

BYLAWS

ALASKA SEAFOOD MARKETING INSTITUTE

A Public Corporation of the State of Alaska

ARTICLE I OFFICES

Section 1. PRINCIPAL OFFICE

The principal office of the corporation is located in the City and Borough of Juneau, Alaska.

Section 2. OTHER OFFICES

The Institute may also have offices at such other places, within or without its state of incorporation, as its business and activities may require, and as the Board of Directors may, from time to time, designate.

ARTICLE II REVENUE

Section 1. ASSESSMENTS

Pursuant to, and in compliance with the procedures set forth in AS 16.51.140, the Alaska Seafood Marketing Institute (the “ Institute”) may conduct an election among eligible seafood processors, as defined in AS 16.51.180, who together produce at least fifty-one percent (51%) of the value of seafood products produced in Alaska in the given calendar year. Such seafood processors shall approve or reject a mandatory seafood marketing assessment to be levied at one of six levels on seafood products produced in Alaska, the assessment to be paid by all seafood processors who produce seafood products with an ex-vessel value of fifty thousand dollars (\$50,000) or more in a given year, in accordance with AS 16.51.120.

Such seafood marketing assessment shall be collected and deposited in the general fund of the State of Alaska (the “ state”) for the share deemed appropriate by the seafood processing industry (the “ industry”) of the cooperative seafood marketing effort between the state and the industry. Such seafood marketing assessment may be terminated under the procedures set forth in AS 16.51.130.

Section 2. CONTRIBUTIONS

Pursuant to AS 16.51.090(7), “ the Institute may solicit and receive contributions of money.” The Institute may also attempt to derive revenue from other sources, including, but not limited to, government grants and contracts, private gifts, the sale of promotional materials, and other services.

Section 3. EXPENDITURES

- (a) The operating budget of the Institute shall be prepared and submitted in accordance with the Executive Budget Act (AS 37.07.010-37.07.130).
- (b) Administrative expenditures will be kept to a minimum in accordance with a budget approved by the Board of Directors.
- (c) After administrative costs, the balance of the Institute’ s revenue will be used to promote the sale of Alaska seafood in domestic and international markets, (and to) develop quality assurance programs. Funds may also be made available for special promotions or other purposes at the discretion of the Board of Directors.
- (d) Budget planning and expenditures will take place according to the guidelines established in Article VI of these Bylaws.

ARTICLE III BOARD OF DIRECTORS

Section 1. NUMBER AND COMPOSITION

The management of the Institute shall be vested in a Board of Directors, consisting of seven (7) voting members, who shall be appointed by the governor of the state. The composition of the Board of Directors shall be as follows:

- (a) Four (4) members of the Board of Directors shall be seafood processors, Four of which must have an annual payroll in the state in the amount of more than \$2,500,000 or more, one of the seafood processors must have an annual payroll in the state of \$50,000-\$2,500,000;
- (b) Two members of the Board of Directors must be engaged in commercial fishing.

Section 2. TERM OF OFFICE

The members of the Board of Directors of the Institute shall serve staggered terms of three (3) years, and an appointee to fill a vacancy shall hold office only for the balance of the term for which his predecessor was appointed. Initial appointments to the Board of

Directors occurring other than by expiration of term shall be filled in the same manner as the original appointment, but for the unexpired term only.

Section 3. REMOVAL AND VACANCIES

The members of the Board of Directors shall serve at the pleasure of the governor and may be removed by the governor at any time with or without cause. A vacancy on the Board of Directors occurring other than by expiration of term may be filled in the same manner as the original appointment, but for the unexpired term only.

Section 4. QUORUM

Four members of the Board of Directors shall constitute a quorum for the transaction of business and the exercise of the powers and duties of the Board of Directors.

Section 5. COMPENSATION

Members of the Board of Directors shall receive no salary but are entitled to per diem and travel expenses authorized by law for other state boards and commissions under AS 39.20.180.

Section 6. MEETINGS

Regular meetings of the Board of Directors shall be held. The board shall determine the number of times a year they meet. Meetings shall occur at the call of the Chairman, as defined in Article IV, Section (3) of these Bylaws, or upon the written request of two (2) members of the Board of Directors. Meetings shall be held at such time and place as stated in the call. The Secretary of the Institute shall provide written notice of a meeting at least ten (10) days prior thereto.

Section 7. EMPLOYMENT OF EXECUTIVE DIRECTOR AND PERSONNEL

The Board of Directors shall employ and determine the salary of the Executive Director. The Executive Director shall be an employee of the Institute approved by the Board of Directors. The Executive Director shall receive such salary and be employed for such term and under such provisions as shall be agreed to by the Board of Directors. The Executive Director shall direct the Institute's affairs, subject to the supervision of the Chairman and the Board of Directors. The Executive Director shall be an ex officio member of all committees, but without the right to vote. The Executive Director may, with the approval of the Board of Directors, select and appoint additional employees to assist in the day to day operations of the Institute as necessary. They shall be salaried and employed for such duration as the Executive Director deems warranted. Such employees shall report to the Executive Director and carry such titles as deemed appropriate to the exercise of their duties. The Executive Director and all employees are in the exempt service of state government employees.

Section 8. POWERS

Pursuant to AS 16.51.090, in carrying out the powers of the Institute, the Board of Directors may:

- (a) adopt, alter, and use a corporate seal;
- (b) prescribe, adopt, amend and repeal bylaws;
- (c) sue and be sued in the name of the Institute;
- (d) enter into any agreements necessary to the exercise of its powers and functions;
- (e) cooperate with a public or private board, organization, or agency engaged in work or activities similar to the work or activities of the Institute, including entering into contracts for joint programs of consumer education, sales promotion, quality control, advertising and research in the production, processing, or distribution of seafood;
- (f) conduct, or contract for, scientific research to develop and discover health, dietetic, or other uses of seafood harvested and processed in the state;
- (g) receive contributions of money from persons;
- (h) establish offices in the state and otherwise incur expenses incidental to the performance of its duties;
- (i) appear on behalf of the Institute before boards, commissions, departments, or other agencies of municipal, state or federal government;

(j) acquire, hold, lease, sell, or otherwise dispose of property, but such property is limited to that which is necessary to the administrative functioning of the office of the Institute;

(k) establish and maintain one or more bank accounts for the transaction of the Institute' s business;

(l) prepare market research and product development plans for the promotion of any species of seafood and their by-products that may be harvested in the state and processed for sale.

Section 9. DUTIES

Pursuant to AS 16.51.100, the Board of Directors shall:

(a) conduct programs of education, research, advertising, or sales promotion designed to accomplish the purposes of the Institute;

(b) promote the species of seafood and their by-products that are harvested in the state and processed for sale;

(c) develop market-oriented quality specifications for Alaska seafoods to be used in fostering a high quality image for Alaska seafood in domestic and world markets, and adopt and distribute recommendations regarding the handling of seafood from the moment of capture to final distribution;

(d) prepare market research and product development plans for the promotion of the species of seafood and their by-products that are harvested in the state and processed for sale;

(e) submit an annual report to the governor and the legislature describing the activities of the Institute;

(f) develop marketing programs based on the “ inspection” and “ premium quality” seals designed under AS 03.05.026 and use the seals in advertising and promotion efforts of the Institute;

Section 10. PROHIBITED PROMOTION

Pursuant to AS 16.51.110, the Board of Directors may not promote or make any contract that promotes seafood by:

(a) geographic origin other than from the state generally;

(b) geographic region of the state; or

- (c) specific brand name.

ARTICLE IV

OFFICERS

Section 1. NUMBER

The officers of the Institute shall be a Chairman, a Vice-Chairman, and a Secretary.

Section 2. METHOD OF ELECTION

(a) The Chairman and Vice-Chairman shall be elected by and from the Board of Directors and shall serve a term of two years or until his or her successor is elected and qualified. Elections will be held at every other spring meeting. Nominations will be taken from the floor. An officer's term of service is not limited to a single term. A majority of a quorum present shall be necessary to elect any and all officers.

(b) The Secretary shall not be elected; the Executive Director of the Institute shall be designated as its Secretary.

Section 3. CHAIRMAN

The Chairman shall preside at the meetings of the Board of Directors and shall be an ex officio member, with the right to vote, of all committees. The Chairman shall, at the meetings of the Institute and such other times as he or she deems proper, communicate to the Institute or to the Board of Directors such matters and make such suggestions as may in the Chairman's opinion tend to promote the prosperity and welfare and increase the usefulness of the Institute, and shall perform such other duties as are necessarily incident to the office of Chairman, or as may specifically be delegated to him or her by the Board of Directors.

Section 4. VICE-CHAIRMAN

During the absence or disability of the Chairman, the Vice-Chairman shall perform all of the duties of the Chairman. The Vice-Chairman shall have such other powers and discharge such duties as may be prescribed by the Board of Directors.

Section 5. SECRETARY

The Secretary shall issue required notices for all meetings; shall attend and keep minutes of all meetings of the Board of Directors; shall have charge of the corporate seal and corporate books; shall attempt to assure that all actions required of the Institute are being performed, whether such actions are to be taken by employees or other entities appointed for any given purpose of the Institute; shall make such reports and perform such other duties as are incident to the Office of Secretary, or are properly required of him or her by the Board of Directors; and shall devote his or her best efforts to forwarding the business and advancing the interests of the Institute. During the absence or disability of the Secretary, the Board of Directors may appoint a Secretary pro tem. The Executive Director will function as the Secretary.

Section 6. DELEGATION

In the case of the absence or the inability to act of any officer of the Institute and of any person herein authorized to act in his or her place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer, director or other person whom it may select.

Section 7. OTHER OFFICERS

The Board of Directors may appoint such other officers and agents as it shall deem necessary or expedient, who shall hold their offices from such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

Section 8. VACANCIES

Vacancies in any office may be filled by the Board of Directors at any meeting of the Board.

Section 9. REMOVAL

Any officer or other agent of the Institute elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the affirmative vote of a majority of the entire Board of Directors. Any such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 10. LOANS

No loans shall be made by the Institute to any officer.

Section 11. BONDS

The Board of Directors may, by resolution, require any or all of the officers and agents of the Institute to give bonds to the Institute, with sufficient surety or sureties, conditioned for the faithful performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board of Directors.

Section 12. REMUNERATION

The officers, except the Secretary, shall serve without compensation.

ARTICLE V
COMMITTEES

Section 3. SEAFOOD TECHNICAL COMMITTEE

There is hereby established a Seafood Technical Committee which shall consist of not more than fifteen (15) members, who shall be appointed by the Board of Directors. The Board, in their selection of appointees, shall provide for balanced representation of all sections of the industry. The Seafood Technical Committee shall study and make recommendations to the Board of Directors regarding the development of market-oriented quality specifications for Alaska seafood to be used in developing a high quality image for Alaska seafood in domestic and world markets, and to adopt and distribute recommendations regarding the handling of seafood from the moment of capture to final distribution, in accordance with Article III, Section 9 (c) of these Bylaws.

(a) There shall be established on an as-needed basis advisory sub-committees made up of Seafood Technical Committee members appointed by the Chairman of the Seafood Technical Committee, which shall report to the full Committee. Each sub-committee shall make recommendations regarding the handling and quality specifications for different species and product forms harvested in Alaska.

(b) There shall be three ex-officio members assigned to the Technical Committee to include representatives from the Alaska Department of Environmental Conservation (Division of Environmental Health), Kodiak Seafood & Marine Science Center, and Seafood Products Association.

Section 4. OTHER COMMITTEES AND SUB-COMMITTEES

The Board of Directors, by resolution adopted by a two-thirds majority of the directors in office, may designate and appoint such other advisory committees and sub-committees as the Board of Directors shall deem appropriate. Committee vacancies shall be filled at the discretion of the Board with preference given to qualified and interested board members. The committees shall have and exercise such authority as is provided for in the resolutions of the Board of Directors which establish said committees.

Section 5. GENERAL

The establishment, designation or appointment of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law. Each committee so established, designated or appointed shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the office of the Institute.

Section 6. QUORUM OF COMMITTEES

A majority of any committee shall constitute a quorum for the transaction of business, unless any committee shall, by a majority vote of its entire membership, decide otherwise.

Section 7. APPOINTMENT OF COMMITTEE CHAIRMEN AND VACANCIES ON COMMITTEES

Committee members shall elect committee chairs. Chairs shall serve a 2 year term. The Board shall designate replacements to fill any vacancy on any committee. To avoid any potential conflict of interest, individuals serving ASMI in any consultative or compensated manner may not serve on an ASMI committee.

ARTICLE VI
BUDGETING AND EXPENDITURE CONTROL

Section 1. ANNUAL BUDGETING

The Executive Director shall present to the Board of Directors the proposed budget for a given fiscal year in advance of submission of the Institute's total budget to the Legislature for authorization of expenditure of state funds. The Board shall take action to approve the submission to the Legislature.

Section 2. EXPENDITURE CONTROL

It shall be the responsibility of the Executive Director to approve all expenditures of Institute funds in accordance with the budgets approved by the Board of Directors

Section 3. EXPENDITURE REPORTING

The Executive Director shall establish a system to provide a monthly report of all expenditures, to show all budget categories as approved by the Board of Directors, with authorization level, funds expended, and balance remaining. Quarterly, the expenditure report shall also list funds obligated and show projections of full annual expenses for all budget categories. Financial reports shall be provided to the Board of Directors at each meeting and quarterly reports to all directors.

ARTICLE VII
SEAL

The Seal of the Institute shall be in such form and bear such inscription as may be adopted by resolution of the Board of Directors.

ARTICLE VIII
LIMITATION OF LIABILITY AND INDEMNIFICATION

No member of the Board of Directors shall, solely by reason of being or having been a director, be subject to any liability to any party in connection with the property or affairs of the Institute. The Institute shall indemnify present and former directors of the Institute, their representatives and present and former officers of the Institute against all claims, liabilities, and reasonable legal and other expenses of defense, whether such claims proceed to judgment or are settled or otherwise brought to a conclusion, to which the same may become subject solely by reason of being or having been a director, such representative or officer. The rights accruing under this Article VIII shall not exclude any other rights to which such director or officer may be lawfully entitled, nor shall anything

herein contained restrict the right of the Institute to indemnify or reimburse such director or officer in any appropriate situation even though not specifically provided herein.

ARTICLE IX
DISSOLUTION

In the event of the dissolution of the Institute, any assets thereof remaining after paying or adequately providing for the debts and obligations of the Institute and expenses of dissolution shall be returned to the General Fund of the State of Alaska.

ARTICLE X
AMENDMENTS

These Bylaws may be altered, amended or repealed and any new bylaw may be adopted by a two-thirds vote of all the directors of the Institute, but only if notice of the proposed amendment has been included in the notice calling the meeting.

ARTICLE XI
FISCAL YEAR

The fiscal year of the Institute shall be same as that of the State of Alaska: July 1 to June 30.

ARTICLE XII
GENERAL PROVISIONS

The division of these Bylaws into articles, sections and paragraphs is for convenience only, and such divisions and subdivisions and captions shall not affect the meaning or interpretation of these Bylaws. Personal pronouns, whether expressed in the masculine or feminine, shall be read as applying to all genders wherever applicable.

I hereby certify that these Bylaws are adopted by a majority of all of the directors of the Board of Directors at a meeting duly called and held on the 2nd day of June, 2004..



Michael B. Cerne
Secretary

