

**CONSTITUTION AND BY- LAWS OF
TEXAS RED ANGUS ASSOCIATION
A NON PROFIT ORGANIZATION**

As amended, and as approved by TRAA Membership on June 19, 2010

ARTICLE I

NAME, PURPOSE, and NON-PROFIT STATUS

SECTION 1. NAME

The name of this non-profit corporation is and shall be TEXAS RED ANGUS ASSOCIATION (hereinafter, "the Association" or "TRAA").

SECTION 2. PURPOSES

The purposes of the Association are to promote the breeding and marketing of Red Angus cattle through participation in programs of research, education, and production; and to encourage and assist Texas Junior Red Angus members in their endeavors.

SECTION 3. NON-PROFIT STATUS.

The Association is and shall be recorded with the State of Texas as a non- profit corporation and, in compliance with its Articles of Incorporation or Certificate of Incorporation, this corporation is and always shall be a non-profit organization and no stock shall ever be issued, and no Member shall ever receive any profit or anything of pecuniary value for his or her membership, either during the operation of the corporation or upon its dissolution, or the liquidation of any of the corporation's assets of any kind. The Directors and Officers in office at such time shall, in accordance with the laws applicable to non-profit corporations like or similar to the Association, continue to act as trustees for the benefit of all persons, and after liquidation of all assets, cause any net proceeds to be distributed in pursuance of the objectives and purposes of this corporation as stated in its Articles of Incorporation or Certificate of Incorporation and herein, and to pay such net proceeds over to a charitable or non-profit organization in the State of Texas or, if not practical, elsewhere in the United States, carrying on functions most similar to the purposes for which this corporation is organized.

ARTICLE II

OFFICERS

SECTION 1. OFFICERS

The Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer; provided, however, that the offices of the Secretary and the Treasurer may be combined into the single office of Secretary-Treasurer for such time as the Board desires. They shall take office at the time of their election.

SECTION 2. ELIGIBILITY TO SERVE AS AN OFFICER

To be eligible to serve as an Officer, an individual must be an Active Member in good standing at the time of election and must have been so, since the last Annual Meeting.

SECTION 3. DUTIES

The duties of each Officer shall be those as provided by these By-laws, by the Board of Directors (hereinafter "the Board") and the Membership, by law and as customarily exercised by such Officers.

a. PRESIDENT. The President shall be elected annually by the Membership for one (1) year and shall be considered a member of the Board for all purposes; provided, however, that the President will only vote in the event of a tie-vote among the members of the Board. The President is the executive officer and is in general charge of the execution of the rules, directives and policies of the Board and the Association. The President shall preside at all meetings of the Members and of the Board, and perform all duties usual to such office or as prescribed by the Board. In the event that the President or Vice-President are unable to attend any National function, the President shall designate an Association Member to be acting President at those functions.

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b. VICE PRESIDENT. The Vice President shall be elected annually by the Membership, shall have voting privileges at Board meetings, and shall be considered a member of the Board for all purposes. The Vice President shall attend all meetings of the Members and of the Board, and shall perform all duties usual to such office or as prescribed by the Board. Should the President be unable or unwilling to serve, in the absence of the President or at the President's request, the Vice President shall perform the duties of the President or such duties as the President may designate.

c. SECRETARY. The Secretary shall be elected annually by the Membership, shall have voting privileges at Board meetings, and shall be considered a member of the Board for all purposes. The Secretary shall be the custodian of all books, papers, records, documents, official seal (if any), and other property of the Association, except as otherwise provided by these By-laws or as directed by the Board. The Secretary may, as the Secretary determines practical and as authorized by the Board, rely on other responsible individual(s) to serve as the physical custodian(s) of such property, but the Secretary shall retain ultimate responsibility for the retention and ability to retrieve said items. The Secretary shall attend all meetings of the Members and of the Board, perform all duties usual to such office or as prescribed by the Board, and make a full and complete record (the Minutes) of all matters considered at such meetings, which shall serve as the official record of the meetings of the Board and of the Membership. The Secretary shall assure that a copy of documents made the subject of a particular action is incorporated into and made a part of the Minutes of such meetings. The Secretary shall prepare and distribute such correspondence as may be directed by the Board, shall serve or cause to be served, printed or published, such notices as shall be required by law, these By-laws, or the Board, and shall perform such administrative duties as may be assigned to the Secretary by the Board..

d. TREASURER. The Treasurer shall be elected annually by the Membership, shall have voting privileges at Board meetings, and shall be considered a member of the Board for all purposes. The Treasurer shall have charge of the funds of the Association and shall pay and otherwise handle them as directed by the Board, keep an accurate record of the receipts and disbursements of the Association, and submit a report to the Board at its Regular Meetings and more often, if required. The Treasurer shall attend all meetings of the Members and of the Board, perform all duties usual to such office or as prescribed by the Board, be prepared to give a full and complete report of the fiscal status of the Association at such meetings, and give a full and complete report for the fiscal year to the Board and the Membership at the Association's Annual Meeting. The Treasurer shall deposit all monies of the Association to the Association's account in such depository or depositories as the Board shall designate.

e. SECRETARY-TREASURER. The offices of Secretary and of Treasurer may be combined into the singular office of Secretary-Treasurer for such time as the Board may direct. The Secretary-Treasurer shall perform all of the duties of Secretary and Treasurer . The Secretary-Treasurer shall be elected by the membership, shall have voting privileges at Board meetings, and shall be considered a member of the Board for all purposes.

SECTION 4. TERM of OFFICE

The term of office for all Officers shall be for a term of one (1) year, or until their respective successors are duly elected. A majority of the Members present and voting shall be sufficient for the election of any Officer. No person shall hold the same office for more than two consecutive terms. Any individual elected to serve the remaining term of an Officer is still eligible to serve two full, consecutive terms if elected.

SECTION 5. EX OFFICIO OFFICERS

- a. The immediate past President shall be an ex officio member of the Board for the immediately succeeding one (1) year. They shall have voice but shall not have voting rights.
- b. The current members of the Board of Directors of the Red Angus Association of America who are Members of the Association, but who are not currently elected to serve on the Board, shall be ex officio members of the Board. They shall have voice but shall not have voting rights on the Board; provided, however, that their right to vote as a Member of the Association shall not be affected by their status as an ex officio Board member.

SECTION 6. VACANCY

The Vice-President becomes President upon the death or resignation of the President, and the Vice-President's office shall be filled by affirmative vote of a majority of the Board. Any vacancy of the other offices of the Officers of the Association shall likewise be filled by affirmative vote of a majority of the Board. Any Officer elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

SECTION 7. REMOVAL

Except as otherwise provided in these by-laws, an Officer may be removed from office at the sole discretion of the Members, at a vote held at the Annual Meeting or any other meeting of the Members, said removal to become effective immediately following such a vote.

SECTION 8. ADDRESS

The mailing address, and the registered and principal office, of the Association shall be the address of the President or the Secretary, unless otherwise directed by the Board.

ARTICLE III

BOARD OF DIRECTORS

SECTION 1. GOVERNING BODY

The duly elected Officers and Directors of the Association, collectively, are the Governing Body of the Association, which shall be known as the Board of Directors or "the Board".

SECTION 2. DIRECTORS

The Directors will consist of five (5) Area Directors, each representing one of the five (5) areas in the State of Texas designated and approved by the Board and the Membership in accordance with the By-laws, and four (4) Directors At Large.

SECTION 3. ELIGIBILITY TO SERVE AS DIRECTOR

To be eligible to serve as a Director, an individual must be an Active Member in good standing at the time of election, and must have been so since the last Annual Meeting.

SECTION 4. TERM OF DIRECTORS

A Director shall be elected for a term of three (3) years. Three Directors shall be elected each year. These three will be two (2) area Directors and one (1) Director At Large. These three Directors will replace the three Directors whose terms are expiring that year. There will be one year in which two (2) At Large Directors and one (1) Area Director will be elected. No Director shall be elected to successive terms of office; provided, however, that an individual elected to serve the remaining term of a Director is still eligible to serve a subsequent and consecutive term. A Director or Officer who has missed three (3) consecutive Board meetings shall be removed and replaced, should a majority of the Board so vote.

SECTION 5. VACANCY

Any vacancy of a Director's office as a result of resignation or otherwise shall be filled by affirmative vote of a majority of the Board, the newly elected Director to serve the unexpired term of his or her predecessor.

SECTION 6. REMOVAL

Except as otherwise provided in these by-laws, a Director may be removed from office at the sole discretion of the Members, at a vote held at the Annual Meeting or any other meeting of the Members, said removal to become effective

immediately following such a vote.

SECTION 7. AREA DIRECTORS

The five (5) Area Directors will each be elected from one of the five (5) designated areas of the State of Texas. The five designated areas shall be formed initially by the decision of two-thirds (2/3) majority of the Board and confirmed by a two-thirds (2/3) majority of the Active Members. Ballots shall be mailed to all Active Members and results validated by the Board at the next Annual Meeting. At such time when an area is to nominate a member for the Board, and no one is able to serve from that area, a nomination can be made from the Membership at large.

SECTION 8. Directors At Large

The four (4) Directors At Large will be elected from the Active Membership of the Texas Red Angus Association. They will serve for a period of three (3) years. There will be one year in which two Directors At Large will be elected.

ARTICLE IV

MEMBERSHIP

SECTION 1. CATEGORIES OF MEMBERSHIP

Any Red Angus breeder or persons interested in the promotion of Red Angus are eligible for membership, as provided by these By-laws. Membership categories and requirements are:

a. ACTIVE MEMBERS. Active Members are Texas Red Angus cattle breeders who are current in payment of their dues. They may hold office, serve on committees, and vote. They shall have a legal residence in the state of Texas, and must be at least eighteen (18) years of age.

1) FAMILY MEMBERSHIPS. To encourage greater participation in the activities of the Association, any Active Member whose spouse wishes to be a Member of the Association may initiate a Family Membership affording the spouse a full Active Membership, that Membership to be available at a discounted annual dues rate as determined from time to time by the Board.

b. LIFE MEMBERS. Life Members are those having been awarded such status by

vote of the Members at the Annual Meeting. This category shall be limited to longtime Active Members of the Association and shall be in recognition of their outstanding commitment to the Red Angus breed and their outstanding contributions to the Association. Life Members whose Active Memberships remain in good standing may vote, but shall not be required to pay dues.

c. ASSOCIATE MEMBERS. Associate Members are those who are in accord with the Association's purposes and objectives and who wish to support the Association in its endeavors. Their residence is not limited to the State of Texas. They may attend meetings but may not vote, pay dues or hold office. Associate Members may include but are not necessarily limited to:

- 1) Texas Junior Red Angus Association and its members.
- 2) Persons who feed or crossbreed using Red Angus and who sincerely wish to further the progress of the beef industry using Red Angus, but who do not wish to be Active Members.
- 3) Businesses whose activities or income is linked primarily to agricultural activities and who wish to support the Association, its purposes and objectives.

SECTION 2. ANNUAL DUES

Except as otherwise provided in these by-laws, annual dues for Active Members shall be as recommended, from time to time, by the Board of Directors and as approved by the Members at the Annual Meeting. A notice of any proposed change in the Annual Dues to be presented to the Board for its consideration will be mailed to the Active Members at least thirty (30) days prior to the Annual Meeting.

SECTION 3. PAYMENT OF DUES

A Member's annual dues are due and payable on the first day of the Association's fiscal year, unless the Board determines another date.

SECTION 4. MEMBERSHIP IN GOOD STANDING

A Member is considered to be in "good standing" unless the Member no longer meets the requirements of membership or, with regard to Active Members, the Member is delinquent in the payment of annual dues. A Member is considered delinquent in the payment of annual dues if full payment is not received within six (6) months of the date dues are due and payable. In such a case, the membership is automatically suspended and the Member may not vote until the delinquency is remedied. Should the Member's failure to pay annual dues extend beyond the

fiscal year, the membership is automatically terminated.

SECTION 5. NEW MEMBERS

New Members who join the Association after April 30th of a given fiscal year shall pay one half (½) the current annual dues for the remainder of that fiscal year.

SECTION 6. APPLICATION

Each applicant for membership must apply in writing to the Secretary in such form as the Association shall prescribe, to be presented with the necessary membership fee.

SECTION 7. TRANSFERS

No membership is transferable except in case of the death of an Active Member; in such a case, a membership can be transferred within a family to another individual qualified to be an Active Member.

ARTICLE V

FISCAL MATTERS

SECTION 1. FISCAL YEAR

The fiscal year of the Association shall be from November 1st through October 31st.

SECTION 2. BUDGETARY LIMITATIONS

No expense, debt or financial obligation of any kind may be incurred in the name of, or on behalf of, the Association that would cause the Association to exceed the annual budget then in effect, nor shall any individual or entity be reimbursed for such expense, debt or financial obligation, nor shall the Association be liable or responsible for such expense, debt or financial obligation, unless payment of the expense, debt or financial obligation is approved by the Board and the Membership, and the budget is amended and approved accordingly.

SECTION 3. COMPENSATION

The Directors and Officers shall serve without compensation.

SECTION 4. REIMBURSEMENT

A Director, an Officer or a Member may be reimbursed as authorized by the Board for expenses incurred on behalf of and in furtherance of the authorized business of the Association.

SECTION 5. PAYMENT FOR SPONSORED EVENTS

From time to time, the Association may sponsor special event such as sales, shows, bull tests, Junior Red Angus events, and similar events. The Association shall be responsible for the financial backing of these events either directly, by special assessment of the Membership or by direct assessment of those Members participating in the event. For purposes of membership status, non payment of such an assessment by a Member shall be considered cause for immediate termination of membership.

SECTION 6. SPECIAL ASSESSMENTS

Any special assessments of Members must be approved by the Board and two-thirds(2/3) of the attending Active Members at a regular meeting.

SECTION 7. INDEMNIFICATION

To the extent permitted by law, the Association shall defend, indemnify and hold harmless the Directors and Officers of the Association with regard to any and all liability they may incur, or to which they may be exposed, as a result of their conduct in office, when the conduct was in the course and scope of their respective office, in good faith, and in the reasonable belief that it was in the best interests of the Association. To effect the same, the Association shall purchase directors' and officers' liability insurance covering the acts and omissions of its Directors and Officers, in a form like or similar to that typically purchased by non-profit organizations such as the Association.

ARTICLE VI

COMMITTEES

SECTION 1. STANDING COMMITTEES

There will be three (3) Standing Committees that will remain in existence without being renewed annually. These committees will be appointed annually by the President for one year. The term of the Chairmen will be at the discretion of the President. The Chairman of a standing committee must be a member of the Board.

a. BUDGET. The Budget Committee shall be responsible for developing and presenting to the Board, for its approval, a budget that will conform to the requirements of the Association, and shall be responsible for effecting the conduct of an annual audit of the Association's financial records by a qualified, independent auditor to be approved by the Board, and presenting said audit to the Board and to the Members at the Annual Meeting.

b. MARKETING. The Marketing Committee shall be responsible for all aspects of promotion and marketing of Red Angus cattle that are in the interest of the Association, as approved by the Board. This may include sales, bull tests, promotions at state events, advertising and other methods of promoting the breed.

c. SHOWS. The Shows Committee shall be responsible for all matters related to the sponsorship of shows by the Association, as approved by the Board. This will include determining which shows to conduct or participate in, the degree of participation, the rules and regulations governing participation in these shows, as well as the financial backing of these events. The Show Committee shall adhere to the policy of the Texas Red Angus Association that only 1-A (registered 100% Red Angus) heifers are to be eligible for any Junior Heifer Show that is sponsored by, and for which premium moneys are paid by, the Association.

SECTION 2. SPECIAL COMMITTEES

Special Committees will be established, charged, and dissolved, as determined by the President.

SECTION 3. EX OFFICIO

The President is an Ex Officio member of all committees.

SECTION 4. REPORTS

All Standing Committees must make a report at the Annual Meeting of the Membership. A written copy of all such reports shall be furnished to the Secretary.

SECTION 5. RESPONSIBILITY

All committees are directly responsible to the President.

SECTION 6. NOMINATING COMMITTEE

The President shall timely activate the Nominating Committee, giving consideration to the time and efforts needed for completion of its task of identifying and recommending individuals suitable for offices to be filled at the Annual Meeting. If possible, the Nominating Committee shall be made up of the three outgoing

Directors. The Committee will take nominations from all eligible Members who wish to make nominations. The Board of Directors will vote on a slate of Officers and Directors to present to the Membership. The Membership can make additional nominations from the floor.

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ARTICLE VII

MEETINGS

SECTION 1. ANNUAL AND OTHER REGULAR MEETINGS OF THE MEMBERSHIP

The Association shall hold at least one Regular Meeting of the Membership a year, at a time and place determined by the Board, which shall be called the Annual Meeting. The Board and the Members may determine to have other Regular Meetings of the Members. Members in good standing will be notified, at their address last recorded with the Secretary, as to the date and location of the Annual Meeting or other Regular Meetings by the Secretary. This notice will be mailed at least thirty (30) days prior to the meeting, which shall include the items of business reasonably expected to be considered thereat. It shall be the responsibility of each Member to provide the Secretary with a current mailing address.

SECTION 2. SPECIAL MEETINGS OF THE MEMBERSHIP

Special Meetings of the Membership may be called at any time by the President, the Board or, upon presentation to the President, the written, signed request of no less than one-tenth (1/10) of the total Active Membership. Notice of a Special Membership Meeting must be mailed to each Member not later than ten (10) days before the date of such meeting, which shall include the items of business reasonably expected to be considered thereat.

SECTION 3. QUORUM FOR MEMBERSHIP MEETINGS

A quorum shall consist of twenty percent (20%) of the total Active Membership.

SECTION 4. ELECTIONS AT MEMBERSHIP MEETINGS

Elections conducted by the Members shall be by secret ballot, except when there is but one candidate for the office.

SECTION 5. VOTING AT MEMBERSHIP MEETINGS

Membership carries one (1) vote per paid membership, and any one (1) person can only vote one (1) membership. No proxy vote is permissible at meetings of the

Membership. If there is more than one paid membership in a family, farm, ranch, business operation, or herd, each membership in good standing will have a vote. A simple majority will rule in all cases unless otherwise stated in the Constitution or these By-laws. Active Members whose memberships are not in good standing may not vote.

SECTION 6. REGULAR MEETINGS OF THE BOARD

The Board of Directors shall conduct Regular Meetings at least each quarter of the Association's fiscal year and as otherwise directed by the Board or the Members. One of the Board's Regular Meetings shall take place at, or in conjunction with, the Association's Annual Meeting. Written notice of any such meeting, and the business reasonably expected to be transacted thereat, shall be given to all members of the Board at least ten (10) days prior thereto.

SECTION 7. SPECIAL MEETINGS OF THE BOARD

A Special Meeting of the Board may be called on request of a majority of the Board members or at the direction of the President. Written notice of any such meeting, and the business to be transacted thereat, shall be given to all members of the Board at least twenty four (24) hours prior thereto.

SECTION 8. QUORUM OF THE BOARD

A quorum for any meeting of the Board shall consist of seven (7) of its members.

SECTION 9. RULES FOR CONDUCT OF ALL MEETINGS

All meetings will be governed by these By-laws. If matters are not covered herein, the Constitution and By-laws of the Red Angus Association of America will be consulted and followed when practical and, if not covered therein, reference shall be to Robert's Rules of Order. A ruling by the Chair may be reversed only by a majority of the votes present in person

ARTICLE VIII

ORDER OF BUSINESS

The order of business at a regular meeting shall be as follows, or as close to the following as is practical:

- a. Taking of the roll
- b. Reading of the minutes of the last meeting and of special meetings subsequent

- thereto.
- c. Report of the Treasurer.
- d. Report of the Board of Directors through the Secretary.
- e. Reports of Committees (standing and special).
- f. Unfinished business.
- g. New Business.
- h. Elections.
- I. Adjournment.

ARTICLE IX

AMENDMENTS

These By-laws may be amended by a proposal from the By-laws Committee. A proposal may also be made to the Committee by any Active Member. The Committee must pass the proposed amendment by a two-thirds (2/3) majority before presenting it to the Board for approval. Any proposal, as approved by the Board, must be presented to the Active Membership in writing thirty (30) days prior to its next regular or special meeting of the Members. The amendment may be voted on at the next regular Annual Meeting which may be no sooner than six (6) months after the meeting at which it was presented to the Active Membership. To become effective, any amendments to these By-laws must pass by a two-thirds (2/3) majority of the Active Members at that meeting.

MAP. A supplement to but not part of the Constitution and By-laws.

Area 1. Northeast: OK border I 35 south to I 35 (W) to I 20 then east to the AK border.

Area 2. East: AK border West on I 20 to I 35 (W) to Waco then TX 6 south to the Gulf coast.

Area 3. Southeast: Gulf coast north on TX 6 to Waco then south on I 35 to the Mexico border.

Area 4. Southwest: Mexico border north on I 35 to I 35 (W) to I 20 west to NM border.

Area 5. Northwest: NM border east on I 20 to I 35 (W) then north to OK border.

Area 6 is no longer.

Note: A Member's mailing address is used for establishing their area of membership. Ranch location may be used only in special occasions.