

By Laws
Fullblood Simmental Fleckvieh Federation (FSFF)

SECTION I
AIMS AND OBJECTIVES

The Fullblood Simmental Fleckvieh Federation (FSFF) has as its objectives the development and promotion of Fullblood Simmental and Fullblood Fleckvieh cattle. The FSFF will initiate programs to educate beef producers on the important economic traits of Fullblood Simmental and Fullblood Fleckvieh cattle, to promote the use of Fullblood Simmental and Fullblood Fleckvieh beef cattle genetics, and to preserve and successfully market the breeds in North America and worldwide to both purebred and commercial beef producers.

The FSFF will cooperate with the American Simmental Association, the Canadian Simmental Association, and other similar registry associations for Simmental and Fleckvieh cattle breeds worldwide.

The FSFF will do business and carry out its purposes as a not for profit corporation.

SECTION II
CLASSIFICATION OF MEMBERS

- A. To be an "Active Member" the individual will be an owner or breeder [individuals or businesses] of Fullblood Simmental cattle or Fullblood Fleckvieh cattle, who is up to date in the payment of membership fees and dues and who do not owe any outstanding debt or obligations to the FSFF. An Active Member must be an active member of the Simmental, Simmentaler, or Fleckvieh breed association of the country in which the individual is a citizen. Individual members must be at least twenty-one (21) years of age. The estate of a deceased individual member will continue to be maintained as an Active Member for one year after death, without charge to the deceased for membership or dues. Active members may indicate in their promotional materials that they are a member of the FSFF.
- B. To be an "Associate Member," the individual must be interested in the advancement of the FSFF and have paid the proper membership fees and dues. Such individual need not be engaged in either owning or breeding Fullblood Simmental or Fullblood Fleckvieh cattle. An Associate Member may not vote, be a director, or hold an elective office in the FSFF. Associate members may indicate in their promotional materials that they are an associate member of the FSFF.
- C. An "Honorary Member" is an individual who may be recognized by an appropriately adopted resolution of the Board of Directors of the FSFF for having made a substantial contribution to the advancement of Fullblood Simmental and Fullblood Fleckvieh genetics. Such members need not be but may be an active or associate member. Honorary members do not have the right to vote and will not be charged any membership fee or dues.
- D. No other forms or types of memberships will be permitted.

SECTION III
RULES GOVERNING MEMBERSHIP

- A. Application for membership must be made in writing or electronically through the website of the FSFF.
- B. A membership application must be accompanied by a check or other process to transfer funds for the membership for the upcoming calendar year. The initial membership application fee will be US\$100.00 if a US citizen and CAN\$100.00 if a Canadian citizen. A citizen of a country other than Canada and the USA will pay a fee computed at par US\$100.00 The board may increase or decrease the membership

application fee at any time for the next calendar year. The membership application fee will prepay all of or the remaining part of the calendar year in which the application is made.

- C. The board of directors shall adopt guidelines for the purpose of summary evaluation of a membership application by the Secretary. The Secretary will solicit direction from the board if a question is raised. The board shall have the power to accept or reject any application for membership.
- D. The board of directors shall have the power, by a majority vote, to suspend or expel any member who conducts himself in a manner detrimental to the FSFF, who fails to comply with the rules and regulations of the FSFF, or who fails, following a written demand, to pay all outstanding obligations to the FSFF. Expulsion or suspension will be without any refund of membership fees or dues.
- E. A member whose membership has been suspended or revoked must make a written application for reinstatement, and can be reinstated only after having received a majority affirmative vote of the board of directors.
- F. Legal partnerships or incorporated companies, groups, husband and wife, or joint ventures shall specify in writing the person authorized to vote or act in their behalf at any meeting of the FSFF. Multiple memberships made up in whole or in part of one or more individuals members will not increase the voting power of an individual or entity, it being the intention that substance over form will be the deciding factor when a determination of the number of votes to be allowed.
- G. Annual dues will be US\$100.00 if a US citizen and CAN\$100.00 if a Canadian citizen. A citizen of a country other than Canada and the USA will pay annual dues computed at par US\$100.00. The board may increase or decrease the amount for the next calendar year. Dues shall be paid in advance of January 1 of the next calendar year. The membership will be terminated if the dues are not received by the 31st of January of the year in question.

SECTION IV OFFICERS AND DIRECTORS

A. DIRECTORS

- 1. The affairs of the FSFF shall be managed by a board who shall be elected at the annual meeting of the FSFF. Only active members who are paid up and in good standing are qualified to vote for directors. All past presidents shall be a member of the Board of Directors for one year following the end of the term of the past president. The past president will serve this year in an advisory capacity with no voting privilege. A director must also be a qualified active member fully paid up in the FSFF.
- 2. Directors shall not receive any form of compensation for their services to the FSFF. Directors may receive reimbursement for actual expenses providing that the expense is approved in advance by the Board of Directors. No expenses will be reimbursed after the fact. No motion to approve expenses after the expense has already been incurred will be permitted.
- 3. A director may not purport to act on behalf of the FSFF in an individual or any capacity or show in any communication exchange, that the individual is a director of the FSFF. An individual may not append, as a title or other verbage, to the name of the individual, any verbage demonstrating that the individual is a director of the FSFF, except when specifically authorized to do so by the board.
- 4. The initial board of directors are identified in the Articles of Incorporation. At the initial directors' meeting, all directors will by a lot drawing determine who will serve 1, 2, or 3 year terms with 8 serving each of the term lengths.
 - a. Nomination of Directors. After the rotation of the directors has begun, at the end of first year, all one-year term directors will be up for election at the annual membership meeting. The sitting board of directors shall comprise a nominating committee and will nominate a slate of candidates. The membership shall be notified in writing 60 days prior to the election of their nominations in the official organ of the FSFF, by mail, email, or by posting on the website of the

FSFF. Nominations will be invited from the active membership and included on the ballot. Write-in nominations may be sent in if received 30 days on forms requested from the secretary. This form must be signed by an active member and supported by the signature of 10 active members.

Nominations will be taken from the floor at the annual meeting. Although it is the intent that as wide a geographic area as possible will be represented on the board of directors, nothing prohibits two or more directors from being from the same state of province.

b. Election of Directors.

After the nominations have been closed, the president will conduct a 'raising right hand' vote count being taken by the vice president, secretary and treasurer individually. Any absentee ballots will then be added. The secretary shall notify the board members, candidates and membership of the results and the results shall be recorded in the minutes. Votes shall be canvassed by the old board if deemed necessary by two-thirds of voting members present. The new board shall elect the officers at the meeting immediately following the close of annual meeting. New directors and officers will be installed immediately.

Any active member of the FSFF unable to attend the annual meeting may vote in absentia by submitting a written proxy, signed within 30 days prior to the date of the annual meeting, authorizing another member to vote for the candidate of the other member's choice. No person may carry more than two (2) proxies.

Any active member of the FSFF may also submit a written, signed vote for a director providing that the written ballot is not dated earlier than 30 days before the annual meeting and is delivered to the FSFF officials prior to the vote on directors being called at the annual meeting.

In case of any vacancies in the board of directors due to death, resignation, or disqualification, the remaining board of directors, by affirmative vote of a majority thereof, may elect a successor by two-thirds of quorum, having due regard to the appropriate geographical apportionment.

B. OFFICERS

The officers of the FSFF shall be a president, vice-president/president elect, secretary, and treasurer. The term of office for each shall be for three years. All officers may succeed themselves for not more than 2 successive terms in the same capacity. The officers comprise the executive committee.

C. DUTIES OF OFFICERS

1. The President shall be the chief executive officer of the FSFF. The President shall preside at all meetings. The President shall issue the call for all board meetings. He shall carry on business of the FSFF under the by-laws and the instruction of the board of directors.
2. The Vice-President, in the absence of the President, or at his request will perform the duties of the President. The Vice-President will be the President-elect at the end of the term(s) of the then President. In the event of the death, temporary incapacity or absence of the President, the Vice-President will assume those duties during this interval or for the remainder of the term of the President.
3. The Secretary shall keep minutes of the membership meetings, at the Directors meetings, and shall carry on the correspondence delegated to the Secretary by the President and the board of directors. The secretary shall keep the records of the FSFF.
4. The Treasurer shall receive and bank all moneys due the FSFF, keep bookkeeping records of such funds, disburse FSFF money as directed by the board of directors, give statement of finances as often as required, and give complete financial report at annual meeting. The Treasurer will serve without a bond being required.

5. No individual may append to his name any title showing that he or she is a past or present officer of the FSFF, except when acting in the official capacity on behalf of the FSFF as authorized to do so by the directors.
6. Officers shall not receive any compensation for their services to the FSFF. Reasonable expenses, approved in advance by the Board of Directors may be reimbursed. No retroactive expense approval will be permitted.

D. EXECUTIVE COMMITTEE

1. The elected officers of the FSFF shall comprise the Executive Committee.
2. The Executive Committee is limited to acting whenever it is not practical for the Board of Directors to hold a meeting in person or by telephone. The Executive Committee may only act within the guidelines and limitations adopted by the Board of Directors at a meeting of the Board.

E. GOALS

1. At least 60 days before the end of the first calendar year of operation, the Board will adopt a 5 year plan setting forth practical goals in furtherance of the purposes of the FSFF that the Board wishes to accomplish during that time frame.
2. At the end of the next calendar year, and thereafter, the 5 year plan will again be addressed and revisions made as appropriate.

SECTION V COMMITTEES

- A. The FSFF shall have such committees as the Board of Directors may designate from time to time. Each committee shall consist of a chairman and as many members as the Board of Directors shall consider necessary to accomplish purpose. Each committee will act within the guidelines and directions given it in writing by the Board of Directors.
- B. The initial committees to be appointed within 30 days following the initial meeting of the Board of Directors will be for
 - Breed Improvement,
 - Membership,
 - Advertising and Promotion,
 - Annual Sale,
 - 5 Year Goals,
 - 5 Year Financial Projections, and
 - Website.

SECTION VI MEETINGS

A. MEMBERSHIP MEETINGS

1. An annual membership meeting shall be held once each calendar year with a maximum time of fifteen months between meetings. The time and place shall be designated by the board of directors. An effort will be made to schedule the meeting at or about the same date each year. All members will be notified either by letter or in the official organ of the FSFF at least thirty (30) days prior to such meeting, by email communications and on the website. Special business shall be specified in the notice of the meeting.
2. A quorum for an annual membership meeting shall consist of the active members in good standing present at the meeting in person or by proxy.

3. Standard parliamentary procedure, as outlined in the most current edition of Robert's Rules of Order, will be followed at all meetings of the FSFF and at all meetings of the board of directors.
4. Special membership meetings may be held at the discretion of the board of directors. All members will be notified by letter, email, in the official organ or on the website of the FSFF, at least thirty (30) days prior to the meeting date. The special business to be conducted at the meeting shall be specifically set forth in the notice of the meeting and no other business shall be transacted.
5. Only active members who are in good standing and whose membership is paid up are entitled to vote at any FSFF meeting. Voting can be conducted electronically, by a writing or in person at the meeting. An active member can vote no more than two (2) proxies for any specific matter.
6. The president shall abstain from voting on all motions except for the purpose of breaking a tie.
7. The minutes of the annual meeting will be published in the official publication of the FSFF on the next available publication date and on the website of the FSFF within 30 days after the conclusion of the meeting.

B. BOARD OF DIRECTORS MEETINGS

1. A regular board meeting of the board of directors shall be held each year in conjunction with and at the same place as the annual membership meeting. Notice of the membership meeting shall contain a notice of the directors meeting.
2. Special meeting of the board of directors may be held on call of the president by giving ten (10) days notice in writing of the time, place, and purpose, and by telephone notification in emergencies. Email may be used for the purpose of giving notice.
3. The directors present in person or by telephone shall constitute a quorum at any directors' meeting. A director may participate in a directors meeting by a speaker telephone so that the director attending by telephone may hear all others speak and so that others may hear him speak.
4. Special meetings of the Board of Directors may be held by telephone conference call to be initiated by the President. Should telephone service not be clear and understandable by all participants, then the meeting shall be terminated and reconvened after a sufficient time elapse so that the telephone service will be effective.
5. The president shall abstain from voting on all motions except for the purpose of breaking a tie.
6. The minutes of each director's meeting shall be taken and reduced to writing by the Secretary or in the absence of the Secretary, by some other director appointed by those in attendance to take the minutes. Director meeting minutes shall be published in the official organ of the FSFF in the next available publication and posted on the website of the FSFF within 30 days following the conclusion of the meeting.
7. It is the policy of the FSFF that all director meetings shall be held in public and available to any members who might wish to attend and observe.
8. Executive sessions will be the exception and not the rule. An executive session will only be held, and the discussion in that session limited, to personnel issues where public discussion would necessarily disclose private and personal information pertaining to employee relations and for the purpose of exchanging confidential information concerning threatened or pending litigation where the attorney-client privilege with the attorney for the FSFF should be maintained.

C. EXECUTIVE COMMITTEE MEETINGS

1. The Executive Committee shall keep minutes of each meeting held by it and submit the minutes to the Board of Directors at the next duly noticed meeting of the Board of Directors for approval or disapproval. Actions and decisions of the Executive Committee submitted to the Board for review shall, if approved, be considered ratified by the Board. Actions and decisions of the Executive Committee not submitted to the Board shall not be considered effective or binding on the FSFF. Actions and decisions of the Executive Committee not approved by the Board shall be rescinded and steps taken by the Board to rectify any unapproved activity or decisions.
2. The Executive Committee may not operate in executive session.

SECTION VII AMENDMENTS

Any of the by-laws of the FSFF may be amended by an affirmative vote of three fourths (3/4) of the members present or by proxy at any annual membership meeting or special meeting called for this purpose. Notice, however, of all proposed amendments must be made in writing by the secretary sixty (60) days prior to any membership meeting and must be included in the notice calling the meeting.

SECTION VIII STATE AND PROVINCE ASSOCIATIONS

- A. State or Province organizations of the members of the FSFF may be approved by the Board of Directors for the purpose of engaging in local activities for the promotion of the Simmental breed of cattle. The recognition of such an "organization" by the FSFF does not authorize it to act on behalf of the FSFF or to represent itself as acting on behalf of the FSFF.
- B. Members of FSFF desiring to have a State/Province Simmental organization shall submit to the FSFF Directors in writing an application for charter, accompanied by:
 - 1. Articles of Incorporation
 - 2. Rules and By Laws
 - 3. Names of Directors and Officers
 - 4. A list of members
 - 5. A statement of the plan of organization and proposed activities of the association.
- C. State/Province Simmental Associations shall be confined solely to their own state/province interests and shall in no way conflict with the aims and objectives of the FSFF.

SECTION IX BUSINESS OFFICE, APPLICABLE LAW, DISPUTE RESOLUTION

- A. The current location of the business office of the FSFF will be posted on the FSFF website and members will be notified of any changes. Communications mailed to this address will be considered as an official communication to the FSFF.
- B. By becoming an active or inactive member (member), each member agrees that in the event of a dispute between the member and the FSFF, or a former member when the dispute arose out of an event(s) occurring during the time the former member was an active or associate member, the dispute must be first presented to the Board of Directors of the FSFF in a written communication outlining the issue(s) to be resolved and the applicable facts in support of the member's position. The Board of Directors will review the issue(s) presented, conduct any factual investigation deemed appropriate, and issue a formal, written decision which will be presented to the member. The decision of the Board will be promulgated no later than 90 days following receipt of the presentation by the member. Should the Board not be able to conduct the proper investigation within the 90 day time period, the Board may extend the time period for another period of 90 days, providing that the disputing member be given written notice within the original time period and the notice itemize the additional investigation that need be completed. If the Board does not complete its investigation or issue a decision within the extended time period, the dispute will be resolved in favor of the member.
- C. Should the member not be satisfied with the decision of the Board or Directors, then the member consents and agrees to have the dispute resolved in accordance with paragraphs D, E, and F that follow.
- D. By becoming an active or inactive member (member), each individual, on his or her own behalf and on the behalf of any entity represented by the individual, consents and agrees that the law applicable to the resolutions of any and all disputes between the member(s), former member, and the FSFF will be

governed and decided by the law of the State of Arkansas.

- E. By becoming an active or inactive member (member), the member agrees that in the event of a dispute between the member and the FSFF, any and all such disputes can only be resolved in arbitration proceedings to be held in the State of Arkansas, in accordance with the arbitration procedures then in effect in the State of Arkansas. Such arbitration proceedings will be procedurally regulated by the then in effect rules of the American Arbitration Association to the extent not determined by applicable Arkansas law. Each member or former member consents and agrees to the resolution of any and all disputes by arbitration. The parties to the dispute agree that all expenses of the arbitrators and the arbitration process, but not the expenses that the member may incur in the presentation of his or her position, will be shared equally as the matter progresses. However, at the conclusion of the arbitration proceedings, the arbitrators will make a determination of who is the prevailing party in the arbitration proceedings and assess the costs of the prevailing party, including the prevailing party's share of the arbitration expenses, against the losing party and enter an order compelling the losing party to pay all such expenses.
- F. Should the FSFF or the involved member not comply with an arbitration demand of the other, or dispute that arbitration is required, then the FSFF or the involved member has the right to apply to a State court of general jurisdiction in the State of Arkansas to seek enforce the compulsory arbitration agreement. The involved member agrees to and consents to the *in personam* jurisdiction of the Arkansas State Court and waives any and all jurisdictional defenses that might otherwise exist to attempt to avoid jurisdiction. The member and the FSFF agrees that the decision of the arbitration panel will be final and binding on the parties and that a judgment may be sought by either reflecting the decision, should either desire to do so.

SECTION X WEBSITE, PUBLICATION, AND PROMOTIONS

The FSFF shall scrupulously protect against any of its promotions, advertisements, publications, websites and communications from directly benefiting any member, breeder or entity. While the purpose of this organization is as set forth above, and recognizing that these purposes are designed to generally benefit the members and the Simmental and Fleckvieh breeds, care will be taken to make certain that there is no breeder specific orientation. This does not prevent the FSFF from holding meetings at a particular member's facility, listing sales or other promotions by a particular member in the publications, or similar activities, it being recognized that incidental benefits to a member from such an activity are not designed to directly benefit that member.

- A. The FSFF shall maintain a website to carry out the purposes of the FSFF. The website will contain the following items:
- 1) The Articles of Incorporation and the current version of the By-Laws.
 - 2) The minutes of all membership and directors' meetings.
 - 3) Official notices to the membership.
 - 4) Committee reports. Historical committee reports will be maintained.
 - 5) Links to member websites.
 - 6) Links to educational and academic websites that provide relevant information.
 - 7) An alphabetical list of the name, address, phone number and email contacts for all current members.
 - 8) Application for memberships.
 - 9) News
 - 10) The website may be devoted to other subjects and activities as the Board of Directors may direct.
- B. The FSFF shall sanction and sponsor an annual sale, to be conducted at the expense of the FSFF and with the appropriate charges to the consignors. If, at the discretion of the Board, there is insufficient interest or support for the annual sale, the sale may be postponed or cancelled for a particular year. The management of the sale will be contracted to an independent professional management business. The sale will be addressed at the annual meeting each year and will be limited to Fullblood Simmental and Fullblood Fleckvieh genetics except as set forth in D below.
- C. The FSFF may give its support to a consignment sale or member(s) production sale upon the approval of

the Board of Directors, providing a small commission to be set by the Board of Directors is paid to the FSFF in consideration of the sanction being given. Such sales will be limited to Fullblood Simmental and Fullblood Fleckvieh genetics except as set forth in D below.

- D. The FSFF recognizes that its members and breeders market their products directly for the use in other breeds and by breeders of other genetics and crosses, cow calf producers, and commercial breeders. In this regard, it will be advantageous to the FSFF and its members if animals utilizing the genetics of the members of FSFF be sold at sanctioned sales in order to assist in the marketing of the Fullblood Simmental and Fullblood Fleckvieh genetics. Accordingly, the FSFF may sanction such sales.

SECTION XI FINANCIAL MATTERS

- A. The FSFF will operate on a cash basis and the financial records will be kept on a cash basis.
- B. Borrowing or spending in advance of receipts is not permitted.
- C. At the end of the first calendar year of operation, the Board shall estimate and project the receipts and expenditures for the next 5 years. Expenditures not budgeted for the year will not be incurred. The five year financial forecast will be updated by the Board at least 60 days before the end of each ensuing calendar year.
- D. The FSFF will not purchase any real property.
- E. Expenses incurred for the organizational activities will be paid, even though incurred before approval by the Board.
- F. The Treasurer may, with the approval of the Board, delegate the maintenance of the financial records to a bookkeeper or certified public accounting firm without charge to the Treasurer. The board may decide that the financial records will be audited annually by a certified public accounting firm, not involved with or engaged by the FSFF in any other than an audit capacity. The audit firm may not have a member of the firm that is a member of the FSFF.
- G. The financial books and records will be available for inspection by any active member of the FSFF at the business office of the FSFF upon a reasonable written request being made. In any event, the books and records will be available for inspection by an active member no later than 30 days after receipt of any written request. Copies of the records will be provided at cost to be paid for by requesting member. The financial records will be kept and maintained on a cash basis.
- H. Because income and expenditures will originate in both Canada and the USA, the Treasurer may conclude that it is appropriate that a bank be separately maintained in each country. The annual financial report will be prepared in US dollars. Any funds remaining in a Canadian bank as of December 1 of each calendar year will be converted into US dollars, using the exchange rate then in effect for the purpose of preparing the annual financial report.
- I. Professional assistance to the FSFF, such as might be provided by an accountant, lawyer, investment advisor, or other professional may be provided by a member of the FSFF. Except for work being done in the formative stages, the professional or any entity to which the professional belongs, may not be a board member nor may the professional have been a board member at the time the professional was hired.
- J. Contracts with service providers, vendors, and other entities may be entered into in the ordinary course of doing business, by the President of the FSFF, without approval of the Board, providing the amount of money involved or at risk does not exceed \$1,000.00. Contracts exceeding this amount must be approved by the Executive Committee in the absence of other instructions or directions by the Board.