

**ARTICLES OF INCORPORATION and BY-LAWS
OF
EAST TENNESSEE
POLLED HEREFORD ASSOCIATION, INC.**

ARTICLES OF INCORPORATION OF EAST TENNESSEE POLLED HEREFORD ASSOCIATION, INC.

BE IT KNOWN that, Paul E. Nichols, Charles W. Pickel, John L. Montgomery, Herbert M. Houston, Walter Lee Morris, Robert Carson and Charles S. Kane are hereby constituted a body politic and corporate, by the name and style of East Tennessee Polled Hereford Association, stock, organized under the provisions of the General Welfare Act, the same being Chapter 142 of the Public Acts of 1875, set out in the Tennessee Code under Section 4146, sub-section 5.

ARTICLE 1 – Purposes

The association is formed for the following purposes:

- (a) To engage in any activity connected with promoting and developing the interests of the breeders of Polled Hereford cattle in East Tennessee and adjacent territories.
- (b) To encourage the use of purebred Polled Hereford bulls of approved merit in both registered and commercial herds.
- (c) To stimulate interest and enthusiasm in developing uniform and high quality cow herds with maximum production potentialities.
- (d) To aid its members in the purchasing and marketing of Polled Hereford cattle.
- (e) To foster and develop greater interest in better breeding, feeding and herd management.
- (f) To study problems and conditions relative to breeding, production, management and marketing which have a direct relationship to the development of the Polled Hereford industry in East Tennessee and adjacent territory.
- (g) To cooperate with the TPHA and the American Hereford Association in fostering the general welfare of the livestock industry in this area.
- (h) To promote youth interest in the livestock industry with the focus being on Polled Hereford cattle

ARTICLE 2 – Powers

This association shall have the following general powers:

- (a) To have and use a common seal, which it may alter at pleasure; if no common seal, then the signature of the name of the corporation by any duly authorized officer shall be legal and binding.
- (b) To purchase and hold or receive by gift, bequest or devise, in addition to the personal property owned by said corporation, real estate necessary for the transaction of the corporate business, and also to purchase or accept any real estate in payment or in part payment of any debts due to the corporation, and sell the same.
- (c) To establish by-laws, and make all rules and regulations not inconsistent with the laws and constitution, deemed expedient for the management of corporate affairs.
- (d) To appoint such subordinate officers and agents, in addition to a president and secretary or treasurer, as the business of the corporation may require, and designate the name of the office and fix the compensation of the officer.
- (e) To borrow money to be used for purposes germane to the objects of its creation, and secure the repayment of the money thus borrowed by mortgage, pledge or deed or trust, upon such property,

real, personal or mixed, as may be owned by it; and may, in like manner, secure by mortgage, pledge, or deed or trust, any existing indebtedness which it may have lawfully contracted.

ARTICLE 3 – Place of Business

The corporation shall have its principal office and place of business in the place most feasible for the membership in the State of Tennessee.

ARTICLE 4 – No Dividends or Profits to Members

The general welfare of the Association and the goal of achieving the previously stated purposes, not individual profit, is the object of which this charter is granted; hence the members are not stockholders in the legal sense of the term, and no dividends or profits shall be divided among the members.

The means, assets, income, or other property of the corporation shall not be employed, directly or indirectly, for any other purpose whatever than to accomplish the legitimate objects of its creation; and by no implication shall it engage in any kind of trading operation, or hold any more real estate than is necessary for its legitimate purposes.

ARTICLE 5 – Non-Liability of Members

There shall be no individual liability against the members for corporate debts, but the entire corporate property shall be liable for the claims of creditors.

The foregoing is a true copy of the articles of incorporation, and charter has been issued by the State of Tennessee.

Incorporators

Paul E. Nichols
Chas. W. Pickel
John L. Montgomery
Herbert M. Houston

Walter Lee Morris
Robert Carson
Charles Kane

BY-LAWS OF EAST TENNESSEE POLLED HEREFORD ASSOCIATION, INC.

ARTICLE 1 – Purposes and Powers

The purposes for which this corporation, hereinafter called the “association,” is formed and the powers which it may exercise are those set forth in the articles of incorporation of the association.

ARTICLE 2 – Members

Section 1. Qualifications: Any person, firm, partnership, or corporation, in or adjacent to the territory in which the association operates, who has a vested interest in Hereford cattle, and who pays such membership fees, annual membership dues and is approved by the membership and meets such other conditions as may be prescribed by the Board of Directors, may become a member of the association.

Section 2. Dues: Members shall be admitted without initiation fees. Dues will be \$25.00 per fiscal year to any person making application for membership.

Non-payment of dues shall automatically forfeit membership and all related privileges, including selling animals in the association sales. When there are no other objections, a member in arrears may be reinstated by paying up in full.

Section 3. Suspension from Membership: The following acts, when proof of their commission shall have been established by evidence satisfactory to the Board of Directors of the association, shall in themselves be full and sufficient grounds for expelling any person, firm, or corporation from membership:

- (a) To knowingly and willfully misrepresent in any essential detail an animal sold either at public or private sale.
- (b) To knowingly and willfully sell a barren or non-breeding animal
- (c) To place a secret by-bid, so-called “wash” sales or fictitious bid upon any animal being sold at public sale under the management of this association, or to secretly or otherwise connive with any person to have such a secret by-bid placed upon any such animal.

When any person, firm or corporation, as members of this association, shall be accused of any of the above-mentioned faults, acts, or practices, or other acts or practices which may be deemed just cause for expulsion from the association, said person, firm or corporation shall be faced by his accuser or permitted to examine all evidence offered in support of the charge by the accuser or others and where he shall be given full opportunity of the practices, as charged, and worthy of expulsion, he shall forthwith be expelled and public notice of such expulsion shall be given in such manner as may be directed by the Board of Directors.

Any person, firm or corporation having been expelled from this association shall thereby perpetually forfeit the right of reinstatement; and no person having been a member of an expelled firm or corporation thereafter shall be admitted to membership, except upon a showing that he was not personally guilty of the practices or acts which resulted in the expulsion of the firm or corporation, and that he is no longer connected in the remotest degree with the firm or corporation.

ARTICLE 3 – Meeting of Members

Section 1. Fiscal Year: The fiscal year of this association shall commence on the first day of January and end on the last day of December.

Section 2. Meetings: Members will have bimonthly meetings to be held on the second Monday of the month, unless otherwise stated by the president or board of directors. The meetings will be held at a predetermined central location at 6:30 P.M., or at any place, time or interval in East Tennessee which the President or board of directors shall designate.

Section 3. Special Meetings: Special meetings of the members of the association may be called at any time by order of the president or board of directors, and shall be called at any time upon the written request of at least twenty per cent of the members, provided, however, that they file a petition stating the specific business to be brought before the association. The request shall state the time, place and object of the meeting.

Section 4. Notice of Meeting: Written, printed or electronic notice of every regular and special meeting of members shall be prepared and sent to the last known address of each member not less than ten days before such meeting unless other satisfactory arrangements for notification are made. Such notice shall state the objects thereof and the time and place of meeting. Other business may be transacted at special meetings other than that referred to in the call if it arises and is deemed pertinent and as a result may be acted upon if a quorum is present.

Section 5. Voting: At any meeting of the members, each member shall be entitled to one vote, and may vote either in person or by proxy. Any member of record entitled to vote may be represented and vote by proxy or proxies appointed by an instrument in writing. Such instrument shall be delivered to the secretary of the association. Form to be used in designating proxy may be obtained from the secretary of the association.

Section 6. Quorum: Twenty percent of the members shall constitute a quorum for the transaction of business at any meeting of the association except for the transaction of business concerning which a different quorum is specifically provided by law or by these by-laws; but in the event a quorum is not present such meeting may be adjourned from time to time by those present until a quorum is obtained.

Section 7. Order of business: The order of business given below is an outline of what should be followed at meetings. Any adjustments to the order of business may be made by the president or in his absence by the vice-president.

1. Invocation
2. Reading and disposal of minutes
3. Reading and disposal of treasurer's report
4. News of interest, in particular pertaining to the Hereford industry
5. Election of directors (when applicable)
6. Discussion of planned topics for meeting
7. Review of old business
7. New business
- 8 Adjournments

ARTICLE 4 – Directors and Officers

Section 1. Number and Qualifications of Directors: The business and affairs of the association shall be managed and controlled by a board of seven directors, each of whom shall be a member of this association.

Section 2. Election of Directors: At the first annual meeting of the members of this association, directors shall be elected to succeed the incorporating directors. Three directors shall be elected for one year, two directors for two years and two directors for three years. Thereafter, directors shall be elected each year for three years. The nominees for the directorships who receive the greatest number of votes shall be declared elected to the directorship for the ensuing term, provided they have a majority of the total votes.

If not, another vote shall be taken for those nominees having the highest number of votes constituting a majority. In the event one nominee has a majority of the votes and the second highest man is tied with one or more nominees, the nominee having the majority is elected and another vote must be taken on the nominees tied for second directorship. Directors shall hold office until their successors have been elected and qualified and have entered upon the discharge of their duties.

Section 3. Election of Officers: The board of seven directors shall meet within ten days after the first election and within ten days after each annual election and shall elect a president, vice-president, secretary and treasurer (or a secretary-treasurer) by and from the Board of Directors (with the exception of the Secretary or secretary-treasurer, who need not be a director), each of whom shall hold office for one year unless earlier removed by death, resignation or for cause. At the expiration of the President's term, he automatically assumes the directorship left vacant by the new president, provided he is not re-elected to the presidency. The vice-president automatically assumes his directorship for which he was elected if not elected again to the vice-presidency.

Section 4. Vacancies: Whenever a vacancy occurs in the Board of Directors, other than from the expiration of a term of office, the remaining directors shall appoint a director to fill the vacancy for the unexpired term.

Section 5. Board Meetings: In addition to the meetings mentioned above, regular meetings of the Board of Directors shall be held at such times and at such places as the Board may determine.

Section 6. Special Meetings: A special meeting of the Board of Directors shall be held whenever called by the president or by a majority of the directors. Any and all business may be transacted at a special meeting. Each call for a special meeting shall be by notifying the secretary, and shall state the time and place of such meeting, and the matters to be acted upon.

Section 7. Notice of Board Meetings: Notice of both regular and special meetings of the Board of Directors shall be communicated by the secretary to each director at least five days prior to the time for such meeting, and notice of special meetings shall state the purpose thereof; provided, however, such notice and service thereof may be waived in writing, or by attendance in person of all directors

Section 8. Quorum: A majority (4) of the Board of Directors shall constitute a quorum at any meeting of the Board.

ARTICLE 5 – Duties of Directors

Section 1. Management of Business: The Board of Directors shall have general supervision and control of the business and the affairs of the association and shall make all rules and regulations not inconsistent with law or with these by-laws for the management of the business and the guidance of the members, officers, employees, and agents of the association. They shall have installed an accounting system which shall be adequate to the requirements of the business, and it shall be their duty to require proper records to be kept of all business transactions.

Section 2. Sales: All association sales of cattle will be under the management of the sale committee. Any method or methods regulating the selecting or screening of cattle for sales will be left entirely to the sale committee.

When a member enters an animal into a sale and withdraws an animal for any reason, he will have to abide by whatever rules the sale committee makes regarding the withdrawal of animals from sales.

Section 3. Audits: At each regularly scheduled meeting the treasurer shall give a report which will include income received and expenditure information for the period along with the current balance in the treasury. Any request for an audit should be made to the Board of Directors who shall determine if the requested audit is necessary and if so shall make a careful audit of the books and accounts of the association and render a report. This report shall be submitted to the members of the association at their next meeting and shall include at least (1) a balance sheet showing the true assets and liabilities of the association; (2) an operating statement for the fiscal period under review which shall show the total income received and total expenditures there from during the period; (3) an itemized statement of all expenses for the period under review.

Section 4. Depository: The Board of Directors shall have the power to select one or more banks to act as depositories of the funds of the association and to determine the manner of receiving, depositing, and disbursing the funds of the association and the form of checks, the person or persons whose name shall be signed, with the power of changing such banks and the person or persons signing such checks and the form thereof at will.

ARTICLE 6 – Executive Committee

Section 1. Powers and Duties: The Board of Directors may in its discretion appoint from its own membership an executive committee consisting of the president and two other members, determine their tenure of office and

their powers and duties. The executive committee shall have such powers as may, from time to time, be prescribed by the Board of Directors; and these duties and powers may be all of the duties and powers of the said Board of Directors, subject to the general direction, approval and control of the Board of Directors. Copies of the minutes of any meeting of the executive committee shall be mailed to all directors within seven (7) days following such meeting.

ARTICLE 7 – Duties of Officers

Section 1. Duties of The President: The president shall (1) preside over all meetings of the association and of the Board of Directors, (2) call special meetings of the Board of Directors, (3) perform all acts and duties usually performed by an executive and presiding officer, and (4) sign such papers of the association as he may be authorized or directed to sign by the Board of Directors; provided, however, that the Board of Directors may authorize any person or persons to sign any or all checks. Contracts and other instruments in writing on behalf of the association shall be signed by the president. The president shall perform such other duties as may be prescribed by the Board of Directors.

Section 2. Duties of the Vice President: In the absence or disability of the president, the vice-president shall perform the duties of the president; provided, however, that in case of death, resignation or disability of the president, the Board of Directors may declare the office vacant, and elect his successor.

Section 3. Duties of the Secretary: The secretary shall keep a complete record of all meetings of the association and of the Board of Directors and shall have general charge and supervision of the books and records of the association. The secretary shall sign all contracts with the president and other such papers pertaining to the association as he or she may be authorized by the Board of Directors. The secretary shall serve all notices required by law and by-laws and shall make a full report of all matters and business pertaining to his or her office to the members at the meetings. The secretary shall keep complete membership records showing the name of each member of the association entitled to vote. He or she shall act as secretary of the executive committee. The secretary shall make all reports required by law and perform such other duties as may be required by the association or by the Board of Directors. Upon the election of a successor, the secretary shall turn over all books and other property belonging to the association that they may have in their possession.

Section 4. Treasurer: The treasurer shall perform such duties with respect to the finances of the association as may be prescribed by the Board of Directors.

ARTICLE 8 – Operating Funds

Section 1. Expense Allocation: From the receipts of the association there shall be deducted the actual costs and expenses of operation, including wages, salaries, equipment, materials and supplies, taxes, bonds and insurance, interest, repairs, depreciation, and any other costs or expenses of the association; and any balance shall be retained in a reserve for contingencies.

ARTICLE 9 – Dissolution

Section 1. Upon dissolution or winding up of the association in any manner the assets of the association shall be distributed in the following manner:

- (1) To the payment of secured debts of the association.
- (2) To the payment of unsecured debts of the association.
- (3) Any balance remaining shall be transferred by order of the Board of Directors to some other corporation created under the laws of Tennessee for the benefit and improvement of the Polled Hereford Industry.

ARTICLE 10 – Miscellaneous Provisions

Section 1. By-laws Printed: After adoption, these by-laws, preceded by the articles of incorporation, shall be printed and a copy thereof shall be delivered to each member and to each person who may later become a member of the association hereafter as shown on the books of record.

Section 2. The Seal: The seal of the association shall contain these words and figures: “East Tennessee Polled Hereford Association, Incorporated, 1953,” in circular form, the impress of which is placed upon.

ARTICLE 11 – Amendments

These by-laws may be altered or amended at any regular meeting of the members, or at any special meeting of the members, if notice of the character of the amendment proposed has been given in the notice of the meeting, by the affirmative vote of a majority or more of the members present or voting by proxy.

We, the undersigned, being all the incorporators and members of the East Tennessee Polled Hereford Association do hereby assert that the foregoing by-laws have been adopted.

Paul E. Nichols, Charles W. Pickel, John L. Montgomery, Herbert M. Houston, Walter Lee Morris, Robert Carson and Charles S. Kane.