

BY-LAWS

ARTICLE I

The name of the Association shall be the “American Spice Trade Association, Inc.”

ARTICLE II

Membership

SECTION 1. Membership.

Membership in the Association shall be three types:

Active Members. The Active Members of this Association shall consist of individuals, firms, and corporations that are based in the United States, or doing business in the United States either through a related business entity or agent, or by offering items for sale for importation into, or exportation from, the United States, and that are primarily engaged in the growing, importation, exportation, processing, blending, trading, distribution, or sale at wholesale or retail of spices or seasonings, as may upon written application for membership be determined to meet the criteria for Active Membership and who shall agree to subscribe to the Association’s By-Laws.

Associate Members. The Associate Members of this Association shall be such individuals, firms, associations, and corporations engaged in businesses associated with the spice industry who do not otherwise qualify for Active Membership, and who are able to assist in promoting and carrying out the purposes of the Association, as may upon written application for membership be determined to meet the criteria for Associate Membership and who shall agree to subscribe to the Association’s By-Laws.

Retailer Members. The Retailer Members of this Association shall consist of individuals, firms, and corporations that are based in the United States, or doing business in the United States either through a related business entity or agent, which are primarily engaged in the retail sale of food, including spices or seasonings, directly to consumers, and who are not otherwise engaged in the growing, processing, manufacturing, blending, or wholesale trade of spices or seasonings, as may upon written application for membership be determined to meet the criteria for Retailer Membership and who shall agree to subscribe to the Association’s By-Laws.

SECTION 2. Corporate Subsidiaries. An independent subsidiary of a corporation that is a member shall apply for membership separate from its parent corporation. Dues for the parent corporation and subsidiary shall be assessed in accordance with Article III and the Association’s Policies and Procedures.

SECTION 3. Corporate Divisions. A division of a corporation may be admitted as a member in accordance with the requirements of this Article, at the discretion and upon the vote of the Board of Directors as provided in Section 3.

SECTION 4. Withdrawals. A member may, by written notice, withdraw from membership. Such notice shall be presented to the Board of Directors at its next meeting. The withdrawing member is responsible for all financial obligations to the Association up to the date of withdrawal. The right of a member to vote, and all other rights, privileges and interests of a member, in or to the Association, shall cease upon receipt of the withdrawal notification by the Association.

SECTION 5. Suspension and Expulsion. A member may be suspended or terminated for just and reasonable cause as provided herein. Sufficient cause of such suspension or termination of membership shall be violation of the By-Laws or any agreement, rule or practice properly adopted by the Association, failure to pay dues in a timely manner as described in Article III, or any other conduct prejudicial to the interests of the Association. Such suspension or expulsion shall be by two-thirds vote of the total membership of the Board of Directors; provided that a statement of the bases for suspension or expulsion shall have been mailed by registered post to the last recorded address of the member at least fifteen days before final action is taken. This statement shall be accompanied by a notice of the time and place of the meeting of the Board of Directors at which the suspension or expulsion is to be considered, and the member and/or representative shall have the opportunity to appear in person to present any defense before action is taken. Sanctioned members are responsible for all financial obligations to the Association up to the date of the Board's action.

ARTICLE III

Dues

SECTION 1. First Year Dues. A new member's dues shall be prorated from the first day of the calendar quarter nearest the date of admission into membership to the last day of such year.

SECTION 2. Annual Dues.

- (a) The Board of Directors, by vote of a majority of the entire Board of Directors, may, at or prior to the end of each fiscal year of the Association, propose the amount of annual dues payable in respect of the immediately following fiscal year of the Association by type of membership (see Article II); provided that during any fiscal year of the Association, the Board of Directors may by a majority vote of the entire Board of Directors propose to increase or assess the amount of such annual dues for such year based upon the then current and projected financial position of the Association and such other factors which the Board of Directors may determine to be relevant and appropriate. Upon the failure of a member to pay the annual dues increase or assessment thereof within 60 days following the

approval thereof as provided in Section 2(b), all such member's rights as a member shall be suspended unless the Board of Directors shall determine otherwise.

- (b) Any changes to dues, increases, assessments, or new assessments shall be approved by a vote of three-fourths of the Active Members present at an Annual Meeting or at a Special Meeting of members of which thirty (30) days notice shall have been given.

ARTICLE IV

Board of Directors

SECTION 1. Association Governance.

(a) The Board of Directors shall control and manage the affairs of the Association, and do everything necessary and desirable to conduct the business of the Association in accordance with these By-Laws.

(b) The Board of Directors shall develop and maintain the Association's Policies and Procedures regarding the Association's governance, Committees, and other business. The Board of Directors shall report on the status of the Policies and Procedures to the Membership at each Annual Meeting.

SECTION 2. Board of Directors. The Board of Directors shall consist of a minimum of nine, and no more than twelve Directors. A Board of Directors shall be proposed by the Nominating Committee at each Annual Meeting for approval by the Active Members consistent with the voting provisions in Article X of the By-Laws. Directors serve for one-year terms with the possibility of reelection at the Association's Annual Meeting.

SECTION 3. Eligibility. Only representatives of Active Members shall be eligible to serve as Directors. Representatives of Active Members eligible to serve as Directors shall be residents of the United States, except that up to four Directors at any time may be non-residents.

SECTION 4. Resignation. Any Director may resign at any time by giving written notice of his/her resignation to the Board of Directors or to the President or Vice President/Secretary of the Association, and such resignation shall take effect at the time specified therein, or, if not specified, at the time of its receipt.

SECTION 5. Removal. Any Director may be removed, with or without cause, at any time at a duly authorized meeting of members by the majority vote of the Active Members.

SECTION 6. Attendance. If a Director is absent from three consecutive meetings of the Board of Directors, he may, at the discretion of the Board of Directors, be removed as a Director of the Association.

SECTION 7. Executive Committee. There shall be an Executive Committee composed of the President, Vice President/Secretary, Treasurer, and one Director selected from the Board of Directors by the Board. The President of the Association shall be its Chair. In the absence of the President, the Vice President/Secretary shall preside. The Executive Committee's responsibilities shall be to direct and manage the day-to-day affairs of the Association except as otherwise prescribed in these By-Laws or by the Board of Directors, and to perform any duty delegated to it by the Board of Directors, except that the Board shall not delegate to the Executive Committee authority to:

(a) Approve the ASTA annual budget or appropriations in excess of \$10,000 for unbudgeted expenses

(b) Conclude binding agreements with agencies of U.S. or foreign governments, or with other associations or corporations, foreign or domestic

ARTICLE V

Officers

SECTION 1. Officers of the Association. There shall be a President, Vice President/Secretary, and Treasurer. The Officers shall be Directors, and shall be elected by the Board of Directors at the Board's first meeting following the election of the new Board at the Association's Annual Meeting. Officers serve for one-year terms with the possibility of reelection consistent with the Association's policies and procedures. The President and Vice President/Secretary shall hold office for a maximum of two consecutive years in each office.

SECTION 2. Eligibility. Only representatives of Active Members shall be eligible to serve as Officers.

SECTION 3. The President. The President shall have be responsible for the general supervision of the conduct of the affairs of the Association and shall perform such duties as are usual and customary by a President of an Association subject always to the provisions of the By-Laws and special directions of the Board of Directors.

SECTION 4. Absence of the President. In case of the death or absence of the President, or his inability from any cause to act, the Vice President/Secretary shall perform the duties of the President and in case of the absence of both President and Vice President/Secretary, the Board of Directors shall appoint one of its members to act as President *pro tem*.

SECTION 5. Vice President/Secretary. The Vice President/Secretary shall serve as Corporate Secretary of the Association, and will perform all the statutory and customary duties of the office.

SECTION 6. Treasurer. The Treasurer shall be responsible for: keeping an account of all monies received and expended for the use of the Association, making disbursements authorized by the Board of Directors, depositing all sums received in the financial institution(s) approved by the Board of Directors, and making a report at the Annual Meeting or when called upon by the President. Funds for budgeted items, and for non-budgeted items of more than \$2,500, may be drawn only in accordance with policies adopted by the Board of Directors. The Treasurer, or any other person entrusted with the handling of funds or property of the Association, shall furnish, at the expense of the Association, a fidelity bond in such a sum as the Board shall prescribe.

ARTICLE VI

Arbitration

SECTION 1. Arbitration Board. There shall be an Arbitration Board consisting of three members and four alternate members.

SECTION 2. Eligibility. Only representatives of Active Members shall be eligible to serve on the Arbitration Board.

SECTION 3. Duties. The Arbitration Board shall perform such duties as assigned by the Board of Directors. Such duties shall be described in the Association's Policies and Procedures.

ARTICLE VII

Vacancies

Any vacancy that may occur among the Officers, Board of Directors, the Arbitration Board, and Nominating Committee, (including all officials elected by the membership at the Annual Meeting) by reason of death, resignation or otherwise, may be filled by the Board of Directors until the next Annual Meeting

ARTICLE VIII

Committees

SECTION 1. Nominating Committee

- (a) Prior to the Annual Meeting, a Nominating committee of five Active Members shall be appointed by the Board of Directors. None of the Nominating Committee members shall be Directors of the Association. No member of this Nominating Committee shall be eligible for nomination as a Director of the Association. This Nominating Committee shall make nominations for all Directors of the Association, as well as members and alternates of the Arbitration Board. The nominations shall be mailed to all members at least thirty days before the Annual Meeting.
- (b) Nominations may also be made by any ten Active Members jointly, for a Director. Such nominations must be received by the Executive Director at least fifteen days before the Annual Meeting, and all nominations, either by the Nominating Committee or by members of the Association (as herein provided) shall be placed on ballots, copies of which shall be made available to each voting member present.

SECTION 2. General Activity Committees. The Board may appoint such committees as needed to accomplish the business of the Association consistent with the Association's By-Laws and Policies.

ARTICLE IX

Meetings of Members

SECTION 1. Annual Meeting. There shall be an Annual Meeting of the Members of the Association during the first half of each calendar year for the election of Directors and the Arbitration Board, as well as for the transaction of other business.

SECTION 2. Special Meetings. Special meetings of the Association may be called by the Board of Directors or upon the written request of fifteen Active Members of the Association.

SECTION 3. Notice Requirement. Notice of time, place and subject of all meetings shall be mailed to each member thirty days in advance.

ARTICLE X

Voting

SECTION 1. Voting. Only Active Members have a right to vote in the business of the Association. No member firm shall have more than one vote on any subject. All votes shall be cast in person unless otherwise specifically determined by the Board consistent with Sections 3 and 4 of this Article. Voting on any Association business shall not be

conducted by proxy. At any duly organized meeting of members, a majority of the Active members voting in person and entitled to vote at such meeting shall decide any question brought before such meeting, except as otherwise provided by law, the Articles of Incorporation of the Association or these By-Laws. Unless directed by the chairman of the meeting, the vote on any matter shall not be by ballot.

SECTION 2. Quorum.

- (a) **General** - Thirty Active Members, or 51 percent (whichever is lower) of the Active Members shall constitute a quorum at any Annual Meeting. If there is less than the number required, the presiding officer shall adjourn the meeting until a quorum is present.

- (b) **Board**
 - (1) The majority of the Board shall constitute a quorum unless herein otherwise provided.
 - (2) The majority of the Executive Committee of the Board shall constitute a quorum with such quorum including the President or Vice President/Secretary.

- (c) **Committees** - A majority of any appointed committee shall constitute a quorum.

SECTION 3. Special Votes. Whenever, in the judgment of the Board of Directors, any question shall arise which it considers should be put to a vote of the Active Membership, and when it deems it inexpedient to call a special meeting for such purpose, the Board of Directors may, unless otherwise required by these By-Laws, submit such matter to the membership in writing for vote and decision, and the question thus presented shall be determined according to a majority of the votes received in writing within three weeks after such submission to the membership, provided that in each case votes of at least fifty-one percent of the Active Members shall be received. Any and all action taken in pursuance of a majority mail vote in each such case shall be binding upon the Association, and as against each member thereof.

SECTION 4. Voting Procedures. If deemed appropriate by the Board of Directors, votes may be conducted by mail, fax, or email except that the annual election of Directors must be conducted at the Annual Meeting.

ARTICLE XI

Financial Audit

An audit of the Association's financial status will be conducted yearly by an independent outside auditor appointed by the Board of Directors.

ARTICLE XII

Seal

The Association shall have a seal of such design as the Association may adopt, which shall remain in the custody of the Executive Director.

ARTICLE XIII

Indemnification

The Association shall indemnify any person, who, by reason of the fact that he was a Director, Officer, Arbitration Board Member, or Committee Member of this Association, shall be made a party to any civil, criminal, or arbitration action or proceeding, against the costs, expenses, and damages actually and necessarily incurred by or imposed upon him in connection with or resulting from any such action or proceeding, to the extent of the Association's relevant insurance coverage. However, such person shall not be indemnified where the action or proceeding is based upon or arises out of his own intentional or negligent misconduct in the performance of his Association duties.

ARTICLE XIV

Amendments

SECTION 1.

- (a) **By-Laws.** These By-Laws may be amended or repealed, in whole or in part, at any duly organized meeting of the Association, by a two thirds vote of the total valid votes cast in the affirmative and in the negative by Active Members present, at such meeting, provided that the proposed changes are submitted in writing to the last recorded address of each member at least thirty days prior to the meeting at which the changes are to be considered.
- (b) **Contracts.** The Association's contracts may be amended or repealed, in whole or in part, at any duly organized meeting of the Association by a two-thirds vote of the total valid votes cast in the affirmative and in the negative by Active Members present at such meetings, provided that the proposed changes are submitted in

writing to the last recorded address of each member at least thirty (30) days prior to the meeting at which the changes are to be considered.

- (c) **Policies and Procedures.** The Board shall direct the maintenance of a Policies and Procedures Manual that shall be amended as necessary by the Board of Directors.