

**BY-LAWS  
OF  
CUSTOMS BROKERS & INTERNATIONAL  
FREIGHT FORWARDERS  
ASSOCIATION OF WASHINGTON STATE  
(Incorporated Under the Laws of Washington)**

As of: May 20, 2008

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## **Section 1. MEMBERSHIP**

**1.1 Eligibility and Qualification of Regular Members.** All sole proprietorships, partnerships, corporations, and other entities principally engaged as permitted customs brokerage firms and/or international freight forwarders and which have offices in the Customs District in the State of Washington will be eligible for regular membership in the corporation. A prospective regular member must submit a written application for membership to the corporation, together with advance payment of dues and fees payable for the upcoming year, prorated as appropriate. The application is then subject to verification and approval by the Board of Directors.

**1.2 Eligibility and Qualification of Associate Members.** Individuals and other entities which are not eligible for regular membership in the corporation, but meet the following respective requirements, are eligible for associate membership. A prospective associate member must submit a written application for membership to the corporation, together with advance payment of dues and fees payable for the upcoming year, prorated as appropriate. The application is then subject to verification and approval by the Board of Directors.

(a) Individuals are eligible for associate membership if they are:

(1) employed by an entity (other than a sole proprietorship, of which the individual is the owner or only employee) which is eligible for regular membership in the corporation, but is not a current regular member; or

(2) employed by an importer or exporter, or by an entity actively engaged in the business of supplying goods or services to the international trade and transportation industry; or

(3) retired, or otherwise not currently employed in the international trade and transportation industry, but have significant previous experience in that industry and retain an active interest in it.

(b) Sole proprietorships, partnerships, corporations, and other entities are eligible for associate membership if they are:

(1) Actively engaged in the business of supplying goods or services to customs brokers, international freight forwarders, and/or other members of the international trade and transportation industry, including but not limited to: airlines; shipping lines and agents; non-vessel-operating common carriers (NVOCCs); railroads; port authorities; marine terminal operators; air cargo terminal operators; warehouse and container freight station operators; cargo centralized examination station operators; draymen and other truckers; consolidators, third party logistics agents, and the like, who perform or arrange the domestic on-forwarding of international cargo shipments; sureties and insurance companies, and their agents; marine surveyors; software suppliers and service bureaus; document and forms suppliers; banks and similar entities engaged in international trade financing, negotiation of letters of credit, and the like; or

(2) Actively engaged in the business or importing and/or exporting goods or services on their own behalf.

**1.3 Election.** Any application that is approved by the Board of Directors, for either regular or associate membership, will be submitted to the members for vote. Membership will be granted on the affirmative vote of two-thirds (2/3) of the regular members present at any members' meeting at which a quorum is present.

**1.4 Termination of Membership.** The Board of Directors may terminate any membership for good cause, including but not limited to:

- (a) Resignation of that member;
- (b) Failure to pay membership dues by March 31<sup>st</sup> ;
- (c) Any event which renders the member ineligible for membership, including but not limited to loss of license.

Notice of termination will be given in writing by an authorized officer within thirty (30) days following the decision to terminate membership.

**1.5 Reapplication for Membership.** In no event will termination of membership preclude any former member from reapplying for membership.

## **Section 2. MEMBERSHIP VOTING**

### **2.1 Voting Rights.**

- (a) Each regular member, in good standing, will be entitled to one (1) vote.
- (b) An associate member shall not be entitled to a vote in any matter that may come before the corporation.

**2.2 Voting Representation.** Unless determined otherwise by the Board of Director, each regular member must, with the payment of dues, provide the Secretary of the corporation with written notification of the name of its voting representative and alternative, which notice may be amended at any time by written notice to the Secretary. The Board may make voting rights contingent on receiving this notice.

**2.3 Proxies.** A regular member may vote either in person or by proxy executed in writing by the member or by the member's duly authorized attorney-in-fact. No proxy will be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

**2.4 Voting at Meetings.** All voting at member's meetings will be by voice vote unless any qualified voter demands a vote by written ballot or by hand.

### **Section 3.**

#### **MEMBER'S MEETINGS**

**3.1 Place.** Member meetings will be held within the State of Washington unless determined otherwise by the affirmative vote of a majority of the membership.

**3.2 Annual Meeting.** The annual meeting of the members will be held each year during November at a date, time, and place to be set by the President of the corporation and stated in the notice of meeting. Failure to hold an election of Directors or officers at an annual meeting of the members at which Directors or officers were to be elected or failure to hold an annual meeting of the members, through oversight or otherwise, will not affect the validity of any corporate action, and a meeting of the members may be held at a later date for the election of Directors and officers and for the transaction of any other business which is properly before the meeting. Any election held or other business transacted at a later meeting will be as valid as if held or transacted at the established annual meeting of the members. Any later meeting will be called in the same manner as a special meeting of the members, and notice of the time, place, and purpose of the meeting will be given in the same manner as notice of a special meeting of the members.

**3.3 Special Meetings.** Special meetings of the members for any purpose or purposes may be called at any time by the President or on the request of not less than six (6) of the regular members.

**3.4 Notice of Meetings.** Notification stating the date, time, and place of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, will be sent not less than five (5) (unless a longer period of notice is required by law in a particular case) nor more than fifty (50) days before the date of the meeting, either personally, by mail, or E-mail, or at the direction of the President or the person or persons calling the meeting, to each regular member of record entitled to vote at the meeting.

**3.5 Waiver of Notice.** Notice of any members' meeting may be waived in writing by any member at any time, either before or after the meeting. Notice will be waived by the presence of a member at the meeting unless the member (a) has made his or her written objection to the transaction of business at the meeting for the reason that it is not lawfully called or convened, and (b) at or prior to the commencement of the meeting, has delivered the written objection to the person chairing the meeting or other officer of the corporation present at the meeting.

**3.6 Adjourned Meetings.** A majority of the regular members present at a members' meeting may adjourn the meeting from time to time. At a reconvened meeting any business may be transacted which might have been transacted at the meeting as originally notified. If a meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place if that information is announced at the meeting before adjournment.

**3.7 A Quorum of Members.** A quorum is not required at a meeting. The affirmative vote of a majority of the regular members entitled to vote, represented in person or by proxy at a meeting, will be the act of the members unless the vote of a greater number is required by law or the Articles of Incorporation.

**3.8 Action Without Meeting.** Any action which may be or is required to be taken at a meeting of the members of the corporation may be taken without a meeting if a written consent, setting forth the action so taken, is signed by all the regular members entitled to vote at the meeting. Such consent will have the same force and effect as a unanimous vote of the regular members.

## **Section 4. FINANCES**

**4.1 Membership Dues.** The Board of Directors may require that dues be paid by the members of the corporation and is authorized to



establish a dues structure, which may include classes of members to which dues will apply, amount of dues payable by each class, payment periods and due dates, provision for altering the dues structure, and penalties for nonpayment of dues. The Board may suspend the voting rights or may cancel the membership of any member for nonpayment of dues. Whenever possible and unless determined otherwise by the Board, dues amounts will be established each year after the corporation's budget is accepted and will be made payable by March 31st of that year. Statements will be sent by the Treasurer by January 31st and will be made payable by March 31st of that year. If dues remain unpaid beyond March 31st membership may be terminated.

**4.2 Budget.** A budget for the ensuing fiscal year will be adopted by the Board of Directors by October 31 of each year to be approved by the membership at the annual meeting.

## **Section 5. BOARD OF DIRECTORS**

**5.1 Qualifications and Number.** The business and affairs of the corporation will be managed by a board of directors, each member of which must be affiliated with a regular members of the corporation. The Board of Directors of the corporation will be made up of the officers of the corporation with the President of the corporation serving as the Chairman of the Board.

**5.2 Election; Term of Office.** The Directors will be elected by the regular members at the annual members' meetings held during odd-numbered years, to hold office until the annual members' meeting held in the next odd-numbered year and until their respective successors are elected and qualified, or until their earlier death, resignation, or removal. The nominating committee for the corporation will present a proposed slate of Directors to the Board no later than forty five (45) days prior to the annual members' meeting at which an election of Directors is to be held, which list of nominees will be delivered to all members at least thirty (30)

days prior to the annual meeting. Nominations may also be made from the floor at prior meetings or at the annual meeting.

**5.3 Resignation and Removal.** Any Director of the corporation may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary of the corporation. Any such resignation is effective when the notice is delivered unless the notice specifies a later effective date. In addition, the regular members may remove any Directors from office, with or without cause, at any members' meeting if notice of the meeting states that removal of the Director (s) is a purpose of the meeting.

**5.4 Vacancies.** If any Director position becomes vacant by reason of death, resignation, removal, or otherwise, the vacancy will be filled as follows:

(a) If the vacancy occurs in the first year after the Director was elected, a nominating committee, if any, for the corporation will convene at the President's request and, within thirty (30) days thereafter, nominate a candidate for the vacant position. The nomination will be in writing submitted, to the President, who will call a meeting of the members to elect a Director to fill the vacancy. A copy of the nomination will be submitted to the members with notice of the meeting.

(b) If the vacancy occurs in the second year after the Director's election, the President will appoint a qualified member to fill the vacancy.

A Director elected or appointed to fill a vacancy will hold office for the unexpired term of the office and until his or her successor is elected and qualified.

**5.5 Meetings.** Annual meetings of the Board of Directors will be held as soon as practicable after and at the same location as the annual members' meetings. Regular meetings of the Board of Directors will be held on the dates and at the times and places as the Board of Directors may decide. Special meetings of the Board of Directors may be held at any time or at any place whenever called by the President or any Director.

**5.6 Notice of Meetings.** Notice of the annual or regular meetings of the Board of Director will not be required. Notice of the time and place of special meetings of the Board of Directors will be given by or at the direction of the President or the person or persons calling the meeting. Notice may be given by mail, fax, e-mail, or personal communication over the telephone, or otherwise, at least two (2) days prior to the day on which the meeting is to be held. No notice need be given if the time and place of the meeting is fixed by resolution of the Board of Directors and a copy of the resolution has been mailed to every Director at least three (3) days prior to the meeting.

**5.7 Waiver of Notice.** Notice of any meeting of the Board of Directors need not be given to any Director if the notice is waived by him or her in writing or by mail, fax, e-mail, personal communication over the telephone, or otherwise, whether before or after the meeting is held. Notice of any meeting will be waived by any who is present at a meeting unless the Director (a) makes his or her written objection to the transaction of business at the meeting for the reason that it is not lawfully called or convened, and (b) at or prior to the commencement of the meeting delivers the written objection to the person chairing the meeting. Any meeting of the Board will be a legal meeting without any notice having been given if all of the Directors are either present, other than for the sole purpose of objecting to the meeting, or waive notice of the meeting.

**5.8 Quorum of Directors.** A majority of the number of Directors as duly fixed from time to time will constitute a quorum for the transaction of business. The act of a majority of the Directors present at a meeting at which a quorum is present will be the act of the Board of Directors. Members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of the Board or committee by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other during the meeting. Participation by such means will constitute presence in person at a meeting.

**5.9 Dissent by Directors.** A Director of the corporation who is present at a meeting of its Board of Directors at which action on any corporation matter is taken will be presumed to have assented to the action unless:

- (a) The Director objects at the beginning of the meeting, or promptly upon the Director's arrival, to holding or transacting business at the meeting;
- (b) The Director's dissent or abstention from the action taken is entered into the minutes of the meeting;
- (c) The Director files a written dissent or abstention with the presiding officer of the meeting before its adjournment or with the Secretary of the Corporation within a reasonable time after adjournment of the meeting. The consent will have the same force and effect as a unanimous vote.

**5.10 Action Without Meeting.** Any action which may be or is required to be taken at a meeting of the Board of Directors, which may be taken at a meeting of the committee meeting if a written consent, setting forth the action so taken, is signed by all of the Directors or all of the members of a committee, as the case may be. The consent will have the same force and effect as a unanimous vote.

## **Section 6. OFFICERS**

**6.1 Officers Enumerated; Qualifications.** The officers of the corporation will be a President, Vice President, Secretary, and Treasurer (the "named officers"). In addition, the Board of Directors may appoint any other officers and agents that it considers to be necessary or expedient. Each officer of the corporation must be affiliated with a regular member of the corporation. The President, Vice President, Secretary and Treasurer of the corporation must be Board members, but no other officer or agent need

to be a Director. Any two (2) or more offices may be held by the same person, except the office of the President and Secretary.

**6.2 Election; Term of Office.** The named officers will be elected by the regular members at the annual members' meeting held during odd-numbered years, to hold office until the annual members' meeting held in the next odd-numbered year and until their respective successors are elected and qualified, or until their earlier death, resignation, or removal. A nominating committee for the corporation will present a proposed slate of one (1) or more nominees for each office to the Board at the October Association meeting no later than 45 days prior to the annual members' meeting at which an election of the named officers is to be held. The list of nominees will be delivered to all members thirty (30) days prior to the annual meeting. Nominations may also be made from the floor at the two meetings prior to the annual meeting and at the annual meeting where the election will take place. Other officers and agents will hold their offices for such time as the Board of Directors may from time to time designate. Election or appointment of an officer or agent will not of itself create contract rights.

**6.3 President.** The President will be the chief executive officer and chief operating officer of the corporation. Subject to the authority of the Board of Directors, the President will have general charge, supervision, and control over the business and affairs of the corporation and will be responsible for managing the corporation. The President may also preside at all meetings of the members and the Board. The President will be the representative of the corporation to the National Advisory Committee and the Pacific Coast Council of Customs Brokers and Forwarders and is authorized to vote at meetings of those groups on behalf of the corporation. The President will also perform any other duties as may from time to time be assigned to that office by the Board of Directors.

**6.4 Vice President.** If the President is absent or disabled, the Vice President will have and may exercise and perform the authority and duties of the President. In addition, the Vice-President will perform any other duties that the Board of Directors or President may from time to time designate.

**6.5 Secretary.** The Secretary will keep minutes of meetings of members, Directors, and committees, as well as all committee reports, and all the books and records of the corporation, except financial records, or will be responsible for delegating these duties to others and overseeing that they are fulfilled. In the absence of the Treasurer, the Secretary will collect dues and fees payable to the corporation. The Secretary will exercise any other usual authority pertaining to the office of Secretary and perform any other duties that the Board of Directors or President may from time to time designate.

**6.6 Treasurer.** The Treasurer will maintain the financial records of the corporation, including records of all receipts and expenses. The Treasurer will have charge and custody of and be responsible for all funds of the corporation and dues paid by members of the corporation. The Treasurer may deposit all the funds in the name of the corporation in the depositories or invest them in the investments as may be designated or approved by the Board of Directors, and may authorize disbursement of the funds of the corporation in payment or just demands against the corporation or as may be ordered by the Board of Directors on securing proper vouchers for the disbursements. The Treasurer will distribute annual dues statements to the members in a timely manner. The Treasurer will perform any other duties that may from time to time be assigned by the Board of Directors or President.

**6.7 Other Officers and Agents.** Other officers and agents of the corporation will exercise the authority and perform the duties that the President or Board of Directors prescribes, which authority and duties may include one or more of the duties of the named officers of the corporation.

**6.8 Resignation and Removal.** Any officer of the corporation may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary of the Corporation. Any such resignation is effective when the notice is delivered unless the notice specifies a later effective date. In addition, the regular members may remove any officers from office, with or without cause, at any members' meeting if notice of the meeting states that removal of the officer(s) is a purpose of the meeting.

**6.9 Vacancies.** If any named officer position becomes vacant by reason of death, resignation, removal, or otherwise, the vacancy will be filled as follows:

(a) If the vacancy occurs in the first year after the officer was elected, the nominating committee for the corporation will convene at the President's request and, within thirty (30) days thereafter, nominate a candidate for the vacant position. The nomination will be in writing submitted to the President, who will call a meeting of the members to elect an officer to fill the vacancy. A copy of the nomination will be submitted to the members with notice of the meeting.

(b) If the vacancy occurs in the second year after the officer's election, the President will appoint a qualified member to fill the vacancy.

An officer elected or appointed to fill a vacancy will hold office for the unexpired term of the office and until his or her successor is elected and qualified.

## **Section 7.**

### **Business of the Corporation**

**7.1 Obligation.** The President (or Vice President if the President is absent or disabled) will have authority to carry out the normal and regular business affairs of the corporation.

**7.2 Loans to Corporation.** No loans will be contracted on behalf of the corporation, and no evidence of indebtedness will be issued in its name.

**7.3 Checks and Drafts.** Any check, draft, or other order of payment of money, note, or other evidence of indebtedness issued in the name of the Corporation may be signed by the officers or agents of the Corporation and in the manner as are from time to time determined by resolution of the Board of Directors.

## **Section 8. Committees**

**8.1 Board Committees.** The Board of Directors, made up of all of the officers of the corporation, shall appoint committees to act on behalf of the corporation. The President shall appoint the chairperson for each committee and each committee shall have at least one past or present officer of the corporation. Each chairperson of a committee must be affiliated with a regular member of the corporation. Each chairperson appointed by the President shall appoint the members of the committee. An individual who is an associate member, or who is affiliated with an entity which is an associate member, may be appointed as a member of a committee. To the extent provided in the resolution, each committee will have and may exercise all the authority of the Board of Directors, except that no committee will have the authority to:

(a) Approve or recommend to members actions or proposals required by law to be approved by members;

(b) Elect, approve, or remove any Director or officer of the corporation or member of a committee of the Board of Directors;

(c) Amend these Bylaws or the Articles of Incorporation;

(d) Adopt a plan of merger or consolidation for the corporation:

(e) Authorize the sale, lease, or exchange of all or substantially all of the property and assets of the corporation not in the ordinary course of business;



(f) Authorize or revoke proceedings for the voluntary dissolution of the corporation; or

(g) Adopt a plan for the distribution of the assets of the corporation.

The designation of any Board committee by the Board of Directors and the delegation to it of authority will not operate to relieve the Board of Directors, or any of its members, of any responsibility imposed by law.

**8.2 Nominating Committee.** By October 1st of each election year, the President will appoint a standing nominating committee of three (3) regular members in good standing (including at least one past President). A past President will serve as Chairperson of the nominating committee.

**8.3 Audit Committee.** The Audit Committee shall be appointed by the President within thirty (30) days after the general meeting of the corporation and the election of officers. For the protection of the Treasurer and former Treasurer, the Audit Committee shall audit the books of the corporation once a year and have the audit completed not later than February 28th of each year.

**8.4 Other Standing Committees.** The Board of Directors may authorize and form any other standing committee it considers to be necessary or desirable, and prescribe the rules and regulations governing membership, purposes, functions, and terms of those committees, unless otherwise set by these Bylaws. The President will appoint the chairpersons of the standing committees, and all standing committees must include, as a member, either a current or past officer of the corporation. Each chairperson of a committee must be affiliated with a regular member of the corporation. Committee chairpersons must, within ten (10) days of appointment of the committee, provide the President with a list of committee members. An individual who is an associate member, or who is affiliated with an entity which is an associate member, may be appointed as a member of a committee. The President will oversee the operations of the standing committees.

## **Section 9. BOOKS AND RECORDS**

**9.1 Corporate Records.** The corporation will keep at its registered office, or at its principle office or Secretary's office in Washington, the following:

- (a) Its current Articles of Incorporation and Bylaws;
- (b) A record of its members, including names, addresses, and classes of membership, if any;
- (c) Correct and adequate records of accounts and finances;
- (d) A record of its officers' and Directors' names and addresses; and
- (e) Minutes of the proceedings of its members, Board of Directors, and committee.

Records may be written or, if capable of being converted to writing, electronic.

**9.2 Membership Addresses.** Each member will submit its principal mailing address to the corporation for the record of members. With its principal mailing address, each member may also list as many other ports or districts as the member desires for the purposes of receiving notices of meetings, minutes, etc., relating to those ports or districts. At the Board's discretion, a service fee may be charged for each such additional address listed, payable in advance at the time membership dues are due.

**9.3 Inspection of Records.** Any regular member in good standing will have the right to examine, in person or by agent or attorney, at any reasonable time and for any purpose reasonably related to membership interest, the corporation's relevant books and records of account, minutes, and record of members. Extracts from these may be made at such member's expense, except that the cost of copies of Articles of Incorporation and Bylaws will be paid by the corporation.

## **Section 10.**

### **AMENDMENTS**

**10.1 Amendment by Members.** These Bylaws may be altered, amended, or replaced only by the regular members of the corporation by the affirmative vote of two-thirds (2/3) of a quorum. Voting may be done in person or by proxy. Notice of a proposed amendment must be filed with the Secretary at least fifteen (15) days prior to the meeting at which the vote on the amendment will be taken, and the proposed action must be listed on the agenda for that meeting. Copies of the proposed amendment must be sent to each regular member at least ten (10) days prior to the meeting.

**10.2 Tax Exempt Status.** No amendment to these Bylaws will be effective if it would cause the corporation to lose its nonprofit status under the laws of the State of Washington or any tax exempt status that the corporation has or may acquire from any taxing authority.

**10.3 Definitions.** For the purposes of the Bylaws and Articles of Incorporation, in most cases and where there is no legal effect, the term "corporation" and the term "association" may be used interchangeable when referring to the Customs Brokers & International Freight Forwarders Association of Washington State.

## CERTIFICATE OF ADOPTION

The undersigned, as Secretary of Customs Brokers & International Freight Forwarders Association of Washington State, hereby certifies that these are the Bylaws of the corporation adopted by the Board of Directors of the corporation on

\_\_\_\_\_, and approved by the members of the

corporation on \_\_\_\_\_.

\_\_\_\_\_  
Secretary

Attest:

\_\_\_\_\_  
President