

1 FAR WEST SPEARMINT OIL ADMINISTRATIVE COMMITTEE FEDERAL MARKETING ORDER NO. 985

2 BY-LAWS

3 Revised and Adopted on Feb. 20, 2008

4 ARTICLE I - PRINCIPAL PLACE OF BUSINESS

5 Section 1. The principal place of business and office of the Committee shall be 100 North Fruitland, Suite B,  
6 Kennewick, WA 99336

7 ARTICLE II - OFFICERS AND THEIR DUTIES

8 Section 1. The officers of the Committee shall be selected by the Committee and shall consist of a Chairman, a  
9 Vice-Chairman, a Secretary and a Treasurer, each whom shall be a member of the Committee. Each officer shall  
10 hold office for a period of one year from the date of his/her election, and thereafter until his/her successor shall  
11 have been duly elected and qualified; provided, however, that any officer may be removed from office with or  
12 without cause by affirmative vote of 75% of members present. An officer may serve more than one year  
13 consecutively.

14 Section 2. The duties of the Chairman shall be: (1) To preside at all meetings of the Committee, (2) Call regular  
15 and special meetings of the Committee when deemed necessary, (3) Have general supervision of the affairs of  
16 the Committee, and perform all acts and duties usually incident to and required of an executive and presiding  
17 officer, and (4) be an ex-officio member of all subcommittees.

18 Section 3. The duties of the Vice-Chairman shall be to preside in the place of the Chairman in the absence,  
19 disqualification, disability, or at the direction of the Chairman. If neither the Chairman nor the Vice Chairman  
20 shall be present at a meeting, a Chairman Pro Tem selected by the members there present shall preside.

21 Section 4. The duties of the Secretary shall be: (1) to keep or cause to be kept a complete record of the  
22 proceedings of all meetings of the Committee, (2) To attest all papers, documents, and other instruments on  
23 behalf of the Committee.

24 Section 5. The duties of the Treasurer shall be: (1) to have oversight of all monies, property and securities  
25 belonging to or under control of the Committee, and (2) Verify that a fidelity bond is in effect covering the  
26 employees, agents, and officers of the Committee.

27 ARTICLE III - MANAGER : DUTIES AND FUNCTIONS

28 Section 1. The Committee shall employ or contract as an agent, a Manager, for such time and at such  
29 compensation as it deems advisable, whose duties shall be as follows: (1) Be responsible for the publication of all  
30 notices the Committee is required to give, (2) Assemble, compile and analyze all information necessary for the  
31 Committee to have in considering recommendations for regulations, (3) Prepare all reports necessary to  
32 accompany recommendations of the Committee to the Secretary of Agriculture (4) Keep regular books of account

33 under the direction of the Committee, (5) Collect all monies due the Committee and deposit the same in a bank  
34 designated by the Committee, (6) Submit for review of the Treasurer and the Executive and Budget  
35 Subcommittee at their discretion all invoices and/or vouchers covering purchases or expenses, and make  
36 available statements of all receipts, expenditures, and balances, and (7) Submit for approval of the Committee  
37 Secretary, a record of all Minutes of meetings of the Committee and its subcommittees.

#### 38 ARTICLE IV - MEETING AND VOTING

39 Section 1. All regular meetings of the Committee shall be held at such time and place as designated by the  
40 Committee Chairman unless otherwise ordered by the Committee.

41 Section 2. Special meetings of the Committee may be held whenever called by the Chairman, or by the Vice-  
42 Chairman when acting as Chairman, or by four or more members of the Committee, and any and all business  
43 coming before the Committee may be transacted at such special meetings. Notices of special meetings shall  
44 specify the purpose of such meetings. A call for a special meeting, other than that called by the Chairman or  
45 Vice-Chairman, must be in writing and signed by the parties issuing the call, and such notices shall state the time  
46 and purpose of the meeting. Notices may be given by mail, telegraph by the Chairman or by his order.

47 Section 3. The regular order of business of the Committee, unless otherwise determined by the Committee shall  
48 be as follows:

- 49 1. Roll Call.
- 50 2. Consider Minutes of previous meeting.
- 51 3. Report of Committee Finances.
- 52 4. Report of Manager.
- 53 5. Report of Officers.
- 54 6. Report of Subcommittees.
- 55 7. Unfinished business
- 56 8. New business
- 57 9. Adjournment

58 Section 4. Voting by the Committee shall be governed by the appropriate provisions of the Marketing Order. Any  
59 vote taken by mail, telephone or telegraph shall be only upon order of the Chairman, who may establish a time  
60 limit for return of ballots. The questions submitted, a record of the members voting, and a confirmation in writing  
61 of the vote by each member shall be made a part of the regular minutes. At any assembled meeting, all votes  
62 shall be cast in person. Unless the individual member indicates to the chair that he is abstaining or voting  
63 negatively, his vote shall be considered as affirmative and so recorded.

#### 64 ARTICLE V - SUBCOMMITTEES

65 Section 1. The Committee may appoint such subcommittees as it may deem necessary for the expeditious  
66 handling of the affairs of the Committee, and assign to such subcommittees such duties as the Committee may  
67 deem proper. When a subcommittee has disposed of the specific matter assigned to it, and report thereof has

68 been made to the Committee, such subcommittee shall be automatically discharged. All Members Of All  
69 subcommittees created by the Committee, unless otherwise ordered by the Committee when created, shall be  
70 appointed by the Chairman.

71 Section 2. An Executive and Budget Subcommittee consisting of the Chairman, Vice-Chairman, the Secretary and  
72 the Treasurer shall perform such special duties assigned to them by the Committee from time to time. Any two of  
73 the following shall be empowered to sign checks on the Committee funds to cover Committee operations: The  
74 Treasurer, and such other Executive and Budget Subcommittee Member as the Chairman may designate, or the  
75 Manager. The Executive and Budget Subcommittee shall meet whenever necessary to examine all accounts and  
76 books of record. Any three members of the Executive and Budget Subcommittee shall constitute a quorum and  
77 may transact business of the Executive and Budget Subcommittee. All actions taken by the Executive and Budget  
78 Subcommittee shall be subject to approval by the Administrative Committee at their next regular or special  
79 meeting.

80 Section 3.—A Market Promotion Subcommittee shall be appointed by the Chairman consisting of seven members  
81 with a quorum requirement for action of Four . The Market Promotion Subcommittee will explore new markets  
82 for the Far West spearmint oil.

### 83 ARTICLE VI - FIDELITY BONDS

84 Section 1. All Officers, agents, and employees of the Committee who handle funds belonging to or under the  
85 control of the Committee shall be placed under a Fidelity Bond issued by a company authorized to do business in  
86 that state in which the principal office is located, in an amount of \$300,000, and the premium on such bond or  
87 bonds shall be paid by the Committee.

### 88 ARTICLE VII - PROCEDURE AND TRANSACTIONS OF BUSINESS

89 Section 1. Each and every order, regulation, decision, or act of any such officer, member, alternate, employee, or  
90 agent shall be in accordance with the Agricultural Marketing Agreement Act of 1937, and title 7 CFR section 985,  
91 the "United States Department of Agriculture Marketing Agreement and Order Operations Manual" and  
92 "Management Guide for Marketing Order Committees and the United States Department of Agriculture". Any  
93 matter of procedure not covered by these rules and regulations shall be governed by "Robert's Rules of Order".  
94 No person, not a member of the Committee, shall be entitled to participate in the deliberations and proceedings  
95 of the Committee or speak upon any subject before the Committee, except with the consent of the presiding  
96 officer.

### 97 ARTICLE VIII - POWERS OF COMMITTEE

98 Section 1. Any officer, member, alternate, agent, or employee appointed, elected, or employed by the Committee  
99 shall be subject to removal or suspension by the Committee at any time. No officer, member, alternate,  
100 employee, or agent shall have the authority to commit the Committee unless such authority has been duly  
101 delegated. Each and every order, regulation, decision or act of any such officer, agent or employee shall be

102 subject to the continuing right of the Committee to disapprove of the same, and upon disapproval by the  
103 Committee shall be deemed null and void to such extent as the Committee may determine.

#### 104 ARTICLE IX - REIMBURSEMENT OF EXPENSES

105 Section 1. The members, alternates, agents, and employees of the Committee, when acting on the Committee  
106 business, shall be reimbursed for travel, lodging and meal expenses necessarily incurred by them in the  
107 performance of their duties using a per diem rate Of \$100 for lodging, \$60 for a full day of meals and incidentals,  
108 \$30 for a half day of meals and incidentals.

109 Section 2. The members, alternates, agents, and employees of the committee when acting on special committee  
110 business shall be reimbursed for actual travel, lodging, and meal expenses necessarily incurred by them in  
111 performance of their duties.

112 Section 3. All claims for reimbursement must be submitted to the Manager no later than 60 days after the  
113 expense is incurred. All claims must be reported on the Expense Form and all receipts for the incurred expenses  
114 must be attached. When a receipt is unavailable or lost, a written statement is required by the claimant  
115 providing the reason(s). In the absence of satisfactory explanation, a reimbursement for a lost receipt may not  
116 be allowed.

- 117 (a) The Committee must approve all international travel.
- 118 (b) The Committee will only reimburse airfare for a coach ticket to the required destination.
- 119 (c) The use of privately owned vehicles for official Committee business is permitted. When practical,  
120 because of cost and work requirements, a rented vehicle shall be permitted. The reimbursement of  
121 expense for authorized travel by private vehicle will be established at the IRS allowable mileage  
122 rate for the most direct route. Personal auto liability insurance is the responsibility of the driver.
- 123 (d) If the claimant is combining official Committee business with a holiday, vacation, or other personal  
124 travel, reimbursement will be based on the least expensive means of travel for the official  
125 Committee business. No reimbursement will be made for vacation days or personal travel.

#### 126 ARTICLE X - FISCAL POLICY

127 Section 1. All agreements, contracts, and Committee checks must have two signatures. Approved signatures will  
128 be the Chairman, Vice Chairman, Secretary, Treasurer, and Manager

129 Section 2. The Committee Budget will be prepared by the Manager and presented to the Executive  
130 Subcommittee no later than MARCH 15 . The Committee will review the budget no later than April 1 for  
131 recommendation to the United States Department of Agriculture for approval.

132 Section 3. All invoices shall be initialed by the two check signers.

133 Section 4. Any request for financial contributions, must be in writing stating the project, purpose, the benefit to  
134 the industry, and the proposed budget and timetable. Only those requests that will have a broad based effect on

135 the image and betterment of the Far West Spearmint Oil industry will be considered. The Committee will not lend  
136 its name to any activity without Committee approval of expressed written intent and purpose by the organization  
137 or event.

138 Section 5. The Manager will prepare a written financial statement at every regular meeting of the Committee.

139 ARTICLE XI - AMENDMENTS

140 Section 1. The Committee may amend these Rules and Regulations at any meeting thereof where a quorum is  
141 present, and shall require the concurring vote of six of the members present, provided at least one week's notice  
142 shall be given to all members of the Committee that such amendment will be considered.

143 ARTICLE XII - TIME WHEN RULES AND REGULATIONS EFFECTIVE

144 Section 1. The rules and Regulations herein prescribed shall become effective from and after their date of  
145 adoption and approval by the Committee.

146 Section 2. The Committee does hereby adopt and approve the by-laws herein on this date, FEBRUARY 20, 2008 .

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