

James, 12/20/85

BYLAWS

OF

TOBACCO INDUSTRY LABOR/MANAGEMENT
COMMITTEE

(An Unincorporated Non-Profit Association)

ARTICLE I

NAME, MISSION AND NON-PROFIT ACTIVITIES

Section 1. Name. The name of the association shall be TOBACCO INDUSTRY LABOR/MANAGEMENT COMMITTEE (hereafter the "Committee").

Section 2. Mission. The mission of the Committee is to contribute to and promote greater cooperation among the various labor and management segments of the tobacco industry in order to improve job security and economic development and to assist employees and employers in solving problems of mutual concern that are not susceptible to resolution through collective bargaining.

The Committee will seek to perform its mission through labor-management cooperative endeavors such as public education and research on economic and competitive problems facing the tobacco industry, including but not limited to those posed by unwarranted restrictions on the advertising, promotion, sale or use of cigarettes and other tobacco products, and the impact of resulting industry changes on employment and employee well being.

The Committee will not interfere with any collective bargaining agreements or deal with wages, hours or working conditions that are subjects of collective bargaining under the National Labor Relations Act.

Section 3. Non-Profit Activities. The Committee is not organized for profit but rather is devoted to improving labor management relationships, job security and enhancing economic development and business conditions in the tobacco industry and related industries and to other activities contemplated in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended to date (the "Code"), or the corresponding provisions of any subsequent United States internal revenue laws. No part of the revenues of the Committee shall inure to the benefit of any member, officer, employee or other private person, except that (i) reasonable compensation may be paid to such persons for services rendered to the Committee provided that such compensation in no way adversely affects the Committee's status as an organization exempt from federal income tax under Section 501(c)(6) of the Code, or the corresponding provisions of any subsequent United States internal revenue laws, and (ii) contributions and distributions may be made to other organizations exempt from federal income tax under Section 501(c)(6) of the Code, or the corresponding provisions of any subsequent United States internal revenue laws, in furtherance of the purposes set forth herein.

ARTICLE II

DEFINITIONS

Section 1. Definitions. As used in the Bylaws of the Committee, the following terms shall have the following meanings:

"Committee" means: Tobacco Industry Labor/Management Committee.

"Member" shall mean any of the following:

- Bakery, Confectionery and Tobacco Workers International Union ("BC&T")
- International Association of Machinists and Aerospace Workers
- Sheet Metal Workers International Association
- United Brotherhood of Carpenters and Joiners of America
- The Tobacco Institute ("TI") and
- any Eligible Organization that has been admitted as a Member of the Committee

"Eligible Organization" shall mean any labor organization representing employees of manufacturers of tobacco products that are members of The Tobacco Institute.

"Observer Organization" shall mean any of the following:

- Trade and Industrial Departments of the AFL-CIO having affiliated labor organizations that are members of the Committee and
- any labor organization representing employees of manufacturers of tobacco products that are not members of TI whose application to the Steering Group to become an Observer Organization has been approved.

"Representative" means a person who is affiliated with and appointed by a Member or Observer Organization to represent it in Committee activities.

ARTICLE III

OFFICES

Section 1. Principal Office. The principal office of the Committee shall be at such place or places as the Steering Group may from time to time determine or the business of the Committee may require.

ARTICLE IV

MEMBERSHIP

Section 1. Membership. There shall be one class of membership in the Committee.

Section 2. Admission of Members. All Eligible Organizations not already Members of the Committee and desiring to become Members shall apply in writing in such form as the Steering Group may prescribe. Approval of such application and admission of the Eligible Organization as a Member shall require adoption of a resolution of the Steering Group.

Section 3. Termination. (a) If any action or activity of any Member or any Representative thereof, shall, in the judgment of the Committee as determined by the Steering Group and subject to review by the full membership of the Committee, be contrary to law or to the interests and the

purposes of the Committee, such Member or any Representative thereof, as the case may be, may, for good cause shown and pending an opportunity to be heard, be suspended summarily and/or suspended or terminated as a Member of or Representative to the Committee on thirty (30) days' prior notice.

Section 4. Resignation. Any Member may resign from the Committee on thirty (30) days' written notice to the Steering Group.

Section 5. Meetings of Members. The Steering Group shall convene the Annual Meeting of the Members and any other meeting as may be necessary on a date and at a time and place designated by the Steering Group. Representatives of both Members and Observer Organizations shall be entitled to attend the Annual Meeting of the Members. The Steering Group may convene other meetings of Members at such times and places as the Steering Group from time to time may determine and any such meeting may be a meeting of the Members alone or include the Observer Organizations. All meetings, Annual or otherwise, may be in person, by conference telephone or by any other similar medium or method of communication by means of which all persons participating in the meeting can hear one another.

Section 6. Notice of Meetings. Notice of the Annual Meeting of the Members and any other meeting of the Members called by the Steering Group shall be given by or at

the direction of the Chairman of the Steering Group, or by any other person duly authorized by the Steering Group to give notice of such a meeting, and shall state the place, date, and hour of the meeting. The meeting notice may be mailed to each Member and, if applicable, each Observer Organization, at its residence or usual place of business, or may be sent to it at such place by telegraph, cable, or facsimile, delivered personally or communicated by telephone, at least seven (7) days before the date on which the meeting is to be held.

Section 7. Representatives and Voting. TI and BC&T shall each have the right to be represented at all meetings of the Committee and the Steering Group by two Representatives selected by each independently. Each other Member shall have the right to be represented at meetings of the Committee by one Representative selected by it. At any meeting of the Committee or of the Steering Group, all such Representatives who are affiliated with a labor organization Member shall be entitled to cast one aggregate vote and all such Representatives who are affiliated with TI shall be entitled to cast one aggregate vote on each matter submitted to a vote of the Members. Each group of Representatives shall establish its own rule to govern its intra-group voting procedure. Resolutions of the Steering Group or the Committee may be adopted only if both aggregate votes are cast in favor of the resolutions.

ARTICLE V

THE STEERING GROUP

Section 1. General Authority. The business and affairs of the Committee shall be managed by or under the direction of its Steering Group in a manner consistent with the classification of the Committee as an organization exempt from federal income tax under Section 501(c)(6) of the Code, or the corresponding provisions of any subsequent United States internal revenue laws, and other applicable laws, including, without limitation, Section 302 of the Taft-Hartley Act, 29 U.S.C. § 186. Subject to the preceding sentence, the Steering Group may do all acts or things permitted by law to be done.

Section 2. Number and Composition. (a) The Steering Group shall consist of four (4) Representatives of Members ("Steering Group Members"). Each Steering Group Member shall hold office until his or her successor is appointed and qualified or until his or her earlier resignation or removal.

(b) At all times two Steering Group Members shall be the two Representatives of the BC&T, and two Steering Group Members shall be the two Representatives of TI.

Section 3. Vacancies and Newly Created Positions. Any vacancies in the Steering Group shall be filled by the remaining Steering Group Member(s) with a Representative of a Member.

Section 4. Resignation. Any Steering Group Member may resign at any time by giving written notice to the Chairman of the Steering Group or to the Secretary/Treasurer of the Committee. The resignation of any Steering Group Member shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Removal. Any Steering Group Member or the entire Steering Group may be removed, at any time, with or without cause, upon resolution of the Steering Group. A Member's resignation, suspension or termination from the Committee shall result in the automatic removal of the Steering Group Member(s) representing that Member.

Section 6. Meetings of the Steering Group. The Steering Group shall meet on such date(s) and at such time(s) and place(s) as its Chairman, Secretary/Treasurer or, by resolution, the Steering Group may designate. All such meetings may be in person, by conference telephone or by any other similar medium or method of communication by means of which all persons participating in the meeting can hear one another. The presence of one Representative affiliated with organized labor and one Representative from TI shall constitute a quorum for the transaction of business at any meeting of the Steering Group. If a quorum shall not be present at any meeting of the Steering Group or subcommittee thereof, the Steering Group Members present may adjourn the

meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 7. Notice of Meetings. Notice of regular and special meetings of the Steering Group shall be provided to the individual Steering Group Members in writing or by telephone. Such notice shall be provided by the Chairman, or his or her designee, in a manner that ensures that all Steering Group Representatives will know of the time and place of the meeting. A written waiver of notice signed by the Steering Group Representatives entitled to notice, whether before or after the time stated therein, shall be equivalent to notice. Attendance of the Steering Group Representatives at the meeting shall constitute a waiver of notice.

ARTICLE VI

BUDGETS, FUNDING & ASSETS

Section 1. Budgets. Based on projected contributions, the Steering Group shall adopt an annual budget and such supplemental budgets as circumstances warrant. Committee expenditures shall reflect such budgets.

Section 2. Funding. The Committee shall be funded principally by discretionary contributions from TI in such amounts as TI elects to provide. The Committee may seek and receive contributions from sources other than TI, including other Members.

Section 3. Assets. Committee assets are to be used for the exclusive purposes of the Committee. No Member shall retain any interest in the assets of the Committee.

ARTICLE VII

OBSERVER ORGANIZATIONS

Any labor organization representing employees of manufacturers of tobacco products that are not members of TI may apply to become an Observer Organization by completing an application in the form prescribed by the Steering Group. Upon resolution of the Steering Group approving that application, each Observer Organization shall be entitled to nominate one Representative.

ARTICLE VIII

SUBCOMMITTEES

The Steering Group, by resolution, may designate one or more subcommittees, each subcommittee to consist of one or more Representatives and such other persons as may be determined from time to time by resolution adopted by the Steering Group. Any such subcommittee, to the extent provided in the resolution of the Steering Group and to the extent permitted under any applicable statutory provisions, shall have and may exercise all the power and authority of the Steering Group in the management of the business and affairs of the Committee.

ARTICLE IX

OFFICERS

Section 1. Positions. The officers of the Committee and the Steering Group shall be a Chairman and a Secretary/Treasurer and such other officers and agents as the Steering Group may from time to time deem necessary or advisable and so elect.

Section 2. Term of Office; Compensation; Removal. The officers of the Committee and the Steering Group shall hold office until their successors are chosen and qualify or until their earlier resignation or removal. The officers shall serve without compensation but may be reimbursed, if the Steering Group shall approve, for expenses incurred on behalf of the Committee provided that such reimbursement in no way adversely affects or is inconsistent with the Committee's status as an organization exempt from federal income tax under Section 501(c)(6) of the Code, or the corresponding provisions of any subsequent United States internal revenue laws, and other applicable laws, including, without limitation, Section 302 of the Taft-Hartley Act, 29 U.S.C. § 186. Any officer may be removed at any time with or without cause by resolution of the Steering Group.

Section 3. Vacancies. The Steering Group shall fill all vacancies occurring in the offices created by this Article or subsequently created by the Steering Group acting within the scope of its authority.

Section 4. Chairman. The Chairman of the Committee and the Steering Group shall be a Representative of BC&T. Unless otherwise provided by the Steering Group, the Chairman, when present, shall preside at all meetings of the Committee and the Steering Group. The Chairman, in consultation with the Secretary/Treasurer, shall be responsible for the active management of the affairs of the Committee and the Steering Group and shall exercise such other powers as the Steering Group from time to time may delegate.

Section 5. Secretary/Treasurer. (a) The Secretary/Treasurer of the Committee and the Steering Group shall be a Representative of TI. The Secretary/Treasurer, or his designee(s), in consultation with the Chairman, shall be responsible for the active management of the affairs of the Committee and the Steering Group and shall exercise such other powers as the Steering Group from time to time may delegate. The Secretary/Treasurer, or his designee, shall attend all meetings of the Committee and the Steering Group and record all the proceedings of these meetings in a book to be kept for that purpose and shall perform like duties for the Steering Group formed subcommittees when required. The Secretary/Treasurer, or his designee(s), shall keep a permanent record of all official proceedings of the Committee and of the Steering Group.

(b) The Secretary/Treasurer also shall oversee the funds and assets of the Committee and its books of account.

These funds shall be kept in a financial institution(s) acceptable to the Steering Group and maintained in the name of the Committee. These funds shall be disbursed as the Steering Group may authorize or delegate, with proper vouchers for such disbursements, and the Secretary/Treasurer, or his designee, shall render to the Steering Group, at its regular meetings, or when the Steering Group so requires, an account of all of his or her transactions as Secretary/Treasurer and of the financial condition of the Committee.

ARTICLE X

PERSONNEL

Section 1. Personnel. The Steering Group shall select and employ such personnel as it deems necessary to carry out the purposes of the Committee.

Section 2. Compensation. Persons engaged in the service of the Committee shall receive such compensation, be employed for such time, and perform such duties as may be prescribed by the Steering Group provided that such compensation in no way adversely affects or is inconsistent with the Committee's status as an organization exempt from federal income tax under Section 501(c)(6) of the Code, or the corresponding provisions of any subsequent United States internal revenue laws, and other applicable laws, including, without limitation, Section 302 of the Taft-Hartley Act, 29 U.S.C. § 186.

ARTICLE XI

MISCELLANEOUS

Section 1. Execution of Documents, Checks, Notes, Etc. All deeds, mortgages, bonds, contracts, checks, drafts, notes, orders for the payment of money, and other instruments shall be signed by both the Chairman and the Secretary/Treasurer, or by such other persons as the Steering Group may from time to time designate.

Section 2. Fiscal Year. The fiscal year of the Committee shall be as determined by the Steering Group.

Section 3. Form of Records. Any records maintained by the Committee in the regular course of its business, including its membership ledger, books of account, and minute books, may be kept on or in any appropriate form designated by the Secretary/Treasurer provided that the records so kept can be converted into clearly legible written form within a reasonable time. The records so kept will be made available for inspection upon the request of any Member of the Steering Group.

Section 4. Notices. Whenever, under the provisions of any statute or of these Bylaws, notice is required to be given to any Steering Group Members or Member it shall be by mail, telegram, telephone, personal delivery, facsimile transmission or telex. If by mail, it shall be addressed to such Steering Group Members or Member, at his, her or its address as it appears on the records of the Committee, with

postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. If notice is given by telegram, telephone, personal delivery, facsimile transmission or telex, it shall be deemed to have been given when sent.

Section 5. Waiver of Notice. Whenever any notice is required to be given under the provisions of any statute or of these Bylaws, attendance at the meeting, or a waiver of notice in writing, signed by the person or persons entitled to such notice, whether before or after the time of the event for which notice is required, shall be deemed equivalent to notice.

Section 6. Amendments. These Bylaws may be altered, amended, added to, or repealed upon a resolution of the Steering Group at any meeting of the Steering Group.

ARTICLE XII

DISSOLUTION

In the event of the dissolution or final liquidation of the Committee, the Steering Group shall, after paying or making provision for the payment of all the liabilities of the Committee, apply and distribute the assets of the Committee to one or more regularly organized charitable, religious, scientific, literary or educational organizations, as the Steering Group in its discretion shall select, that then qualify as exempt from taxation under the provisions of Section 501(a) of the Code, or the corresponding provisions of

any subsequent United States internal revenue laws, and that are then organized and operated for a purpose that is consistent with or closely related to that of the Committee, provided that the distribution of assets is consistent with all applicable laws, including, without limitation, Section 302 of the Taft-Hartley Act, 29 U.S.C. § 186.

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