

Texas Seed Trade Association

Bylaws (proposed)

Bylaws of the Texas Seed Trade Association

(for consideration for adoption to replace the bylaws previously approved June 5, 2017)

PREAMBLE

These Bylaws are subject to, and governed by, the Texas Non-Profit Corporation Act and the Articles of Incorporation of the Texas Seed Trade Association. In the event of a direct conflict between the provisions of these Bylaws and the mandatory provisions of the Texas Non-Profit Corporation Act, the Texas Non-Profit Corporation Act will be controlling. In the event of a direct conflict between the provisions of these Bylaws and the Articles of Incorporation of the Texas Seed Trade Association, these Bylaws will be controlling.

ARTICLE I – PURPOSE

1.1 General. The purposes for which the Texas Seed Trade Association is organized are:

1.1.1 the Texas Seed Trade Association is organized and shall be operated exclusively for charitable, scientific, and educational purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the “Code”) or the corresponding section of any future federal tax code. Specifically, the Texas Seed Trade Association shall work to promote and support the Texas seed industry, and related industries, through education, networking, and support resources.

1.1.2 To engage in all lawful activities’ incidental to the foregoing purposes, except as otherwise restricted herein.

1.2 Powers. the Texas Seed Trade Association is a non-profit corporation and shall have all of the powers, duties, authorizations, and responsibilities as provided in the Texas Non-Profit Corporation Act; provided, however, the Texas Seed Trade Association shall neither have nor exercise directly or indirectly in any activity, that would invalidate its status as a corporation that is exempt from federal income taxation as an the Texas Seed Trade Association described in Section 501(c)(6) of the Code.

ARTICLE II – OFFICES

2.1 Principal Office. The principal office of the Texas Seed Trade Association shall be in Texas, at a specific location to be determined by the Board of Directors.

2.2 Other Offices. The Texas Seed Trade Association may have such other offices as the Board of Directors may determine or as the affairs of the Texas Seed Trade Association may require from time to time.

ARTICLE III - DUES

3.1 Dues Categories. The annual dues payable to the corporation by each class of membership shall be fixed by the Board of Directors.

3.2 Classification. For the purpose of determining their annual dues, the Board may classify the members into any class on such a basis as it may be deemed appropriate, and the members of any class so classified shall pay annual dues applicable to their respective classification.

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3.3. Determination of dues and classifications. The Board shall establish and publish the classification of all members whose annual dues are subject to classification and shall fix the dues applicable to each classification. The Board may, at its discretion, any time thereafter, review all classifications and annual dues applicable to each. Notice of all changes in classification and of all changes in annual dues shall be given to members affected thereby at least (60) sixty days prior to the date such changes become effective.

3.4 Payable. All dues shall be payable annually January 1st. of each year and such dues shall apply to the calendar year. For accounting purposes, the fiscal year shall begin April 1, each year and end March 31, of the following year.

3.5 Delinquencies. Members whose dues have not been paid within three (3) months from the due date shall be considered delinquent and shall be automatically suspended from membership, except when prior arrangements with the executive vice president have been arranged.

3.6 Reinstatement. Members who have been suspended from membership for non-payment of dues may be formally reinstated by a majority vote of the Board of Directors.

3.7 Withdrawals. A member desiring to withdraw shall be permitted to do so by making application to the President or the Executive Director who has the authority to grant this request, providing said member is in good standing.

3.8 Emergency. In case of emergency, the Board of Directors, by 2/3 vote of those present, shall have the power to adjust dues to fit the needs of the time.

ARTICLE IV – BOARD OF DIRECTORS

4.1 General Powers and Responsibilities. the Texas Seed Trade Association shall be governed by a Board of Directors (“the Board”), which shall have all the rights, powers, privileges and limitations of liability of directors of a nonprofit corporation organized under the Texas Non-Profit Corporation Act. The Board shall establish policies and directives governing business and programs of the Texas Seed Trade Association and shall delegate to the Executive Director, subject to the provisions of these Bylaws, authority and responsibility to see that the policies and directives are appropriately followed.

4.2 Number and Qualifications.

4.2.1 The Board shall have up to eleven (11), but no fewer than five (5), members. The number of Board members may be increased beyond eleven (11) members or decreased to less than five (5) members by the affirmative vote of a majority of the then-serving Board of Directors. A Board member need not be a resident of the State of Texas.

4.2.2 In addition to the regular members of the Board, the Texas Seed Trade Association members or Board members may deem advisable to elect Ex-Officio Board Members, who shall not have voting power, and shall not count as one of the regular Board members and shall not be eligible for office.

4.3 Board Compensation. The Board shall receive no compensation other than reasonable expenses. However, provided the compensation structure complies with Sections 6.8 and 6.8.1 of these Bylaws, nothing in these Bylaws shall be construed to prevent any Board Member from

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serving the Texas Seed Trade Association in any other capacity and receiving compensation for services rendered.

4.4 Board Elections. The Nominating Committee shall present nominations for new and renewing Board members at the Board meeting immediately preceding the beginning of the next fiscal year. Recommendations from the Nominating Committee shall be then made known to the membership for consideration at least 14 days prior to election. New and renewing Board members shall be approved by a majority of those members at a membership meeting at which a quorum is present.

4.5 Term of Board. All appointments to the Board shall be for three-year terms. No person shall serve more than two consecutive terms unless a majority of the membership at a membership meeting at which a quorum is present votes to appoint a Board member to one additional year. No person shall serve more than seven consecutive years. After serving a total of two terms or two terms and one year a Board member may be eligible for reconsideration as a Board member after two years have passed since the conclusion of such Board member's service.

4.6 Vacancies. Vacancies on the Board may be filled by a majority vote by the Board at a Board meeting at which a quorum is present. A Board member elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

4.7 Resignation. Each Board member shall have the right to resign at any time upon written notice thereof to the Board Chair, Secretary of the Board, or the Executive Director. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

4.8 Removal. A Board member may be removed, with or without cause, at any duly constituted meeting of the Board, by the affirmative vote of a majority of then-serving Board members.

4.9 Meetings. The Board's regular meetings may be held at such a time and place as shall be determined by the Board. The Chair or any four regular Board members may call a special meeting of the Board on three days' notice for each member of the Board. Notice shall be served to each Board member via hand delivery, US mail, e-mail, or fax. The person or persons authorized to call special meetings of the Board may fix any place, so long as it is reasonable, as the place for holding any special meetings of the Board called by them.

4.10 Minutes. At meetings of the Board, business shall be transacted in such order as the Board may determine from time to time. In the event the Secretary is unavailable, the Board Chair shall appoint a person to act as Secretary at each meeting. The Secretary, or the person appointed to act as Secretary, shall prepare minutes of the meetings which shall be delivered to the Texas Seed Trade Association to be placed in the minute books of the Texas Seed Trade Association.

4.11 Action by Written Consent. Any action required by law to be taken at a meeting of the Board, or any action that may be taken at a meeting of the Board, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all Board members. Such consent shall be placed in the minute book of the Texas Seed Trade Association and shall have the same force and effect as a unanimous vote of the Board taken at an actual meeting. The Board members' written consent may be executed in multiple counterparts or copies, each of which shall be

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deemed original for all purposes. In addition, facsimile signatures and electronic signatures or other electronic “consent click” acknowledgments shall be effective as original signatures.

4.12 Quorum. At each meeting of the Board or board-designated committee, the presence of the lesser of (a) 4 members, or (b) one-third of the members then serving on the Board (but in no case less than 3) or committee (but in no case less than 2) shall constitute a quorum for the transaction of business. If at any time the Board consists of an even number of members and a vote result in a tie, the vote of the Chair shall be the deciding vote. The act of the majority of the Board members serving on the Board or board-designated committees and present at a meeting in which there is a quorum shall be the act of the Board or board-designated committees, unless otherwise provided by the Articles of Incorporation, these Bylaws, or a law specifically requiring otherwise. If a quorum is not present at a meeting, the Board members present may adjourn the meeting from time to time without further notice until a quorum shall be present. However, a Board member shall be considered present at any meeting of the Board or Board Committee if during the meeting he or she is in virtual, radio or telephone communication with the other Board members participating in the meeting.

4.13 Proxy. A Board member who is unable to attend a meeting of the Board or a board-designated committee may vote by written proxy given to any other voting member of the Board or board-designated committee or designated staff member who is in attendance at the meeting in question. However, a vote by proxy will not be counted toward the number of Board members needed to be present to constitute a quorum for the transaction of business. No proxy shall be valid after three months from the date of execution. Each proxy shall be revocable unless expressly stated therein to be irrevocable or unless made irrevocable by law.

4.14 Board Member Attendance. An elected Board member who is absent from two consecutive regular meetings of the Board during a fiscal year is encouraged to re-evaluate with the Board Chair their commitment to the Texas Seed Trade Association. The Board may deem a Board member who has missed two consecutive meetings without such a re-evaluation with the Chair to have resigned from the Board.

ARTICLE V – OFFICERS

5.1 Officers and Duties. The association membership shall elect officers of the Texas Seed Trade Association which shall include a Chair, a Vice Chair, a Secretary (which may be designated as the Executive Director, without voting privileges), a Treasurer (without voting privileges), and such assistants and other officers as the Board shall from time to time determine. The officers may also include a Past Chair for a term of one (1) year. One person may hold any two or more offices, except the Chair and Secretary.

5.2 Chair. The Chair shall preside over meetings and have the power to call meetings. The Chair shall be responsible for leadership of the Board in discharging its powers and duties and shall, in general, supervise and control all the business and affairs of the Texas Seed Trade Association. The Chair may sign contracts and other instruments on the Texas Seed Trade Association’s behalf.

5.3 Vice Chair. The Vice Chair shall have all powers and duties of the Chair during the Chair’s absence, disability, or disqualification, or any vacancy in the position of Chair, and such other powers or duties assigned by the Chair, the Board, or the Bylaws.

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5.4 Past Chair. The Past Chair shall assist in advancing the goals and objectives of the Texas Seed Trade Association through the application of knowledge gained through past Board experiences. The Past Chair shall be responsible for specific tasks delegated by the Executive Committee.

5.5 Secretary. The Secretary shall (a) cause the minutes of all Board and Executive Committee meetings and proceedings to be recorded, (b) certify the accuracy of such minutes, (c) cause notice of all meetings to be given, (d) attest the signatures of the Texas Seed Trade Association's officers and Board members as required, (e) sign correspondence on behalf of the Board, and (f) have all other powers assigned by the Board, the Chair, or these Bylaws. The Executive Director may be delegated the duties of Secretary, without voting privileges, with approval by the Board of Directors.

5.6 Treasurer. The Treasurer shall have access to records of all receipts, disbursements, assets, and liabilities of the Texas Seed Trade Association and shall report to the Board on the condition of such records and financial condition of the Texas Seed Trade Association from time to time and at least quarterly. Prior to the beginning of the fiscal year, the Treasurer shall cause a proposed operating and capital expenditure budget to be presented to the Board for approval. The Treasurer may cause to be prepared and submitted to the Board a financial statement showing the Texas Seed Trade Association's net worth at the close of the fiscal year and cause a firm of outside certified public accountants to audit the Texas Seed Trade Association's books and records at the end of each fiscal year.

5.7 Election and Term of Office. All officers shall be members of the Board during their terms of office. Officers shall be elected for a one-year term. No officer shall be eligible to serve more than two consecutive terms in the same office, with the exception of the Treasurer. The officers of the Board shall be elected annually by the membership at regular Board meetings as terms expire or vacancies otherwise arise. A vacancy occurring in any office due to death, resignation, removal, disqualification, or any other reason may be filled by the Board for the unexpired portion of the term of office left vacant.

5.8 Removal. Any officer or agent (e.g., Executive Director) elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the Board, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

ARTICLE VI – COMMITTEES

6.1 Committee Chairs. The Chair may designate and appoint committees of the Board as deemed necessary. Each Board committee shall be chaired or co-chaired by a Board member appointed by the Chair or, at the Chair's discretion, selected by the committee's members, subject to the approval of the Board. Non-Board members may be appointed to any Board committee at the discretion of the Chair.

6.2 Standing Committees. The Board shall maintain the following standing committees: Executive Committee, Finance Committee, Nominating Committee, and Scholarship Committee.

6.2.1 Executive Committee. The Executive Committee shall be composed of the officers of the Texas Seed Trade Association, and, at the Chair's discretion and Board approval, two additional voting Board members. The Executive Committee shall be responsible for conducting Board affairs in the intervals between meetings, dealing with matters of urgency

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that may arise between Board meetings, and coordinating the annual performance review of the Executive Director. The Executive Committee shall meet at the discretion of the Chair.

6.2.2 Finance Committee. The Finance Committee shall be composed of three or more Board members, one of whom shall be the Treasurer. The Finance Committee shall oversee all financial operations of the Texas Seed Trade Association, develop long-range fiscal plans, procure and review all external audits, and prepare and recommend an annual operating budget to the Board.

6.2.3 Nominating Committee. The Nominating Committee shall be composed of three or more Board members. This committee shall recommend candidates to fill Board and officer vacancies and shall present a slate of candidates for officer and Board member positions to the Board before the regular membership meeting at which approval of recommended candidates will be sought. The Nominating Committee shall also be responsible for overseeing Board governance, which shall include orientation of new Board members, and overseeing Board development tactics and programs.

6.2.4 Scholarship Committee. The Scholarship Committee shall be composed of two or more Board members, in addition to other association members at the will of the TSTA Chair. This committee shall focus on raising overall awareness about the Texas Seed Trade Association scholarship program through membership promotion, as well as supporting the Texas Seed Trade Association staff in furtherance of visibility and development goals of the scholarship programs.

6.3 Special Committees. The Board Chair may appoint special committees composed of Board members and/or non-Board members for purposes deemed appropriate by the Chair (i.e., special fundraising events, etc.). The term of such committees shall not be more than one year.

6.4 Advisory Council. The Board may maintain an Advisory Council which shall not have nor exercise the authority, responsibility, or duties of the Board. Except as otherwise provided in such resolution, members of such Advisory Council need not be Board members. The Board Chair shall appoint the members thereof. Any member may be removed by the Board Chair whenever, in the Board Chair's judgment, the best interests of the Texas Seed Trade Association shall be served by such removal.

6.5 Term of Office. Each member of a committee and the Advisory Council shall serve a term of one year, unless the committee is sooner terminated or unless a committee member is removed from such committee or Advisory Council.

6.6 Vacancies. Vacancies in the membership of any committee or Advisory Council may be filled by appointments made in the same manner as provided in the case of the original appointments.

6.7 Quorum: Manner of Acting. The act of the majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee.

6.8 Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board.

ARTICLE VII – AMENDMENTS TO THE BYLAWS

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These bylaws may be amended or new bylaws adopted at any regular or special meeting by a vote of two-thirds (2/3) of the members present provided notice of proposed changes be inserted in the notification to the membership not less than thirty (30) days prior to such meeting and, provided further that such proposed changes be submitted to the Executive Committee for its recommendations to the membership prior to such meeting.

ARTICLE VIII – INDEMNIFICATION

Every Officer, Committee Chair, employee of the Conference and others such as specified from time to time by the Executive Committee, shall be indemnified by the Conference against all expenses and liabilities including counsel fees, reasonably incurred or imposed upon them in connection with any proceeding to which they may be made a party, or in which they may become involved, by reason of being or having been a Committee Chair, officer or employee of the Conference, or any settlement thereof, whether the person is a Committee Chair, officer or employee at such times the expenses are incurred, except in cases wherein the Committee Chair, Officer, or employee is adjudged guilty of willful misfeasance or malfeasance in the performance of duties. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which the indemnified may be entitled.

ARTICLE IX – CODE OF ETHICS

9.1 All active members of the Association shall subscribe in writing to the following code of ethics: *“We possess the greatest faith in the future of the Seed Industry. We recognize that seeds are a fundamental part of the agricultural success or failure of our country. We pledge our earnest cooperation with every just effort to protect the interests of the public and our industry, through honest, upright business methods; our sincere effort to breed, grow, buy and sell only good seeds; ourselves, to so conduct our business as to receive just compensation and permit our fellow seedsmen, to do likewise. We believe in the Texas Seed Trade Association, subscribe to the principles for which it stands, and agree to be governed by its rules, constitution and bylaws.”*

ARTICLE X – MISCELLANEOUS

10.1 Fiscal Year. The fiscal year of the Texas Seed Trade Association shall be from April 1st to March 30th.

10.2 Annual Budget. The Board shall adopt an annual operating budget, which specifies major expenditures by type and amount, prior to each fiscal year.

10.3 Books and Records. The Texas Seed Trade Association shall keep correct and complete books and accounting records and shall also keep minutes of the proceedings of its Board.

10.4 Contracts and Grants. The Board may authorize any officer(s) or agent(s) of the Texas Seed Trade Association to enter into contracts, leases, and agreements with and accept grants and loans from the United States; its departments and agencies; the State of Texas; its agencies, counties, municipalities, and political subdivisions; and public or private corporations, foundations, and persons; and may generally perform all acts necessary for a full exercise of the powers vested in it. The Executive Director shall have the authority to enter into such contracts and expend such funds on behalf of the Texas Seed Trade Association as the Board may specify.

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10.5 Checks, Drafts, or Orders for Payment. All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Texas Seed Trade Association shall be signed by such officer(s) or agent(s) of the Texas Seed Trade Association and in such manner as shall from time to time be determined by a resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Executive Director and co-signed by the Treasurer.

10.6 Deposits. All funds of the Texas Seed Trade Association shall be deposited from time to time to accounts owned by the Texas Seed Trade Association in such banks, trust companies, or other depositories as the Board shall select.

10.7 Acceptance of Gifts. The Board may accept on behalf of the Texas Seed Trade Association any cash contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of the Texas Seed Trade Association. Prior to acceptance of a significant non-cash contribution, gift, bequest, or devise, the Board shall determine, by resolution thereof, that the acceptance of such non-cash contribution, gift, bequest, or devise by the Texas Seed Trade Association would be consistent with and further the purposes of the Texas Seed Trade Association.

10.8 Contracts Involving Board Members and/or Officers. Upon full disclosure of a direct or indirect interest in any contract relating to or incidental to the operations of the Texas Seed Trade Association, members of the Board and officers of the Texas Seed Trade Association may be permitted to maintain a direct or indirect interest in any such contract, notwithstanding that at such time they may also be acting as individuals, or trustees of trusts, or beneficiaries of trusts, members or associates, or as agents for other persons or corporations, or may be interested in the same matters as shareholders, trustees, or otherwise; provided, however, that any contract, transaction, or action taken on behalf of the Texas Seed Trade Association involving a matter in which a trustee or officer is personally interested as a shareholder, trustee, or otherwise shall be at arm's length and not in violation of the proscriptions in the Articles of Incorporation or these Bylaws which prohibit the Texas Seed Trade Association's use or application of its funds for private benefit; and provided further that no contract, transaction, or act shall be taken on behalf of the Texas Seed Trade Association if such contract, transaction, or act would result in denial of the Texas Seed Trade Association's exemption from federal income taxation under the Code and its regulations, as they now exist or as they may hereafter be amended. In no event, however, shall any person or entity dealing with the Board or officers of the Texas Seed Trade Association be obligated to inquire into the authority of the Board and the officers to enter into and consummate any contract, transaction or take other action. Any Board member who would directly or indirectly benefit from a contractual relationship as described above shall not participate in the decision on whether that Board member shall be permitted by the Board to maintain such an interest.

10.9 Investments. The Texas Seed Trade Association shall have the right to retain all or any part of any property – real, personal, tangible, or intangible – acquired by it in whatever manner and pursuant to the direction and judgment of the Board, to invest and reinvest any funds held by it without being restricted to the class of investments available to trustees by law or any similar restriction.

10.10 Exempt Activities. Notwithstanding any other provision of these Bylaws, no Board member, officer, employee, or representative of the Texas Seed Trade Association shall take any action or

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carry on any activity by or on behalf of the Texas Seed Trade Association which is not permitted to be taken or carried on by an the Texas Seed Trade Association exempt from federal income taxation under sections 501(a) and 501(c)(6) of the Code and its regulations as they now exist.

10.11 Captions. Captions (i.e., article and section headings) are inserted in these Bylaws for convenience only and in no way define, limit, or describe the scope or intent of these Bylaws, or any provision hereof, nor in any way affect the interpretation of these Bylaws.

10.12 Severability of Clauses. If any provision of these Bylaws is held illegal or unenforceable in judicial proceedings, such provision shall be severed and shall be inoperative, and the remainder of these Bylaws shall remain operative and binding.