



AMERICAN LOGISTICS ASSOCIATION

**Bylaws and Code of  
Ethics**

REVISED JANUARY 28, 2002

# American Logistics Association

## By-Laws

(date of this revision: January 28, 2002)

### Article I

#### Name, Headquarters and Purpose

- (a) The name of this Association is the American Logistics Association. Its headquarters and principal office shall be in the greater Washington, DC metropolitan area. The Association shall maintain other offices at other places as the Board of Directors may from time to time direct.
- (b) The purpose of the Association shall be to promote the activities, interests and objectives of companies and individuals actively engaged in the manufacture, sale and/or distribution of products and services to agencies of the United States Government, such as the Department of Defense and those other federal agencies and departments active in the procurement or sale of such products and services as are sold in, or made available through, resale outlets, MWR/Services, or similar activities. The Association shall also pursue such other purposes as are stated in its Articles of Incorporation.

### Article II

#### General Form of Organization

- (a) The affairs of the Association shall be governed by a Board of Directors which shall be composed of thirteen (13) persons, nine (9) of whom shall

be elected by the membership in accordance with the procedures hereinafter described in Article IV (b), two (2) of whom shall be elected by the membership in accordance with the procedures hereinafter described in Article IV(c) of, one of whom shall be appointed by the Board of Directors to serve for a term of one (1) year, said appointment by the Board insofar as possible to reflect members of the Association not otherwise or inadequately represented on the Board, and one (1) of whom shall be the immediate past Chairman of the Board of the Association, who shall serve on the Board of Directors for a term of one (1) year.

- (b) The Board of Directors shall, at its first meeting after the annual meeting of the membership, elect from their number a Chairman of the Board, a Vice Chairman, a Secretary and a Treasurer. The immediate past Chairman of the Board shall serve as Chairman Emeritus of the Board of Directors. No person shall simultaneously serve in more than one (1) office.
- (c) The term of office of each of the officers of the Association shall be for one (1) year or until a successor is elected and shall have qualified, but may not exceed two (2) years for any reason.

- (d) The Board of Directors shall have the power to appoint additional officers of the Association upon such terms and conditions as the Board may by resolution prescribe, subject, however, to the provisions of the Articles of Incorporation and these Bylaws. The Chairman of the Board shall have the authority to appoint all standing and special committees of the Association. The Board of Directors shall be responsible for the overall policies of the Association.

**Article III  
Duties of Officers**

- (a) The Chairman of the Board shall be the chief executive officer of the Association and shall preside at all meetings of the Board of Directors, and subject to approval by the Board of Directors, pursuant to Article II(d), shall appoint the members of all committees not otherwise provided for in these Bylaws.
- (b) The Vice Chairman shall, in the absence or disability of the Chairman of the Board, perform the duties and exercise the functions of the Chairman of the Board. The Vice Chairman shall also exercise and perform such other duties, and have such other functions as the Chairman of the Board shall from time to time designate. In the event of the death, resignation or permanent disability of the Chairman of the Board, the Vice Chairman of the Association shall assume the duties of the office.
- (c) The Secretary shall keep the minutes of the meetings of the Board of Directors in books provided for that purpose; shall preserve all

records, letters and other documents relating to the affairs of the Association; shall keep in a book provided for that purpose the names and addresses and dates of membership of all members of the Association; and shall perform such other duties as the Board of Directors may from time to time require. The Secretary shall sign all agreements made in the name of the corporation and shall affix the corporate seal, of which he or she shall have custody, to all instruments requiring it. In the event of death, resignation or permanent disability of the Vice Chairman of the Association, the Secretary shall assume the duties of the office. The Board of Directors shall elect at least one (1) Assistant Secretary of the Association. Such Assistant Secretary shall have such powers and duties as the Board shall from time to time determine, and may a paid employee of the Association.

- (d) The Treasurer shall receive and account for all of the funds of the Association, and shall render annual settlements showing in detail all monies received and the source thereof; all funds disbursed by the Association and the purpose for which the same shall have been expended. The Treasurer shall perform such other duties as may be prescribed by the Board of Directors. If required by the Board of Directors, the Treasurer shall give bond in such form and with such surety as shall be satisfactory to the Association for the proper and faithful performance of the duties of the office and for the restoration to the corporation in the event of death, resignation, retirement or

removal from office, of all books, papers, voucher and other property or assets of the corporation in his or her care or possession or control. The premium for such bond shall be paid by the Association. The Board of Directors shall elect at least one Assistant Treasurer of the Association, who need not be a member of the Board of Directors or the Association. Such Assistant Treasurer shall have such powers and duties as the Board shall from time to time determine, and may be a paid employee of the Association.

- (e) The Chairman Emeritus shall act in an advisory capacity to the Chairman of the Board and shall be a voting member of the Board. He shall also be Chairman of the Nominating Committee.
- (f) The Officers and the Board of Directors of the Association shall be entitled to no salary or other compensation for their services as such.
- (g) The Chairman of the Board, Vice Chairman, Secretary, Treasurer and the Chairman Emeritus shall constitute an "Executive Council" the function of which will be to act as the advisory group for the President. This Council will also be charged with reviewing key association operational matters for presentation and recommendations to the Board of Directors.

#### **Article IV Meetings**

- (a) An annual meeting of the Industry members, as described in Article V, shall be held during the Association's annual convention in

each year at which time the Industry members shall elect by a plurality vote such number of Directors as shall be necessary to fill the vacancies of those Directors whose terms are expiring during the then current year. The annual meeting shall be held in Washington, D.C., or in such other place as the Board of Directors shall designate.

- (b) The term of office for nine (9) of the members of the Board of Directors shall be three (3) years. Continuity and balance on the Board shall be maintained by electing three (3) of those nine (9) board members each year, one (1) of whom will be predominately exchange oriented, one (1) of whom will be predominately commissary oriented and one (1) of whom will be predominately MWR/Services oriented. The predominately MWR/Services oriented Board position shall be filled by an appropriately nominated and elected member commencing with the election period immediately after the implementation of this bylaw change. The predominately MWR/Services oriented nominations shall be included on the election ballot every third year thereafter, unless the Board of Directors determines that such MWR/Services representation requires more frequent ballot nominations. It shall be the intent of these Bylaws that at least two (2) persons shall be nominated and appear on the ballot for each vacant office.
- (c) Two (2) of the members of the Board of Directors shall be elected by the Presidents of the Chapters of

the Association. The Chairman of the Board of the Association shall appoint a nominating committee of three (3) Chapter Presidents, whose duties shall be identical to the duties described in Article VII(a). The Chapter Presidents shall vote prior to the Association's annual convention. The term of office for each of the two (2) members of the Board of Directors elected pursuant to this paragraph shall be for a term of two (2) years. Members elected pursuant to this paragraph shall not succeed themselves as Chapter Representatives on the Board of Directors. Solely for the 1992 election, the Chapter Representative to the Board receiving the second highest number of votes will serve a one-year term. Thereafter, one (1) Chapter Representative will be elected each year for the two-year term provided herein.

- (d) Vacancies occurring on the Board of Directors by reason of death, resignation, retirement, disability or removal from office shall be filled by vote of the remaining Directors, and a person or persons so elected shall serve for the unexpired portion of the term for which the predecessor was elected.
- (e) Notice of the date, time and place of the Association's annual convention shall be announced to each member at least sixty (60) days prior to the date of the meeting. Such notice shall also include the report of the Nominating Committee.
- (f) The order of business to be transacted at the Association's annual membership meeting shall

be determined by the Board of Directors prior to the meeting. A quorum for the transaction of business shall be such number of Industry members as are present either in person or by proxy.

- (g) Industry members may vote either in person or by written proxy, except that no proxy shall be exercised by a person who is not an Industry member.
- (h) The Board of Directors shall hold an organization meeting within thirty (30) days after the Association's annual membership meeting at which they shall elect the officers to serve for the ensuing year, elect the Board Member to serve for one year pursuant to Article II(a), and transact such other business as shall be appropriate. Such meetings shall be convened at the call of the Chairman of the Board.
- (i) The Board of Directors shall meet at least quarterly at a place to be designated by the Chairman of the Board with the approval of the Board.

## **Article V Membership**

- (a) Membership in the Association shall consist of two classes: Industry and Individual.
- (b) Industry membership shall be open to those persons, natural or legal, including local chapters of the Association, actively engaged in the manufacture, sale and distribution of products and services to agencies of the United States Government, such as the Department of Defense, and those other federal agencies and

departments active in the procurement or sale of such products and services as are sold in, or made available through, resale outlets, MWR/Services, or similar activities. Each Industry Member admitted to the Association shall be entitled to nominate four (4) persons as representatives to receive newsletters, news releases, market data and other materials provided by the Association to Industry Members. However, only one representative of each Industry Membership is entitled to vote at any meeting of Industry Members. The authority of the voting representative of each Industry Member shall continue until the Industry Member notifies the Association in writing that a replacement has been made. Such representatives shall be eligible to serve on committees of the Association and otherwise be entitled to all other privileges of an Industry Member. There shall be no additional dues charges or other assessments made against up to four designated representatives of an Industry Member.

- (c) As described in Article V(b), each Industry member may designate four (4) persons as representatives, but may only designate one such representative to vote at an Association meeting. Pursuant to the foregoing sentence, as used in this Article, each of the four (4) persons designated by an Industry Member shall be referred to as an "Industry Member." Subject to the exception noted in the next sentence, persons elected to the Board of Directors must be an Industry Member or Voting Industry Member of the Association. The

person appointed by the Board of Directors for a term of one (1) year, pursuant to Article II(a), need not be either a Voting Industry Member or an Industry Member, but must be a member of the Association. Notwithstanding any other provisions of this paragraph, no person who has served a three (3) year term on the Board of Directors may be re-elected to the Board within two (2) years of the end of the three (3) year term served, and no person may be elected to the Board of Directors if one of the four (4) Industry Members from such person's company is already serving on the Board.

- (d) All applicants for membership for whatever class shall be in writing, on forms provided for that purpose, and shall be submitted to the Board of Directors. Such applications shall include such information as the Board of Directors shall from time to time prescribe and shall be accompanied by tender of all dues required for such membership. The Board of Directors shall vote on all pending applications for membership at each of its regular meeting, provided however, that renewal applications need not be approved by the Board.
- (e) The Board of Directors may from time to time by resolution elect a person or persons to Honorary or Life membership in the Association. Such membership will entitle holder thereof to the rights and privileges included in the resolution, but such memberships will not entitle recipient to the right to vote as an Industry Member.

- (f) Industry Members of the Association in good standing may, subject to rules and regulations adopted from time to time by the Board of Directors, print upon their labels and stationary the legend "Member of American Logistics Association," provided that the legend shall also be printed in no way to give the consumer an impression that it is a representation of quality, or that the quality of the product is endorsed by the Association.

**Article VI  
Dues and Fees**

- (a) The Board of Directors shall establish and periodically review the dues structure of the Association.
- (b) The Board of Directors may from time to time increase or decrease the dues payable by the members and may determine the amount of other fees and payments by the members from time to time, including, without limitation, the amount of registration and other fees connected with attendance at meetings, conventions or seminars conducted by or under the auspices of the Association. Provided, however, that there shall be no retroactive increase in the dues and no such increase shall be effective until the expiration of the period for which a member shall have paid dues in advance.
- (c) Any member who does not pay their or its membership dues or who engages in conduct prejudicial to the Association, or who ceases to meet the qualifications for membership specified in the Bylaws, may be dropped from the membership. The Board of Directors may terminate

the membership of such member by the affirmative vote of two-thirds of the members of the Board provided, however, that the Board of Directors instead of terminating the membership of such member may have the option of suspending such member for such period of time as the Board may determine. Any Member whose membership has so been terminated or suspended shall have the right to be heard at the next regular or special meeting of the Board of Directors, and to have such termination or suspension reconsidered at that time by the Board.

- (d) Any member may withdraw from membership by filing with the President a written resignation which shall take effect immediately upon its receipt. Such resignation shall not, however, relieve the person, firm, partnership, association, or corporation, so resigning from liability for unpaid dues.

**Article VII  
Chapters**

- (a) Additional local chapters, other than those in existence on the effective date of Article VII of these Bylaws, shall be organized only upon the approval of the Board of Directors upon such terms and conditions as the Board of Directors may determine
- (b) Upon dissolution of any local chapter or the withdrawal of its chapter, all of its property and records shall be and become the property of the Association.

**Article VIII  
Committees**

- (a) The Board of Directors shall annually appoint a Nominating Committee, which shall consist of the Chairman Emeritus who shall be its Chairperson and, in addition two (2) members of the Board of Directors and four (4) members not on the Board of Directors. The Nominating Committee shall meet at the call of the Chairman of the Board and shall, not later than one hundred eighty (180) days prior to the date of the annual meeting, present its report to the Board of Directors. Such report shall include its recommendations for persons who are to be candidates for election to fill vacancies on the Board of Directors at the annual meeting pursuant to Article IV(b). In selecting candidates for election to fill vacancies on the Board of Directors, the Nominating Committee shall give primary consideration to making the Board of Directors broadly representative of the Association as the membership is reflected on the rolls. The Nominating Committee Report also shall include a statement that all candidates nominated have stated that they are willing to serve on the Board of Directors and assume at least one of the officer positions of the Association. Recommendations for the Chapter President vacancies on the Board shall be reported pursuant to Article IV(c).
- (b) Upon publication of the list of nominees approved by the Board of Directors no later than one hundred fifty (150) days prior to the annual meeting, direct nominations may be made to the Board of Directors.

Such nominations shall be in writing, shall identify the person or persons nominated, shall be subscribed by not fewer than twenty-five (25) Industry Members of the Association and shall include the written acceptance of the person or persons nominated to serve in the office for which they are nominated. Any such nomination in the possession of the Board of Directors not later than ninety (90) days prior to the date of the annual meeting is to be sent to the members. The names of persons so nominated shall be included in the annual membership notice, which shall be sent to the members at least sixty (60) days prior to the annual membership meeting.

- (c) The Board of Directors may, by resolution, establish such other standing or special committees, as it shall deem necessary for the transaction of the activities and affairs of the Association. Such committees shall have and may exercise such powers and duties as the Board shall from time to time designate.

**Article IX  
Accounts**

- (a) The fiscal year of the Association shall end on the 30<sup>th</sup> day of June in each year commencing with the 30<sup>th</sup> day of June of the first year in which these Bylaws shall become effective.
- (b) The accounts of the Association shall be audited not less frequently than annually by an independent auditor, who shall be a Certified Public Accountant, whose report shall be submitted to the Board of Directors at the annual meeting. Copies of

such reports shall be sent to each Industry Member as soon as practicable after the annual meeting.

### **Article X Publications**

- (a) The Association may publish such publications or periodicals as the Board of Directors shall from time to time determine.
- (b) The Board of Directors shall have authority to determine the format of such periodicals, the advertising rates, if any, therein, and the subscription price thereof to non-members. The President shall have the authority to retain or engage any editorial personnel necessary for the publication thereof as shall be deemed necessary.
- (c) The President shall be, ex officio, the editor and publisher of all publications of the Association.

### **Article XI Headquarters Staff**

- (a) The Headquarters of the Association shall be managed by its staff, which shall be under the direction of a President. The President shall have authority to employ such other personnel as shall be deemed necessary to attend to the affairs of the Association, consistent with these Bylaws and with any budgetary limitations imposed from time to time by the Board of Directors.
- (b) The President shall have such further powers and duties as the Chairman of the Board or the Board of Directors shall from time to time designate. A position description of the authority and responsibilities of

the President shall be maintained at Association headquarters.

- (c) The President shall be entitled to attend all meetings of the Board of Directors and meetings of the membership of the Association, but shall have no vote thereat. The President shall not, during the term of employment as such, be an Industry Member of the Association.

### **Article XII Amendments and Quorum**

- (a) These Bylaws may be amended at any regular meeting or special meeting of the membership of the Association, provided that notice of any proposed amendment shall have been included in the notice of such meeting.
- (b) In the absence of such meeting, these Bylaws may be amended by mail ballot, the conduct of which shall be under the procedures as the Board of Directors shall from time to time prescribe.
- (c) Any amendment or amendments to these Bylaws will be effective upon the affirmative vote of a majority of the membership of the Association voting in person, by proxy, or by mail ballot.
- (d) A quorum at any meeting of the membership of the Association shall consist of a majority of those entitled to be present, either in person or by proxy.

### **Article XIII Indemnification**

- (a) The Association shall indemnify and hold harmless each person who is

now or has been or shall hereafter serve as a director or officer of the Association from and against any all claims and liability, whether the same settled or proceed to judgement, to which such person shall have become subject by reason of having heretofore or hereafter been a director or officer of the Association, or by reason of any action alleged to have been heretofore or hereafter taken or omitted in such capacity, and shall reimburse each such person for all legal and other expenses (including the cost of settlement) reasonably incurred in connection with any such claim, liability, suit, action or proceeding; provided, however, that no such person shall be indemnified against, or be reimbursed for, any claims, liabilities, costs or expenses incurred in connection with any claim or liability, or threat or prospect thereof, based upon or arising out of willful misconduct, in the performance of duties as such director or officer of the Association. The determination of all questions as to the existence of willful misconduct, and as to the right to indemnity and reimbursement hereunder and the reasonableness of such costs and expenses may be made, and shall be final and conclusive if made by the Board of Directors of the Association acting at a meeting at which a quorum in unaffected by self-interest notwithstanding that other members of the quorum present but not voting may be so affected. The rights accruing to any other person under the provisions of this Article XIII shall not exclude any other right to which the director or officer may be lawfully entitled, or shall anything herein contained restrict the right of

the Association to indemnify or reimburse such person in any case even though no specifically herein provided for.

# American Logistics Association

## Code of Ethics

### I.

#### Integrity of Membership

- A. It shall be a violation of this Code for a member of this Association to make a false statement or fail to disclose a material fact in connection with his membership in this Association.
- B. It shall be a violation of this Code for a member of this Association to (1) circumvent these rules through actions of another; (2) engage in illegal conduct; (3) engage in any conduct involving dishonesty, fraud, deceit or misrepresentation.

### II.

#### Confidences and Secrets

- A. It shall be a violation of this Code for a member of the Association to reveal a confidence or secret of his employer or principal. As used herein, a confidence or secret refers to information gained as a result of employment or agency that the member of the Association knows or has reason to believe the disclosure of which would be embarrassing or would be detrimental to the employer or principal.
- B. It shall be a violation of this Code for a member of this Association to use a confidence or secret of an employer or principal to the disadvantage of the employer or principal.

### III.

#### Conflicts of Interest

- A. It shall be a violation of this Code for a member of this Association, except with the consent of his employer or principal, to accept employment or serve as an agent if the exercise of his professional judgement on behalf of his employer or principal will be, or reasonably may be, affected by his own financial, business, property or personal interest. Nothing in this Code shall prohibit a member of the Association from employment on a contingency or commission basis. It shall, however, be a violation of this Code for a member of this Association to enter into a business transaction with an employer or a principal if the member has differing interests therein and if the employer or principal expects the member to exercise his professional judgement; however, such business transaction is permissible when full information concerning any potential conflict of interest has been disclosed to the employer or principal, and said party consents thereto.
- B. It shall be a violation of this Code for a member of this Association to accept or continue employment if the exercise of his professional judgement will be or is likely to be adversely affected by his employment or representation of another party, except to the extent permitted under Rule III(C).

- C. A member of this Association may represent multiple employers of principals if it is obvious that he can adequately represent the interests of each.

goods or services when such member knows or has reason to know that he, his principal, or employer is not competent to accept such an undertaking.

#### **IV.**

#### **Avoiding Influences by Others**

- A. It shall be a violation of this Code for a member of this Association to accept compensation for his services from anyone other than his employer or principal. As used in this rule, compensation shall include any thing of value and shall include all emoluments, gratuities or rewards.
- B. It shall be a violation of this Code for a member of this Association to give or cause to be given any compensation or thing of value to any person to influence such person's judgement with respect to the activities of the said member, his principal or employer.

#### **V.**

#### **Performance of Contracts**

- A. It shall be a violation of this Code for a member of this Association to fail intentionally to carry out a contract for the delivery of goods or services to an agency or department of the United States government, or any other party.
- B. It shall be a violation of this Code for a member of this Association to aid or participate in a contract or agreement that he believes to be unlawful.
- C. It shall be a violation of this Code for a member of this Association to accept a contract for the delivery of