

American Southdown
Breeders Association



Constitution and By-Laws

OCTOBER 2013

CONSTITUTION AND BY-LAWS
American Southdown Breeders' Association

Preamble

Fully recognizing the importance of a well authenticated record that shall be accepted as authority in matters of pedigree of Southdown sheep, and soliciting the cooperation of all who feel an interest in maintaining the purity of these sheep and promoting the breed, we hereby associate ourselves as a non-profit, non-stock membership association and adopt for our government the following Constitution:

ARTICLE I: NAME AND LOCATION

This organization shall be known as the American Southdown Breeders' Association, with headquarters at the town or residence of the Executive Secretary.

ARTICLE II: PURPOSE

1. This organization shall collect, verify, preserve and publish information of the history, management, and pedigrees of purebred Southdown sheep, under such conditions as may be approved by the Association.

2. The funds of the Association shall be under the control of the Board of Directors, and shall, by said Board, be appropriated for the verification, preservation and publication of pedigrees and other necessary purposes of the promotion of the work of the Association.

3. The Board of Directors shall, through its agents and employees, exercise a surveillance over all pedigrees presented for registry, and exclude such as are not well authenticated.

ARTICLE III: MEMBERSHIP

1. Each applicant for membership shall complete the forms provided by the Executive Secretary, and upon the payment of an initial membership fee as required by the Board of Directors, such applicant shall be admitted as a member.

2. Beginning with the second year of membership and continuing as long as the person desires to be an active member with voting privileges or transact business with the Association at rates for active members, an annual due (set by the Board of Directors) will be required by the Association and must be paid no later than the end of each fiscal year. To receive active member rates this annual due must be paid before sheep will be registered or transferred, any member who does not pay his annual dues is no longer a member until dues are made current and including previous years skipped will be required to register/transfer sheep at the same rate as non-members.

3. Junior members, individuals 21 years of age or under, may transact business at active member rates.

4. When any member or members of this Association shall form a partnership, they shall immediately procure a new membership in the Association which shall be in the name of the partnership or pay as a non-member.

ARTICLE IV: ARBITRATION OF DISPUTES

Any dispute arising from:

a. The issuance of pedigrees of purebred Southdown sheep and their certificate of registration by this Association,

b. The reliance upon those certificates of registration,

c. The claim that any misrepresentation has been made to obtain the certificate of registration,

d. The efforts by this Association to discipline, suspend or deny the right to any individual to transact business with the Association shall be resolved by arbitration under the provisions of the Uniform Arbitration Act as it is published under the statutes of the State of Illinois currently printed at 710 I LCS 5/1 through 5/23. The American Southdown Breeders Association is an Illinois not-for-profit corporation and the laws of the State of Illinois as well as the Illinois version of the Uniform Arbitration Act are selected to give certainty to all parties of

the appropriate rules that will apply.

The arbitration of disputes shall apply to all parties including,

- a. This Association,
- b. The membership of this Association, or their associates,
- c. Any entity relying upon statements made in the certificate of registration,
- d. Any entity that submitted information to obtain a certificate of registration.

Three arbitrators shall be selected. Each party to the dispute shall select an arbitrator and those two arbitrators choosing a neutral third. The three arbitrators selected shall then have the authority to issue final and binding decisions from which a judgment may be entered upon by any circuit court in the State of Illinois.

All parties shall be entitled to due process of law. No hearing shall be held without reasonable notice given to all parties. The arbitration hearing shall cover the topic of written statements submitted by the party requesting relief. All parties are entitled to be heard, to present evidence material to the controversy, to cross examine witnesses and present other reliable evidence. All disputes as to prehearing disclosures, reliability of evidence and procedures of the hearing shall be ruled upon by the neutral arbitrator and that decision is final as long as no violation of due process occurs. Any party is entitled to be represented by an attorney at their own expense. Each party will bear the expense of the arbitrator they select and one-half of the expense of the neutral arbitrator.

Any written finding affecting the pedigree of purebred Southdown sheep shall be honored by this Association, whether or not a party to the arbitration.

Notwithstanding this arbitration provision, the Association may refuse to transact business with entities maintaining outstanding money balances for services performed by this Association when such billing has been submitted in the ordinary course of business and no objection to the validity of the charge has been filed in writing with the Executive Secretary of the Association within 30 days of receipt of the bill.

ARTICLE V: DIRECTORS AND OFFICERS

1. There shall be sixteen directors chosen by the members of the Association at the Annual Meeting, who shall constitute the Board of Directors of the Association and who shall have power to manage the affairs of the Association, subject to the provisions of the Constitution and By-Laws. The President or any Board member may request a Board of Directors meeting and conduct business. Nine of the Directors shall constitute a quorum for the transaction of business and may be held either in person or by telephone. The Directors shall be elected from the membership, must be a member and manage, raise or own Southdown sheep. They shall serve for a term of three years and shall be elected one from each of the twelve Districts hereinafter described and four Directors-at-large (two from each of the Regions representing the largest number of registrations, not to exceed two Directors-at-large per Region).

2. The elected Directors of the Association may, at their discretion, select Honorary Directors who will act in an advisory capacity but will have no voting privilege during Board of Directors meetings.

3. When a vacancy shall exist in the office of Director, the vacancy shall be filled by vote of the Directors at the next meeting of the Board of Directors for the unexpired term of the Director whose office is vacant.

4. Nomination for all expired terms for Directors shall be made by a nominating committee appointed by the President at least thirty days before the Annual Meeting. After receiving the report of the committee at the Annual Meeting, the President shall call for additional nominations from the floor before proceeding to election.

5. The officers of the Association shall consist of President and a Vice President, elected by and from the Board of Directors. These officers shall serve until the first Annual Meeting following their elections, or until their successors have been chosen.

6. An Executive Secretary will be hired by the Board of Directors and may or may not be a member of the Association. This person serves at the discretion of the Board of Directors.

7. There shall be an Executive Committee consisting of the President, the Vice President and two members of the Board of Directors appointed by the President. The Executive Committee shall, under the supervision of the Board of Directors, have control of and supervise the use of funds of the Association and attend to all duties delegated to it by the Board of Directors. A meeting of the Executive Committee may be held either in person or by telephone. The President or any Committee member may request an Executive Committee meeting and conduct business.

8. To provide a means of apportioning Directors for the different states, the following Regions and Districts were created at the Annual Meeting on November 16, 1987, Louisville, Kentucky.

Region #1

District 1 - Oregon, Washington, Alaska, Hawaii

District 2 - California

District 3 - Nevada, Idaho, Montana, Wyoming, Utah, Colorado, Arizona, New Mexico

Region #2

District 1 - Texas

District 2 - Wisconsin, Minnesota, North Dakota, Iowa

District 3 - Oklahoma, Kansas, Arkansas, Louisiana, Mississippi, South Dakota, Nebraska,
Missouri

Region #3

District 1 - Illinois

District 2 - Indiana, Michigan

District 3 - Ohio, Kentucky, Tennessee, Alabama, Georgia, Florida

Region #4

District 1 - Pennsylvania, West Virginia

District 2 - Maine, New Hampshire, Vermont, Massachusetts, New York

District 3 - Connecticut, Rhode Island, New Jersey, Delaware, Maryland, Virginia, North
Carolina, South Carolina

9. In the event of increases or decreases in the active membership and registrations within the Regions, said Regions shall be reviewed by the Board of Directors every three years with any proposed realignment of Districts within the Regions to be approved by a two-thirds vote of all members present at any Annual Meeting.

ARTICLE VI: DUTIES OF OFFICERS

1. The President shall preside at all meetings of the Association and the Board of Directors, and exercise the usual functions of the presiding officer of a deliberative body. The President shall appoint committees and serve as ex-officio member of all committees, and shall perform such other duties as usually pertain to this office.

2. In the President's absence the Vice President shall assume his/her duties.

3. The Executive Secretary shall keep on file all documents constituting authority for pedigrees, and shall hold them subject to the inspection of any member of the Association at all reasonable times. The Executive Secretary shall record the transactions of the meetings of the Association and of the Board of Directors and perform the tasks necessary for a timely and satisfactory completion of the business of the Association.

4. The Executive Secretary shall make reports at each Annual Meeting (and oftener if required to do so by the Board of Directors), giving an itemized account of all moneys received and paid out by the Association to the end of the fiscal period preceding the Annual Meeting at which said reports are made and the amount of the balance, if any, remaining to the Association.

5. All bills against the Association shall be presented in detail and shall be paid only on the order of the

Executive Secretary, approved by the President. When contracts have been duly authorized, they may be executed on behalf of the Association by the signatures of the President and Executive Secretary.

6. The Executive Secretary shall execute good and sufficient bonds in such sum as may be fixed by the Board of Directors or the Executive Committee, with said sureties to be purchased by the Association and to be approved by said committee conditioned for:

- a. the faithful performances of his or her duty;
- b. the safekeeping of all moneys and property coming into his or her hands or possession by virtue of office;
- c. the faithful account for and payment over and delivery to his or her successor in office all moneys and property remaining in his or her hands or control at the termination of office.

ARTICLE VII: ANNUAL MEETING

1. Notice of the Annual Meeting with the time and place shall be sent to members. Notice shall be sent 30 days before the meeting.

2. At the Annual Meeting only those members present in person or represented by proxy shall be entitled to vote.

3. The vote of any member absent from the Annual Meeting may be by proxy, providing the absent member shall after receiving notice of the meeting file 15 days prior the meeting file said proxy in the office of the Executive Secretary of the Association. Proxies shall be valid only for the meeting designated thereon. It shall be the duty of the proxy committee, appointed by the President, to reject any and all proxies not complying with these requirements.

4. The Annual Meeting of the Association shall be held at the time and place designated by the Board of Directors.

5. The Board of Directors may submit questions to the membership and they shall be decided by the majority of those voting.

ARTICLE VIII: VOTING PRIVILEGES

1. Members have the right to vote at all regularly called meetings of the membership, whether in person or by proxy.

2. Each entity, whether a partnership, corporation, company, or the like, meeting the requirements for membership shall be entitled to one vote, whether in person or by proxy. The person voting for the entity shall identify himself/herself on request to the appropriate officer.

3. Junior members and non-members of the Association have no voting privileges.

ARTICLE IX: AMENDMENT

Upon 30 days notice, the Constitution may be amended or changed at any called or Annual Meeting, by the approval of two-thirds of the members voting. The mailing of a copy of any proposed resolution or any proposed change in this Constitution to the post office address of each member shall be deemed a sufficient compliance with this Article.

ARTICLE X: CORPORATION POWERS

1. Except as otherwise provided on these Articles, the Corporation shall have all of the powers provided in the Illinois Non-Profit Corporation Act.

ARTICLE XI: DIRECTOR LIABILITY

1. To the extent permitted by the Illinois law, no present or former director shall be liable for any judgement, penalties, fines, settlements, expenses or other form of monetary damages not specifically enumerated herein, whether or not a director at the time such costs, expenses or damages were incurred by or imposed upon him, for any act or omission in such director's capacity as a director of the Corporation except for:

- (A) A breach of director's duty of loyalty to the Corporation or its members.

- (B) An act or omission not in good faith or that involves intentional misconduct or knowing violation of the law.
- (C) A transaction from which a director receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; or
- (D) An act or omission for which the liability of a director is expressly provided for by statute.

2. The rights enumerated above shall not be deemed exclusive of any other rights to which such director may be entitled by law or under any by-law, vote of members or otherwise.

ARTICLE XII: INDEMNIFICATION

1. The Corporation may indemnify a person who is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or other person related to the Corporation as provided by the provisions of State law governing indemnification. The Board of Directors shall have the power to define the requirements and limitations for the Corporation to indemnify directors, officers, members or others related to the Corporation.

ARTICLE XIII: TAX EXEMPTION

1. The Corporation shall have no power to take any action that would be inconsistent with the requirements for a tax exemption under Internal Revenue Code Section 501 (c) (5) and related regulations, rulings and procedures.

ARTICLE XIV: NET EARNINGS

1. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, directors, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Articles hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501 (c) (5) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law).

ARTICLE XV: CORPORATION DISSOLUTION

1. Upon the dissolution of the Corporation; the officers shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c) (5) of the Internal Revenue Code of 1954 (or corresponding provisions of any future United States Internal Revenue Law) as the members of the Corporation shall determine by vote. Any such assets not so disposed of shall be disposed of by the Board of Directors exclusively for such purposes or to such organization or organizations as said Directors shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XVI: GENETIC INVESTIGATIONS

1. The Executive Committee shall make such investigations of genetic factors occurring in Southdown animals as they may believe necessary or advisable and shall report the results of the investigations to the Board of Directors.

Each member and non-member of the American Southdown Breeder's Association shall cooperate fully in any such investigation. The Board of Directors shall determine what genetic factors are considered to be undesirable in the Southdown breed and shall take whatever action it may consider appropriate to control and limit such undesirable genetic factors.

2. The collection, compilation and dissemination of information relating to genetic factors is hereby declared to be in furtherance of the aims and purposes of the American Southdown Breeder's Association, the preservation of high breeding standards of Southdown sheep, and the protection not only of the members of the Association but also of the public generally; and dissemination of such information is, therefore, deemed to be qualifiedly privileged. Accordingly, the American Southdown Breeder's Association shall publish and release such information in accordance with procedures established by the Board of Directors. In so doing neither the American Southdown Breeder's Association nor its officers, directors, committee members, employees or agents shall be liable for damages or otherwise.

ARTICLES XVII: MISCELLANEOUS

1. It shall be the responsibility of any member who changes his/her/their mailing address to notify the Executive Secretary of the Association of said change.

2. Where in accordance with the Constitution and By-Laws of the Association notice is required to be given, it shall be deemed sufficient when said notice shall have been duly and regularly deposited in a postpaid envelope or a postpaid publication of the Association which is directed to the last known address, as the address appears in the records of the Executive Secretary of the Association on the member or members to whom such notice is to be given.

3. Postmarks on mailed material will constitute the valid date for transaction or any business contained therein.

4. The period constituting the Association's fiscal year is to be designated by the Executive Secretary with the approval of the Board of Directors.

REVISED November 12, 2006