

**APPROVED BY BOARD AS AMENDED NOVEMBER 17, 2010
APPROVED BY USDA NOVEMBER 24, 2010**

BYLAWS OF THE HASS AVOCADO BOARD

ARTICLE 1

Name

Section 1. The organization governed by these Bylaws shall be known officially as the Hass Avocado Board, hereinafter referred to as the "Board." The Board administers the Hass Avocado Promotion, Research, and Information Order [7 CFR part 1219], hereinafter referred to as the "Order."

ARTICLE 2

Purpose

Section 1. The purpose of the Board, the Order, and these Bylaws shall be to implement the provisions of the Hass Avocado Promotion, Research, and Information Act of 2000 (the "Act") and to carry out an effective national program of promotion, research, consumer information, and industry information for Hass avocados, and to establish a fair and orderly procedure whereby adequate funds can be assembled to fulfill the provisions of this program. The Board is an instrumentality of the U.S. Department of Agriculture (the "Department") to make recommendations to the Secretary of Agriculture as specified under the Order.

ARTICLE 3

Principal Place of Business

Section 1. The Board's principal place of business shall be located at the HASS AVOCADO BOARD offices located at 230 Commerce Suite 190, Irvine, CA 92602 or any other location designated by the Board.

ARTICLE 4

Officers and Their Duties

Section 1. The Board's officers shall consist of a Chairperson, Vice-Chairperson, Secretary, and Treasurer.

Section 2. The Board's officers shall be elected by the Board for a term of one year from among the voting Board members. The election shall be held during the regular Annual Meeting herein defined as the first Meeting in November. Officers may be re-elected annually to the office held or to any other office of the Board but shall not serve for more than three (3) consecutive terms in any one (1) office. In the event of death, resignation, or disqualification of, an officer or an Executive Committee member, a successor shall be elected by the Board members as soon as practical, with any such successor to serve until the next Annual Meeting. In the event that the departing member was the Chairperson, the Vice-Chairperson shall become the new Chairperson and a new Vice-Chairperson shall be elected by the Board members.

Section 3. The Chairperson's duties shall be to: (a) preside at all Board meetings; (b) call special Board meetings when deemed necessary; (c) have general supervision of Board affairs, and perform all acts and duties usually incidental to and required of an executive and presiding officer; and (d) serve as an ex-officio member of all committees.

Section 4. The Vice-Chairperson's primary duty shall be to act in the place of the Chairperson in the Chairperson's absence, disqualification, or at the Chairperson's direction.

Section 5. The Secretary's duties shall be to: (a) keep a complete record of the proceedings at all Board and Executive Committee meetings; and (b) attest to all papers, documents, and other instruments on behalf of the Board. The Secretary may delegate such duties to the administrative services Staff. Another duty of the Secretary shall be to act in the place of the Chairperson and Vice-Chairperson if both are absent.

Section 6. The Treasurer's duties shall be to serve as Chairperson of the Finance Committee. The Treasurer oversees the reporting to the Board of all insurance policies, and any fidelity bonds covering Board officers, employees and agents and oversee the administrative services staff hired by the Board to ensure: (a) that the Board has custody of all funds and property belonging to or under control of the Board; (b) the keeping of regular books of account under the direction of the Board; (c) the deposit of all funds of the Board, or under its control, in an approved bank or banks designated by the Board; and (d) the submission to the Board and the Secretary of Agriculture all reports required by the Order.

Section 7. Contracts and checks for amounts over one thousand dollars (\$1000.00) shall be signed on behalf of the Board, by any two (2) persons authorized by Board motion.

ARTICLE 5

Executive Committee

Section 1. The Executive Committee shall consist of the elected officers; and at the discretion of the Chairperson, the immediate past Chairperson as an ex-officio member.

Section 2. The Executive Committee shall be responsible for the conduct of duties and policies as outlined by the Board.

Section 3. The Executive Committee term of office shall be one (1) year. The number of subsequent terms for any Board member on the Executive Committee shall be limited only by the Board member or alternate's term of office or the limitation on officer term limits in Article 5, Section 2.

Section 4. The Executive Committee shall meet upon the call of the Chairperson or by the call of a majority of its members.

Section 5. All Executive Committee meetings shall be in compliance with the provisions of Article 8, Sections 2, 3, and 4. A majority of the Executive

Committee shall constitute a quorum for any Executive Committee meeting. Executive Committee meetings shall be conducted within the guidelines, actual or implied, which have been established by the Board. Any Executive Committee action shall require the concurring votes of members representing more than 50 percent of those present and voting. The procedure applicable to voting by mail, telephone, electronic mail, facsimile, or any other means of communication (Article 9, Sections 3 and 4) shall also apply to voting by the Executive Committee. No proxy votes shall be permitted.

ARTICLE 6

Hass Avocado Board

Section 1. The Board shall consist of no more than 12 domestic producers and importers and their alternates as defined in the Order.

Section 2. The Board shall be appointed by the Secretary of Agriculture.

Section 3. All nomination procedures shall be in accordance with the Order and any subsequent rules and regulations issued thereunder. The Board shall issue a call for nominations by May 1 of each year in which nominations for an appointment to the Board are to be made. Nominations for positions whose terms will expire at the end of the year shall be obtained from the avocado organization established by State statute in a State with the majority of Hass avocado production in the United States and from known importers and importer organizations pursuant to §1219.33 of the Order. These nominations shall be submitted to the Secretary of Agriculture by July 31 of each year.

Section 4. The Board shall develop policies to plan, develop, and implement such promotion, research, consumer information and industry information programs, plans, and projects as necessary to meet its purpose under the Act. The Board shall further act in authorizing contracts or agreements for the development and carrying out of such programs, plans, and projects, and

the payment of the costs thereof, including entering into agreements authorizing other organizations to collect assessments on behalf of the Board

Section 5. The Board may contract with an outside accounting firm for the purposes of accounting for funds received and recordkeeping and any other projects directed by the Board.

Section 6. The intent of the Act and the purpose of the Board is to bring together resources from importer associations and State associations who have an interest in expanding the market for avocados. For each association with such an interest, which has been established pursuant to State law or certification by the Secretary of Agriculture, the Board shall designate the chairperson of each such association to serve on the Board as a non-voting ex-officio member of the Board if, and only if, such association provides that a reciprocal Designatee serve as a non-voting ex-officio member of that association. The Designatee from this Board shall be the Chairman of the Board or his designated representative from board members or alternates. The Designatee from the association board shall be the chairperson of the association or other association board member or alternate. All costs of participating shall be borne by the association that the ex-officio member represents.

ARTICLE 7

Financial Oversight

Section 1. It is the Board's duty to develop and amend, with approval of the Secretary, budgets for the implementation of the Order. The Board may direct staff to prepare a budget for its consideration. The Board shall submit to the Secretary, on a fiscal period basis, annual budgets of its anticipated expenses and disbursements of the Board in administering the Order. The Board's responsibility is to manage the values underlying the budget numbers. Therefore, the Board's focus is properly expressing values about fiscal planning. The Board responsibility is to define policies and procedures that will explain how to create the ongoing actual condition of the Board. With focused data, and through policy criteria to measure the data against, the Board can successfully monitor its fiscal integrity. The Board shall adhere to its fiduciary responsibilities and ensure that all monies are spent in accordance with the Act and the Order.

ARTICLE 8

Meetings

Section 1. The Board shall hold its Annual Meeting before the end of each fiscal year at the Board's principal office, unless otherwise directed by the Board.

Section 2. Meetings of the Board may be held whenever called by the Chairperson, or by the Vice Chairperson acting in the Chairperson's stead, or by the joint call of a majority of the Board members. Any and all business coming before the Board may be transacted at such meetings

Section 3. Meetings may be held at locations that are selected for the convenience of the Board members or for enhancement of relations with program participants. Attendance may be telephonic, if by telephonic means the attendee can hear all deliberations and make comments freely and immediately, but voting

must be by personal attendance at assembled meetings (Section 1219.39 (a)). Meetings of any committees may be entirely telephonic.

Section 4. Notice of all Board and Executive Committee meetings, together with a written agenda, shall be provided to each member of the Board at their last known address. Notice of all other committee meetings, together with a written agenda, shall be provided to each such committee member at their last known address. Notice of all meetings will be provided at least ten (10) days prior to the meeting date. In case of an emergency, all possible advance notice will be given by fastest practical means of delivery without regard to the ten (10) day requirement. Such notice may be waived by Board members in writing. The Secretary of Agriculture shall be given notice of all Board and committee meetings.

Section 5. The Board will recommend to the Secretary that any member or alternate who misses three (3) consecutive meetings or four (4) total meetings in a year for any reason automatically loses his or her seat on the Board unless the Board expressly waives this provision by majority vote. Any vacancy created by this Section shall be filled in accordance with Section 1219.36 of the Order and the Board's election procedures.

Section 6. The regular order of Board business, unless otherwise determined by the Chairperson, shall be as follows:

1. Roll call
2. Approval of previous meeting minutes
3. Additions to agenda items
4. Action on written agenda matters
5. New business
6. Adjournment

Section 7. All Board proposals, programs, plans, projects or recommendations, including those to the Secretary of Agriculture, shall be in the

form of motions (Section 1219.39 (d)). All motions, upon adoption, shall be recorded and shall become a part of the official Board minutes. All adopted motions which constitute Board policy shall remain as such until amended by Board action.

Section 8. Board members will focus on long-term goals that meet the policies of the Act, connect with the stakeholders, and spend sufficient time to understand or question each agenda item presented.

ARTICLE 9

Voting Procedures

Section 1. At a properly convened Board meeting, a simple majority of Board members shall constitute a quorum, which means seven (7) board members, including alternates acting in place of members of the Board. Board members attending telephonically at assembled meetings are not to be counted as part of a quorum (Section 1219.39 (a)).

Section 2. Any Board action shall require the concurring votes of members representing more than 50 percent of those present and voting.

Section 3. In lieu of voting at a properly convened meeting, and when in the opinion of the Chairperson such action is necessary, the Board may take action upon the concurring votes of a majority of its members by mail, telephone, electronic mail, facsimile or any other means of communication. In such event, all members must be notified and provided the opportunity to vote. Any action so taken shall have the force and effect as though such action had been taken at a properly convened meeting.

Section 4. Any vote taken by mail, telephone, electronic mail, facsimile or any other means of communication shall cover only: (1) non-controversial matters which do not require deliberation and the exchange of views; or (2) matters of an emergency nature when it would be impossible or impractical to call an assembled Board meeting. However, voting by such means shall not be

permitted if a majority of Board members object. Voting by such means shall occur only upon the Chairperson's order. A record of the vote shall be confirmed at the next Board meeting and will become part of the official Board minutes. Votes taken by telephone shall be confirmed promptly in writing.

ARTICLE 10

Committees

Section 1. The Board may establish standing, ad hoc or working committees as deemed necessary to carry out the purposes and objectives of the Order. The results of the committee's motioned efforts will be given to the Board as a recommendation.

Section 2. The Chairperson of the Board shall appoint all committee chairpersons and shall appoint all members of each committee after consultation with the committee chairperson affected. Appointments are subject to approval by the Board and may be changed from time to time as determined by the Chairperson of the Board with the concurrence of the Board.

Section 3. The Chairperson of the Board may appoint committee members from among the Board members and alternates and from the industry in general.

Section 4. Each Board committee shall meet at the call of the committee chairperson with the consent of the Board Chairperson. No committee or any member thereof, shall have the authority to obligate the Board. In the Board Secretary's or Board Administrative Secretary's absence, the committee's chairperson shall arrange for and authenticate the committee meeting minutes.

Section 5. To constitute a quorum for a committee meeting, at least one more than half of those assigned to the committee must be present. No proxy voting shall be allowed at a committee meeting.

ARTICLE 11

Bonds

Section 1. Board officers, employees and agents who handle funds for the Board shall be placed under fidelity bonds issued by a reputable bonding company in an amount to be fixed by the Board. The premiums of such bonds shall be paid by the Board.

ARTICLE 12

Personal Liability

Section 1. No Board member or employee shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any person for errors in judgment, mistakes, or other acts of either commission or omission of such member or employee, except for acts of dishonesty or willful misconduct.

Section 2. The Board shall maintain appropriate Directors and Officers liability insurance coverage.

ARTICLE 13

Procedure and Transaction of Business

Section 1. The Board shall be governed in its deliberations and in the transaction of business by these Bylaws, and the provisions of the Order and the Act. Any matter of procedure not covered by these Bylaws shall be governed by "Robert's Rules of Order Newly Revised."

Section 2. No person who is not a Board member, alternate, ex-officio member, or employee or representative of the Secretary of Agriculture shall be entitled to participate in the deliberations and proceedings or speak at official meetings of the Board, its Executive Committee, or its other committees, unless authorized by the Chairperson or the committee chairperson. No Board member, other than the chair or his/her designate will ever speak on behalf of the Board, unless directed to by the chairperson of the Board.

ARTICLE 14

Powers of the Board

Section 1. The Board is empowered to perform all necessary and proper activities required to fairly implement the provisions of the Act and to carry out an effective national program of promotion, research, consumer information, and industry information for Hass avocados, and to establish a fair and orderly procedure whereby adequate funds can be assembled to fulfill the provisions under the Act.

Section 2. Any officer, agent, or employee appointed, elected or employed by the Board shall be subject to removal or suspension by the Board at any time. No Board officer, member, alternate, employee, or agent shall have the authority to obligate the Board unless such authority has been expressly delegated in writing. All decisions, acts or performances of any such officer, member, alternate, employee, or agent shall be subject to the continuing right of the Board to disapprove of the same, and upon disapproval by the Board, shall be deemed null and void to such extent as the Board may determine.

Section 3. While Board members and alternates are not restricted in exercising any of their rights as individual citizens, they do so independently and not as representatives of this Board. Except with respect to the provisions of the Order, this Board may not, as a body, participate in any advocacy to influence government action. Whenever any individual members or alternates participate in such advocacy, they may do so as individuals and not as representatives of this Board.

Section 3a. The Board speaks with one voice or not at all. This does not imply that there has to be unanimity or lack of diversity but when a vote is taken or a policy developed, the Board acts and supports the decision made, until it is changed by the Board.

Section 4. When the Board determines that there has been an interference with the Board's ability to perform pursuant to Article 14, Section 1, or an event which is in violation of the Act or the Order, the Board may establish Board Operating Policies (including legal action) to resolve the interference or to enforce the Act or the Order. The Board may establish Board Operating Policies which govern the procedures used to receive, investigate, and report to the Secretary any complaints of violations of the Act or the Order.

ARTICLE 15

Expenses

Section 1. Board members and alternates, committees, or employees, when acting on authorized business shall be reimbursed for necessary and reasonable expenses incurred by them in the performance of their duties in accordance with the Board Operating Policies.

Section 2. The procedure for approval of expense vouchers and for filing claims for reimbursement shall be as set forth in the Board Operating Policies.

ARTICLE 16

Employees and their Duties

Section 1. The Board may employ a person, who shall not be a member of the Board, to serve as Executive Director. The performance of the Executive Director, who shall serve at the pleasure of the Board, shall be evaluated annually by the Chairman of the Board (or Board, or Committee) using criteria approved by the Board. The Chair will then report to the Board, the findings of this evaluation annually. Compensation of the Executive Director shall be fixed by the Board and shall be reviewed annually.

Section 2 . Subject to the general supervision and control of the Board, the Executive Director shall: (a) employ, supervise, and be responsible for the discharge of all Board employees, agencies, consultants, and other suppliers. (b) be responsible for all notices the Board is required to give; (c) assemble, compile, analyze, and provide all information necessary in connection with the performance of official Board duties; (d) prepare all resolutions setting forth Board actions; and (e) be responsible to the Board at all times for the proper administration of Board activities.

ARTICLE 17

Amendments

Section 1. The Board may amend these Bylaws at any Board meeting by an affirmative vote of no less than seven (7) Board members. Members must be provided with ten (10) days notice of proposed changes to the Bylaws. Such notice may be waived in writing.

ARTICLE 18

Effective Date

Section 1. These Bylaws and any amendments thereto shall become effective immediately upon adoption by the Board.

Bylaws Approved by the Board on April 16, 2003, as amended January 19, 2005, March 15, 2006, March 19, 2008 and November 17, 2010.