair of Products must also apply for Membership as an Affiliate-Member. An Affiliate-Member or applicant for Membership as an Affiliate-Member that owns, operates, manages, or controls, directly or indirectly, in whole or in part, a mill or facility used in connection with the manufacture or processing of Products must also apply for Membership as a Mill-Member;

(b) are elected to Membership by a majority vote of the Board of Directors who are eligible and permitted to vote under CSSB's Directors' & Officers' Conflict of Interest Policy and who cast a vote and do not abstain, provided, however, that an applicant whose Membership was previously terminated by CSSB must be approved by a vote of at least three-fourths of the Board of Directors who are eligible and permitted to vote under CSSB's Directors' & Officers' Conflict of Interest Policy, for reinstatement;

(c) execute a Membership agreement as a Mill-Member and/or Affiliate-Member in the form approved by the Board of Directors ("Member Agreement"), and agree to indemnify CSSB for any costs, expenses, attorneys' fees or damages arising in any way from such Member's manufacture, processing, treatment, promotion, marketing, distribution, purchase, sale, installation, maintenance, repair or use of Products;

(d) comply with the requirements for Membership as a Mill-Member and/or Affiliate-Member set forth in Section 2 or 3 below, respectively;

(e) comply with the letter, spirit and intent of these Bylaws and any amendments thereto, its Member Agreement(s), and all policies, procedures, rules and regulations adopted by resolution of CSSB Members or the Board of Directors and annexed to these Bylaws;

(f) do not deliberately and repeatedly (i) manufacture, process, promote, market, distribute, or sell Products at any mill, facility, premises, or location owned, operated, managed, or controlled by such Member, directly or indirectly, in whole or in part, that do not comply with CSSB's Product quality and grading policies, rules, regulations, and standards, or (ii) install or specify such non-compliant Products; and

(g) permit any person or entity authorized by CSSB to enter its offices, mills, facilities or other premises during business hours to review and enforce its compliance with these Bylaws.

Section 2: Mill-Members.

To become or remain a Mill-Member, a person or entity must:

(a) manufacture or process only Products that comply with CSSB's Product quality, inspection, grading and labeling policies, procedures, rules, regulations and standards established by resolution of its Members or the Board of Directors and annexed to these Bylaws;

(b) make all Products manufactured or processed at all mills or facilities owned, operated, managed, or controlled by such Mill-Member, directly or indirectly, in whole or in part, subject to grading and inspection pursuant to CSSB's Product quality and labeling inspection programs; provided, however, a Mill-Member may have one or more financial investors who are non-Members, so long as such Mill-Member retains a controlling interest in all mills or facilities operated, managed or controlled by such Mill-Member; and provided further, however, a Mill-Member may operate and manage a mill or facility leased by such Mill-Member from a Member or a non-Member, and a Member may lease a mill or facility to a non-Member, on the terms and conditions set forth below in subsections (i)-(iii):

(i) A mill or facility leased by a Mill-Member (the "Lessee") from a Member or a non-Member (the "Lessor"),

(A) must be operated, managed and controlled by such Mill-Member Lessee and not be operated, managed or controlled, directly or indirectly, in whole or in part, by another Member or a non-Member;

(B) in the event that the mill or facility leased by such Mill-Member Lessee is located on the same property as another mill or facility operated, managed or controlled, directly or indirectly, in whole or in part, by a non-Member,

(1) the mill or facility leased by such Mill-Member Lessee must not be located in the same building as the mill or facility operated, managed or controlled by such non-Member;

(2) a fence or other physical barrier must separate such Mill-Member Lessee's mill or facility and operations from the mill or facility operated, managed or controlled by such non-Member;

(3) such Mill-Member Lessee must put procedures and protections in place that are deemed adequate, in the sole discretion of the CSSB, to prevent such Mill-Member Lessee from obtaining Product labels from such non-Member, or such non-Member from obtaining Product labels from such Mill-Member Lessee;

(4) such Mill-Member Lessee must purchase raw materials and other products and services for its mill or facility independently of such non-Member and receive deliveries of raw materials and other products in a separate location on the property from the location at which such non-Member receives deliveries of raw materials and other products; and;

(5) such Mill-Member Lessee and such non-Member must have different, separate and independent ownership, operators, management, and employees.

(C) A Mill-Member Lessee leasing a mill or facility from a non-Member Lessor must comply with the custom cutting rules, policies and procedures adopted by the CSSB, as amended from time to time, including but not limited to, the rules, policies and procedures

governing such Mill-Member Lessee's ownership and purchase of raw materials and Products and precluding such non-Member Lessor's use of the CSSB's Certi-labels, logo and brand.

(ii) A mill or facility leased by a Member (the "Lessor") to a non-Member (the "Lessee"),

(A) must be operated, managed and controlled by such non-Member Lessee and not be operated, managed or controlled, directly or indirectly, in whole or in part, by a Member; and

(B) in the event that the mill or facility leased to such non-Member Lessee is located on the same property as another mill or facility operated, managed or controlled, directly or indirectly, in whole or in part, by a Member;

(1) the mill or facility leased by such non-Member Lessee must not be located in the same building as the mill or facility operated, managed or controlled by such Member;

(2) a fence or other physical barrier must separate such non-Member Lessee's mill or facility and operations from the mill or facility operated, managed or controlled by such Member;

(3) such Member Lessor and any such Member must put procedures and protections in place that are deemed adequate, in the sole discretion of the CSSB, to prevent such non-Member Lessee from obtaining Product labels from such Member or such Member from obtaining Product labels from such non-Member Lessee;

(4) such non-Member Lessee must purchase raw materials and other products and services for its mill or facility independently of such Member and receive deliveries of raw materials and other products in a separate location on the property from the location at which such Member receives deliveries of raw materials and other products; and

(5) such non-Member Lessee and such Member must have different, separate and independent ownership, operators, management, and employees.

(C) A Mill-Member Lessor leasing a mill or facility to a non-Member Lessee must comply with the custom cutting rules, policies and procedures adopted by the CSSB, as amended from time to time, including but not limited to, the rules, policies and procedures governing such Mill-Member Lessor's ownership and purchase of raw materials and Products and precluding such non-Member Lessee's use of the CSSB's Certi-labels, logo and brand.

(iii) A lease disclosure form approved by the CSSB must be completed in full and signed by the Lessor and the Lessee and provided to the CSSB for its files.

(c) pay dues and contributions to CSSB, at the rates or amounts and on the terms and conditions established by resolution of its Members or the Board of Directors pursuant to these Bylaws, on all Products manufactured or processed at such Mill-Member's mills and facilities;

(d) use and affix labels provided or licensed to such Mill-Member by CSSB on all Products manufactured or processed at its mills and facilities and not use or affix such labels on any other Products, unless otherwise determined by the Board of Directors;

(e) to the best of their ability and the best of their commercial means, (i) promote, market, sell and install CSSB Mill-Members' Products and (ii) promote and support CSSB and its programs and policies; and

(f) with respect to Products treated by such Mill-Member (including fire-retardant and preservative treatment), (i) sell treated Products that bear or use, or are marketed or sold under or with, CSSB Certi-Guard or Certi-Last labels only if such Products have been manufactured by a Mill-Member and are Certi-Label Products; (ii) sell treated Products that bear or use, or are marketed or sold under or with, CSSB labels only if such Products comply with CSSB's treated Product quality, inspection, grading and labeling policies, procedures, rules, regulations and standards established by resolution of its Members or the Board of Directors and annexed to these Bylaws; (iii) make all such treated CSSB Products subject to grading and inspection pursuant to CSSB's treated Product quality and labeling inspection programs; and (iv) pay dues and contributions to CSSB, at the rates or amounts and on the terms and conditions established by resolution of its Members or the Board of Directors pursuant to these Bylaws.

Section 3: Affiliate-Members.

To become or remain an Affiliate-Member, a person or entity must:

(a) be a wholesaler, broker, distributor, retailer, installer, purchaser, seller, user or consumer of CSSB Mill-Members' Products, an architect, builder, designer, educator, consultant or have interests in common with CSSB or its Members;

(b) pay dues and contributions to CSSB at the rates or amounts and on the terms and conditions established by resolution of its Members or the Board of Directors pursuant to these Bylaws;

(c) to the best of their ability and the best of their commercial means, (i) promote, market, sell and install CSSB Mill-Members' Products and (ii) promote and support CSSB and its programs and policies.

(d) not use CSSB's logo, trademarks, tradename, or promotional or marketing materials except to promote, market, distribute and sell Mill-Members' Products; and

(e) only install Products using, at a minimum, CSSB's installation methods, techniques and procedures.

Section 4: Suspension.

A Mill-Member's or Affiliate-Member's CSSB Membership shall be suspended by a majority vote of the Board of Directors who are eligible and permitted to vote under CSSB's Directors' & Officers' Conflict of Interest Policy and who cast a vote and do not abstain, in accordance with CSSB's Membership Suspension or Termination Due Process Policy adopted by the Board of Directors, if such Member fails to comply with the requirements for such Membership in Section 1, 2 or 3, above. Upon suspension, such Member shall comply with its Member Agreement and all policies and procedures adopted by resolution of CSSB Members or the Board of Directors and annexed to these Bylaws applicable to suspended Members.

Section 5: Termination.

(a) A Mill-Member's or Affiliate-Member's CSSB Membership shall be terminated:

(i) upon the death or dissolution of the Member or voluntary termination of its Member Agreement;

(ii) upon the sale, lease or other transfer of the mills or facilities owned or operated by the Member; provided, however, a Member's CSSB Membership shall be transferred to a person or entity ("Transferee") following a sale, lease or other transfer (collectively, "Transfer") of the

Member's ownership or controlling interest in the mills or facilities owned or operated by such Member to the Transferee, and not terminated, if:

(A) Member and Transferee promptly notify the CSSB of the Transfer;

(B) Transferee of a Mill-Member executes a Mill-Member Agreement, or Transferee of an Affiliate-Member executes an Affiliate-Member Agreement;

(C) Transferee of a Mill-Member complies with the requirements for Membership as a Mill-Member set forth in Section 2 above, or Transferee of an Affiliate-Member complies with the requirements for Membership as an Affiliate-Member set forth in Section 3 above; and

(D) Transferee is in compliance with, and not in violation of, the letter, spirit and intent of these Bylaws and any amendments thereto, its Member Agreement, and all policies, procedures, rules and regulations adopted by resolution of CSSB Members or the Board of Directors; or

(iii) upon the vote of three-fourths of the Board of Directors who are eligible and permitted to vote under CSSB's Directors' & Officers' Conflict of Interest Policy, in accordance with CSSB's Membership Suspension or Termination Due Process Policy adopted by the Board of Directors, for the Member's failure to comply with these Bylaws, as may be amended, its Member Agreement, or any of the policies, procedures, rules and regulations adopted by resolution of CSSB Members or the Board of Directors and annexed to these Bylaws, or for conduct detrimental to CSSB or its Members.

(b) Upon termination of its Membership, such Member shall promptly pay all dues and expenses accrued by such Member, return to CSSB all Product labels and promotional or other materials with CSSB's logo, trademarks or name, and comply with its Member Agreement and all policies and procedures adopted by resolution of CSSB Members or the Board of Directors and annexed to these Bylaws applicable to terminated Members.

ARTICLE IV

Meetings

Section 1: Annual Meeting.

The Annual Meeting of CSSB Members for the election of Directors and transaction of other business shall be held on such date and at such place each year as may be designated by the Board of Directors.

Section 2: Special Meetings.

Special meetings of CSSB Members may be called by the Chairperson of the Board of Directors, a majority of the Board of Directors, or upon the written request of Members holding ten percent (10%) or more of the total votes of CSSB Members entitled to vote. Members(s) who call a special Member meeting shall pay CSSB's out-of-pocket costs and expenses for the meeting, including but not limited to, room rental, teleconference, mail, and other related costs and expenses.

Section 3: Notice of Meetings.

Notices of Annual and special meetings shall set forth the purpose or purposes of the meeting and all matters and resolutions to be considered and voted upon, and shall be signed by the Director of Operations, Chairperson, or Vice Chairperson of the Board of Directors, or Secretary/Treasurer,

and sent by ordinary mail and facsimile or email to all Members not more than fifty (50) nor less than ten (10) days prior to the date of the meeting. Members will be provided an opportunity to place matters or resolutions on the agenda to be considered and voted upon at the Annual Meeting prior to the mailing of such notice.

Section 4: Voting Record.

At least ten (10) days before each meeting, the Director of Operations shall supervise preparation of a record of all CSSB Members entitled to vote at that meeting and the number of votes held by each such Member. The total number of votes held by all CSSB Members shall be available upon request to any Member prior to and during such meeting, and the total number of votes held by a Member shall be available upon request to that Member only prior to and during such meeting. Each Mill-Member shall be entitled to one vote for each one hundred dollars (\$100.00) such Member paid in dues to CSSB during the twelve-month period ending on the month that is seventy-five (75) or more days prior to the date of the meeting. Each Affiliate-Member shall be entitled to one vote. No Member or group of Members under common ownership, operation, management, control or supervision, directly or indirectly, in whole or in part, shall be entitled to vote more than thirteen percent (13%) of the total votes of all Members entitled to vote.

Section 5: Quorum.

Members present and holding ten percent (10%) or more of the total votes of CSSB Members entitled to vote shall constitute the quorum required for votes on all matters and resolutions at a meeting, except that a vote to amend these Bylaws or to change the dues to be paid by Members shall require a quorum of Members present and holding thirty percent (30%) or more of the total votes of CSSB Members entitled to vote; provided, however, the Board of Directors may, without a Member vote, decrease the dues to be paid by Members in any amount or increase such dues in an amount up to two and one-half percent (2.5%) per annum, and up to seven and one-half percent (7.5%) over three years.

Section 6: Voting.

Any business of CSSB may be raised and discussed at the Annual Meeting, but only those matters or resolutions referenced in the meeting notice shall be voted upon at any meeting. A majority of the votes cast upon any such matter or resolution shall control, except that any amendment to these Bylaws or to the payment of dues or contributions by Members, apart from decreases or increases in dues by the Board of Directors pursuant to Section 5 above, shall require an affirmative vote of at least sixty percent (60%) of the votes cast. Upon request of one-third or more of the Members present at a meeting, a vote upon any matter or resolution shall be by written ballot. Members may not vote by proxy, but may vote either in person or by mail on each matter or resolution referenced in the meeting notice, except for administrative matters such as approval of minutes of prior meetings and adjournment; however, no voting by mail will occur if sufficient votes are cast in person to decide such matter or resolution. Member ballots shall be counted by CSSB senior management only, and shall not be disclosed to any other person, except for CSSB legal counsel.

Section 7: Designated Member Representative.

A Member that is a corporation, partnership, association, or other entity shall designate in writing the person who will represent such Member and vote on its behalf at meetings and file such designation with CSSB.

Section 8: Telephone Meetings.

Members may participate in a special meeting of Members by conference telephone or similar communications equipment that permits all persons participating in such a meeting to hear each other. Any Members so participating shall be considered to be present in person at such meeting, and may vote on any matter or resolution referenced in the meeting notice orally or by mail as set forth in Section 6, above.

ARTICLE V

Board of Directors

Section 1: General Powers.

The business and affairs of CSSB shall be managed and transacted by, or under the direction of, a Board of Directors (“Board”). Except as otherwise provided by these Bylaws, CSSB’s Articles of Incorporation, the Act, applicable law, or as the Board may be directed by any resolution adopted by CSSB Members, the Board may take such action or adopt such resolutions as it deems appropriate for the management and transaction of the business and affairs of CSSB, including but not limited to:

- (a) electing the officers of CSSB and prescribing their duties, except as otherwise provided in these ByLaws;
- (b) setting the compensation of all officers, agents and employees of CSSB;
- (c) adopting and enforcing policies, procedures, rules and regulations for the conduct of the business of CSSB and its Members’ use of its labels, logo, trademarks and tradenames;
- (d) establishing quality control, grading and inspection standards and programs for Members’ Products;
- (e) negotiating with inspection agencies on behalf of Mill-Members, and establishing inspection fees for Mill-Members’ Products, administering payment of such fees, and coordinating and arranging for inspections of such Products; and
- (f) performing or directing the performance of any act, and entering into and carrying out any contract, deemed necessary or expedient for the accomplishment of the purpose set forth in Article I of these Bylaws.

Section 2: Number, Qualifications and Tenure.

The Board shall consist of ten (10) Directors in the following categories:

- (a) Four (4) Directors shall be Mill-Members or representatives of Mill-Members whose principal mills or facilities are located in Canada;
- (b) Two (2) Directors shall be Mill-Members or representatives of Mill-Members whose principal mills or facilities are located in the United States;
- (c) One (1) Director shall be a Mill-Member or representative of a Mill-Member whose principal mills or facilities are located in Canada or in the United States that qualifies as a small Mill-Member based on criteria established by the Board of Directors from time to time; and
- (d) Three (3) Directors shall be Affiliate-Members or representatives of Affiliate-Members;

Provided, however, in the event an insufficient number of Directors was nominated and elected or is serving in any such category, a Director in any other category may be nominated and elected, or appointed by the Board under Section 5 below, to fill such vacancy.

No Member or group of Members under common ownership, operation, management, control or supervision, directly or indirectly, in whole or in part, shall have more than one representative nominated for election or serving as a Director. Each Director shall hold office for two (2) years and until his or her successor is elected and qualified or until the Director's death, resignation or removal; provided, however, a Director elected to fill a vacancy shall hold office for the remainder of the vacant term; provided further, however, no Director shall hold office for more than ten (10) years consecutively, except that a Director who has held office for ten (10) years consecutively may be appointed as a Director by the Board to fill a vacancy pursuant to Section five below. A Director who has held office for ten (10) years consecutively is eligible to be nominated and elected as a Director after a one-year absence from holding office as a Director. A Director's term on the Board shall terminate if the Director or Member the Director represents ceases to be a Member of CSSB.

Section 3: Election.

Unless an insufficient number of Directors was nominated in any category under Section 2 above, five (5) Directors shall be elected by CSSB Members at each Annual Meeting, or more if there is a vacancy, to fill the expiring or vacant seats on the Board in each category as set forth in Section 2.

No later than sixty (60) days prior to the Annual Meeting, the Chairperson of the Board shall appoint a Nominating Committee of at least three Directors, one from each category specified in Section 2 above, that shall nominate one or more candidates willing to fill each expiring or vacant seat on the Board in each category specified in Section 2 above; provided, however, in the event there is no candidate willing to fill an expiring or vacant seat on the Board in a category, a candidate in any other category may be nominated to fill such seat. Additional candidates may be nominated by Members at the Annual Meeting.

Section 4: Resignation or Removal.

A Director may resign at any time upon written notice to CSSB, and such resignation shall take effect at the time therein specified. A Director shall be removed from the Board: (a) if he or she no longer qualifies to serve or for election as a Director under Section 2 above; (b) by an affirmative vote of at least seventy-five percent (75%) of the votes cast at a special meeting of CSSB Members called to consider such removal pursuant to Article IV, Section 2; or (c) by an affirmative vote of a majority of the Directors serving on the Board who are eligible and permitted to vote under CSSB's Directors' & Officers' Conflict of Interest Policy and who cast a vote and do not abstain, in the event that the Director (i) fails to attend or participate in at least 65% of the meetings of the Board, including meetings by conference telephone call, held in any one-year period; (ii) fails to comply with these Bylaws, as may be amended, his or her Member Agreement or other agreement with CSSB, or any of the policies, procedures, rules and regulations adopted by resolution of CSSB Members or the Board of Directors and annexed to these Bylaws; or (iii) engages in conduct that is deemed to be detrimental to CSSB or its Members.

Section 5: Vacancy.

A vacancy on the Board (a) due to the death, resignation or removal of a Director, (b) because an insufficient number of Directors under Section 2 above was nominated or elected at an Annual Meeting, or (c) for any other reason, may be filled until the next Annual Meeting by a person who

qualifies as a Director under any category in Section 2 above, and who is elected by a majority vote of the remaining Directors who are eligible and permitted to vote under CSSB's Directors' & Officers' Conflict of Interest Policy and who cast a vote and do not abstain.

Section 6: Compensation and Reimbursement of Expenses.

Directors shall not receive any salary or other compensation from CSSB, but may be reimbursed by CSSB for reasonable travel and other expenses incurred in connection with attending Board meetings or meetings of committees of the Board, pursuant to policies and procedures established by the Board.

Section 7: Regular Meetings.

The Board shall meet at such times and places as may be designated by the Chairperson of the Board.

Section 8: Special Meetings.

Special meetings of the Board shall be called by the Chairperson of the Board as soon as practicable upon the request of any two Directors at a place designated by the Chairperson.

Section 9: Notice.

Written notice of each meeting of the Board shall be provided to each Director by personal delivery, overnight courier, mail, facsimile, or email at least forty-eight (48) hours in advance of such meeting. Notices of special meetings must state the purpose of the meeting. Any Director may waive notice of any meeting.

Section 10: Quorum.

A majority, meaning greater than fifty percent (50%), of the Directors serving on the Board, including the Chairperson, shall constitute the quorum required for the transaction of business and voting by Directors on any matter or resolution at any meeting of the Board.

Section 11: Voting.

Except as otherwise expressly required by the Act or these Bylaws, the affirmative vote of a majority of the Directors who are eligible and permitted to vote under CSSB's Directors' & Officers' Conflict of Interest Policy, who cast a vote and do not abstain, and who are attending a meeting in person or by telephone conference call, on a matter or resolution shall be the act of the Board, unless the matter or resolution is presented to the entire Board, in which event the affirmative vote of a majority of the Directors serving on the Board who are eligible and permitted to vote under CSSB's Directors' & Officers' Conflict of Interest Policy and who cast a vote and do not abstain, shall be the act of the Board.

Section 12: Conflict of Interest.

A "conflict-of-interest transaction" is a transaction with or affecting the Member or other business or organization in which a Director has a direct or indirect interest. If a conflict-of-interest transaction is proposed or contemplated by the Board, any Director having a potential conflict shall disclose to the Board all material facts known to such Director and such Director's interest in the transaction. The transaction then may be approved by a majority of the Board comprised of Directors who have no direct or indirect interest in the transaction. In the event a Director raises whether he or she or any other Director may have an actual or potential conflict of interest with respect to a proposed

transaction, matter, or resolution, the Board of Directors shall determine, in accordance with CSSB's Directors' & Officers' Conflict of Interest Policy adopted by the Board of Directors, whether such potentially conflicted Director is eligible and permitted to vote on the proposed transaction, matter, or resolution, or has a conflict of interest and is not eligible or permitted to vote.

Section 13: Action without a Meeting.

Unless otherwise restricted by the Act or these Bylaws, any action that may be taken by the Board at a meeting may be taken without a meeting if all Directors consent thereto in writing, or by facsimile or email.

Section 14: Committees.

The Board may, by resolution adopted by a majority of the entire Board, designate one or more committees, including (without limitation) an executive committee, finance committee and quality control committee, each of which shall consist of two or more Directors and shall have and may exercise the authority of the Board in the management of the business and affairs of CSSB to the extent provided in such resolution, the Act and these Bylaws. Written notice of each committee meeting shall be provided to each committee member by personal delivery, overnight courier, mail, facsimile, or email at least forty-eight (48) hours in advance of such meeting unless the members waive such notice. A majority of the members of each such committee shall constitute a quorum, and the act of a majority of the members at any meeting at which there is a quorum shall be the act of the committee. The committees shall keep minutes of their meetings and report such minutes to the Board.

Section 15: Telephone Meetings.

Directors or members of any committee designated by the Board may participate in a meeting of the Board or of such committee by conference telephone or similar communications equipment that permits all persons participating in such a meeting to hear each other. Any Director so participating shall be considered to be present in person at such meeting, and may vote on any matter or resolution at such meeting orally or by facsimile or email.

ARTICLE VI

Officers

Section 1: Officers, Qualifications and Election.

The officers of CSSB shall be a Chairperson, Vice Chairperson, Secretary/Treasurer, and Director of Operations, each of whom shall be elected by majority vote of the entire Board of Directors who are eligible and permitted to vote under CSSB's Directors' & Officers' Conflict of Interest Policy and who cast a vote and do not abstain. The Board may elect a Past Chairperson and such other officers as it may deem appropriate. The Past Chairperson shall be the person who served as Chairperson immediately prior to the election of a new Chairperson, or a person who formerly served as Chairperson. The Chairperson, Vice Chairperson, Secretary/Treasurer, and Past Chairperson shall be Directors.

Section 2: Term of Office.

The Chairperson, Vice Chairperson, Secretary/Treasurer and Past Chairperson shall each hold his or her office for one (1) year or until such officer's death, resignation or removal or the next Annual Meeting following such officer's election and until his or her successor is elected and qualified.

The Director of Operations and each other officer, if any, shall hold such office until his or her successor shall have been duly elected and qualified or until his or her death, resignation or removal.

Section 3: Resignation or Removal.

An officer may resign at any time upon written notice to CSSB, and such resignation shall take effect at the time therein specified. The Chairperson, Vice Chairperson, Secretary/Treasurer or Past Chairperson shall be removed from office if he or she no longer qualifies for election to such office under Section 1 above, and any officer may be removed from his or her office by the Board, with or without cause, whenever in its judgment the best interests of CSSB will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election of an officer shall not of itself create contract rights.

Section 4: Vacancies.

A vacancy in any office due to death, resignation, removal or otherwise may be filled by the Board for the unexpired portion of the term by majority vote of the entire Board of Directors who are eligible and permitted to vote under CSSB's Directors' & Officers' Conflict of Interest Policy and who cast a vote and do not abstain.

Section 5: Compensation.

The Chairperson, Vice Chairperson, Secretary/Treasurer and Past Chairperson shall not receive any compensation for their service as officers of CSSB. The salaries and compensation of the Director of Operations, all other officers, if any, and all employees and agents of CSSB shall be established or approved by the Board.

Section 6: Chairperson.

The Chairperson shall preside at all meetings of the Board and at all meetings of CSSB Members.

Section 7: Vice Chairperson.

The Vice Chairperson shall perform the duties of the Chairperson in his or her absence, disability, or refusal to act.

Section 8: Secretary/Treasurer.

The Secretary/Treasurer shall:

- (a) keep the minutes of the meetings of CSSB Members and of the Board;
- (b) see that all notices are duly given in accordance with these Bylaws or as required by law;
- (c) be custodian of the books, records and corporate seal of CSSB;
- (d) execute with the Chairperson, Vice Chairperson, or Director of Operations all conveyances, contracts, deeds, mortgages and other written instruments and see that the corporate seal of CSSB is affixed to all documents the execution of which on behalf of CSSB under its seal is duly authorized by the Board;
- (e) keep a register of the post office address of each Member, which shall be furnished to the Secretary/Treasurer by such Members;

(f) have charge and custody of and be responsible for all funds and securities of CSSB, and pay out such funds as the Board may authorize and direct;

(g) receive and give receipts for monies due and payable to CSSB from any source whatsoever, and deposit all such monies in the name of CSSB in such banks, trust companies or other depositories as shall be selected in accordance with Article VII of these Bylaws; and

(h) in general perform all duties incident to the office of Secretary/Treasurer and such other duties as from time to time may be assigned by the Chairperson or by the Board.

Section 9: Director of Operations.

The Director of Operations shall be the Chief Executive Officer of CSSB and have general supervision and control over its business and affairs subject to the authority and direction of the Board. He or she may execute, with the Secretary/Treasurer or any other officer of CSSB duly authorized by the Board, any conveyances, contracts, deeds, mortgages, Membership certificates and other instruments that the Board has authorized to be executed, except as may be otherwise required by these Bylaws or applicable law, and shall also perform all duties incident to the office of Director of Operations and such other duties as may be prescribed by the Board from time to time.

ARTICLE VII

Contracts, Loans, Checks and Deposits

Section 1: Contracts.

The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of CSSB, and such authority may be general or confined to specific instances.

Section 2: Loans.

No loans shall be contracted on behalf of CSSB and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

Section 3: Checks and Drafts.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of CSSB, shall be signed by such officer or officers, agent or agents of CSSB and in such manner as shall from time to time be determined by resolution of the Board.

Section 4: Deposits.

All funds of CSSB not otherwise employed shall be deposited from time to time to the credit of CSSB in such banks, trust companies or other depositories as the Board may select.

ARTICLE VIII

Fiscal Year

The fiscal year of CSSB shall begin on January 1st and terminate on December 31st of each year.

ARTICLE IX

Seal

The seal of CSSB shall consist of a circular die containing, around the margin, the words “Cedar Shake & Shingle Bureau, Washington,” and in the center part thereof the words “Corporate Seal of 1963.”

ARTICLE X

Indemnification

To the fullest extent permitted by law, CSSB shall indemnify any person who becomes involved in any threatened or pending action, investigation or other proceeding (a “Proceeding”) by reason of being or having been a director, officer, or employee of CSSB (an “Indemnitee”) against all claims, liabilities, and expenses (including attorneys’ fees, fines, taxes, penalties, and amounts paid in settlement) that are reasonably incurred or suffered by the Indemnitee in connection with the Proceeding; provided, that CSSB shall not indemnify an Indemnitee with respect to liabilities and expenses arising out of any claim for affirmative relief by the Indemnitee unless the claim relates to enforcement of indemnity provided in this Article or unless the claim was authorized by the Board. The indemnification granted in this Article is a contract right that may be specifically enforced by the Indemnitee, who shall be presumed to be entitled to full indemnity unless CSSB carries the burden of proving otherwise.

ARTICLE XI

Amendments

These Bylaws may be altered, amended, changed or repealed in whole, or in part, and new Bylaws may be adopted in lieu of all or any part thereof at any Annual Meeting of the Members of CSSB, or at any special meeting thereof called for that purpose, by a vote of sixty percent (60%) of the votes cast at such a meeting at which there is a quorum of at least thirty percent (30%) of all votes entitled to be cast.

ARTICLE XII

Branch Societies

The Board of CSSB is authorized to establish and maintain one or more branch societies or other affiliated organizations (“Branch Society”) in British Columbia or any other jurisdiction in North America with such purposes and powers as the Board may consider necessary or advisable in the best interests of CSSB.