

BYLAWS  
OF  
WESTERN DREDGING ASSOCIATION

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ARTICLE I  
AUTHORIZATION

In accordance with the provisions of Chapter 10, Title 13.1 of the Code of Virginia, as amended (the “Virginia Nonstock Corporation Act” or the “Act”), and the Articles of Incorporation, the Western Dredging Association sets forth the following provisions, which shall govern the corporation.

Section 1. Name. The name of this corporation shall be the Western Dredging Association, a Virginia non-stock corporation, hereinafter referred to as “WEDA”.

Section 2. Offices. WEDA may have offices within or without the Commonwealth of Virginia, as determined by the Board of Directors.

ARTICLE II  
DEFINITIONS

Section 1. “Member” shall mean and refer to every person or entity that holds membership in WEDA, as provided for in the Articles of Incorporation, and this document.

Section 2. “Board of Directors” shall mean and refer to the Board of Directors of WEDA.

ARTICLE III  
ORGANIZATION AND PURPOSES

Section 1. Regions. The WEDA region covers North, Central, and South America; the Central Dredging Association (“CEDA”) region covers most of Europe, Africa, the Mid and Near East; and the Eastern Dredging Association (“EADA”) region covers the Far East and Pacific region. WEDA, CEDA and EADA collectively constitute the membership of the World Organization of Dredging Associations (WODA) and each organization has equal representation on the Board of Directors of WODA. The goals and objectives are common for each of the three organizations; however, each organization is a separate corporate entity and carries out its operations independently.

Section 2. WODA Representatives. The Board of Directors of WODA consists of two members from the Board of each of the regional associations; EADA, CEDA, and WEDA. The President/Chair and Executive Director shall serve as the WEDA representatives on the WODA Board of Directors. The Vice President shall serve as alternate.

Section 3. Purposes. The WEDA is a non-profit corporation organized exclusively for literary, scientific and educational purposes. The Corporation does not contemplate pecuniary gain or profit, direct or indirect to the members thereof and the specific purposes for which it is formed are to develop and advance scientific and technical information regarding dredging, including the related areas of navigation, marine engineering and construction.

For this purpose, the Corporation shall have the power and authority:

- To compile, present and publish scientific and technical papers for the advancement of the science and profession of dredging, navigation and marine engineering.
- To promote the exchange of scientific and technical knowledge in fields related to dredging, navigation, marine engineering and construction by sponsoring or cosponsoring national and international technical conferences, seminars, and symposiums, including publication and dissemination of the proceedings.
- To provide a forum for the communication of scientific and technical knowledge, through technology transfer and cooperation among associations, societies, and all organizations interested in dredging, navigation, marine engineering and construction.
- To publicize the importance of understanding and development of scientific and technical solutions for problems related to the protection and enhancement of the marine environment.
- To support educational institutions for students interested in pursuing dredging and marine engineering as a career.
- To recognize individuals and organizations for outstanding engineering and operational achievements in the field of dredging science and technology.

#### ARTICLE IV

##### MEMBERS

Section 1. Membership Classes. The WEDA membership shall consist of such individuals, corporations, partnerships or associations, without limit as to number, who shall be admitted to the membership by approval of the Executive Director. The following classes of members shall have the following respective requirements, qualifications, and rights:

- A. Regular Member – A Regular Member shall be any individual interested in the field of dredging and/or in supporting and furthering WEDA’s objectives. Regular Members shall have the right to vote.
- B. Student Member – A Student Member shall be any student interested in and pursuing studies related to dredging. Student Members shall not have the right to vote.
- C. Sustaining Member – A Sustaining Member shall be a corporation or association, which serves as a sponsor of WEDA. Sustaining Members are recognized on the WEDA website and at WEDA events. Sustaining Members shall not have the right to vote.
- D. Honorary Member – An Honorary Member shall be any individual who has demonstrated significant accomplishments and leadership in dredging and in support of WEDA. Honorary Members shall not have the right to vote.

Section 2. Membership Application and Transfer. Any individual, corporation, partnership or association who expresses their intent to support the goals of WEDA and meets the qualifications of one of the membership classes set forth above can become a member of WEDA by

completing the applicable registration process, paying the applicable dues, and fulfilling other applicable membership-initiation requirements adopted by the Board of Directors.

Membership cannot be transferred from one member to another individual, corporation, partnership or association. Except as otherwise provided by law, by the Articles of Incorporation, or by these Bylaws, no right, powers, privileges, obligations or duties as a member shall survive the termination of membership.

Section 3. Termination or Suspension of Membership. Membership of any member of WEDA can be terminated or suspended as follows:

- a. Any member may voluntarily withdraw from membership in WEDA by providing notice to WEDA.
- b. Any member may be expelled by a majority vote of the Board of Directors for any violations of these Bylaws, or applicable policies and procedures of WEDA, or for conduct which is improper or prejudicial to WEDA, only after notice and opportunity for a hearing is provided to the member.
- c. The Board of Directors may suspend the voting rights of a member during any period in which the member shall be in default in the payment of any assessment levied by WEDA, only after notice and opportunity to cure such default is provided.
- d. Voting rights may also be suspended after notice and hearing, for a period not to exceed sixty days for any violations of these Bylaws, or applicable policies and procedures of WEDA, or for conduct which is improper or prejudicial to WEDA, if the Board determines that such infraction does not merit expulsion of the member.
- e. A member that ceases to exist, due to death of an individual member or dissolution of a corporation or organization, will automatically cease to be a member of WEDA upon death or dissolution.

Section 4. Minimum Membership. There shall at all times be not less than five members and if, for any reason the total membership shall at any time fall below this number, the remaining member or members, as soon thereafter as is practical, shall recruit a new member or members sufficient to bring the total membership up to at least five members.

Section 5. Antitrust Policy. All members shall comply at all times with the Association's antitrust guidelines, entitled *WEDA Antitrust Statement for Distribution and Recitation at Association Meetings*, attached herein as Appendix A.

## ARTICLE V

### MEETINGS OF MEMBERS

Section 1. Meetings. An annual meeting of the members shall be held at the time and place determined by the Board of Directors. The annual meeting shall be held in conjunction with the annual WEDA conference, if being held that year. Special meetings of members may be called at any time by the President/Chair, Executive Director, or by vote of the Board of Directors, and shall be called upon the request of at least five percent of WEDA Regular members or 100 WEDA Regular members, whichever is less, and made in writing to the President/Chair or Executive Director.

Section 2. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Executive Director or person authorized to call the meeting. A copy of the written notice shall be sent by mail, postage prepaid, or by electronic mail or similar electronic notification media at least ten, and not more than sixty days prior to such meeting to each member in good standing, addressed to the member's address last appearing on the record books of WEDA, or supplied by such member to WEDA for the purpose of notice. Such notice shall specify the place, day and time of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3. Voting. Members shall be entitled to vote at meetings either in person or by proxy pursuant to Section 5. Each voting member shall be entitled to one vote on each matter brought before the membership.

Section 4. Quorum. A quorum shall constitute five percent of WEDA Regular Members, or 100 WEDA Regular Members, in good standing, whichever is less, present at the meeting in person or by proxy. Once a quorum has been established, any vote shall be decided by a simple majority (> 50%) vote, except as otherwise required by these Bylaws, the Articles of Incorporation, or the Act.

Section 5. Proxies. At all meetings of members, each member of record may vote in person or by proxy. All proxies shall be in writing and filed with the Executive Director. Every proxy shall be revocable and shall automatically cease upon the termination of membership of the proxy-providing member. Proxies may be transmitted electronically.

Section 6. Adjournments. If less than a quorum shall be in attendance at the time for which the meeting has been called, the meeting may be adjourned from time to time by a majority vote of the members present in person or by proxy, without any notice other than by announcement at the meeting, until a quorum shall attend. Any meeting at which a quorum is present may also be adjourned, in like manner, for such time, or upon such call, as may be determined by vote.

## ARTICLE VI

### DIRECTORS

Section 1. Number. The affairs of the corporation shall be managed by a Board of Directors. Individual members of WEDA in good standing shall be eligible for election to the Board of Directors. The Board of Directors is comprised of a President/Chair, Vice President, Secretary, Treasurer, General Director(s), and the ex-officio members specified below. The number of voting members of the Board shall be never less than five and never more than twenty, except by amendment of these Bylaws by the members.

Ex-officio members are comprised of the following individuals:

- Chapter Presidents, who shall serve as ex-officio members of the Board solely during their term as Chapter President; and
- Former WEDA Presidents/Chairs, who shall serve as ex-officio members of the Board for three years following the conclusion of their term as WEDA President/Chair.

Ex-officio members are non-voting members of the Board, except for a Chapter President who is also serving on the WEDA Board of Directors as an Officer or General Director.

Section 2. Election and Term of Office. Members to the Board of Directors of WEDA shall be elected annually by the members from a slate of candidates developed by the Nominating Committee. The slate shall be approved upon the majority vote of the members voting where a quorum is satisfied. Directors shall be divided into three groups and shall serve staggered terms of three years, and no term shall exceed three years. Directors may succeed themselves if reelected.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a vote of the members of WEDA at a meeting called for the purpose of removing the Director. Notice of the meeting shall state the purpose or one of the purposes of the meeting is removal of the Director. The Director shall be provided with notice of the proposed removal and the opportunity to make a statement, either in writing or in person, at the meeting called for that purpose.

Section 4. Resignation. Any Director may resign at any time giving written notice to the President/Chair. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Compensation. No Director shall receive compensation for any service rendered to WEDA. However, any Director may be reimbursed for reasonable actual expenses incurred in the performance of their duties. In general, any costs associated with attending the annual meeting for the purpose of this article are not reimbursable costs. Nothing herein shall be construed to preclude an Officer or Director from serving WEDA in any other capacity and receiving reasonable compensation therefor.

Section 6. Quorum. A majority (> 50%) of voting members of the Board of Directors in office shall constitute a quorum at any meeting of the Board.

Section 7. Meetings. The Board of Directors may hold an annual meeting for the transaction of business, if a quorum be present, without notice, immediately after the annual meeting of members or at such time and place as may be fixed by resolution of the Board of Directors. Regular meetings may be held by giving reasonable notice to all Directors of the time and place of the meeting, which notice may be provided in person, by mail, by telephone, by fax, by electronic mail or any other similar communication method. Attendance at any meeting of the Board of Directors may be in person, by teleconference, or by any other means of communication by which all directors participating may simultaneously hear each other during the meeting.

Section 8. Meeting Location and Record Keeping. The Directors may hold their meetings, have one or more offices and keep the books of WEDA, subject to the provisions of the Act, within or without the Commonwealth of Virginia, at any office or offices of WEDA, or at any other place as they may from time to time determine.

Section 9. Special Meetings. The President/Chair, Executive Director, or any Director at the request of a majority of the Board of Directors, may call a special meeting of the Board of Directors, upon at least two days' notice of which shall be given in person, by mail, by telephone, by fax, by electronic mail or any other similar communication method.

Section 10. Action Without A Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if each member of the Board of Directors signs a consent describing the action to be taken and delivers the consent to WEDA. Action taken in this manner will be effective when the last Director signs the consent, unless the consent specifies a different effective date, in which event, the action taken is effective as of the date specified therein provided the consent states the date of execution by each Director.

Section 11. Vacancies. Vacancies occurring in the membership of the Board of Directors, from whatever cause arising (including increase in the number of Directors), may be filled by the affirmative majority vote of the remaining Directors, even if the Directors remaining in office constitute fewer than a quorum of the Board. The Director appointed to such vacancy shall serve for the remainder of the term of the vacated position.

## ARTICLE VII

### DUTIES OF THE BOARD OF DIRECTORS

Section 1. Duties. The Board of Directors shall:

- (a) adopt and publish rules and regulations governing the goals and objectives of WEDA as set forth in the Articles and these Bylaws, and the conduct of the members thereon, and to establish penalties for the infraction thereof;
- (b) exercise for WEDA all duties and authority vested in or delegated to WEDA and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Act;
- (c) declare the position on the Board of Directors to be vacant in the event such Director shall be absent from three consecutive regular meetings of the Board of Directors;
- (d) employ a manager, an independent contractor, or such other employees as the Board deems necessary, and prescribe their duties;
- (e) cause to be kept a complete record of all its acts and affairs and to present a statement thereof to the members at the annual meeting of the members, and to permit any member to inspect such records during regular business hours at a reasonable location specified by WEDA upon at least five days' advance written notice of the member's demand to inspect such records;
- (f) supervise all officers and key employees of WEDA, and to ensure that their duties are properly performed;
- (g) fix the amount of the annual membership fee at least thirty days in advance of each annual assessment period;
- (h) send written notice of each assessment to every member of record subject thereto at least thirty days in advance of each annual assessment period

Section 2. Signature Authority. All leases, mortgages, deeds, checks, drafts, or orders for the payment of money, and other written instruments shall be signed by such officers or agents as the Board of Directors from time to time may designate in writing. The Executive Director shall sign all checks. Checks in the amount of \$10,000.00 or more shall be co-signed by the President/Chair or other officer or agent as the Board of Directors shall designate, if signatories are present. If both parties are not present, the Executive Director shall obtain written approval from the Board of Directors to sign checks in the amount of \$10,000.00 or more.

## ARTICLE VIII

### OFFICERS AND THEIR DUTIES

Section 1. Election of Officers. The Directors shall elect from among their number a Vice President, Secretary, and Treasurer. The Board of Directors may elect or appoint one or more additional Vice-Presidents and such other officers and assistant officers as the Board from time to time may determine, and may define their duties. Elected officers shall serve for a three-year term. The Secretary and Treasurer may succeed themselves if reelected. Every three years, upon expiration of the term of the President/Chair, the Vice President will succeed to that position.

Section 2. President/Chair. The President/Chair shall preside at all meetings of the Directors and members. The President/Chair shall be responsible for overseeing the management of the affairs of WEDA by the Board of Directors. The President/Chair shall have the power to call special meetings of the members and the Board of Directors for any purpose or purposes. The President/Chair shall have the authority to (a) appoint and discharge employees and agents of WEDA and (b) make and sign contracts and agreements in the name and on behalf of WEDA. The President/Chair shall perform an annual performance evaluation of the Executive Director pursuant to the WEDA Performance Evaluation Policy. The President/Chair shall also generally do and perform all acts incident to the office of President/Chair that are authorized or required by the Board of Directors.

Section 3. Annual Report of the President/Chair. At the annual meeting of members, the President/Chair shall present a report, showing the budget and general financial state of WEDA, as well as general figures regarding membership admission and retention. This report shall be filed with the records of the corporation and an abstract thereof entered in the minutes of the proceedings of the annual meeting.

Section 4. Vice President. The Vice President shall, in the absence, inability, incapacity, or refusal to act of the President/Chair, preside over the meetings of the Directors and members and shall perform such other duties as may be authorized from time to time by the Board of Directors.

Section 5. Secretary. The Secretary shall: record the votes and keep the minutes of all meetings of the Board of Directors and members; shall have the custody of the seal of WEDA and shall affix the same to documents when authorized to do so; serve notice of meetings of the Board and of the members; and keep appropriate current records showing the members of WEDA together with their addresses and other contact information.



Section 6. Treasurer. The Treasurer shall verify that an account of all monies received and expended for the use of WEDA is kept and shall prepare a Treasurer's Report for the President/Chair to present at the annual meeting of the WEDA members, or when called upon by the President/Chair. The Treasurer shall review WEDA's annual budget prior to submission for Board approval. The Treasurer shall report to the President/Chair and to the Board of Directors on matters relating to the financial affairs of WEDA as often and in such manner as they may require. The Treasurer shall perform all duties, and exercise all powers under the direction of the President/Chair and subject to the approval of the Board of Directors. The funds, books, and vouchers of WEDA shall be subject to periodic verification and inspection by the Treasurer and shall at all times be subject to the verification and inspection by the Board of Directors.

Section 7. Special Appointments. The Board may elect from among their number such other officers as the affairs of WEDA may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 8. Removal. Any Officer, and any member of any committee, may be removed at any time, with or without cause, by a majority vote of the Directors at a meeting of the Board called for that purpose, provided that the Officer is provided with notice of proposed removal and an opportunity to provide a statement, either in writing or in person, at the meeting called for the purpose of the Officer's removal.

Section 9. Resignation. Any Officer or committee chairperson may resign at any time giving written notice to the President/Chair. However, written notice of resignation of the President/Chair shall be given to the Executive Director, and written notice of resignation of the Executive Director shall be given to the President/Chair. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 10. Vacancies. A vacancy in any office may be filled by appointment by the affirmative vote of a majority of the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the vacated position.

Section 11. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 8 of this Article.

## ARTICLE IX

### COMMITTEES/COMMISSIONS

Section 1. Committees of the Board. The Board of Directors shall have power to appoint from time to time committees of the Board, including, but not limited to, an Executive Committee, a Nominating Committee, a Technical Papers Committee, an Events Committee, and a Compensation Committee. Committees shall be created, and members of such committees shall be appointed, upon the approval of a majority of all of the members of the Board of Directors in office. Committees shall be made up of two or more Directors, as the Board may deem desirable

for the furtherance of the objects and purposes of WEDA. The Board may delegate to such committees such powers as are necessary and desirable in the discretion of the Board, subject to the limitations set forth in the Act. The Board of Directors may from time to time establish other advisory or ad hoc committees, the membership of which may include both Directors and others, and which shall not exercise the authority of the Board of Directors.

Section 2. Commissions. The Board of Directors shall have power to appoint from time to time certain advisory commissions, including, but not limited to, an Environmental Commission and a Safety Commission. Members to the commissions shall be recruited from the general membership, and such commissions shall not be permitted to exercise the authority of the Board.

Section 3. Executive Committee. The Executive Committee shall act between meetings of the Board of Directors with all of the powers of the Board of Directors, except those specifically reserved by the Board of Directors. The Executive Committee of the Board shall be composed of the current officers and immediate Past President/Chair.

Section 4. Nominating Committee. The President/Chair will appoint the Nominating Committee for selection of candidates for the Board. The Nominating Committee shall be appointed not less than thirty days prior to the Annual Meeting of members at which the membership will vote upon the nominees set forth by the Nominating Committee. Membership of the Nominating Committee shall be composed of the President/Chair and two persons presently serving on the Board. Members of the Nominating Committee shall serve for a three-year term and not be reappointed for consecutive terms.

Section 5. Technical Papers Committee. The members of the Technical Papers Committee shall be appointed upon the approval of a majority of the Board of Directors, and the Executive Director shall appoint a committee chair. The Technical Papers Committee, with the oversight of the Executive Director, will: solicit abstracts for the WEDA annual technical conference and the WODA World Dredging Congresses (“WODCON”) when appropriate; judge the abstracts; notify the primary author of abstract acceptance; assemble the annual conference technical program; arrange for session moderators; and produce proceedings. The Committee Chair serves as or appoints the Editor of WEDA Journal of Dredging Engineering who shall be responsible for publishing the bi-annual WEDA Journal of Dredging Engineering, soliciting papers for the Journal, managing the peer review process with assistance of the Journal Editorial Board, notifying primary authors of peer review results, and assuring the final papers meet Journal standards. The Committee Chair serves on the WODCON Technical Paper Committee.

Section 6. Events Committee. The Events Committee shall consist of four Board Members, who shall be elected/re-elected every two years to the committee by a simple majority vote of all Board members in office. All cities to be considered for WEDA Annual Meetings and WODCONs hosted by WEDA will be recommended by the Events Committee to the Executive Director in advance. For the above-mentioned meetings (which do not include WEDA chapter meetings): all site selection research, contract negotiations, and proposal of venue options will be the responsibility of the Executive Director working in consultation with the Events Committee. Convention and Visitor Bureaus or third party professionals may be used to leverage site selection and meeting logistic expertise. Progress updates will be provided to the Events Committee on a quarterly basis, or other frequency as specified by the Events Committee, via periodic conference calls and/or e-mails for the purposes of collectively sharing ideas and

garnering input and buy-in. During the early planning stage of WODCONs hosted by WEDA, the Executive Director and Events Committee will consult with the leadership of EADA and CEDA on the meeting time and location in order to avoid scheduling conflicts with overseas meetings.

Section 7. Compensation Committee. The Compensation Committee shall review annual performance evaluations, as performed by the President/Chair, and approve the proposed compensation arrangements for any chief employed executive, officer, or key employees who will receive compensation from WEDA, with such review and approval to be conducted in accordance with the WEDA Compensation Policy. The Compensation Committee shall be composed of the President/Chair, to serve as Chair of the Committee, and two other persons presently serving on the Board. Members of the Compensation Committee shall serve for a three-year term and not be reappointed for consecutive terms.

Section 8. Environmental Commission. The Environmental Commission will promote communication and understanding of environmental issues associated with dredging and placement of dredged material for the purpose of ensuring that channels and harbors can be dredged in a timely and efficient manner while meeting environmental goals.

Section 9. Safety Commission. The Safety Commission will promote communications and understanding of safety issues aimed at reducing or eliminating personnel injuries/deaths experienced within the dredging industry and to help reduce equipment damages throughout the dredging industry.

## ARTICLE X

### EXECUTIVE DIRECTOR

Section 1. Authorization. One or more employees or entities, including but not limited to an Executive Director, if such employees or entities are deemed necessary by the Executive Committee, may be hired on a full- or part-time basis, on a temporary or permanent basis, and on an employment or contract basis, by the President/Chair.

Section 2. Executive Director Duties. The Executive Director shall have such responsibilities and carry out such duties as set forth in these Bylaws, any employment contract or position description, and as delegated by the Board of Directors. The Executive Director shall be responsible for scheduling, planning, organizing, and conducting an annual western hemisphere conference; for collaborating in scheduling, planning, organizing, and conducting the WODCON conference at appropriate times; for handling and carrying out the administrative and financial functions of WEDA; for recruiting new members; for billing and collecting dues; for reporting membership approvals/declines to the Board of Directors on a quarterly basis; and for performing such other or amended duties as are required by the Board of Directors. The Executive Director's performance shall be evaluated on an annual basis by the President/Chair in the manner set forth in the WEDA Performance Evaluation Policy.

## ARTICLE XI

### LIMITATION OF LIABILITY AND INDEMNIFICATION

Section 1. Limitation of Liability. The personal liability of the Officers, Directors and employees of WEDA is hereby eliminated to the fullest extent permitted by the Act and the Internal Revenue Code.

Section 2. Indemnification. WEDA shall, to the fullest extent permitted by the Act and the Internal Revenue Code, indemnify and hold harmless its Officers, Directors and employees from and against any and all of the costs and expenses (including reasonable attorneys' fees and expenses), liabilities or other matters of WEDA. The indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of disinterested Directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. Such indemnification shall continue as to a person who has ceased to be an Officer, Director or employee of WEDA, and shall inure to the benefit of the heirs, executors, administrators, beneficiaries, and other successors in interest or obligation of such person. WEDA shall be authorized but not required to purchase insurance for the purpose of the indemnification provided for herein; provided, however, that such indemnification shall not be limited by the scope or extent of such insurance.

## ARTICLE XII

### ADMINISTRATIVE PROVISIONS

Section 1. Fiscal Year. The fiscal year of WEDA shall be from January 1 through December 31.

Section 2. Notices. Whenever any notice is required by these Bylaws to be given, personal notice is not meant unless expressly so stated; and any notice so required shall be deemed to be sufficient if given by depositing the same in a post office box maintained for mailing purposes, in a sealed postpaid wrapper, addressed to the person entitled thereto at their last known mailing address or by electronic mail, and such notice shall be deemed to have been given on the day of such mailing. Any notice required to be given under these Bylaws may be waived by the person entitled thereto.

Section 3. Corporate Seal. The corporate seal shall be circular in form and shall contain the name of WEDA, year and State of its creation. Said seal may be used by causing it to be impressed or affixed or reproduced otherwise.

Section 4. Insurance and Bonding. WEDA shall procure and maintain adequate liability insurance, and hazard insurance on property owned by WEDA, and activities organized and/or managed by WEDA or the Board of Directors, as well as adequate directors and officers insurance at all times. WEDA shall ensure that adequate event cancellation insurance is procured and maintained to cover expenses and lost revenue resulting from cancellation of meetings; and shall procure and maintain adequate errors and omissions insurance coverage as appropriate and necessary for the activities of WEDA. All Officers, Directors and

employees having fiscal or fiduciary responsibilities within WEDA shall be bonded, as is deemed appropriate. As a minimum, the President/Chair, Vice President, Secretary, Treasurer, and Executive Director shall be bonded.

Section 5. Organization Policies. The organization, including its officers, directors, and key employees, shall act in accordance at all times with the Association's Internal Governance Policies (the WEDA Conflict of Interest Policy and Annual Statement, the WEDA Whistleblower Policy, the WEDA Document Retention and Destruction Policy, the WEDA Joint Venture Policy, the WEDA Compensation Policy, and the WEDA Performance Evaluation Policy), attached herein as Appendices B-G.

### ARTICLE XIII

#### CHAPTERS OF WEDA

Section 1. General. WEDA has Regional Chapters throughout the Western Hemisphere. Once an individual, corporation, partnership or association is accepted into membership in WEDA, the member will be assigned to a Regional Chapter of WEDA based on the member's geographic location. The operations of the Regional Chapters and the Regional Chapters' relationship and affiliation with WEDA shall be governed by the terms of Chapter Affiliation Agreements entered into between WEDA and each Regional Chapter. WEDA may establish and dissolve Regional Chapters by a majority vote of the Board of Directors and in accordance with the terms of the Chapter Affiliation Agreements.

### ARTICLE XIV

#### AMENDMENTS

Section 1. General. These Bylaws may be amended, altered or repealed, by the Board of Directors at any regular or special meeting of the Board of Directors. Any amendments requiring member approval pursuant to the Articles of Incorporation, these Bylaws or the Act shall be ratified by a majority vote of the membership present and voting at a meeting of the members.

### ARTICLE XV

#### APPENDICES

- Appendix A – WEDA Antitrust Statement for Distribution and Recitation at Association Meetings
- Appendix B – WEDA Conflict of Interest Policy and Annual Statement
- Appendix C – WEDA Whistleblower Policy
- Appendix D – WEDA Document Retention and Destruction Policy
- Appendix E – WEDA Joint Venture Policy
- Appendix F – WEDA Compensation Policy
- Appendix G – WEDA Performance Evaluation Policy



## **WESTERN DREDGING ASSOCIATION**

### **Antitrust Statement for Distribution and Recitation at Association Meetings**

The Western Dredging Association's policy is to comply fully and strictly with both federal and state antitrust laws. Full compliance with the antitrust laws is a requirement for Western Dredging Association membership, and responsibility for compliance rests with each member.

The antitrust laws of the United States and the various states prohibit agreements, combinations and conspiracies in restraint of trade. Because trade associations are, by definition, combinations of competitors who meet together, it is particularly important to avoid inappropriate activities at these meetings or even the appearance of impropriety. Civil and criminal penalties can be and are imposed on violators, and antitrust claims can be brought by antitrust plaintiffs and prosecutors alike.

Some activities by competitors are deemed so pernicious and harmful that they are considered *per se* antitrust violations – it doesn't matter whether the activities have a harmful effect on competition or not. These include price fixing, allocation of customers or territories, bid-rigging, and some forms of boycotts. Remember, too, that there are many features that go into pricing; agreements as to salaries paid, credit terms, and other factors that can directly impact price also are proscribed.

Other restrictions such as codes of ethics or association membership restrictions generally are evaluated under a rule of reason — this test balances the potential pro-competitive and anti-competitive aspects of the activities. These areas also should be approached with caution and with legal guidance.

To comply with the antitrust laws, competitors should avoid discussing certain subjects when they are together — either at formal association meetings or in informal contacts with other industry members. With rare exceptions that should be made only upon the advice of counsel, *there should never be discussion of the following topics at any association meeting:*

- ◆ Any company's individual prices or pricing policies, including: current and future prices, price increases or decreases; price stabilization; cash discounts; prices paid to input sources; credit terms; or what is a fair profit level;
- ◆ Terms of sale, warranties or contract provisions;
- ◆ Complaints to or about individual companies or competitors or other actions that might tend to hinder a competitor from competing fully and freely in any market; or discussions about whether to purchase from certain suppliers, sell to certain customers, or otherwise do business with certain entities (or trying to convince others to do the same);

- ◆ Division of customers, territories or locations;
- ◆ Specific R&D, sales or marketing plans, or any company’s confidential product, development or production strategies; or
- ◆ Data concerning fees, prices, production, sales, bids, costs, salaries, or credit, unless the data in question is exchanged and disclosed pursuant to a carefully-crafted plan that has been approved by the Western Dredging Association’s legal counsel.

Finally, under the *Noerr-Pennington* doctrine of antitrust immunity, joint action by trade associations or groups of competitors to influence government policy generally does not violate the antitrust laws. This doctrine covers legislative activity, litigation in the courts, and proceedings before administrative bodies, which are protected under the First Amendment to the Constitution.

However, “sham” lobbying or petitioning of the government for standards or other actions that exclude competitors may be illegal under the antitrust laws. Conduct which amounts to nothing more than an attempt to harass or interfere with the business relationships of a competitor, is fraudulent, or is an abuse of the regulatory process will not be protected.

In conclusion, association meeting participants have an obligation to comply fully and strictly with the antitrust laws. Participants should terminate any discussion, seek legal counsel’s advice, or, if necessary, terminate any meeting if the discussion might be construed to raise any antitrust risks.

### **Summary of Antitrust Dos and Don’ts**

The intent of these guidelines is not to make you an antitrust lawyer but to give you enough information about the law so you will know a dangerous area when you see it. The following are some of the most critical “**Do’s** and **Don’ts**” for antitrust compliance:

#### **Don’ts:**

- **DON’T** discuss prices, fees, rates, or features that can impact (raise, lower, stabilize) prices such as discounts, costs, salaries, terms and conditions of sale, or profit margins.
- **DON’T** share data concerning fees, prices, production, sales, bids, costs, salaries, customer credit, or other business practices unless the exchange is made pursuant to a plan that has been approved by the Western Dredging Association’s legal counsel.
- **DON’T** agree with competitors on uniform terms of sale, warranties, or contract terms.
- **DON’T** agree with competitors as to restrictions on production or other output.



- **DON'T** agree with competitors to divide customers, markets, or territories.
- **DON'T** agree with competitors not to deal with certain suppliers, customers, or others.
- **DON'T** try to prevent a supplier from selling to your competitor(s).
- **DON'T** discuss your customers with your competitors.
- **DON'T** agree to any association membership restrictions, standard-setting, certification, accreditation, or self-regulation programs without consultation and approval by the Western Dredging Association's legal counsel.

**Dos:**

- **DO** insist that the Western Dredging Association's meetings have agendas that are circulated in advance, and that meeting minutes reflect the actions taken at the meeting.
- **DO** leave any meeting (formal or informal) where improper subjects are being or will be discussed. Tell everyone why you are leaving.
- **DO** ensure that only the Western Dredging Association's staff sends out written and electronic correspondence on behalf of the association and that the association's officers, directors, committee members, or other members do not hold themselves out as speaking or acting with the authority of the association unless they do, in fact, have such authority.
- **DO** seek legal advice from your own counsel or from the Western Dredging Association's legal counsel if you have questions regarding the antitrust laws.

**WESTERN DREDGING ASSOCIATION**  
**Conflict of Interest Policy and Annual Statement**

**ARTICLE I**  
**PURPOSE**

In their capacity as directors and officers (each, individually, a “Director” and collectively, the “Directors”) the members of the Board of Directors (the “Board”) of the Western Dredging Association (“WEDA”) must act at all times in the best interests of WEDA. Moreover, the Board has an obligation to ensure that the organization maintains a bias-free, decision-making process. The purpose of this policy is to help inform the Board about what constitutes a conflict of interest, assist the Board in identifying and disclosing actual and potential conflicts, and help ensure the avoidance of conflicts of interest where necessary. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to not-for-profit corporations, and may be enforced against individual Board members as described below.

**ARTICLE II**  
**CONFLICT OF INTEREST**

A conflict of interest may arise when a Director has some other interest that might suggest divided loyalty on the part of the Director between obligations to WEDA, on one hand, and to some other organization or cause, on the other. The “other interest” may arise from a transaction between WEDA and a third party, or a Director’s volunteer or paid relationship with a third party, which may compromise the Director’s ability to provide unbiased and undivided loyalty to WEDA.

**ARTICLE III**  
**PROCEDURES**

A. Duty to Disclose.

To proactively address any potential conflicts of interest, each Director is required to annually complete and submit a Conflicts of Interest Annual Statement detailing any such “other interests”. The Director must update the Statement if any material changes or additions to the submitted information arise during the course of the year. On the Statement, the Director must list:

1. All financial transactions with WEDA.
2. Whether the Director or any family member of the Director has an existing or potential interest in, or compensation arrangement with, any third party providing goods or services to WEDA.
3. Whether the Director or any family member of the Director has an existing or potential interest in, or compensation arrangement with, any third party with which WEDA is currently negotiating a transaction or arrangement.

4. Any nonprofit or for-profit organizations with potentially conflicting interests in which the Director or any family member of the Director is actively involved, has a significant investment, or owns at least a one percent (1%) interest.
5. All paid or unpaid positions or relationships with non-profit or for-profit third party organizations that compete with WEDA, or take public positions contrary to those of WEDA.
6. Any other interest that may arise from a transaction between WEDA and a third party, or a Director's volunteer or paid relationship with a third party, which may compromise the Director's ability to provide unbiased and undivided loyalty to WEDA.

The Director is encouraged to disclose a relationship if there is any uncertainty as to whether the relationship should be disclosed.

**B. Determining Whether a Conflict of Interest Exists.**

All actual and potential conflicts of interest shall be disclosed by Board members to the WEDA Board, or its designee, through the annual disclosure form and/or whenever a conflict arises. After disclosure, the disinterested members of the Board shall make a determination as to whether a conflict exists and what subsequent action is appropriate. The Board may request additional information and hold a discussion with the disclosing Director regarding the nature of the relationship or transaction, however, the Director must leave the Board meeting while the uninterested Board members determine if a conflict of interest exists.

**C. Procedures for Addressing the Conflict of Interest.**

1. If the Board determines that a particular relationship or transaction represents an actual, potential or apparent conflict of interest, it shall resolve such actual, potential or apparent conflict in one of the following manners:
  - a. Waive the actual, potential or apparent conflict as unlikely to affect the Director's ability to act in the best interests of WEDA.
  - b. Determine that the Director should be recused from all deliberations and decision-making related to the particular transaction which gives rise to the actual, potential or apparent conflict.
  - c. Determine that the Director must resign from his/her service to WEDA because the actual, potential or apparent conflict is so pervasive that the Director would seldom, if ever, likely be able to act in the best interests of WEDA.
2. The following procedure is applicable to all instances in which a Director (or the Director's company, organization or another entity for which the Director

serves in a leadership, employment or ownership capacity, or a member of the Director's family) seeks to provide goods or services to WEDA as a paid vendor, or seeks to receive a significant grant or contract from WEDA.

- a. The Director must disclose to the Board in advance of any related action to be taken by the Board his/her intent to seek to provide goods or services as a paid vendor to WEDA, or receive a grant or contract from WEDA;
- b. After disclosure, the Director may make a presentation at the Board regarding the proposed transaction or arrangement, but after such presentation, the Director must recuse himself/herself from all deliberations and voting related to the contemplated action;
- c. If the value of the transaction exceeds \$5,000, WEDA must, through a request for proposal process, have solicited proposals broadly from other qualified vendors/ prospective grant or contract recipients and received (or attempted to receive) written bids from at least three such individuals/ entities (including the Director);
- d. After exercising due diligence, the Board shall exercise its best efforts to determine whether WEDA can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest;
- e. The Board must determine (without the presence or participation of the Director), upon advice of its counsel and by a majority vote of the disinterested members of the Board, that the transaction or arrangement is fair and reasonable and in WEDA's best interest based on all of the facts and circumstances, and such determination (including the fact that it was made in the absence of the Director) shall be documented as part of the relevant meeting minutes (all competing bids received should be retained as well); and
- f. If selected, the Director may not participate in any process by which his/her performance as a vendor/grant or contract recipient is evaluated.

#### **ARTICLE IV** **VIOLATIONS**

A. Procedure.

If the Board has reasonable cause to believe that a Director has failed to disclose the nature and extent of actual, potential or apparent conflict, it shall inform the Director of the basis for such belief and afford the Director an opportunity to explain the alleged failure.

B. Action.

If, after hearing the response of the Director and making such further investigation as may be warranted in the circumstances, the Board determines that the Director has, in fact, failed to disclose an actual, potential or apparent conflict of interest, it shall take appropriate disciplinary and corrective action.

**ARTICLE V**  
**RECORDS OF PROCEEDINGS**

The minutes of meetings of the Board shall contain, if applicable:

- A. The names of the Directors who disclosed or otherwise were found to have an actual, potential or apparent conflict of interest, the nature of such conflict, any action taken to determine whether a conflict of interest was present, the Board's decision as to whether a conflict of interest in fact existed, and the manner in which the Board elected to address the conflict.
- B. The names of the persons who were present for discussions and votes relating to the proposed transaction or arrangement; the content of the discussions, including any alternatives to the proposed transaction or arrangement and a record of any votes taken in connection therewith.

**ARTICLE VI**  
**COMPENSATION**

Compensation for any employees, members of the Board, or committees shall be determined in accordance with WEDA's Compensation Policy, as well as in accordance with applicable federal tax regulations. All compensation must be determined by an independent authorized body of WEDA, composed of individuals without a conflict of interest with respect to the compensation arrangement.

**ARTICLE VII**  
**ANNUAL STATEMENT**

Each director, officer and member of a committee with Board-delegated powers shall complete and sign a Conflicts of Interest Policy Annual Statement at the time of his or her initial election or appointment and annually thereafter, the form of which is attached hereto as Exhibit A.

## EXHIBIT A

### CONFLICTS OF INTEREST POLICY ANNUAL STATEMENT

To help avoid any conflicts of interest, you are disclosing ownership or other proprietary interests, responsibilities, circumstances or other reasons why you (or, by extension, any member of your family) might have an actual, apparent, or potential conflict of interest with your duty to WEDA, both with respect to the conflicts identified in the attached policy and any others. You hereby invite further review by WEDA of any aspects of these circumstances that might be appropriate. In addition, you agree to take other steps, such as avoiding deliberation and refraining from voting on certain issues or even withdrawing from membership on the Board, if it is determined that such steps are necessary to protect the integrity of the Board and avoid the breach of your fiduciary duty to WEDA. Finally, during such time as you continue to serve on the Board, you agree to notify the President/Chair promptly, and in writing, if at any time following the submission of this form you become aware of any actual or potential conflicts of interest, or if the information provided below becomes inaccurate or incomplete.

1. Do you, or any family member, have an existing or potential interest in, or compensation arrangement with, any third party providing goods or services to WEDA, or with which WEDA is currently negotiating?

YES or NO

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If the answer is yes, please describe in detail below the nature of each such interest or compensation arrangement.

2. Do you, or any family member, actively participate in, have a significant investment in, or own at least a 1% interest in any for-profit or nonprofit organization with potentially conflicting interests to those of WEDA?

YES or NO

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If the answer is yes, please describe in detail below the nature of each such interest or affiliation.

3. Do you, or any family member, currently hold a paid or unpaid position with any non-profit or for-profit third-party organization that competes with WEDA, or that takes a public position contrary to those of WEDA?

YES or NO

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If the answer is yes, please provide the name of the organization below and describe in detail the nature of the position held.

4. Do you have any other interest or affiliation which is likely to compromise your ability to provide unbiased and undivided loyalty to WEDA, or to otherwise become in conflict with your official duties as a Director or Officer of WEDA?

YES or NO

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If the answer is yes, please describe in detail below the nature of each such interest or affiliation.

5. Do you agree that so long as you are an Officer or Director of WEDA you will immediately disclose to the other Directors and/or Officers the nature of any interest or affiliation which you may hereafter acquire, which is in or is likely to become in conflict with your official duties with WEDA?

YES or NO

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**Disclosure of Actual or Potential Conflicts of Interest:**

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I have read the WEDA Conflicts of Interest Policy set forth above and agree to comply fully with its terms and conditions at all times during my service as a Board member. I understand that WEDA is a charitable organization and that, to maintain its federal tax exemption, WEDA must engage primarily in activities that accomplish one or both of its tax-exempt purposes, and that no part of the net earnings of the organization may inure to the benefit of any private shareholder or individual.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Printed or Typed Name

\_\_\_\_\_  
Signature

## WESTERN DREDGING ASSOCIATION Whistleblower Policy

The Western Dredging Association (“WEDA”) is committed to high standards of ethical, moral, and legal business conduct. WEDA is further dedicated to acting in good faith with those employees who raise concerns regarding incorrect financial reporting, unlawful activity, or otherwise improper conduct.

This Whistleblower Policy aims to provide employees with an avenue for raising such concerns, and to reassure such employees that they will be protected from reprisal or victimization as a consequence of reporting the alleged wrongdoing of any officer, director, employee, or agent of WEDA.

### **Statement of Policy**

No officer, director, employee, or agent of WEDA shall take any harmful action with the intent to retaliate against any person, including interference with employment or livelihood, for providing to a law enforcement officer any truthful information relating to the commission or possible commission of any offense. Nor will any officer, director, employee, or agent of WEDA take any harmful action with intent to retaliate against any person for reporting to an appropriate senior management or elected official of WEDA the suspected misuse, misallocation, or theft of any WEDA resources.

### **Safeguards**

*Harassment or Victimization* – WEDA will not tolerate the harassment or victimization of any employee who raises concerns under this policy.

*Confidentiality* – WEDA will make every effort to treat a complainant’s identity with an appropriate regard for confidentiality, with the understanding that the details of complaints may need to be shared with others in order to investigate such complaints properly.

*Anonymous Allegations* – Because a thorough investigation often depends on an ability to gather additional information, WEDA encourages complainants to put their names to allegations of wrongdoing. WEDA will explore anonymous allegations to the extent possible, but will weigh the prudence of continuing such investigations against the likelihood of confirming the alleged facts or circumstances from attributable sources.

*Bad Faith Allegations* – Allegations made in bad faith may result in disciplinary action.



## **Procedure**

### **Process for Raising a Concern:**

*Reporting* – WEDA intends this policy to be used for serious and sensitive issues. Such concerns, including those relating to financial reporting or unethical or illegal conduct, may be reported directly to the Executive Director. In the event that an individual’s concern rises to the level that he/she reasonably believes that notice to the Executive Director will be disregarded or otherwise not fairly considered, the individual may then report violations or suspected violations to the President/Chair. Employment-related concerns should continue to be reported through supervisors and the Human Resources department.

*Timing* – The earlier a concern is expressed, the easier it is to take action.

*Evidence* – Although a complainant is not expected to prove the truth of an allegation, he or she should be able to demonstrate that he or she has made a report in good faith.

### **How the Report of Concern Will Be Handled:**

*Initial Inquiries* – The Executive Director will make initial inquiries in consultation with legal counsel, if necessary, to determine whether or not further investigation is necessary or appropriate.

*Further Information* – The Executive Director may seek further information from any officer, director, employee, or agent of WEDA, and shall take all reasonable precautions to protect the identity of the complainant to the extent possible while doing so.

*Reporting* – The Board of Directors and the Treasurer shall receive information on each complaint. In consultation with the Executive Director and, if necessary, legal counsel, the Board of Directors will determine an appropriate response to a report of concern. Officers, directors, employees, and agents of WEDA who may be implicated in such reports shall not participate in any deliberation of the Board of Directors related to the complaint, except to present information directly to the Board on his or her own behalf.

\* \* \*

*For additional information, please contact the Executive Director.*

*WEDA reserves the right to modify or amend this policy at any time.*

**WESTERN DREDGING ASSOCIATION  
Document Retention & Destruction Policy**

**A. GENERAL POLICY**

1. The purpose of this policy is to allow the Western Dredging Association (WEDA) to identify, retain, store, and dispose of the Association’s records in an appropriate, legally sound, and orderly manner. By doing so, WEDA will ensure the presence of adequate space for the storage of current and future records and will account for appropriate operational and legal considerations.
2. Except as otherwise indicated, documents shall be retained for the number of years indicated in Part B, unless longer retention is required for historical reference, contractual, legal, or regulatory requirements.
3. The Association is to maintain complete, accurate and high-quality records in local, damage-proof storage for the duration of the time periods provided for in this policy. Once any such time period is complete, the records are to be destroyed.
4. WEDA’s Executive Director shall be responsible for authorizing, overseeing, and ensuring that records are destroyed pursuant to this policy.
5. No officer, director, employee, volunteer, or agent of WEDA shall knowingly destroy a document with the intent to obstruct or influence the investigation or proper administration of any matter within the jurisdiction of any government department or agency or in relation to or contemplation of any such matter or case. This policy covers all records and documents of WEDA.
6. The WEDA Board of Directors reserves the right to amend, alter, and terminate this policy at any time and for any reason.

**B. RECORD RETENTION GUIDELINES**

**1. General Corporate Records**

- |   |             |
|---|-------------|
| a. Articles of Incorporation and amendments thereto | Permanently |
| b. Bylaws   | Permanently |
| c. Meeting Minutes                                  | Permanently |

- |   |                              |
|---|------------------------------|
| d. Patents, trademark registrations, copyright registrations  | Permanently                  |
| e. Property records (including leases, deeds, easements, rights of way, appraisals, costs, depreciation reserves, blueprints, plans, end-of-year trial balances, tax records) | Permanently                  |
| f. Membership applications  | Membership term plus 1 year  |
| g. Correspondence relating to member discipline matters   | Membership term plus 5 years |
| h. Contracts (not otherwise specified herein)   | 3 years                      |

## **2. Accounting, Finance and Tax Records**

- |   |             |
|---|-------------|
| a. Income tax returns and filings   | Permanently |
| b. Audit reports of accountants   | Permanently |
| c. Cash books   | Permanently |
| d. Charts of accounts   | Permanently |
| e. Federal and state tax bills and statements   | 3 years     |
| f. Schedules, ledgers and other supporting documentation for financial statements and tax forms             | 7 years     |
| g. Bank reconciliations   | 3 years     |
| h. Checking records, including account statements, check register and canceled checks (see exception below) | 3 years     |
| i. Canceled checks (important purchases)  | Permanently |
| j. Social security tax records  | 3 years     |
| k. Accounts payable and receivable  | 7 years     |
| l. End-of-year financial statements   | Permanently |
| m. Budget data  | 3 years     |
| n. Banking records, including deposit and withdrawal records, bank statements                               | 3 years     |
| o. Expense accounts, approvals, petty cash records, sales commission records                                | 3 years     |

- p. Invoices to members, customers and vendors 7 years
- q. Warranty claims/Claims of damage 7 years

### **3. Personnel Records and Payroll Documents**

- a. Authorizations for employment, changes in wage/salary rates, leaves of absence, terminations, etc. 7 years
- b. Employment contracts Employment term plus 3 years
- c. Employment earnings and payroll records (including withholding) 7 years
- d. Non-employee applications 3 years
- e. Commissions/bonuses, incentives, awards, etc. (general) 3 years
- f. Job evaluations Employment term plus 3 years
- g. Employee insurance records Employment term plus 3 years
- h. EEO-related documents 3 years from date of record or date of action, whichever is longer
- i. Employees' personnel records, including application forms, individual attendance records, medical history, performance evaluations, termination papers, exit interview records, withholding information, garnishments, test results (individual), etc. Employment term plus 3 years
- j. Records of accommodation to any disabled employee requesting such accommodation Employment term plus 3 years
- k. Records of leave granted any employee under the federal or DC Family and Medical Leave Act Employment term plus 3 years
- l. Records of any sexual harassment complaints and the investigations and actions taken in response to anyone involved Employment term plus 3 years
- m. Records showing employment eligibility under the Immigration Reform and Control Act (I-9) Longer of 3 years from date of hire or 1 year after date of termination
- n. Unclaimed wages 10 years after report is sent
- o. Records pertaining to employment of minors Employment term plus 3 years

p. Health- and safety-related records 7 years

#### **4. Insurance**

- a. Insurance records Permanently
- b. Accident reports 7 years
- c. Appraisals 7 years
- d. Worker compensation claims 7 years
- e. Unemployment insurance 7 years

#### **5. Letters and Correspondence, General Guidelines**

##### **a. Letters Kept for One to Twelve Months, Then Destroyed**

- i. Unimportant letters, form letters, and notes that require no acknowledgment or follow-up.
- ii. Copies of interdepartmental/Association correspondence if a copy of the letter is maintained in the file.
- iii. Letters of general inquiry and replies that complete a cycle of correspondence and have no value after possible reference from the correspondent within a reasonable period of time.
- iv. Letters requesting specific action such as name or address change, complaints that have no further value after changes are made or action taken.
- v. Similar letters of various types that might be referred to shortly after they are received or written but that soon cease to have value unless further immediate correspondence ensues.

##### **b. Letters to Be Kept One to Three Years**

- i. Letters relating to the establishment of credit/credit turn-downs.
- ii. Letters applying for employment with the Association.
- iii. Memoranda and reports about expense accounts that have limited value after the voucher is approved.
- iv. Collection letters that have limited value after the account is paid.

- v. Letters to which members or others may make reference for more than a year.
- vi. Electronic mail (“Email”) and any files attached thereto, provided that the subject matter of such Email and/or attached files are not covered by some other provision of this policy.

**c. Letters to Be Kept for the Life of the Principal Document that It Supports**

- i. Letters that constitute all or part of a contract or that are important in the clarification of certain points in a contract.
- ii. Letters denying liability of the Association.
- iii. Other letters which the Association might need to produce in court to disprove liability or to enforce rights of the Association.

**6. Electronic Mail (“Email”)**

- a. Email and any files attached thereto (unless other provisions of this policy apply) 90 days

## **WESTERN DREDGING ASSOCIATION Joint Venture Policy**

In compliance with Internal Revenue Service guidelines for approval and management of any joint venture entered into by the Western Dredging Association (“WEDA”), the Board of Directors adopts the following guidelines.

### Activities Subject to this Policy

For the purposes of this policy, the term “Joint Venture” is defined as any arrangement, including contractual or more formal arrangements undertaken through a limited liability company, partnership, or other entity, through which WEDA and another entity jointly undertake any activity or business venture, or otherwise agree to joint ownership of any asset. A Joint Venture may include both taxable and tax-exempt activities.

### Approval and Management of Joint Activities

Before making any decision to participate in a Joint Venture, WEDA will ensure that the Joint Venture furthers WEDA’s exempt purposes and will negotiate at arm’s length contractual and other terms of participation that safeguard WEDA’s exemption from federal income tax. Such terms shall be in writing in the operating agreement of the Joint Venture and shall include the following minimum requirements:

- With respect to any whole joint venture (that is, a joint venture in which WEDA contributes substantially all of its assets to the enterprise), WEDA’s control over the Joint Venture through fifty-one percent (51%) or more of the voting rights and/or veto;
- With respect to any ancillary joint venture (that is, a joint venture to which a portion of WEDA’s resources are contributed), WEDA would, at a minimum, maintain sole control over the tax-exempt activities of the Joint Venture, have voting and ownership interests in the Joint Venture that are consistent with WEDA’s capital contributions;
- A requirement that any subsequent contract with WEDA’s partner in the Joint Venture be negotiated at arm’s length and for fair market value;
- A requirement that the Joint Venture give priority to WEDA’s tax-exempt purposes over maximization of profit for the participants of the Joint Venture; and
- A prohibition on activities that would jeopardize WEDA’s tax-exempt status.

Where there is any question as to whether a particular Joint Venture may pose a risk to WEDA’s tax-exempt status, a decision to enter into such Joint Venture will be made only in consultation with legal and/or tax counsel.

## WESTERN DREDGING ASSOCIATION Compensation Policy

In compliance with Internal Revenue Service guidelines for approval of senior management compensation, the Board of Directors of the Western Dredging Association (“WEDA”) will follow the following review and approval guidelines.

Individuals Subject to this Policy (defined as “Covered Individuals”):

- Chief Employed Executives: The individual or individuals who have the ultimate responsibility for implementing the decisions of WEDA’s governing body or for supervising the management, administration, or operations of WEDA, including WEDA’s top management official and top financial official. If this ultimate responsibility resides with two or more individuals who may exercise such responsibility in concert or individually, then each individual should be included.
- Officers: A person elected or appointed to manage WEDA’s daily operations, such as a president, vice-president, secretary, or treasurer. The officers of an organization are determined by reference to its organizing document, bylaws, and include, at a minimum, those officers required by applicable state law.
- Key Employees: Individuals who are not a Chief Employed Executive or an officer of WEDA, but who meet all of the following criteria:
  1. \$150,000 Threshold. The individual receives reportable compensation<sup>1</sup> from WEDA and all related organizations<sup>2</sup> in excess of \$150,000 for the calendar year ending with or within WEDA’s tax year;
  2. Responsibility Criteria. The individual:
    - a) has responsibilities, power or influence over WEDA as a whole that is similar to those of officers, directors, or trustees;
    - b) manages a discrete segment or activity of WEDA that represents 10% or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole; or
    - c) has or shares authority to control or determine 10% or more of WEDA’s capital expenditures, operating budget, or compensation for employees.

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<sup>1</sup> Compensation that is reported on Form W-2, Box 5, or in Box 1 if the employee’s compensation is not reported in Box 5, or Form 1099-MISC, Box 7, filed for the calendar year ending with or within the organization’s tax year

<sup>2</sup> An organization that stands in one or more of the following relationships to the filing organization: (1) Parent – an organization that controls the filing organization; (2) Subsidiary – an organization controlled by the filing organization; (3) Supporting/Supported – an organization that is (or claims to be) at any time during the organization’s tax year (i) a supporting organization of the filing organization within the meaning of Section 509(a)(3), if the filing organization is a supported organization within the meaning of Section 509(f)(3), or (ii) a supported organization, if the filing organization is a supporting organization.



3. Top 20 Limitation. In addition to meeting the \$150,000 threshold and the Responsibility Criteria, the individual is one of the top 20 most highly compensated employees (including all income from WEDA and related organizations) for the calendar year ending with or within WEDA's calendar year.

### Procedure for Approving Compensation

In reviewing and approving the compensation of any Covered Individuals, the WEDA Board of Directors, or a delegated committee of the Board (referred to as the "Approval Body" below), will utilize the following process:

1. Impartial Decision Makers. The compensation arrangement must be approved in advance (before any payment is made) by the Approval Body of WEDA composed entirely of individuals who do not have a conflict of interest with respect to the compensation arrangement (example: neither the executive whose compensation is being determined nor any of his/her family members may be present during the discussion/debate or participate in the vote).
2. Comparability Data. When the Approval Body is considering compensation to Covered Individuals, it must rely on comparability data that demonstrate the fair market value of the compensation in question. For example, when crafting compensation packages, the Approval Body must secure data that documents compensation levels for similarly qualified individuals in like positions at like organizations. This data may include the following:
  - a) expert compensation studies by independent firms;
  - b) written job offers for positions at similar organizations;
  - c) documented telephone calls about similar positions at both nonprofit and for-profit organizations; and
  - d) information obtained from the IRS Form 990 filings of similar organizations.
3. Concurrent Documentation. The Approval Body must document how it reached its decisions, including the data on which it relied. To qualify as concurrent documentation, written or electronic records of the Approval Body (such as meeting minutes) must note:
  - a) the terms of the compensation and the date it was approved;
  - b) the members of the Approval Body who were present during the debate on the compensation that was approved and those who voted on it;
  - c) the comparability data obtained and relied upon and how the data were obtained; and
  - d) any actions taken with respect to consideration of the compensation by anyone who is otherwise a member of the Approval Body but who had a conflict of interest with respect to the decision on the compensation.

## **WESTERN DREDGING ASSOCIATION Performance Evaluation Policy**

### **Applicability**

This policy applies to any individual working for WEDA in a paid contractual relationship, either as employee, through a services contract or otherwise, where the official arrangement and/or expressed mutual intent is for a duration of such working relationship of more than 1 year.

### **Performance Goals and/or Expectations**

WEDA will make reasonable efforts to define and communicate at the start of the working relationship the anticipated scope of work, type of assignments, the general expectations, performance requirements, and reporting structure, as those will apply to the individual as well as any other factors WEDA deems relevant for proper fulfillment of the contractual relationship by the individual.

### **Performance Review Process**

On an annual basis, or more frequently if deemed necessary by WEDA, WEDA will review the scope of work, assignments, performance requirements and expectations, to assure those are in accordance with and applicable to the current situation. WEDA will adjust any of those as needed, per findings of the review.

On an annual basis, or more frequently if deemed necessary by WEDA, WEDA will perform a review of the performance of any person working for WEDA in a paid contractual relationship subject to this policy.

Such review will compare the requirements and expectations as defined for the individual to the accomplishments and job performance of the individual during the review period. Information for the review may be gathered at the discretion of WEDA from WEDA Officers, WEDA Board of Directors, WEDA members, the individual being reviewed, as well as from applicable external parties.

At the discretion of WEDA, WEDA may either share with or withhold from the individual any or all of the specific and/or summarized review findings.

If WEDA intends to continue the working relationship, reasonable efforts will be made to provide a performance review summary to the individual, summarizing as applicable items potentially including but not limited to:

- Description of overall performance rating
- Identified items or areas of noted specific strength and accomplishment
- Identified items or areas of noted needed improvement
- Suggestions or recommendations for skill improvement

The individual will then be invited to provide a response or feedback to the performance review summary.

WEDA will treat all performance review communication and documentation confidentially, making it available as needed or requested to WEDA Officers and Board of Directors, but not to any general members or other parties or individuals external to WEDA, except as determined necessary by the WEDA Board of Directors. Any WEDA Officer or Board Member provided with such confidential information will be instructed to maintain confidentiality in their handling of the documentation.

As applicable, for decisions regarding extensions, renewal, termination, change in pay, or similar actions on contracts subject to this policy, WEDA's Compensation Committee will consider and take into account the individual's performance reviews.

Any role as described in this policy to be WEDA's will primarily be the responsibility of WEDA's President/Chair, and unless otherwise decided by the WEDA Board of Directors, any such WEDA tasks described in this policy will be performed by the WEDA President/Chair.