

# Bylaws of the International Brangus Breeders Association

## ARTICLE I: GENERAL

### Section I. Principal Office

The principal office of the Association (hereinafter sometimes referred to as IBBA) shall be in the City of San Antonio, State of Texas, but it may have offices at any place or places within or without the state of Texas where it transacts business and at such other place or places within or without such State as the Board of Directors shall from time to time indicate

### Section II. Oklahoma Office

This Association being incorporated in and under the laws of the State of Oklahoma, shall at all times maintain a registered office and have a registered agent in the State of Oklahoma, and shall always comply with the laws of Oklahoma applicable to it.

### Section III. Seal

The Directors may adopt a corporate seal for the Association and may from time to time modify such corporate seal.

### Section IV. Amendment of Bylaws

These Bylaws shall not be amended, altered or repealed except by a 2/3 majority vote of those active members in good standing voting by mailed ballot, electronically, and in person, at any duly called annual or special meeting of the members, provided that proper notice as required in [Article II, Section IV](#), that specifies the changes being proposed and the time and place of said meeting is given to the active members. A quorum of ¼ of the active members in good standing at the time of the meeting shall be required for any action to amend these Bylaws.

### Section V. Amendment of Certificate of Incorporation

The Association's Certificate of Incorporation shall not be amended, altered or repealed except by a majority vote all active members in good standing. Voting on any such action may be by mailed ballot or in person at any duly called annual or special meeting of the members, provided that proper notice as required in [Article II, Section IV](#), that specifies the changes being proposed and the time and place of said meeting is given to the active members.

## ARTICLE II: MEMBERS

### Section I. Classes of Members

The Association shall have one class of voting members ("**active members**"). The Directors may, from time to time, designate one or more additional classes of members with privileges and obligations as determined by the Directors; provided that only Active Members shall have any right to vote or to otherwise have any voice in the operation, conduct, management or ownership of the Association.

### Section IA. Active Members

Subject to all the other terms and provisions of these Bylaws, any person, firm or corporation who is a breeder and/or owner of animals eligible for registration, certification, enrollment or recording as specified in Article V shall be eligible to become an active member of the Association subject to the following:

1. Written application for such membership being made to and lodged with the Board of Directors of the Association by the party desiring to become an active member, accompanied by a cash fee as determined from time to time by the Board of Directors.
2. The Board of Directors approving such applicant as a breeder and/or owner.
3. An active member may be an individual, partnership, corporation, co-tenancy, syndicate, trust, estate or the surviving spouse or lineal descendants of a deceased person who was an active member at the time of his or her death, provided such spouse or descendant otherwise qualifies as eligible to be an active member.
4. Each member that is an entity or that is otherwise comprised of more than one individual must have a separate recorded Association membership number and must designate a representative who will act on behalf of the entity or co-owners.
5. Each active member in good standing (meaning such member shall not have been suspended and shall be current in the payment of all dues) shall be entitled to one vote for the election of Directors and for any other item of business on which the member is entitled to vote.
6. Each active member shall pay the Association annual dues as determined from time to time by the Board of Directors.
7. No active member shall ever have the right to transfer or otherwise dispose of his or its membership in the Association, and no such membership or any evidence thereof shall ever be transferable in any event except as provided above with respect to heirs of deceased members.
8. Each applicant for active membership will be subject to review and specific approval by the IBBA Board of Directors based

on such other criteria as the Board of Directors may adopt from time to time.

#### **Section IB. Other Membership Classes.**

The requirements, privileges and obligations of any additional classes of membership that have been designated by the Directors may be amended, altered, or modified from time to time as determined by the Directors. The Directors may also eliminate any additional classes of membership as they deem in the best interests of the Association.

#### **Section II. Annual Meeting**

The annual meeting of the members of the Association shall be held at the principal office of the Association in San Antonio, Texas, or at such other place within or without the State of Texas as the Directors may determine between January 1st and April 1st of each year. The business of the annual meeting shall be to verify the election of Directors and to transact any other business as may be properly brought before the meeting by advance notice of such meeting (see Article II. Section IV. Notice).

#### **Section III. Special Meetings**

Special meetings of the members may be held at the principal office of the Association, or at such other place within or without the state of Texas, as the Directors may determine, and at any time upon call by the President, or by a majority of the members of the Board of Directors, or by not less than one hundred (100) active members who are in good standing. The purpose of the special meeting shall be to transact any business set forth in the advance notice of such meeting (see Article II. Section IV. Notice).

#### **Section IV. Notice**

Written or printed notice stating the place, day and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall be published in the Brangus® Journal not less than forty-five (45) days beforehand or, if notice by publication is not practical because there is insufficient time prior to the scheduled date of the meeting, such written or printed notice shall be sent by U.S. regular mail, postage prepaid, to each member not less than thirty (30) days beforehand.

#### **Section V. Waiver of Notice**

If any of the active members shall waive notice of meeting, no notice of such meeting will be required to such member. Whenever all of the active members shall meet, such meetings shall be valid for all purposes, without call or notice. Any active member who votes at a meeting in person or by ballot shall be deemed to have waived notice of the meeting.

#### **Section VI. Quorum**

At any annual or special meeting of the members, one hundred (100) active members, including individual Association officers and Directors, in good standing voting in person, by mailed ballot, and electronically shall constitute a quorum and a majority thereof shall have the authority to authorize and transact any and all business except as otherwise specifically provided in these Bylaws.

#### **Section VII. Mailed/Electronic Ballots**

The Board of Directors may authorize voting by mailed ballot or electronic communication upon any specific matter only after the membership has been provided notice in the same fashion as required for the notice of a meeting of the active members (see Article II. Section IV. Notice). The Board of Directors shall have the authority to adopt procedures from time to time to facilitate the orderly voting by mailed ballot or electronic communication provided such procedures are set forth in the notice to the active members.

### **ARTICLE III: BOARD OF DIRECTORS**

#### **Section I. Number and Qualifications**

The Board of Directors shall be selected from among the active members of the Association with not more than one person from the same ranching entity being allowed to serve on the IBBA Board of Directors at the same time. The number of Directors serving on the Board shall be thirteen (13). The term of a member of the Board of Directors shall be limited to no more than two consecutive three year terms, except election of a Board member to fill a one-year unexpired term will not be considered as part of the two consecutive term limitation. However, the election of a Board member to fill a two-year unexpired term will be considered as one term of the two consecutive term limitation. Past board members may be elected to again serve on the Board three or more years following previous tenure on the Board.

#### **Section II. Election and Term of Office**

The Directors shall be elected by the active members of the Association by mailed ballot once each year. Each member of the Board of Directors shall hold office for a three (3) year term and until his or her successor has been elected and qualified; provided, however, that a Director may be removed at any time by a vote of the active members of the Association at any annual or special meeting of the

members.

The Board of Directors shall be divided into three (3) groups of which two groups shall have four (4) Directors and one group shall have five (5) Directors. Each year, one group of the Board of Directors will be elected by the active members in good standing who reside in the respective areas represented by such group for a three (3) year term on a rotating basis so that the active members in each area represented by such group elects new Directors as the terms of the Directors in such group are expiring. The Board of Directors shall designate, from time to time, the division of the United States into electoral areas based on animal registrations. Unless changed by the Board of Directors, there will be eleven (11) areas, with each area electing one Director every three (3) years, with the exception of Texas where one Director will be elected every year.

Each year the president shall appoint a current Director to head the nomination process in his or her designated area. The appointed Directors shall form a committee composed of the Directors and representatives of the state and regional associations within the area. The state and regional associations' representatives shall be a majority of the nominating committee. A minimum of two candidates (of which one candidate may be a write-in) shall be nominated for each vacant Director position. The officers of the Association shall designate a completion date of the nominating process. A list of nominees shall be made available to the active members at least thirty (30) days prior to the mailing of the official ballot.

The members in good standing shall elect the Directors from their area of residence by mail ballot only. Each active member in good standing has one (1) vote for each vacant Director position in the area. A member's area will be based upon the mailing address on file with the Association. The officers of the Association shall designate the procedure for the proper execution of the official ballot. The members may vote for any member in good standing residing in their area whether or not their names appear on the ballot, by writing in the names of such members in spaces provided on the ballot. The candidate or candidates receiving the largest number of votes in each electoral area shall be declared elected as Director. The Secretary-Treasurer will appoint a committee of three active members in good standing to supervise the tabulation of ballots. In case of a tie vote, a run-off ballot will be mailed to that particular electoral area.

### **Section III. Vacancies**

In case of any vacancy in the office of a Director through death, resignation or disqualification, the vacancy remains unfilled until the next annual Director elections at which time the vacancy will be filled by the nomination and election procedures set forth above for the electoral area from which the vacancy occurred.

### **Section IV. Meetings**

The Directors shall hold an annual meeting as soon as practical after the annual meeting of the members, and shall hold such other regular meetings as they may determine from time to time. Special meetings may be held at any time upon ten (10) days' notice to the Directors if the meeting is in person, or upon three (3) days' notice if the meeting is to be held by conference telephone, videoconference, or similar communications equipment. Attendance of Directors at a meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. The Directors may participate in and hold such meeting by means of conference telephone, videoconference, or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. A majority of the Directors at any time in office shall constitute a quorum for the transaction of business.

Except as herein in these Bylaws elsewhere specifically provided, no Director shall, in his or her capacity as or by virtue of being a Director, have any right, power or authority to act for or on behalf of the Association except at and during a duly convened meeting of the Board of Directors and no Director shall ever be permitted to act as such through another either by the giving of proxy to such other person or otherwise.

### **Section V. Scope of Duties**

The business and property of the Association shall be managed and controlled by the Board of Directors, and the officers of the Association shall at all times be under their control and subject to their direction. However, the Board of Directors can authorize active members the right to vote either in person or by mailed ballot on any special issues defined and approved by the Board of Directors.

## ARTICLE IV: OFFICERS

### Section I. General

The officers of the Association shall consist of a President, a First Vice President, a Second Vice President, a Secretary-Treasurer, and an Executive Vice-President. The officers, except for the Executive Vice-President, shall be elected by the Directors each year at the first meeting of the Board of Directors after the election of new Directors. Each such officer must be a member of the Board of Directors. The Board of Directors may appoint such other officers as they deem necessary and shall have the exclusive authority to hire and fire the Executive Vice President.

The officers of the Association, other than the Executive Vice President, shall perform the duties regularly performed by such officers in similar corporations, and they shall at all times be subject to the control and direction of the Board of Directors. They shall perform such duties and have such powers as may be, from time to time, prescribed by the Board of Directors. Except for the Executive Vice President, no officer of the Association shall receive any compensation for his services as such.

### Section II. Term of Office and Removal

All officers shall hold office for the term designated in their employment or appointment, but if not designated, then until their successors are duly elected and have been qualified; provided however, that the Board of Directors shall have the right at any and all times to remove any such officer by a majority vote.

### Section III. Executive Vice President

The Executive Vice President shall be a full time, salaried employee of the Association. The Executive Vice-President shall be paid such salary for his full time services as the Board of Directors may from time to time determine and shall attend all meetings except executive sessions of the Board of Directors and active members, as an ex-officio member without power to vote. The Executive Vice-President shall generally be in charge of the administrative affairs of the Association, with the right to hire and fire and fix the compensation of all subordinate employees not elected or appointed by the Board of Directors, and generally perform all other duties and exercise all other powers which the Board of Directors may from time to time assign to him, all, however, subject to the will of the Board of Directors.

### Section IV. Execution of Instruments

Except as otherwise directed by the Board of Directors, all formal instruments authorized by the Board of Directors shall be signed by the President, the Executive Vice- President or the Vice President and attested by the Secretary-Treasurer or an assistant Secretary. All checks shall be signed, from time to time as approved by the Directors.

## ARTICLE V: CATTLE

### Section I. Animals Eligible for Registration

The following animals are eligible for registration by the Association:

#### A. *"Brangus®" or "Red Brangus" Cattle*

These by definition are animals of 3/8th Brahman breeding and 5/8th Angus breeding, are black or red, respectively, with no white in front of the navel; and are polled or scurred. "Brangus®" or "Red Brangus" may be registered in and by the Association provided they are produced from breeding as follows:

1. Known Brangus® or Red Brangus sire and dam registered in and by the Association;
2. Known purebred Angus animal enrolled in and by the Association and a known animal of 3/4th Brahman breeding and 1/4th Angus breeding certified in and by the Association;
3. A known animal of 1/4th Brahman breeding and 3/4th Angus breeding certified in and by the Association and a known animal of 1/2 Brahman breeding and 1/2 Angus breeding certified in and by the Association; or
4. Known progeny from animals recorded in the Brangus®/Red Brangus Appendix Program that meet all Association requirements for registration other than those specified in 1, 2 or 3 of this paragraph A.

#### B. *"Ultrablack®" or "Ultrared" Cattle*

These by definition are animals of Brangus breeding and Angus breeding, are black or red respectively, with no white in front of the navel; and are polled or scurred. "Ultrablack®" or "Ultrared" may be registered in and by the Association provided they are produced from breeding as follows:

1. Known Ultrablack® or Ultrared sire and dam registered in and by the Association;

2. Known purebred Angus animal enrolled in and by the Association and a Brangus® or Red Brangus animal registered in and by the Association;
3. Known purebred Angus animal enrolled in and by the Association and animals recorded in the Brangus®/Red Brangus Appendix Program that meet all Association requirements for registration other than those specified in 1 or 2 of this paragraph B; or
4. Known progeny from animals recorded in the Ultrablack® or Ultrared Appendix Program that meet all Association requirements for registration other than those specified in 1, 2 or 3 of this paragraph B.

**C. Brangus Produced from "Ultrablack®" or "Ultrared™" Cattle**

These by definition are animals of Brangus breeding and "Ultrablack®" or "Ultrared™" breeding, are black or red respectively, with no white in front of the navel; and are polled or scurred. Brangus produced from "Ultrablack®" or "Ultrared™" may be registered in and by the Association provided they are produced from breeding as follows:

1. Known Brangus sire or dam registered, or recorded in the Appendix Program, in and by the Association:
  - a. mated to the progeny of known Ultrablack® or Ultrared™ sire or dam registered, or recorded in the Appendix Program, in and by the Association and known Brangus sire or dam registered, or recorded in the Appendix Program, in and by the Association, and
  - b. that results in at least an 87.5% Brangus.

**Section II. Animals Eligible for Certification**

The following animals are eligible for certification by the Association and may be certified in and by the Association, but none such shall ever be enrolled or registered:

- A. "Quarter-Blood" Cattle that are, by definition, of 1/4th Brahman and 3/4th Angus breeding.
- B. "Half-Blood" Cattle that are, by definition, 1/2 Brahman and 1/2 Angus breeding.
- C. "Three-Quarter-Blood" Cattle that are, by definition, of 3/4th Brahman and 1/4th Angus breeding.
- D. "Appendix" Cattle that are, by definition, eligible for recording in the Brangus®/Red Brangus or Ultrablack®/Ultrared Appendix Program.
  1. Animals eligible for recording in the Brangus®/Red Brangus Appendix Program are 3/8 Brahman and 5/8 Angus and have enrolled, certified, or registered Brangus® or Red Brangus cattle as parents or cattle recorded in the Brangus® or Red Brangus Appendix Program as parents, but do not meet the Association's color standards for herd registry.
  2. Animals eligible for recording in the Ultrablack®/Ultrared Appendix Program are Brangus and Angus and have enrolled Angus, or registered Brangus®/Red Brangus or Ultrablack®/Ultrared cattle as parents or cattle recorded in the Ultrablack®/Ultrared Appendix Program as parents, but do not meet the associations color standards for registry.

Animals as defined in Section II, A, B or C are considered "Foundation Stock for Brangus Cattle".

**Section III. Animals Eligible for Enrollment**

The following animals are eligible for enrollment by the Association and are considered "Foundation Stock for Brangus Cattle" :

- A. Purebred Brahman or Zebu cattle
- B. Purebred Angus cattle.

**Section IV. Fees**

Fees for registration, certification, enrollment, recording and/or transfer of cattle in and by the Association shall be those as fixed and determined from time to time by the Board of Directors of the Association; provided that, (i) fees charged members of the Association in good standing shall always be one-half the fees charged others, and, (ii) all such fees shall be subject to review and change by the active members of the Association at any duly convened meeting of the Association members.

**Section V. Applications for Certificates**

All applications for registration, certification, enrollment, and/or recording cattle in and by the Association shall be in such form and in such substance as may be prescribed by the Board of Directors from time to time.

## **Section VI. Herd Books**

The Association shall keep and maintain three permanent herd books. One entitled, "Foundation Stock Permanent Herd Book", in which shall be entered all "Foundation Stock for Brangus®/Red Brangus or Ultrablack®/Ultrared Cattle" from time to time certified or enrolled in and by the Association. One entitled, "Brangus® and Red Brangus Cattle Permanent Herd Book" in which shall be entered all animals of 3/8th Brahman breeding and 5/8th Angus breeding from time to time registered in and by the Association. And, one entitled "Ultrablack® and Ultrared Cattle Permanent Herd Book" in which shall be entered all animals of Brangus® or Red Brangus breeding and Angus breeding from time to time registered in and by the Association.

Each breeder and/or owner who seeks to have any animal registered, certified, enrolled, or recorded in and by the Association shall keep accurate documentation in which such party shall indicate the tattoo and/or holding brand and herd number of each animal, and such other information detailing its ancestry and breeding as will clearly and positively reflect its parentage.

## **Section VII. Records**

Active members who fail to keep complete and accurate records of their registered, certified, enrolled or recorded cattle with the Association will be notified by the Executive Vice President or his designee that the Association is aware of the problem. It will be the responsibility of the breeder to promptly correct his records and institute accepted recording practices to monitor future activities of his herd. If this action is not taken within a reasonable time to the satisfaction of the Executive Vice President, the breeder will be notified by letter and the matter will be submitted to the Board of Directors for determination under the hearing procedures set forth in Article XIII.

## **Section VII. Release of Performance Information**

Each person who submits performance information on cattle to be registered, certified, enrolled or to be entered in any Association program, by doing so, irrevocably consents and agrees that such information will be used for research, development and publication of a Brangus® Sire Summary report that will be available to the Association membership and the general public.

# **ARTICLE VI: OTHER PROVISIONS**

## **Section I. Business Year**

The Association shall operate on a calendar year basis.

## **Section II. Audits and Auditing**

Each year the Board of Directors shall employ for and on behalf of the Association, a Certified Public Accounting firm that is reputable and competent, and is neither an inspector for, nor a member, officer, Director or employee of the Association, or in any way connected with any other Association. Such accountants shall be paid by the Association a reasonable compensation for their services and shall make and complete a detailed audit each year of the books, records and affairs of the Association and submit his preliminary written report thereof to the Directors on or before the date of the next ensuing annual meeting of the Association members. Copies the audit report shall be made available to active members attending such meeting. A conformed and certified copy of the audit report will be published in the next available Brangus® Journal after it is received by the Board of Directors.

## **Section III. Committees**

The Board of Directors will appoint committees as necessary to accomplish the work of IBBA. These permanent committees are known as "Standing Committees". From time to time other committees may be appointed for specific tasks with specific goals. These temporary committees are known as "Ad Hoc Committees". Standing committee chairmen are appointed by the president of IBBA after consultation with the Board of Directors. Chairmanship appointments are for a one-year term and are made at the Annual IBBA Spring board meeting, immediately following the election of the new president. The Chairman of each standing committee shall be a member of the IBBA and no Chair will serve for more than three consecutive years. If the Chairman of a committee is not a member of the Board of Directors, the President shall appoint a member of the Board of Directors to report activities of the committee to the Board of Directors. The Association Secretary-Treasurer will always chair the Finance Committee.

### **A. Standing Committees**

1. Committees should be of sufficient size to accomplish their purposes and provide sufficient representation of

the membership of the Association.

2. Annually, at least 1/3 of each committee membership shall be newly appointed to that respective committee and no committee member shall serve for more than three consecutive years.
3. Committee chairs are to nominate and solicit individuals for positions on their committees, but the Board of Directors shall approve all individuals prior to the solicitation for committee membership. Generally all committee members will be members of IBBA in good standing. However, exceptions to this rule can be approved by the Board of Directors and an attempt will be made to have membership of the Commercial Marketing Committee to be commercial cattle producers who will often not be IBBA members.
4. Committee Chairs have the sole responsibility of recruiting and selecting a Vice chairman from among his committee members who will advise the Chair and function as Chair when the Chairman is absent.
5. The Board of Directors, by majority vote, may appoint members to, or remove members from any standing committee.
6. Standing committee Chairs are expected to prepare and submit brief written reports for review by the Board of Directors at least 30 days before each bi-annual meeting.
7. At each bi-annual meeting the report of each standing committee is to be presented by the chair, or designee, to the IBBA Board for acceptance. Any proposed actions or recommendations contained in the report or made by a standing committee are to be presented by the chair, or designee, to the IBBA Board as motions for consideration by the IBBA Board.

#### B. Ad Hoc Committees

1. Ad hoc committees are formed for specific purposes with specific goals. They may be appointed by the Chair of a standing committee with approval of the Board of Directors. Each ad hoc committee reports back to the committee that designated the charge. Once the specific purpose is accomplished and the ad hoc committee has reported such ad hoc committee is dissolved. Ad hoc committees will always expire annually. If necessary, they must be annually reformed until their work is complete.
2. The Board of Directors by majority vote may appoint members to, or remove members from any ad hoc committee and by majority vote, may dissolve any ad hoc committee.

#### C. Named Standing Committees

1. Finance Committee  
Charge: To assist the Executive Vice President in developing an association budget in response to committees of the Board of Directors and consideration of the general association expenses and revenues; to develop programs and ideas to produce revenues and to monitor the financial health of the association and make appropriate recommendations to the Board of Directors regarding financial concerns.
2. Breed Improvement Committee  
Charge: To consider and pursue and participate in the implementation of all issues relating to development of Brangus® or Red Brangus cattle, including but not limited to, performance data, breed traits and characteristics and consideration of all research projects and information available.
3. Commercial Marketing Committee  
Charge: To consider, pursue and implement all issues relating to promoting Brangus® or Red Brangus Cattle to the commercial market and to develop commercial marketing programs, ideas and strategies; and to develop tools to better enable members to market Brangus® or Red Brangus Cattle into the commercial industry.
4. Promotion Committee  
Charge: To develop and implement promotional strategies and plans, including, but not limited to, formal advertising campaigns, which promote Brangus® or Red Brangus Cattle and the International Brangus® Breeders Association.
5. Membership Services and Education Committee  
Charge: To enhance membership programs, encourage growth in membership enrollment and develop and retain association members; and to create educational opportunities on the local, regional and national levels for all members.
6. Show Committee  
Charge: To select judges for the national shows; to create a list of potential judges for use by other shows; to

develop and monitor implementation of show rules and guidelines; to recommend locations for shows; to appoint and charge the ethics committee when needed at times of disputes or formal complaints arise; and to assist in the production of the Brangus® Futurity, the Brangus® Summit and other national shows as needed.

7. Awards Committee

This is a special committee with membership being made up of the Chairperson of each Standing Committee so named previously. Charge: To receive nominations and to select individuals to receive the following:

1. Breeder of the Year Award
2. Herdsman of the Year Award
3. International Brangus® Breeders Pioneer Award.

8. Officer Nomination Committee

This is a special committee and as such will be made up of the three (3) immediate past presidents of the Board of Directors and Chaired by one of the three. Charge: To provide a slate of nominees for annual election to become officers of the IBBA Board of Directors

#### **Section IV. Rules**

The Directors shall from time to time make and promulgate such rules in furtherance of carrying out the provisions and purposes of the Association's Certificate of Incorporation and these Bylaws as they seem proper.

#### **Section V. Fees and Dues**

All fees and dues shall be payable in cash and shall be paid to the Association in advance.

#### **Section VI. All Persons Bound by Bylaws and Rules**

All members of the Association shall obey and agree to be bound by all provisions of the Bylaws and Rules of the Association, as amended from time to time, and all decisions and actions of the Board of Directors and the Association. Persons who are not members of the Association but who file transfers and other documents with the Association and who utilize the privileges of the Association shall by such action agree to be bound by and subject to all of the provisions of the Bylaws and Rules of the Association, as amended from time to time, and all decisions and actions of the Board of Directors and the Association.

#### **Section VII. Judicial Review of Association Actions**

While the right or privilege of a member or nonmember to seek judicial review on final Association decisions or actions is recognized, that member, by joining the Association, or nonmember by filing transfers or other documents with the Association, does thereby agree, if unsuccessful in the attempt to overturn Association decisions, actions or provisions of these Bylaws or of the Rules of the Association, to reimburse the Association in full for its reasonable attorney's fees, court costs and other expenses in defense of such suit. In addition, such member and such nonmember do further agree that any such suit brought against or involving in any way the Association shall be brought only in the United States District Court for the Western District of Texas or in the District Court of Bexar County, Texas and that no suit shall be brought against the Association or involving the Association in any manner in any other court or judicial forum.

#### **Section VIII. Nonliability of Association**

The Association, its Board of Directors, officers, members of committees, employees and agents shall use diligence in securing true information in connection with the registration, certification and enrollment of animals, transfers or registration certificates and in all other matters relating to Association activities. Neither the Association nor its Board of Directors, officers, committee members, employees or agent shall be liable in any way, whether by damages or otherwise, for the issuance of any certificate of registration, certification or enrollment, for the transfer of a certificate of registration, for the refusal to issue any certificate of registration, enrollment or certification or for the refusal to transfer any certificate for registration, for the cancellation of any certificate of registration, certification or enrollment, for the cancellation of any transfer of a registration certificate, for the refusal to approve an application for membership in the Association, for any disciplinary proceedings brought against or penalties imposed on any member or other person or for any other activity engaged in by or on behalf of the Association.

### **ARTICLE VII: INDEMNIFICATION**

#### **Section I. Standard of Conduct**

The Association shall indemnify any person who was or is a party or is threatened to be made a part to any threatened, pending or



completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (including an action by or in the right of the Association), by reason of the fact that he is or was a Director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid or necessarily incurred, in settlement or otherwise, by him in connection with such action, suit or proceeding, except in relation to matters as to which any such Director, officer, agent, employee, person serving at the Association's request, or former Director, officer, agent, shall be adjudged in such action, suit or proceeding to be liable for willful misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability and in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper; but such indemnification shall not be deemed exclusive of any other rights to which the Director, officer, agent, employee or other person serving at the Association's request is entitled to under any agreement or otherwise.

## **Section II. Determination**

Any indemnification under Section I of this Article (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee, agent or person serving at the Association's request is proper in the circumstances because he has met the applicable standard of conduct set forth in Section I of this Article. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or (b) if such a quorum is not obtainable or even if obtainable, a quorum of the disinterested Directors so directs, by independent legal counsel in a written opinion; or, (c) by the affirmative vote of the majority of the members entitled to vote and represented at a meeting called for such purpose; provided, however, that if a Director, officer, employee or agent of the Association, or person serving at the Association's request has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section I of this Article or in defense of any claim, issue or matter therein, he shall automatically be indemnified against expenses (including attorneys' fees) actually and necessarily incurred by him in connection therewith without the necessity of any such determination that he has met the applicable standard of conduct set forth in Section I of this Article.

## **Section III. Payment in Advance**

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action suit or proceeding as authorized by the Board of Directors as provided in Section II of this Article upon receipt of an undertaking by or on behalf of the Director, officer, employee, agent or person serving at the Association's request to repay such amount if and when it should ultimately be determined that he is not entitled to be indemnified by the Association as authorized in this Article.

## **Section IV. Insurance**

The Board of Directors may exercise the Association's power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association or is or was serving at the request of the Association as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association should have the power to indemnify him against such liability hereunder or otherwise.

## **Section V. Other Coverage**

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Association's Certificate of Incorporation, these Bylaws, agreement, vote of members or disinterested Directors, both as to action in his official capacity and as to action in and to his capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee, agent or one serving at the Association's request and shall inure to the benefit of the heirs and personal representatives of such a person.

# **ARTICLE VIII: HEARINGS AND APPEALS**

## **Section I. General**

The Association recognizes the importance to its members and other persons who enjoy its benefits and privileges of providing fair procedures in connection with the orderly and expeditious conduct of hearings and appeals.

## **Section II. Membership Application**

Any person whose application for membership in the Association is questioned by the Board of Directors shall be entitled to a hearing before the Board of Directors. When questions regarding an application for membership in the Association cannot be resolved in an informal manner, the Board of Directors shall hold a hearing in accordance with the rules set forth in Section VI of this Article, after written notice of the hearing has been given to the applicant. Such written notice shall be deemed delivered if mailed, first class, certified, postage prepaid to the applicant at his address reflected on the application at least thirty days before the date of the hearing. The decision of the Board of Directors following the hearing shall be final.

### **Section III. Disciplinary Actions**

Any member or other person who violate the rules, regulations, constitution or Bylaws of the Association or impairs the reliability of the records of the Association or who offers to the Association for registration, certification, enrollment or transfer any animal known by such member or person not to be eligible for such registration, certification, enrollment or transfer or who knowingly misrepresents to the Association any material fact as to the sex, date of birth, age, description, ancestry or identity of any animal or who deceives the Association or another person in any matter in which the Association has any interest may, if he is a member, be censured, suspended or expelled and denied any or all of the privileges of the Association, after notice and an opportunity to be heard, as hereinafter provided. Such additional or other penalties or restrictions on the exercise of the privileges of the Association as are deemed proper and appropriate may also be imposed by the Board of Directors.

### **Section IV. Registrations, Certifications, Enrollments, Recordings and Transfers**

If, in the opinion of the Executive Vice President of the Association, evidence is produced or exists which raises reasonable doubt as to the propriety of the registration, certification, enrollment, recording or transfer of an animal, the proceedings or records of the Association with respect to such animal and its descendants may be temporarily suspended by the Executive Vice President. After notice and opportunity to be heard as hereinafter provided, the Board of Directors may deny any application for registration, certification, enrollment, recording or transfer or may expunge any existing registration, certification, enrollment, recording or transfer found to be improper, or take such other steps as the nature of the case may require.

### **Section V. Notice**

Notice of any proposed censure, suspension, expulsion or denial of privileges shall be in writing and shall be issued by the Executive Vice President of the Association. Such notice shall specify the alleged cause for the proposed censure, suspension, expulsion or denial of privileges and the alleged doubt as to the propriety of the registration, certification, enrollment or transfer of an animal, and inform the accused individual and any person appearing from the records of the Association to have an interest in the registration, certification, enrollment or transfer of an animal of the time and place and the body before which a hearing on the matter will be held. Such notice shall be deemed delivered if mailed, first class, certified postage prepaid to the person entitled to notice at his address as reflected on the records of the Association at least thirty days before the day of the hearing.

### **Section VI. Hearings**

All hearings shall be before an executive session of the Board of Directors. In all hearings the following shall apply:

- A. Any person interested may appear in person or by counsel and may offer testimony and other evidence and produce witnesses.
- B. All oral testimony, documents, affidavits and physical exhibits that are relevant, material and have probative force, not being unduly repetitious, may be admissible and the hearing authority shall determine the admissibility of such offered evidence and the weight to be accorded to the evidence admitted. The common law or statutory rules of evidence shall not apply at the hearing. The members of the hearing body shall designate one of its members to serve as presiding officer at the hearing to rule on all motions, objections and other questions. As promptly as reasonable and practicable after the conclusion of the hearing, the hearing body shall render a written decision based upon all evidence presented to it at the hearing. A majority vote of the members of the hearing body participating shall be required on any decision. A copy of the written decision shall be sent by the Executive Vice President to each person who was entitled to notice of the hearing in the manner provided for the giving of such notice.

### **Section VII. Appeals**

A decision by the Board of Directors shall not be appealable.

### **Section VIII. Miscellaneous**

Every decision of the Executive Committee of the Association shall stand as the decision of the Board of Directors until reversed or revised or otherwise ordered by the Board of Directors. The Executive Committee may restore privileges, upon application and satisfactory showing by such person that restoration of privilege is warranted. The sole official record of proceedings before the

Executive Committee or the Board of Directors shall be that produced in a manner approved by the Board of Directors. Copies of the transcript of the hearing shall be made available to any person having an interest in the proceeding upon payment to the Association, in advance, of the reasonable cost thereof. Hearings for purposes other than those specified in this Article may be held as the Executive Committee or Board of Directors may, from time to time, determine. The Executive Committee and Board of Directors shall have the sole and exclusive right to interpret and apply the provisions of this Article.

## ARTICLE IX: INSPECTION OF EXHIBITS

### **Section I. Authority to Inspect.**

The Board of Directors shall have the authority to require such tests as it deems necessary to verify the accuracy of the classification and pedigree of animals exhibited at any show or function. Said authority shall extend to and cover the enforcement of all show rules as adopted by the Association.

### **Section II. Submission to Inspection.**

Each exhibitor shall submit his registered Brangus® or Red Brangus cattle to such tests and examinations as may be requested by the Association by and through its Board of Directors, its authorized representatives, or the authorized representatives of the relevant show or fair.

### **Section III. Release.**

For and in consideration of the opportunity to participate in any Brangus function each exhibitor hereby releases and holds harmless the Association, its officers, Directors, employees, agents and representatives from any liability and from any and all claims, suits, damages and judgments (including attorneys' fees and expenses) past, present or future, arising from or connected with the administration or use of such test or examination and the resulting decision thereon.

Approved 03/12/10

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