

The Kratom Trade Association Statement Of Principles

Statement:

The Kratom Trade Association (KTA) is dedicated to the safe and responsible use of kratom botanical products in the U.S. KTA is committed to regulatory compliance and will develop and promote use of best practices and quality standards for the industry. KTA will support kratom research initiatives, and conduct advocacy efforts to educate policy makers and the public about the benefits of kratom, as well as dispelling common misconceptions.

Safe and Responsible Use of Kratom Products

KTA members will commit to the safe and responsible production of kratom products, including compliance with good manufacturing and sourcing practices and adherence to KTA-developed best practices and quality standards. KTA members also will agree to the safe promotion of kratom products, and will refrain from marketing the use of kratom for unapproved medical indications, or in an otherwise irresponsible or unsafe manner.

Development of and Commitment to Best Practices and Quality Standards

KTA will pool member knowledge and experience to develop quality standards and best practices for the manufacture, distribution and sale of kratom. All members will commit to compliance with the consensus standards and practices to demonstrate their commitment to providing consumers with the safest high-quality product possible. Membership in KTA and compliance with the consensus standards and best practices will also be promoted to consumers as a demonstration of members' commitment to marketing only the highest quality product.

Support for Research Initiatives

KTA members will collectively identify research efforts or opportunities that will enhance members' ability to educate the public and decision-makers regarding the safety and benefits of kratom use.

Advocacy and Education Efforts

KTA will educate decision-makers about the product and about KTA members' commitment to best practices and quality standards, and to advocate for reasonable and informed legislation, regulation and oversight. KTA will also seek to educate consumers about the safe and responsible use of kratom and to correct misinformation in the consumer market about the nature and safety of the product.



DRAFT Bylaws
Kratom Trade Association – A Nonprofit Corporation

Article I – General

1. **Name.** The name is Kratom Trade Association (KTA), a nonprofit corporation incorporated in Wyoming.
2. **Location.** The principal office is in the Warrenton, Virginia, or elsewhere as determined by the Board of Directors.
3. **Purposes.** The purposes of the organization are:
 - a. To create a community for like-minded entities to support, promote and educate our global family, through scientific Kratom research
 - b. To be at the forefront of all clinical research and study
 - c. To protect commercial trade of Mitragyna Speciosa (Kratom) and the rights of its supporters by way of political education and awareness on state and federal levels
4. **Restrictions.** All policies and activities of KTA are consistent with applicable tax exemption requirements, including the requirements that KTA not be organized for profit and that no part of its net earning inure to the benefit of individuals.
5. **Fiscal Year.** The fiscal year of the KTA will be the calendar year.

Article II – Board of Directors

1. **Directors.** The governing body is the Board of Directors, which has authority and is responsible for governance of KTA. The Board establishes policy and monitors implementation of policy by staff under the direction of the President.
2. **Composition of the Board.** The Board of Directors consists of at least three (3), and up to seven (7) KTA members. Only employees of or persons designated by Governing Members can be directors.
3. **Terms.** Directors serve a minimum of a one-year term. Terms may be extended as long as the Director meets the requirements to serve as set by the Board from time to time. Terms coincide with the fiscal year.
4. **Nomination and Election.** Directors are nominated and elected by the current Board of Directors for the next term. The initial Board of Directors will be appointed by the officers who form and incorporate the organization.
5. **Vacancies.** Vacancies on the Board are filled at the will of the Board of Directors.
6. **Meetings.** Meetings of the Board of Directors are called by the President or by a majority of members of the Board requesting a meeting. A notice of at least 24 hours must be given for calling a board meeting. A majority of voting Directors forms a

quorum; a majority of votes is required to carry a matter where a quorum is present. Proxy voting is not permitted. Voting may occur by voice, postal, other delivery, telephone or electronic means where all Directors can participate. Meetings of the Board of Directors may be held in person, electronically or by phone if each Director present is able to speak and can hear other members participating in the meeting.

7. **Removal.** A Director may be removed by a majority vote of the Board if the Director is provided with advance written notice of a motion to remove them, including the reason for the proposed removal, an opportunity to contest the proposed removal in writing, or in person, at a meeting of the Board. Final written notice of the Board's decision must be provided to the Director following the vote.
8. **Compensation.** Directors do not receive compensation for their services but may be reimbursed for expenses.

Article III – Officers

1. **President.** The President is the chief elected Officer and chairs the Board of Directors.
2. **Immediate Past President.** The Immediate Past President shall actively communicate with all Past Presidents for maintaining the interest and support of Past Presidents and for advising the current Board of Directors with opinions and/or experience by past leaders of KTA. The Immediate Past President may serve as Chair of the Nominating Committee and shall also perform such other duties as the Board of Directors may assign.
3. **Secretary-Treasurer.** The Secretary-Treasurer is the principal elected financial Officer. The Secretary-Treasurer shall have full authority over KTA bank accounts, investments and financial transactions. The Secretary-Treasurer shall submit, annually, a financial statement at the annual meeting of KTA, and/or as otherwise directed by the President.
4. **Executive Staff.** The Board of Directors may appoint an Executive Director and/or Association Management Company (AMC) to perform such duties in this capacity as may be necessary to maintain the association's trade association status. The Executive Director or AMC representative will serve as a non-voting *ex-officio* member of the Board.
5. **Terms.** Officers are elected by the Board of Directors and shall serve one-year terms. Officers may be re-elected by unanimous consent of the of the Board of Directors and may serve up to three consecutive years in the same position. All Officer terms coincide with the fiscal year.
6. **Vacancies.** Vacancies among the Officers are filled by the remaining Officers until the Board of Directors appoints a new Officer.
7. **Nomination and Election.** Officers are elected by the current Board of Directors for the next term. The nomination and election date must be 15 days prior to the next fiscal year and the Nominating Committee must present its slate of nominees 10 days prior to that meeting.

8. **Compensation.** Officers do not receive compensation for their services but may be reimbursed for expenses.

Article IV – Committees

1. **Executive Committee.** The Executive Committee consists of the Officers and may act in place of the Board of Directors in emergency matters where the Executive Committee action is temporary and subject to ratification by the Board.
2. **Nominating Committee.** The Nominating Committee is responsible for recruiting and recommending qualified candidates for the Board of Directors and Officer positions. Only the Board of Directors may approve Board of Directors and Officers.
3. **Other Committees.** Other committees may be designated and appointed by the Board. Committees may act in the place of the Board when authority is designated by the Board of Directors.
4. **Indemnification.** Directors, Officers and committee members are indemnified by KTA to the full extent permitted by law.
5. **Records.** The corporation shall keep complete books and records of account and minutes of the proceeding of the Board of Directors in accordance with accepted procedures for retention of records.
6. **Amendments to the Bylaws.** Amendments to these bylaws are made by the Board of Directors upon a two-thirds vote of the Board.

Article V – Membership

1. **Classes of Membership.** The Board of Directors may establish or eliminate categories or classes of membership from time to time. Categories or classes of membership may be based on any classification decided on by the Board of Directors. Classes of members may have different rights to hold office or vote on certain association matters. Classes and categories of membership may receive different types of benefits and be charged different levels of dues. Benefits and dues are described on the membership application. The classes of membership are:
 - a. **Governing Members.** Only Governing Members may hold Board of Director positions
 - b. **Trade Members**
 - c. **Retail Members**
2. **Eligibility.** KTA members are companies or organizations with valid business licenses in their domicile. The Board of Directors may determine criteria for business or association eligibility and may require that all members subscribe to the purposes of KTA to be eligible for membership. Eligibility requirements will be shown on the membership application form. Membership shall be available without regard to race, color, creed, national origin, sex, and disability. The KTA Board of Directors may set eligibility requirements based on a code of conduct or statement of principles. Eligibility requirements may not be established which violate federal anti-trust laws.

3. **Application.** Applications for KTA membership are made in writing or online on a form provided by KTA and must be accompanied by the payment of dues for acceptance. All applications shall be subject to approval by the Board of Directors.
4. **Dues.** The dues for each category shall be determined by the Board of Directors from time to time. The Board shall establish appropriate policies regarding payment method, frequency and delinquency. The Board may base dues on membership category or industry classification.
5. **Good Standing.** A member shall be considered in good standing if the member's dues are current and the member has no other past-due financial obligations to KTA or is otherwise not in violation of any KTA policy. The Board of Directors shall determine at its discretion whether a member is in good standing. Only members in good standing shall receive the benefits and privileges of membership. All members will agree to act according to the Kratom Trade Association code of ethics. Monitoring, enforcement, assessment methods, and consequences are described in the code of ethics documents. If a member active status which lapses more than 60 days without renewal or appropriate dues payment, then the member will be suspended. Reactivation of member benefits will require all applicable dues to be paid.
6. **Disputes.** Disputes arising from eligibility for membership will be determined by the Board of Directors.
7. **Representation.** Each member shall designate an employee or other designated person who shall serve as the official representative of the member of KTA, entitled to vote on behalf of the member. Each voting member shall be entitled to one vote.

Article VI – Legal Compliance

Antitrust Compliance. KTA shall comply with all laws applicable to KTA, including Federal Antitrust laws.

Annual Meetings. The annual meeting of the KTA shall be the first board meeting of the fiscal year. Unless required by state law the annual meeting will not include the membership at large.

Article VII – Dissolution

1. Dissolution of UAK requires a three-quarters (3/4) vote of all members.
2. Upon dissolution and final liquidation of KTA, all assets remaining after application and distribution of assets as required shall be transferred or conveyed to one or more domestic corporations, societies, or organizations which have qualified for nonprofit and tax exempt status under Section 501(c)(6) of the Internal Revenue Code, and which are engaged in activities substantially similar to those of KTA, or will be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of will be disposed of by a court of competent jurisdiction of the country in which the principal office of KTA is then located, exclusively for such purposes or to such organization or organizations as said court will determine, which are organized and operated exclusively for such purposes.

Bylaws Originally Adopted