

This document now accompanies the current
Cedar Shake & Shingle Bureau (“CSSB”) Bylaws document posted at:
<http://www.cedarbureau.org/about-us/overview.htm>

**READERS ARE ENCOURAGED TO REVIEW ALL PAGES
THOROUGHLY**

ALL OR NOTHING RULE
Article III: Section 2(b) AMENDMENT TO CURRENT CSSB BYLAWS

Revision of Article III, Section 2(b), as follows:

Section 2: To become or remain a Mill-Member, a person or entity must:

(b) make all Products manufactured or processed at all mills or facilities owned, operated, managed, or controlled by such Mill-Member, directly or indirectly, in whole or in part, subject to grading and inspection pursuant to CSSB’s Product quality and labeling inspection programs; provided, however, a Mill-Member may have one or more financial investors who are non-Members, so long as such Mill-Member retains a controlling interest in all mills or facilities operated, managed or controlled by such Mill-Member; and provided further, however, a Mill-Member may operate and manage a mill or facility leased by such Mill-Member from a Member or a non-Member, and a Member may lease a mill or facility to a non-Member, on the terms and conditions set forth below in subsections (i)-(iii):

(i) A mill or facility leased by a Mill-Member (the “Lessee”) from a Member or a non-Member (the “Lessor”),

(A) must be operated, managed and controlled by such Mill-Member Lessee and not be operated, managed or controlled, directly or indirectly, in whole or in part, by another Member or a non-Member;

(B) in the event that the mill or facility leased by such Mill-Member Lessee is located on the same property as another mill or facility operated, managed or controlled, directly or indirectly, in whole or in part, by a non-Member,

(1) the mill or facility leased by such Mill-Member Lessee must not be located in the same building as the mill or facility operated, managed or controlled by such non-Member;

(2) a fence or other physical barrier must separate such Mill-Member Lessee’s mill or facility and operations from the mill or facility operated, managed or controlled by such non-Member;

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(3) such Mill-Member Lessee must put procedures and protections in place that are deemed adequate, in the sole discretion of the CSSB, to prevent such Mill-Member Lessee from obtaining Product labels from such non-Member, or such non-Member from obtaining Product labels from such Mill-Member Lessee;

(4) such Mill-Member Lessee must purchase raw materials and other products and services for its mill or facility independently of such non-Member and receive deliveries of raw materials and other products in a separate location on the property from the location at which such non-Member receives deliveries of raw materials and other products; and;

(5) such Mill-Member Lessee and such non-Member must have different, separate and independent ownership, operators, management, and employees.

(C) A Mill-Member Lessee leasing a mill or facility from a non-Member Lessor must comply with the custom cutting rules, policies and procedures adopted by the CSSB, as amended from time to time, including but not limited to, the rules, policies and procedures governing such Mill-Member Lessee's ownership and purchase of raw materials and Products and precluding such non-Member Lessor's use of the CSSB's Certi-labels, logo and brand.

(ii) A mill or facility leased by a Member (the "Lessor") to a non-Member (the "Lessee"),

(A) must be operated, managed and controlled by such non-Member Lessee and not be operated, managed or controlled, directly or indirectly, in whole or in part, by a Member; and

(B) in the event that the mill or facility leased to such non-Member Lessee is located on the same property as another mill or facility operated, managed or controlled, directly or indirectly, in whole or in part, by a Member;

(1) the mill or facility leased by such non-Member Lessee must not be located in the same building as the mill or facility operated, managed or controlled by such Member;

(2) a fence or other physical barrier must separate such non-Member Lessee's mill or facility and operations from the mill or facility operated, managed or controlled by such Member;

(3) such Member Lessor and any such Member must put procedures and protections in place that are deemed adequate, in the sole discretion of the CSSB, to prevent such non-Member Lessee from obtaining Product labels from such Member or such Member from obtaining Product labels from such non-Member Lessee;

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(4) such non-Member Lessee must purchase raw materials and other products and services for its mill or facility independently of such Member and receive deliveries of raw materials and other products in a separate location on the property from the location at which such Member receives deliveries of raw materials and other products; and

(5) such non-Member Lessee and such Member must have different, separate and independent ownership, operators, management, and employees.

(C) A Mill-Member Lessor leasing a mill or facility to a non-Member Lessee must comply with the custom cutting rules, policies and procedures adopted by the CSSB, as amended from time to time, including but not limited to, the rules, policies and procedures governing such Mill-Member Lessor's ownership and purchase of raw materials and Products and precluding such non-Member Lessee's use of the CSSB's Certi-labels, logo and brand.

(iii) A lease disclosure form approved by the CSSB must be completed in full and signed by the Lessor and the Lessee and provided to the CSSB for its files.

Explanation:

- Clarifies that a Mill-Member may have financial investors so long as the Member retains a controlling interest in all mills or facilities operated or controlled by the Member.
- Allows a Member to lease a mill or facility to a Mill-Member or a non-Member so long as the Member only acts as a landlord and has nothing to do with the operation or management of the mill or facility leased to such Mill-Member or non-Member.
- Allows a Mill-Member to lease a mill or facility from a non-Member so long as the non-Member only acts as a landlord and has nothing to do with the operation or management of the mill or facility leased to such Mill-Member.
- Does not allow Member and non-Member production on the same property unless the Member's and non-Member's operations are separated by a fence or other barrier.
- Does not allow more than one Member to produce in a building or Member and non-Member production in the same building.

Subsequent to the above amendment being passed, and in response to members' requests, the Board of Directors approved the following specific criteria as policy (see next page):

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Building and Business Separation Criteria List

(please reference CSSB Bylaws and CSSB Bylaws Amendment language for full list of additional requirements including, but not limited to, employees)

- 1) Separate entrances, separate equipment, separate buildings and separate offices.
- 2) 6-foot tall fence with no openings between the businesses other than what is required by fire code. Separate entrances to the individual businesses, if initiating from a shared driveway, are required.
- 3) Minimum 5-foot setback on either side of the fence line that separates the businesses.

A fully updated set of CSSB Bylaws which incorporates all of the changes from the 2009 Annual General Meeting is expected to be ready in the Spring of 2010.

Refer to <http://www.cedarbureau.org/about-us/overview.htm> for updates.

Please note that CSSB staff are unable to further interpret the contents herein without input from the CSSB Board of Directors.