

Santa Gertrudis Breeders International

Bylaws



I. Membership

1. Membership Categories

The association shall have charter members, active members, commercial members, junior members, and honorary members and associate members.

- 1.1. Charter members shall be those individuals, corporations, or firms who joined the association by the contribution of one hundred dollars each to its fund prior to the date of the issue of the charter by the Secretary of State of Texas.
- 1.2. Active members shall be reputable individuals, corporations, partnerships or firms, which are breeders of Santa Gertrudis cattle or are interested in the Santa Gertrudis breed of cattle and are approved for membership by the board of directors or its designee upon the receipt of a properly completed application for membership and appropriate first year membership dues.
- 1.3. Commercial members are reputable individuals, institutions, partnerships, corporations or firms which support, have interest in, and/or utilize the Santa Gertrudis breed through their affiliation with the beef industry and are approved for membership by the executive director upon receipt of a properly completed application for membership and appropriate first-year dues.
- 1.4. Junior members may be approved for membership by the executive director upon receipt of a properly completed application for membership and appropriate first-year dues, and shall be young men and women under the age of twenty-one years interested in the Santa Gertrudis breed of cattle.
- 1.5. Honorary membership may be granted by action of the general membership at its regular annual meeting, upon recommendation of the board of directors, to individuals who have made outstanding contributions to the Santa Gertrudis breed.
- 1.6 Associate membership shall be open to any reputable individuals, groups, companies, or commercial organizations connected to the cattle industry possessing a desire to support the mission of Santa Gertrudis Breeders International and are approved for membership by the executive director upon receipt of a properly completed application for membership and appropriate first year dues.

Members may be dropped from the roll by action of the board of directors upon recommendation of the executive director.

2. United States Affiliate

Affiliates within the United States of America of charter and active members of Santa Gertrudis Breeders International may be chartered by the board of directors for purpose of engaging in local activities for the promotion of the Santa Gertrudis breed. Members of Santa Gertrudis Breeders International desiring to form such an affiliate shall submit to the directors, in writing, an application for a charter, accompanied by a statement of the plan of the organization. Such plan may be approved and a charter issued by the board of directors, if the following requirements are met:

- 2.1. The geographical limits prescribed for the affiliate shall be such that its members may assemble easily at frequent intervals to participate in local promotional activities.

2.2. The proposed activities of the affiliate shall consist of the local promotion of the Santa Gertrudis breed, and must be carried on subject to the provisions of the constitution and bylaws of Santa Gertrudis Breeders International. Affiliates shall not discriminate in any way against members of Santa Gertrudis Breeders International who are not members of the affiliate. No member of Santa Gertrudis Breeders International shall be a member of a local Santa Gertrudis Association unless such association has been chartered by the board of directors. The board of directors may, at its discretion, withdraw any such charter at any time, if, in its opinion, the affiliate has not carried on its activities in compliance with the constitution and bylaws of the Santa Gertrudis Breeders International, and with such further regulations as the board of directors may prescribe from time to time for such affiliate.

3. International Organizations

International organizations outside the United States of America of breeders of Santa Gertrudis cattle and of other persons, corporations or firms interested in the Santa Gertrudis breed of cattle may be chartered by the board of directors upon such conditions as the board may prescribe in each case.

II. Dues and Fees

1. Charter and Active Members. The annual membership fee for charter and active members shall be based on the Santa Gertrudis Breeders International fair-share dues program. On January 1 of each year, all charter and active members shall be asked to render for dues purposes the number of living, registered animals in their herds. Dues shall be charged on April 1 of each year, on a per head basis, with a minimum dues charge to be set by the board of directors.

Charter and active members shall be entitled to all of the services of the association upon payment of such fees as may be fixed by the board of directors from time to time.

2. Honorary Members. Honorary members shall be included in the fair-share dues program. An amount equal to the minimum dues, as established from time to time by the board of directors, shall be deducted from their fair share assessment to arrive at their dues for the year.

3. Commercial Members. Commercial members shall be charged an annual membership fee as may be fixed by the board of directors from time to time.

4. Junior Members. Junior members shall be charged dues for the first year's membership and for subsequent years' membership in accordance with the fee schedule established by the board of directors of Santa Gertrudis Breeders International. Upon reaching the age of twenty-one, a junior membership will be converted to active membership by payment of the fair-share dues for the herd.

5. Associate Members. Associate members shall be charged an annual membership fee as may be fixed by the board of directors from time to time.

III. Meetings and Voting

1. The members shall meet at least once in each year on a date and at a place to be fixed by the board of directors, who shall give members thirty (30) days notice in writing of such a meeting. The members may be called to a special meeting by the board of directors upon fifteen (15) days notice in writing to the members.

2. Only active and charter members in good standing shall be entitled to vote. Each member shall be entitled to one vote. Corporations, partnerships or firms which are either active or charter members shall each designate some individual officer, director or member of the corporation, partnership or firm who shall exercise, on behalf of the corporation, partnership or firm, the rights and privileges of such membership, including the right to vote and hold office in the association.

3. Proxies to vote on behalf of absent members at regular annual meetings and special meetings of the general membership may be given only when specifically authorized by the board of directors, and shall always relate

specifically to the question or questions to be voted upon and shall specify how the absent member desires to cast his or her vote. The board of directors shall always authorize the giving of such proxies when an amendment to the bylaws or constitution is to be submitted.

4. Whenever proxies are authorized by the board of directors, there shall be mailed to each member entitled to vote a notice of such action by the board and appropriate forms for proxies, such mailing to be done not less than thirty (30) days prior to the meeting for which such proxies are authorized.

IV. Board of Directors

The board of directors shall consist of eighteen (18) members elected from the charter and active members of the association as follows:

1. Members of the board of directors shall be elected from voting districts and regions established by the board. Each voting district shall contain not less than five percent (5%) of the charter and active members of the association. Each of the two voting regions shall contain approximately fifty percent (50%) of the charter and active members. Six directors shall be elected from the east region and six directors shall be elected from the west region. One director from each district will be designated an "at-large" director. This director will be nominated by the board and accepted or rejected by the members of that district or be elected by a "write-in" vote on the same district ballot. A director elected from a specific district or region must have his primary residence or principal place of cattle business located within that district or region. Region and district elections may be conducted by written ballot prior to the annual general membership meeting or by vote at the meeting as determined by the board.
2. In all elections of members to the board of directors, there shall be no requirement that a candidate receive a majority of the votes cast to be elected, a plurality in relation to the number of available positions on the board being sufficient for that particular election.
3. The board of directors shall initially and at least every four years thereafter redistrict the several voting districts and regions as fairly as practical, on the basis of the number of charter and active members within a specific district and region in relation to the total number of charter and active members of the association. The board of directors is empowered to establish a one-year system of the orderly transition to the new election process and thereafter for approximately one-half of the total number of directors to be elected each year.
4. The board of directors shall establish a system for the election of the directors from the several voting districts.
5. The directors shall serve for terms of three (3) years or until their successors are duly elected and qualified. Directors shall not be elected to serve more than two (2) consecutive three (3) year terms. Directors elected to serve the remaining term(s) of directors not standing for re-election will serve for less than the two (2) three (3) year terms.
6. The voting membership within a district or region, by an official Santa Gertrudis Breeders International mail ballot within 90 days after a vacancy occurs shall elect a successor to any district or regional director who may have died or resigned before the expiration of his or her term.
7. Meetings of the board of directors shall be called by the president or by any five (5) directors upon fifteen (15) days written notice to all other directors. The powers of the board of directors shall be those powers conferred by the articles of incorporation, the bylaws and all powers not inconsistent therewith which are reasonably necessary for the governing of the association and not prohibited by law.

V. Quorum for the Board of Directors

Ten (10) members of the board of directors, which constitute a majority, shall be a quorum for the transaction of business.

VI. Officers

The officers of the association shall be president, five vice presidents, and a secretary-treasurer. A president-elect may be elected by the board of directors on an optional basis or the office may remain vacant from time to time at the discretion of the board of directors. These officers shall be members of the association and elected from among the members of the board. All officers shall be elected annually except the president-elect who shall automatically assume the presidency after completing the term of president-elect.

Officers may be elected to successive terms as long as they continue to qualify as duly-elected members of the board of directors or are currently serving as president or president-elect. Officers shall serve without compensation.

1. President. The president shall be the chief executive officer of the association, and shall preside at all meetings of the membership, the board of directors, and the executive committee. He/she shall be chairman of the executive committee and shall be ex-officio member of every other standing or temporary committee. He/she shall sign all contracts and other instruments of writing binding the association and, subject always to the direction of the board of directors, shall exercise such authority and perform such duties as the board of directors shall from time to time prescribe. The president shall serve no more than two consecutive terms.

2. President-Elect. The board of directors may elect a member of the board who meets all of the requirements to serve as president of Santa Gertrudis Breeders International to serve in the office of president-elect and carry out such duties as the president may designate and assign. The president-elect shall succeed to the office of president and shall automatically assume the presidency after completing the term of president-elect.

3. Vice President. The board of directors shall elect five (5) vice-presidents. The president shall designate vice presidents responsible for marketing and promotional matters, youth activities, breed improvement, long range planning and membership. In the event the office of the president-elect is vacant, the board shall designate one vice-president who, in the event of death, incapacity or refusal to act of the president, shall possess all the powers and perform all the duties of the president.

4. Secretary-Treasurer. The secretary-treasurer shall keep full, true and correct minutes of all meetings of the board of directors, the executive committee and/or the association, and shall issue all notices of meetings required to be given. The secretary-treasurer shall have charge of and keep the seal of the association and affix to the deeds and other instruments necessary to be sealed, when properly authorized to do so. The secretary-treasurer shall perform all other duties as requested by the president or the board of directors.

4.1. The secretary-treasurer shall have supervision and custody of all monies and securities of the association; shall cause to be kept full and accurate accounts of the receipts and disbursements of the association in books belonging to it; shall cause monies and other valuable effects to be deposited in the name and to credit of the association in such accounts and in such depositories as may be designated by the board of directors; shall disburse and supervise the disbursement of funds of the association in accordance with authority of the board of directors, taking proper vouchers therefor; shall render the president and board of directors at regular meetings of the board of directors or whenever required, a written condition of the association, including a statement of all its assets, liabilities, and financial transactions and shall perform such other duties as usually pertain to the office of secretary-treasurer.

4.2. The secretary-treasurer shall be relieved of all responsibility for any securities or monies or the disbursement thereof committed by the board of directors to custody of any other agent, or employee, or for the performance of any other duties of the secretary-treasurer delegated by the board of directors to any other officer, agent, or employee of the association.

4.3. The board may elect an assistant secretary-treasurer to perform the duties of secretary-treasurer due to absence, disability, death, or refusal of the secretary-treasurer to serve.

4.4. The secretary-treasurer shall be chairman of the finance and auditing committee.

5. Executive Director. The executive director is an employee of the association and serves at the pleasure of the president and the board of directors. The executive director is the chief administrative officer and shall be the managing, administrative and clerical officer of the association. Unless contrary provision be made by the board

of directors and subject to such limitations as may be imposed by the board of directors, the executive director shall act as the authorized representative of the board of directors in hiring, discharging, fixing, or modifying duties, salaries, or other compensation of employees of the association.

5.1. He/she shall make all reports and statements required by any laws of the United States, or any other duly constituted and established public governmental authority or as may be required by the board of directors. He shall be the legal custodian of all of the books, papers, records, except accounting of the association and shall permit, at such reasonable times as may be requested, an inspection of any or all books, deeds, instruments, papers, and records by any director of the association and shall, upon reasonable demand therefor and without cost, furnish to any such director a full, true, and complete copy of any paper or record in his/her possession.

5.2. He/she shall perform all other duties ordered by the president or the board of directors which usually pertain to the office of chief administrative officer of an association.

VII. Committees

The association shall have a nominating committee, an executive committee, finance and auditing committee, marketing and promotion committee, a breed improvement committee, a youth committee, a membership committee and a long range planning committee in addition to any other committees as the president may appoint from time to time. Except as otherwise provided, the chairman of these committees shall be nominated by the president, the committee members nominated by the respective chairman, and all nominations confirmed by the board of directors. All committee action is subject to board review and approval prior to implementation.

1. Nominating Committee. The nominating committee will be appointed by the president and shall consist of five (5) members. To be eligible for service on the nominating committee, the individual must either be a member of the board of directors or have served formerly as a president of the association. The nominating committee will nominate candidates for the offices of the association selected from among the members of the board of directors.

2. Executive Committee. The executive committee shall be composed of the president, who will serve as chairman of the committee, all of the elected officers of the association, and the immediate past president, if still serving as a director.

The president shall refer to the executive committee matters arising between board of directors' meetings, the nature of circumstances of which, in the president's opinion, make it inadvisable to postpone action until the next directors' meeting. The executive committee shall have authority to take such actions upon such matters as the board of directors might take if then meeting. Such action shall be reported to the board of directors at its next meeting.

3. Finance and Auditing Committee. The finance and auditing committee shall be nominated by the secretary-treasurer, who will serve as chairman of the committee, and who will have supervision of the books of account of the association, making regular audits of such books of account. To it shall be referred all matters pertaining to the fiscal affairs of the association.

4. Marketing and Promotion Committee. The responsibilities of the marketing and promotion committee shall be managed through the following subcommittees: shows and exhibits, sales and marketing, breed promotion, and such other subcommittees as deemed necessary from time to time. The various subcommittee members shall be nominated by the vice president designated as marketing and promotion vice president.

4.1. The shows and exhibits subcommittee shall be referred to on all policy matters pertaining to shows and exhibits in which Santa Gertrudis cattle participate. In general, it and its members shall act as a liaison agency between all association approved shows and fairs and the association. Specifically, the subcommittee shall be charged with the establishment and coordination of all approved shows and fairs; the allocation of premiums; the selection and approval of individuals as authorized to judge all association approved shows and fairs; the

coordination of judges for all association approved shows; and the selection of show classes.

4.2. The sales and marketing subcommittee shall be referred to on all policy matters relating to the marketing and merchandising of purebred and crossbred Santa Gertrudis cattle in the U.S. and all foreign countries, including offering assistance to association members in matters pertaining to the public auction of Santa Gertrudis cattle. It shall be responsible for the organization and implementation of purebred and commercial sales from time to time as deemed appropriate by the board of directors and shall be responsible for insuring that the quality of cattle in sales is representative of the standard for Santa Gertrudis which is in current use.

4.3. The breed promotion subcommittee shall be referred to on all policy matters relating to the advertising and promotion of the Santa Gertrudis breed in the U.S. and in all foreign countries. The breed promotion subcommittee will be responsible for the assembly and dissemination of information concerning the breed and for the advertising and promotion in cooperation with the various affiliate associations. This subcommittee is to be geographically diverse with representatives from purebred and commercial operations.

4.4 The commercial cattleman subcommittee shall be referred to on policy and procedures relating to the marketing of and merchandising of purebred and Santa Gertrudis-influenced genetics in the United States to commercial and commercially-oriented cattle operations. The subcommittee shall work to expand the breed's footprint in the commercial sector of the beef industry, developing partnerships and collaborations with commercial cow-calf operations, livestock auctions, stocker operations, and feedlots. It shall specifically seek out opportunities designed to assist commercial customers with value-added and customer marketing options. In addition, the subcommittee shall assist with identifying and disseminating information for the breed that is pertinent to members of the commercial industry.

5. Breed Improvement Committee. The responsibilities of the breed improvement committee shall be managed through the following subcommittees: breed standards, performance testing, research and education, and such other subcommittees as deemed necessary from time to time. The various subcommittee members shall be nominated by the vice president designated as breed improvement vice president.

5.1. The breed standards subcommittee shall be referred to for recommendations to the board of directors on all policy matters concerning the Standard of Excellence, breed improvement programs, registration of cattle and recording methods applicable thereto.

5.2. The performance testing subcommittee shall be referred to on all aspects of breed improvement relating to performance-oriented programs, and it will be charged with increasing and encouraging breeder participation in these programs.

5.3. The research and education subcommittee shall be referred to for current research information regarding beef cattle and the Santa Gertrudis breed in particular, and shall be charged with encouraging and/or supervising relevant and ongoing research on the breed, making certain that the information is disseminated correctly and reported appropriately.

6. Long Range Planning Committee. The long range planning committee shall be nominated by the vice president designated as long range planning vice president. This committee shall be charged with the establishment and maintenance of the Santa Gertrudis Breeders International Long Range Plan to provide guidance and motivation to those individuals in leadership positions in assisting with the carrying out of the Long Range Plan.

7. Youth Committee. The youth committee shall be nominated by the vice president designated as youth vice president. This committee shall be charged with the establishment and maintenance of the comprehensive set of guidelines and programs for the motivation of more active junior members.

8. Membership Committee: The membership committee shall be nominated by the vice president of membership designated as vice president of membership. This committee shall be charged with the maintenance of membership rolls and the establishment of criteria for membership, communications between members and beef industry allies, and encouraging member retention and recruitment of new members.

VIII. Registry

The officers and directors shall set up a system of registration of Santa Gertrudis cattle based upon principles and upon such additional regulations and requirements not inconsistent herewith as may be prescribed by the directors from time to time.

It is expressly reserved for the board of directors to remove or add an animal to or from the registration records of Santa Gertrudis Breeders International in the event of errors in registration, transfer or other documentation programs and further reserves the right to remove an animal from the registration records of Santa Gertrudis Breeders International if, in the opinion of the association acting through its board of directors, such animal does not meet the Standard of Excellence.

IX. Indemnification and Insurance

1. Indemnification. The association may indemnify and advance expenses to all directors, advisory directors, officers, employees and agents of the association to the maximum extent allowed by the Non-Profit Corporation Act ("Act") and other applicable law. If the Act or other applicable law is amended after adoption of this provision of the bylaws by the board of directors to authorize action further expanding the association's power to indemnify, then the association is hereby authorized to indemnify the persons named above to the fullest extent permitted by the Act, the Texas Miscellaneous Corporation Laws Act, or other applicable law, as amended.

2. Insurance. The association shall purchase and maintain insurance on behalf of any person who is or was a director, officer, committee member, employee or agent of the corporation against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under applicable state law.

X. Mediation and Arbitration of Disputes

In any claim, dispute or controversy ("dispute") of any kind between members, or between members and the association, relating to the association's activities, all parties involved shall cooperate in good faith to resolve the dispute. If the parties cannot resolve the dispute among themselves, they shall select one or more mediators to help resolve it. If no timely resolution of the dispute occurs through mediation, the dispute shall be resolved by mandatory and binding arbitration administered by the American Arbitration Association ("AAA") conducted pursuant to the Texas General Arbitration Act (V.T.C.A., Civil Practice & Remedies Code Section 171.0001 et. seq. Vernon 1997), and the then-applicable Commercial Arbitration Rules of the AAA. Judgment upon the award rendered by the arbitrator may be entered into, and enforced by, any court having jurisdiction absent manifest disregard by such arbitrator of applicable law; provided, however, that the arbitrator shall not amend, supplement or reform in any manner any of the rights or obligations of the members or the association hereunder. Any arbitration proceedings shall be conducted in Houston, Texas, before a single arbitrator appointed by the AAA having recognized expertise in the field or fields of the matters in dispute. The association is authorized to use association funds for mediating or arbitrating a dispute as described in this paragraph.

XI. Release by Members

The members release any and all claims, of any type, they may have against the association, its directors and its officers, relating to the association's activities.

XII. Parliamentary Authority

The rules contained in the current edition of Robert's Rules of Order, Newly Revised, shall govern in all cases to which they are applicable and in which they are not inconsistent with these bylaws.

XIII. Amendments

These bylaws may be amended or repealed, or new bylaws may be adopted, by the affirmative vote of a majority of the members present in person or by proxy at any regular meeting, or at any special meeting.

