



Gulf Coast Section

Section Bylaws

Revision 2.5
Updated June 20, 2009

Bylaws of the
Gulf Coast Section
of the
Technical Association of the Pulp & Paper Industry (TAPPI)

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NOTE: The words "Chairman", "he", "him" and "his" in the context of these Bylaws and Appendices are defined as including both the masculine and feminine forms. This usage is for convenience and to simplify the writing.

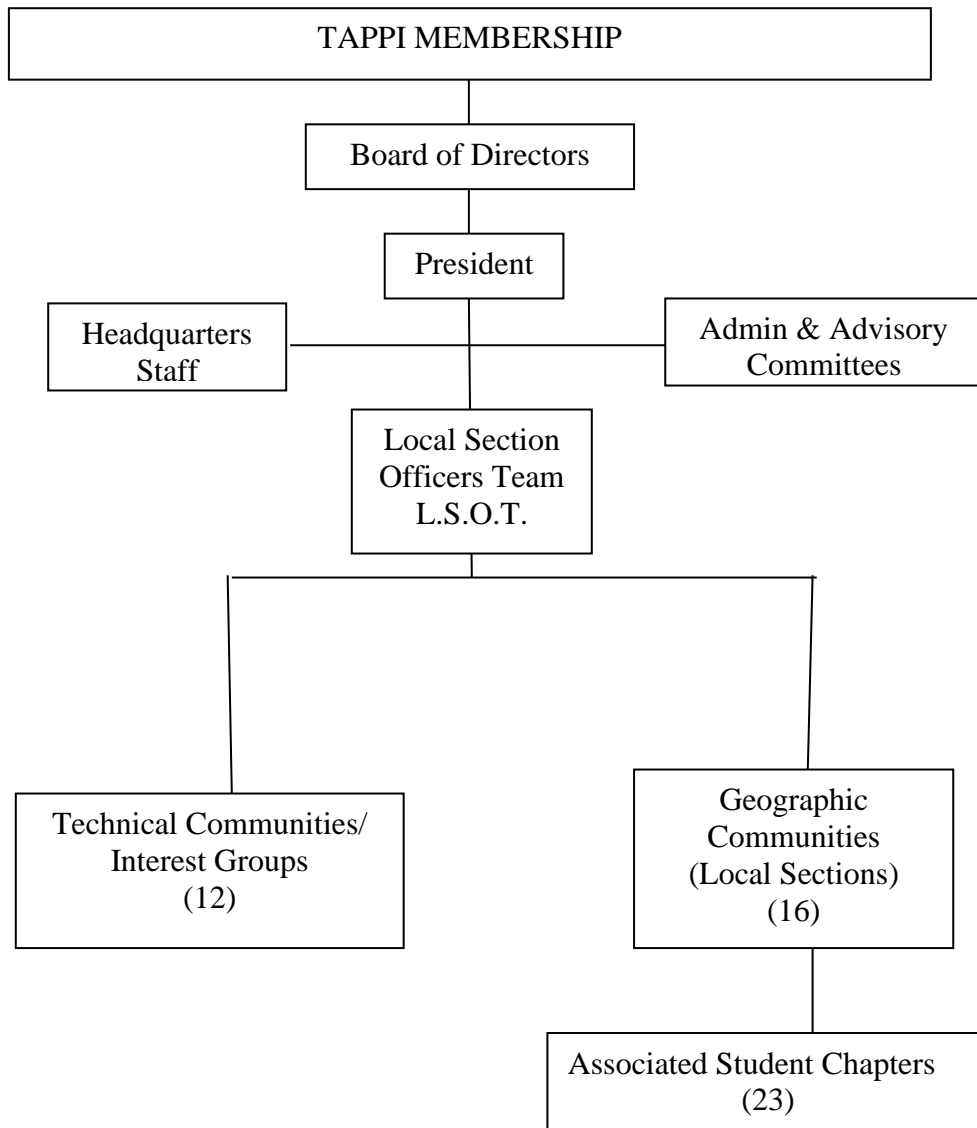
I. NAME, SCOPE, OBJECTIVES, MISSION & ORGANIZATION

- A. **NAME:** The Name of the Organization shall be the Gulf Coast Section of the Technical Association of the Pulp and Paper Industry (TAPPI). Acceptable abbreviated forms of the Organization name include “GCT”, “Gulf Coast TAPPI”, “Gulf Coast Section” or “Section”.
- B. **SCOPE:** The Scope of the Section is involvement in and exposure to all aspects of the pulp, paper and related industries, to include equipment, materials, processes, procedures, techniques, R&D, management, environmental and regulatory affairs impacting the pulp, paper and related industries.
- C. **OBJECTIVES:** The Objectives of the Section are:
1. To provide a low-stress, inexpensive forum for the exchange of information and ideas.
 2. To provide opportunities for professional development.
 3. To provide a means by which to recognize individuals and organizations who have made significant contributions to the pulp, paper and related industries.
- D. **MISSION:**
- “To become the recognized leader for the exchange of ideas and information pertaining to the pulp, paper and related industries in the Gulf Coast Region.”
- E. **ORGANIZATION CHART (INTERNATIONAL TAPPI):**
1. See next page insert for International TAPPI Organization

II. TERRITORY

- A. **GEOGRAPHIC BOUNDARIES:** The Territory of the Gulf Coast Section includes the States of Alabama and Mississippi in their entirety. Also included is that portion of Louisiana that is East of the Mississippi River, that portion of Tennessee that is west of State Highway 27, and that portion of the Florida panhandle that is west of State Highway 65.
- B. **DISTRICTS:** Upon the recommendation of the Executive Committee of the Local Section and approval by the general membership as represented at the Annual Meeting, the Section may sub-organize into two or more Districts.

GENERAL ORGANIZATION OF TAPPI



III. MEMBERSHIP

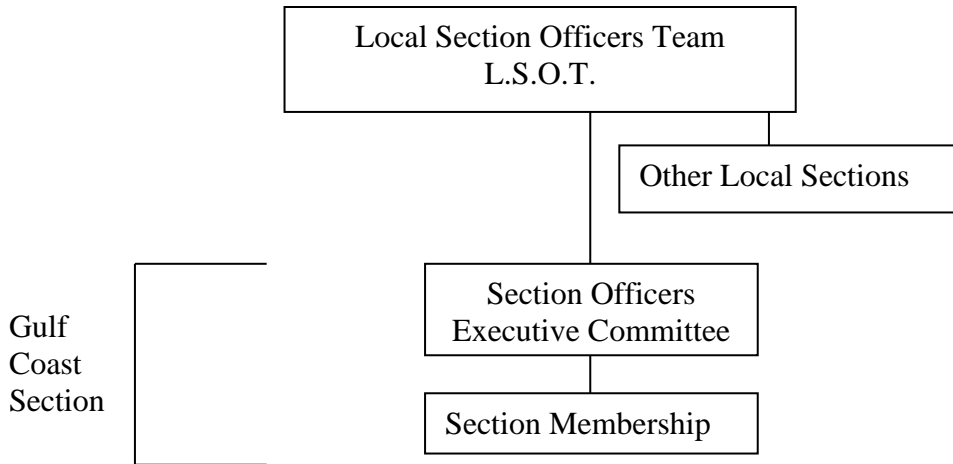
- A. **MEMBER:** A Member of the Section may be anyone interested in pulp and paper and related industries.
- B. **MEMBERSHIP:** Membership in the Gulf Coast Section shall be based on being a member of TAPPI and having expressed an interest, either through the TAPPI website or directly to the Section, and/or having paid the Gulf Coast TAPPI membership fee.

IV. DUES

- A. **ANNUAL DUES:** Paid TAPPI dues and/or Gulf Coast TAPPI dues are acceptable to be a member of Gulf coast TAPPI. The Gulf Coast TAPPI dues structure will be reviewed and updated every 2 years for the executive committee.
- B. **FATE OF ASSETS:** In the event of dissolution of the Section and discharge of its affairs, all funds and property of the Section remaining thereafter shall be transferred to one or more of the Pulp and Paper schools (recognized as IRS code 501c3 tax-exempt institutions) in our territory, or to the control of TAPPI for the general use of said organization.

V. ORGANIZATION

A. LOCAL SECTION ORGANIZATIONAL CHART:



B. OFFICERS AND COUNCIL:

1. Officers and Council:
Officers of the Section shall include a Chairman, Vice Chairman, Treasurer and Secretary whose duties are outlined in Section VII. A Chairman Emeritus (the chairman from the previous year) is an honorary, non-voting position designed to enhance continuity. Collectively, this group is called the “Council”.
2. Progression of Officers:
Officers will normally rotate through the five Officer Positions (also known as “Chairs”) in the order shown below.

New (incoming) Officer (1st Year) = Secretary
 (Up to 3 Years) = Treasurer
 (3rd Year) = Vice Chairman
 (4th Year) = Chairman
 (5th Year) = Chairman Emeritus

Nominations for new officers rotating onto the Council (Secretary position) will be made by a Nominating Committee. Election of new officers and confirmation of officers moving up to the next position will be made by vote of the general membership present at the Annual Meeting.

3. Term of Office:
Other than the Treasurer, Officers will serve for a one (1) year term in each position, progressing from Secretary to Chairman Emeritus.
4. Requirements for Holding Office:

- a. Officers will be members of TAPPI.
- b. Officers will be Mill Personnel (an individual who is directly employed by a pulp or paper manufacturer), with only one of the four key officer positions filled by a Supplier to the Pulp and Paper Industry at any one time. In the event that a mill person is not available, a second supplier (someone not directly employed by a pulp or paper manufacturer) or mill person, selected by the Section Chairman or Executive Committee, may serve a one year term in the vacant position. This temporary person will not continue to move through the Chairs.

C. EXECUTIVE COMMITTEE:

1. Executive Committee:
The Executive Committee is the governing body of Gulf Coast TAPPI. It is composed of the Section Officers, Permanent Committee Chairmen and up to fifteen (15) persons chosen from the membership.
2. Term:
Executive Committee members serve a two-year term unless they are elected to go through the officer positions.
3. Authority to Allocate Funds:
The Executive Committee is the only body that may authorize the allocation of Section funds. This will be done through a motion and vote, recorded in the Minutes of that meeting. In the case of meeting expenditures, the appointment of the Meeting Chairman and the reports given by that Meeting Chairman during the Executive Committee meetings will serve as his authorization by the Executive Committee. The Meeting Chairman has an additional Speaker Discretionary Fund, in the amount of \$250.00 per meeting, that he may use to fund/reimburse speakers.
4. Attendance:
Executive Committee members are expected to attend all scheduled meetings and participate in Section activities. If a meeting must be missed, the Executive Committee member will notify a Section Officer of their absence and attempt to send a substitute.
5. Representative Functions:
 - a. Executive Committee members represent their firms and areas of the industry. They provide feedback to their organizations and the membership concerning GCT objectives and activities.

- b. Executive Committee members solicit input from the membership and provide that input at the Executive Committee meeting to ensure that the Section is operated in accordance with the desires of the membership.

D. NOMINATIONS:

1. Nominating Committee:
Nominations for Officers and new Executive Committee members will be made by a Nominating Committee consisting of at least four (4) members of the Section, of which not more than two (2) will already be serving on the Executive Committee.
2. Chairman of the Nominating Committee:
The Membership Chairman will serve as Chairman of the Nominating Committee, and is counted as one of the four members.
3. Term:
Nominating Committee members other than the Nominating Committee Chairman will serve for one year. The Executive Committee will elect the new members on an annual basis at the Fall meeting. The Membership Chairman will serve as Nominating Committee Chairman for as long as he holds the Membership Chairman position.
4. Sources & Announcements of Nominations:
 - a. Nominations for Executive Committee members and new officers will be announced to the membership at least 30 days in advance of the Annual Meeting, typically in the Annual Meeting Announcement.
 - b. Nominations may be submitted by any Section member to the Nominating Committee.
 - c. Nominations may be accepted from the floor during the business meeting portion of the Annual Meeting.

E. ELECTION OF OFFICERS AND NEW EXECUTIVE COMMITTEE MEMBERS:

1. Election Schedule:
The Election of Officers and new Executive Committee members will take place yearly at the Annual Meeting.
2. Election Vote:
Election will be by vote of the general membership represented at the Annual Meeting. A simple majority is required for affirmation.

F. VACANCIES:

The Section Chairman will appoint individuals to fill vacancies that may occur during the year. These individuals will serve a one year term. However, if the individual is nominated by the Nominating Committee and elected by vote of the general membership present at the Annual Meeting, that person will then become a duly elected Executive Committee member or officer, and will begin to serve a full term.

G. PERMANENT OFFICERS/COMMITTEES:

1. Permanent (Standing) Offices/Committees:
 - a. Corresponding Secretary
 - b. Registration Chairman
 - c. Membership Chairman
 - d. Local Section Officers Team(LSOT) Chairman
 - e. Permanent Committees/positions may be created or eliminated by the Executive Committee as needed.
 - f. Permanent Committee Chairmen are appointed by the Executive Committee, and serve until they voluntarily step down or are asked to step down by the Section Chairman.
2. Duties of the Corresponding Secretary:
 - a. Receives Meeting Announcements from the Section Chairman, formats it and coordinates the publication and mailing of Section announcements.
 - b. Coordinates with the Section Treasurer for expense reimbursement and payment of expenditures.
 - c. Updates the electronic file with Section letterhead each year.
 - d. Solicits Section/Meeting information and insures that it gets published in *TAPPI* publications and news outlets.
 - e. Insures photographic coverage of Section meetings and events.

- f. Coordinates with the Meeting Chairman, Corresponding Secretary and Section Chairman to ensure that Section activities are communicated to the general membership.
 - g. Assists the Registration Chairman and Treasurer during Meeting Registrations, and performs other duties as assigned by the Section Chairman.
3. Duties of the Registration Chairman:
- a. Maintains and recommends updates/replacements to the Section's laptop computer/printer, and prepared database for meeting registration. Obtains name badge materials as needed.
 - b. Processes pre-registration forms, and coordinates the running of the registration table at Section Meetings. Ensures Registration Forms are properly completed and that the correct fee has been charged and received.
 - c. Coordinates with the Section Treasurer to ensure accountability for collected funds including vendor table-top and other supplier fees.
4. Duties of the Membership Chairman:
- a. Heads the Membership Committee.
 - b. Coordinates programs to improve Section membership.
 - c. Coordinates membership enhancement programs, speaker gifts and programs aimed at encouraging Section participation.
 - d. Serves as Chairman of the Nominating Committee.
 - e. Maintains and updates the Section database.
 - f. Maintains the Master Membership List for the Section.
 - g. In cooperation with the Meeting Chairman, prepares the Stock Exchange, and provides to Corresponding Secretary for review. Disseminates the Stock Exchange to the general membership on a timely basis.
5. Duties of the Publicity Chairman:
- a. Solicits Section/Meeting information and insures that it gets published in *TAPPI* publications and news outlets.

- b. Insures photographic coverage of Section meetings and events.
 - c. Coordinates with the Meeting Chairman, Corresponding Secretary and Section Chairman to ensure that Section activities are communicated to the general membership.
6. Duties of the Local Section Officers Team(LSOT) Chair
- a. Attends the monthly LSOT conference calls, reporting key issues and upcoming events to Nation TAPPI and the other Local Sections.
 - b. Report back to the Section EXCOM with pertinent information from National TAPPI and the other Sections.

H. OTHER COMMITTEES:

1. Other Committees:
Other Committees or positions may be established by the Section Chairman or Executive Committee on an as-needed basis.
2. Other Offices:
A Meeting Chairman will be appointed by the Executive Committee to be responsible for the planning, organization and execution of each Section meeting. The Meeting Chairman assembles his own committee to coordinate and execute the meeting.

I. SUPPLIER SOCIETY:

1. Supplier Society:
The Gulf Coast TAPPI Supplier Society (GCTSS, Supplier Society) is an auxiliary organization of Gulf Coast TAPPI.
2. Membership:
The Supplier Society is composed of all supplier/vendor/consultant personnel who have paid at least one Supplier Surcharge (a separate surcharge of \$25 per individual per Fall or Winter meeting attended, or \$50 for the year-end annual meeting) during a meeting year.
3. Organization of Supplier Society:
The Supplier Society has its own organization and officers elected according to its bylaws.
4. Representation on the Section Executive Committee:
The Chairman of the Supplier Society is automatically a member of the Executive Committee.

5. Financial Reports:
The Supplier Society will furnish a summary of all financial statements and transactions to the Treasurer and Chairman of the Gulf Coast Section. These summaries will show the current financial status of the GCTSS since the last report and will be no earlier than one week prior to the scheduled Section Executive meeting.
6. Allocation and Control of Funds:
The Supplier Society will vote the use of its funds in the same manner as the Section Executive Committee. The Section Executive Committee may not allocate Supplier Society funds without the prior approval of the Supplier Society.

J. TAPPI STUDENT CHAPTERS:

1. Student Chapters:
Gulf Coast TAPPI supports Student Chapters at Auburn University (Auburn Chapter) Mississippi State University (MSU Chapter), and Alabama Southern Community College.
2. Student Chapter Support:
TAPPI Student Chapters will be fostered and encouraged by:
 - a. Presentation of Student Papers at Technical Sessions.
 - b. Attendance and participation in TAPPI Student Chapter meetings and programs by Executive Committee members.
 - c. Sponsorship by Gulf Coast Section of scholarships, awards and endowments for students in pulp and paper studies.
See APPENDIX A, Scholarship
 - d. Assistance with special registration fees and free hotel rooms (if available) to students attending Section meetings.
3. Executive Committee Representation:
 - a. A Representative from each Student Chapter will be considered a permanent non-voting member of the Executive Committee. This is a non-elected position; therefore the Chapter may appoint someone, or someone may volunteer.
 - b. The Representative may be a Student or Faculty member, however they must be a member in good standing with the Student Chapter.

- c. If the Representative is nominated and voted in as an Executive Committee member, they will become a full, voting Executive Committee member and serve in a dual role as Chapter Representative.

VI. MEETINGS

A. YEARLY SCHEDULE:

1. Meeting Year:
The Gulf Coast TAPPI Meeting Year will run from September to June.
2. Meeting Dates:
 - a. Meeting frequency is determined by the Executive Committee. The Annual meeting will be scheduled per Meeting Year.
 - b. Typical Meeting Months are September/October, January, March/April and June.

B. ANNUAL MEETING:

1. Annual Meeting Schedule:
The Annual Meeting will take place in May/June. Election of new Officers and Executive Committee Members will take place at this meeting. The Annual Meeting will not typically include a Mill Tour.

C. LONG RANGE PLANNING:

1. Long Range Planning Meeting Schedule and Coordination:
 - a. A Long-Range Planning Meeting will be scheduled once a year in conjunction with a regular meeting. This will normally be the September/October or January meeting.
 - b. The Long-Range Planning Meeting will take place the day before the regularly scheduled Section meeting.
 - c. The Long-Range Planning Meeting will be chaired by the Section Chairman, with an Agenda and Calender published and distributed to the Executive Committee prior to the meeting.
 - d. All members and visitors are welcome to attend the Long-Range Planning Meeting.
2. Long Range Planning Meeting Purpose:

- a. Long range plans are made for the next two Meeting Years. For example, at the January 1994 (during the '93 - '94 Meeting Year) Long Range Planning Meeting, the meetings through June 1995 are already in place. By the end of the meeting, Meeting dates/ times / topics / locations / Chairmen through June 1996 will be decided, with firm plans in place through November 1995 and tentative plans on paper for the meetings through June 1996.
3. Long Range Planning Meeting Goals:
 - a. Meeting Location (City, State)
 - b. Desired Mill Tour
 - c. Technical Session Topics – determined by the Executive Committee.
 - d. Meeting Dates
 - e. Meeting Chairmen
 4. Meeting Topic Selection:
 - a. Select topics of universal interest to the anticipated audience.
 - b. Consider the ease of getting speakers.
 - c. Tie the topics to the Mill Tour and mill processes.
 5. Mill Site Selection Considerations:
 - a. Weather conditions/time of year.
 - b. Location (also look at rotating the location through the Section territory over a period of years).
 - c. Mill processes, expansions, etc. tie-in with desired topics.
 - d. Adequate meeting facilities within a reasonable distance from the mill.
 - e. History - how have past tours gone?
 - f. Emphasize contacting mill management as early as possible to get permission for the tour.
 6. TAPPI Mill Tour Policy:
See APPENDIX B, TAPPI Mill Tour Policy.
 7. Guidance Manual:
See the Gulf Coast Section Guidance Manual for additional Long Range Planning information.
- D. MEETING ORGANIZATION, FORMAT & COST:
1. Guidance manual:
Planning and execution of a Local Section Meeting is fully covered in the Gulf Coast Section Meeting Guidance Manual.

E. COMPLYING WITH ANTITRUST REQUIREMENTS:

1. Agendas:
Agendas for all meetings will be cleared by TAPPI for Antitrust compliance prior to being distributed.
2. Meeting Minutes:
Meeting Minutes will be submitted to TAPPI for Antitrust compliance prior to distribution.
3. Antitrust Statement:
The TAPPI Antitrust statement shall be announced at the beginning of all Executive Committee meetings, Technical Sessions and Business Meetings.
4. TAPPI Antitrust Guidelines:
Refer to the TAPPI Antitrust Guidelines shown at APPENDIX C.

VII. OFFICER DUTIES**A. DUTIES OF THE SECTION CHAIRMAN:**

1. Assumes ultimate responsibility for all aspects of Section operation.
2. Guides the Section in establishing and accomplishing short term and long term goals.
3. Maintains close contact with the appropriate TAPPI Staff.
4. Insures compliance by the Section with Antitrust requirements.
5. Prepares Agendas for Executive Committee & Long-Range Planning Meetings.
6. Organizes and conducts effective, beneficial meetings.
7. Insures effective operation of the Section by fostering good communication with Meeting Chairmen, Officers, Executive Committee members and the membership.
8. Conducts the Executive Committee Meetings, Long Range Planning Meeting and Business Meetings.
9. Insures Section members are recognized for their contributions.
10. Appoints Committee Chairman/Committees as needed.
11. Works with the Nominating Committee to insure smooth succession of Officers and Executive Committee Members.
12. Prepares Section Annual Report for TAPPI.

B. DUTIES OF THE SECTION VICE CHAIRMAN:

1. Takes the place of the Section Chairman in his absence.
2. Organizes the Head Table at all Business Meetings.
3. Maintains the Section Banner and insures that it is displayed at meetings.
4. Surveys each GC TAPPI Technical meeting to determine participant

satisfaction regarding the meeting content and organization, and other matters to solicit feedback for improving GC TAPPI programs and future meetings

5. Works closely with the Section Chairman to prepare to assume the Section Chairman position.
6. Plans the annual meeting.

C. DUTIES OF THE SECTION TREASURER:

1. Reviews and understands the Local Section Treasurer's Manual.
2. Establishes a Bank Account for Gulf Coast TAPPI.
3. Monitors revenues at Meeting Registration.
4. Maintains a current, accurate record of income and expenses.
5. Maintains the Section Checkbook
6. Generates a Meeting Financial Summary and Section Financial Summary for each meeting and provides copies to the Officers and Executive Committee members. Sample formats for these reports may be found at APPENDIX D Sample Section Financial Report, year in progress and APPENDIX E Sample Meeting Financial Report.
7. Verifies all invoices.
8. Pays section debts upon receipt of a valid, verified, itemized invoice.
9. Insures all payments are invoiced/receipted.
10. Balances Meeting Income (receipts) with the Projected Income calculated from the Registration Cards.
11. Forwards Meeting Registration Cards to the Corresponding Secretary once required information has been extracted.
12. Prepares the Section Annual Financial Statement. The forms for this report are sent to the Treasurer in the spring by TAPPI.
13. Works with the Local Arrangements Chairman (the individual selected by the Meeting Chairman to coordinate the hotel and meeting arrangements) and Meeting Chairman to insure financial aspects of the meeting (costs, payment schedules, form of payment) are met.
14. Works with the Section Vice Chairman to prepare for succession to Section Vice Chairman and to benefit from the advice and guidance of the Vice Chairman (last year's Treasurer).
15. Verifies that expenditures have been authorized by the Executive Committee (checks the Minutes).
16. Minimizes carrying cash. There will be significant (\$1000 +) amounts of cash generated during meeting registration. Deposits cash with the Hotel. Insures deposits are receipted and then applied to the master bill for that meeting.

D. DUTIES OF THE SECTION SECRETARY:

1. Attends all Executive Committee and Planning Meetings. Insures accurate Minutes are taken.

- 2. Insures that all votes and motions concerning expenditures of funds are recorded.
- 3. Compiles supporting documentation for Meeting Minutes such as copies of the Agenda and Financial Statements.
- 4. Prepares the finished Meeting Minutes, sends them to TAPPI for Antitrust review, then distributes the Minutes to the Executive Committee, Officers and any visitors who attended the Executive Committee meeting.
- 5. Maintains a historical file of past meeting records.
- 6. Coordinates with the Corresponding Secretary to ensure that the Membership List is correct and current.

VIII. REVIEW AND RATIFICATION OF BYLAWS

- A. REVIEW OF BYLAWS:
These Bylaws will be reviewed every two years by the Section Chairman.
- B. RATIFICATION OF BYLAWS:
Changes to these Bylaws will be approved first by the Gulf Coast Section Executive Committee, then submitted through the appropriate TAPPI, Inc. (Norcross, GA) Group/staff functioning as liaison to the Local Sections for final approval.
- C. RECORD OF BYLAWS:
A copy of these Bylaws will be kept on file with TAPPI.

IX. AMENDMENT PROCEDURES

- A. Amendments to these Bylaws may be proposed at any time by any Section member. Amendments or additions will be discussed and voted on by the Executive Committee. Approved changes will then be processed as stated above in “Ratification of Bylaws”.

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GULF COAST SECTION

APPENDIX A

To Section Bylaws and Procedures

Scholarship

APPENDIX A to Gulf Coast TAPPI Bylaws, version 2.4, Feb 2003

Scholarship

Gulf Coast Section has, since 1987, sponsored an annual scholarship for a deserving Pulp and Paper student at Auburn University and Mississippi State University. In 1999, we added Alabama Southern Community College to an annual scholarship.

Gulf Coast TAPPI believes that actively supporting and encouraging students in Pulp and Paper curricula is essential to insuring long-term availability of trained professional manpower for the Pulp and Paper industry.

Gulf Coast TAPPI may, at its discretion, enter into multi-year endowments or similar agreements with a University.

All such awards, scholarships and endowments must be discussed within the Executive Committee and approved by a majority prior to commencement of any such agreements.

GULF COAST SECTION

APPENDIX B

To Section Bylaws and Procedures

TAPPI Mill Tour Policy



TAPPI Guidelines for Manufacturing Plant Tours

Manufacturing plant tours in connection with TAPPI technical program activities provide an opportunity for observation of applied science and technology. On-site inspection of equipment and processes by program attendees serves to promote knowledge of advances in manufacturing processes. Sponsored plant tours are conducted for the purpose of promoting understanding of production techniques and alternative approaches to technical problems in areas such as safety, pollution control, noise abatement and energy conservation. They may also promote the practical education of new TAPPI members and student members.

TAPPI's General Rules of Antitrust Compliance forbid the use of any TAPPI activity, including plant tours, for the purpose of exchanging competitive information.

In order to assure compliance with TAPPI's antitrust policy and general rules in connection with plant tours, the TAPPI Board of Directors has adopted the following supplemental guidelines to cover the plant tour portion of TAPPI programs:

1. Participation in plant tours should be limited to meeting registrants.
2. Plant tours should not include any discussion or exchange of competitive information.
3. Participants in plant tours should not under any circumstances discuss or otherwise disclose proprietary information.
4. Plant tour participants should not divulge to each other any operating data which could be used to reveal competitive information.
5. Plant tour participants may discuss the productive capacity of particular processes or items of equipment, but may not discuss the planned utilization of such productive capacity by the host plant or any other producer.
6. Plant tour participants may discuss production cost savings which may be effected through the use of a particular process or piece of equipment, but may not discuss the overall production costs of the host plant or any other producer.
7. The plant tour is to be conducted in compliance with TAPPI's Antitrust and Plant Tour Guidelines outlined in this brochure, as well as the rules and directives of the host plant. While TAPPI encourages participation by all registrants for the plant tour, a host plant may decide to restrict or limit tour participation. It is the responsibility of those arranging plant tours to inform affected registrants of the restrictions as far in advance of the tour date as possible.

GULF COAST SECTION

APPENDIX C

To Section Bylaws and Procedures

TAPPI Antitrust Guidelines

A. TAPPI GUIDELINES

ANTITRUST POLICY AND COMPLIANCE PROCEDURES

A folder is available from TAPPI on request which sets forth TAPPI's antitrust policy and the rules of conduct and compliance procedures which govern all TAPPI activities. These formal guidelines are intended to do two things: (1) to make the occurrence of an actual antitrust violation in the course of TAPPI activities impossible, and (2) to prevent inadvertent conduct which might give the appearance of an antitrust violation to someone unfamiliar with TAPPI's nature and purposes. They are designed to protect you, your employer and TAPPI from any accusation of wrongdoing arising out of your participation in TAPPI activities.

Accomplishment of these objectives is everyone's responsibility. We urge you to keep a folder handy, and to refer to it whenever you have any question about the antitrust implications of any activity you might undertake under the auspices of TAPPI. We also urge you to advise your colleagues and company management of TAPPI's comprehensive antitrust compliance program, so that you can count on their continued support in your TAPPI activities.

Any questions you or your company's legal counsel may have concerning TAPPI's antitrust compliance program should be directed to the Executive Director, TAPPI, Technology Park/Atlanta, PO Box 105113, Atlanta, Georgia 30348

TAPPI'S ANTITRUST POLICY STATEMENT (See Affirmation Statement)

The Technical Association of the Pulp and Paper Industry, Inc., is a professional and scientific association organized to further the application of the sciences in the pulp and paper industry. Its aim is to promote research and education in the science and practice of pulp and paper manufacture. TAPPI is not intended to, and may not, play any role in the competitive decisions of its members or their employers, or in any way restrict competition in the pulp and paper industry.

Through its seminars, short courses, technical conferences, and other activities, TAPPI brings together representatives of competitors in the pulp and paper industry. Although the subject matter of TAPPI activities is normally technical in nature, and although the purpose of these activities is principally educational and there is no intent to restrain competition in any manner, nevertheless the Board of Directors recognizes the possibility that the Association and its activities could be seen by some as an opportunity for anticompetitive conduct. For this reason, the Board has taken the opportunity, through this statement of policy, to make clear its unequivocal support for the policy of competition served by the antitrust laws and its uncompromising intent to comply strictly in all respects with those laws.

In addition to the Association's firm commitment to the principle of competition served by the antitrust laws, the penalties which may be imposed upon both the

Association and its individual and corporate members involved in any violation of the antitrust laws are so severe that good business judgment demands that every effort be made to avoid any such violation. Certain violations of the Sherman Act, such as price-fixing, are felony crimes for which individuals may be imprisoned for up to three (3) years or fined up to \$100,000, or both, and corporations can be fined up to \$1 million or more for each offense. In addition, treble damage claims by private parties (including class actions) for antitrust violations are extremely expensive to litigate and can result in judgments of a magnitude which could destroy the Association and seriously affect the financial interests of its members.

It shall be the responsibility of every member of TAPPI to be guided by TAPPI's policy of strict compliance with the antitrust laws in all TAPPI activities. It shall be the special responsibility of committee chairmen, Association officers, and officers of Local Sections to ensure that this policy is known and adhered to in the course of activities pursued under their leadership.

To assist the TAPPI staff and all its officers, directors, committee chairmen, and local section officers in recognizing situations which may raise the appearance of an antitrust problem, the Board will as a matter of policy furnish to each of such persons the Association's General Rules of Antitrust Compliance. The Association will also make available general legal advice when questions arise as to the manner in which the antitrust laws may apply to the activities of TAPPI or any committee or Section thereof.

Antitrust compliance is the responsibility of every TAPPI member. Any violation of the TAPPI General Rules of Antitrust Compliance or this general policy will result in immediate suspension from membership in the Association and immediate removal from any Association office held by a member violating this policy.

GENERAL RULES OF ANTITRUST COMPLIANCE

The following rules are applicable to all TAPPI activities and must be observed in all situations and under all circumstances without exception or qualification other than as noted below:

1. Neither TAPPI nor any committee, Section, District or activity of TAPPI shall be used for the purpose of bringing about or attempting to bring about any understanding or agreement, written or oral, formal or informal, express or implied, among competitors with regard to prices, terms or conditions of sale, distribution, volume of production, territories or customers.

2. No TAPPI activity or communication shall include discussion for any purpose or in any fashion of prices or pricing methods, production quotas or other limitations on either the timing or volume of production or sale, or allocation of territories or customers.
3. No TAPPI committee, Section or district shall undertake any activity which involves exchange or collection and dissemination among competitors of any information regarding prices or pricing methods.
4. No TAPPI committee or group should undertake the collection of individual firm cost data, or the dissemination of any compilation of such data, without prior approval of legal counsel provided by the Association.
5. No TAPPI activity should involve any discussion of costs, or any exchange of cost information, for the purpose or with the probable effect of
 - a. increasing, maintaining or stabilizing prices; or,
 - b. reducing competition in the marketplace with respect to the range or quality of products or services offered.
6. No discussion of costs should be undertaken in connection with any TAPPI activity for the purpose or with the probable effect of promoting agreement among competing firms with respect to their selection of products for purchase, their choice of supplier, or the prices they will pay for supplies.
7. Scientific papers published by TAPPI or presented in connection with TAPPI programs may refer to costs, provided such references are not accompanied by any suggestion, express or implied, to the effect that prices should be adjusted or maintained in order to reflect such costs. All papers containing cost information must be reviewed by the TAPPI legal counsel for possible antitrust implications prior to publication or presentation.
8. Authors of conference papers shall be informed of TAPPI's antitrust policy and the need to comply therewith in the preparation and presentation of their papers.
9. No TAPPI activity or communication shall include any discussion which might be construed as an attempt to prevent any person or business entity from gaining access to any market or customer for goods or services, or to prevent any business entity from obtaining a supply of goods or otherwise purchasing goods or services freely in the market.
10. No person shall be unreasonably excluded from participation in any TAPPI activity, committee or Section where such exclusion may impair such person's ability to compete effectively in the pulp and paper industry.

11. Neither TAPPI nor any committee or Section thereof shall make any effort to bring about the standardization of any product for the purpose or with the effect of preventing the manufacture or sale of any product not conforming to a specified standard.
12. No TAPPI activity or communication shall include any discussion which might be construed as an agreement or understanding to refrain from purchasing any raw material, equipment, services or other supplies from any supplier.
13. Committee chairmen shall prepare meeting agendas in advance and forward the agendas to TAPPI headquarters for review prior to their meetings. Minutes of such meetings shall not be distributed until they are reviewed for antitrust implications by TAPPI headquarters staff.
14. All members are expected to comply with these guidelines and TAPPI's antitrust policy in informal discussions at the site of a TAPPI meeting, but beyond the control of its chairman, as well as in formal TAPPI activities.
15. Any company which believes that it may be or has been unfairly placed at a competitive disadvantage as a result of a TAPPI activity should so notify the TAPPI member responsible for the activity, who in turn should so notify the TAPPI member responsible for the activity, who in turn should immediately notify TAPPI headquarters. If its complaint is not resolved by the responsible TAPPI member, the company should notify TAPPI headquarters directly. TAPPI headquarters and appropriate Section, division or committee officers or chairpersons will then review and attempt to resolve the complaint. In time-critical situations, the company may contact TAPPI headquarters directly.

TAPPI GUIDELINES FOR MANUFACTURING PLANT TOURS

Manufacturing plant tours in connection with TAPPI technical program activities provide an opportunity for observation of applied science and technology. On-site inspection of equipment and processes by program attendants serves to promote knowledge of advances in manufacturing processes. Sponsored plant tours are conducted for the purpose of promoting understanding of production techniques and alternative approaches to technical programs in areas such as safety, pollution control, noise abatement and energy conservation. They may also promote the practical education of new TAPPI members and student members.

TAPPI's General Rules of Antitrust Compliance forbid the use of any TAPPI activity, including plant tours, for the purpose of exchanging competitive information.

In order to assure compliance with TAPPI's antitrust policy and general rules in connection with plant tours, the TAPPI Board of Directors has adopted the following supplemental guidelines to cover the plant tour portion of TAPPI programs.

1. Participation in plant tours should be limited to meeting registrants.
2. Plant tours should not include any discussion or exchange of competitive information.
3. Participants in plant tours should not under any circumstances discuss or otherwise disclose proprietary information.
4. Plant tour participants should not divulge to each other any operating data which could be used to reveal competitive information.
5. Plant tour participants may discuss the productive capacity of particular processes or items of equipment, but may not discuss the planned utilization of such productive capacity by the host plant or any other producer.
6. Plant tour participants may discuss production cost savings which may be effected through the use of a particular process or piece of equipment, but may not discuss the overall production costs of the host plant or any other producer.
7. The plant tour is to be conducted in compliance with TAPPI's Antitrust and Plant Tour Guidelines outlined in this brochure, as well as the rules and directives of the host plant. While TAPPI encourages participation by all registrants for the tour, a host plant may decide to restrict or limit tour participation. It is the responsibility of those arranging plant tours to inform affected registrants of the restrictions as far in advance of the tour date as possible.

GUIDELINES FOR ANTITRUST COMPLIANCE BY LOCAL SECTION OFFICERS

Dos and Don'ts for Meetings and Operations

DO send the agenda for all meetings to the appropriate TAPPI Staff 15 days prior to the meeting.

DO send all minutes to TAPPI headquarters 30 days after the meeting and before mailing to attendees.

DO review TAPPI Antitrust Policy and General Rules of Antitrust Compliance prior to the meeting. Reading the affirmation statement is the best way to do this.

DO stop any discussion which appears to be leading to:

- a. discussion of prices or pricing policy,
- b. any restraint on competition of any kind.

DO advise all meeting attendees to observe the General Rules of Antitrust Compliance in informal conversations as well as formal TAPPI activities.

DO NOT place constraints on committee membership, other than the members' technical capability in the area covered by the committee and the willingness of the committee member to participate actively in committee work.

DO NOT undertake any activity involving collection or dissemination of prices or pricing methods.

DO NOT undertake any activity involving collection of individual firm cost data or dissemination of any compilation of such data without prior approval of TAPPI legal counsel.

DO NOT undertake any activity to establish a product standard or specification. All test methods must be cleared by TAPPI headquarters prior to publication.

DO NOT set a numerical limit on committee size unless membership on the committee is rotated on a regular and reasonable basis. You may set a numerical limit on the maximum number of representatives per company.

RECOMMENDATIONS FOR THE SELECTION OF SPEAKERS

TAPPI Technical sessions at local section meetings and seminars are not designed to be sales forums; they are designed to provide a forum for the exchange of technical information. Nevertheless, employees of suppliers are sometimes asked to participate as speakers or panelists because of their knowledge and experience. Participation on the program may be viewed by suppliers as a significant competitive opportunity, and the favoring of some suppliers over others can give rise to antitrust problems.

The exclusion of a supplier from a panel or program will not be considered an antitrust violation unless it constitutes an unreasonable restraint on competition. The key to “reasonableness” in this area is fair-minded decision making based upon objective criteria. In order to be fair to all suppliers and to avoid a charge of acting unreasonably to deprive any supplier of a significant competitive opportunity, TAPPI technical session developers should in all cases observe the following guidelines:

1. No speaker should be chosen with the intent to afford his company a competitive advantage, and no speaker should be excluded with the intent to deny any company a competitive opportunity.
2. Speakers should be chosen individually on the basis of objective criteria reasonably related to the education purpose of the session, such as technical knowledge, experience, professional reputation, and effectiveness as a speaker.
3. The criteria to be used in selecting speakers should be established prior to the actual selection of speakers.
4. Supplier participation should be planned so as to minimize any competitive advantage which might arise from participation in a TAPPI activity.

5. Consideration should be given by session developers to all available methods for equalizing the competitive opportunity among suppliers.

B. AFFIRMATION OF TAPPI'S ANTITRUST POLICY

Each section and district should affirm its support of the TAPPI antitrust policy by reading either the condensed statement shown below (or an approved substitute statement) at the beginning of executive committee meetings, subcommittee meetings, technical panel discussions, business meetings, mill tours, etc.

It is very important that each person in attendance at every local section and district meeting be aware of this policy.

TAPPI's aim is to promote research and education, and to arrange for the collection, dissemination and interchange of technical concepts and information in fields of interest to its members. TAPPI is not intended to, and may not, play any role in the competitive decisions its members or their employers, or in any way restrict competition among companies.