

**BYLAWS OF
VIRGINIA BEEF COUNCIL, INC.**

ARTICLE I – NAME

The name of the Corporation shall be Virginia Beef Council, Inc. (the “Corporation”).

ARTICLE II – PURPOSES

The purpose of the Corporation is to perform activities within the meaning of Section 501(c)(6) of the Internal Revenue Code. Specifically, the purpose of the Corporation is to receive and expend funds as a Qualified State Beef Council (“QSBC”) under the Beef Promotion and Research Act of 1985 (7 U.S.C. 2901-2911) (the “Act”) and the Beef Promotion and Research Order (7 CFR § 1260) (the “Order”), and to enter into an agreement with the U.S. Department of Agriculture for its review and approval of all promotional and advertising communications of the Corporation funded by assessments collected pursuant to the Act and Order, for the Commonwealth of Virginia which conducts beef promotion, research, consumer information and/or industry information programs intended to strengthen the beef industry’s position in the marketplace.

ARTICLE III - PRINCIPAL OFFICE

The principal office of the Corporation shall be at such location in the Commonwealth of Virginia designated by the Board. Other offices may be established or designated at such places as the Board may determine.

ARTICLE IV – MEMBERS AND STOCK

The Corporation shall have two (2) classes of membership: Members and Associate Members. Beef producers who pay 50 cents per head in assessments on cattle sales mandated under the Act and Order to the Corporation as a Qualified State Beef Council, and do not request or direct a redirection of such assessments, shall be the Members of the Corporation and shall have such rights as are provided under the provisions of these Bylaws. Associate Members shall be organizations or individuals approved by the Board as Associate Members, under such policies and procedures as the Board shall determine, entitled to such rights and obligations as the Board shall determine but shall not include voting rights.

The Corporation shall issue no stock.

ARTICLE V - BOARD OF DIRECTORS

Section 1. Number and Qualifications. The Board of Directors shall be made up of up to thirteen (13) voting members (each a “Director”) elected by the Members of the Corporation at the annual meeting of the Corporation pursuant to the provisions of these Bylaws. It is intended that the 13 Directors comprise two (2) Directors representing each of six (6) geographical production areas contemplated under Article V, Section 4, of these Bylaws, in addition to one at-large handler. Each Director shall be a Member of the Corporation and a legal resident of the United States greater than 21 years of age. If a Director ceases to be a Member of the Corporation while serving as a Director, such individual shall be disqualified from continuing to serve as a Director. The Board may invite ex-officio members or guests to Board meetings to participate as the Board shall determine, provided that no such ex-officio members or guests shall have voting rights.

Section 2. Initial Board of Directors. The initial Board of Directors is set forth in the Articles of Incorporation and shall serve until their replacements are elected pursuant to the terms of these Bylaws.

Section 3. Terms of the Board of Directors. The terms of the Directors for the initial Board of Directors and subsequent Boards will be staggered to assure continuity. The initial Board will assign each Director position an initial term of either two, three or four years. Those Directors with initial terms of two years will be eligible to serve a maximum of two consecutive three-year terms in addition to the initial two-year term. All other Directors on the initial Board shall be eligible to serve one additional three-year term following the initial term. Thereafter, each of the positions will carry a full three-year term, and Directors shall not serve more than two three-year terms. Directors shall serve until their successors are elected.

Section 4. Segmentation of Representation. The Board shall segment representation by establishing criteria for each of the 13 Board seats. The initial Board may establish this segmentation; however, the initial Board seats do not need to fit the criteria for Board seats applicable to subsequent Boards. This segmentation may be based on one or more criteria as the Board shall determine, including but not limited to geographical production areas or organizational affiliation, and may include at-large or other representatives as the Board shall determine. For the purpose of electing the first Board subsequent to the initial Board, the map of geographical production areas attached to these Bylaws as Attachment A shall be used. For elections subsequent to the first election, the Board shall determine segmentation criteria, including, should the Board determine, the map of geographical production attached as Attachment A updated (if applicable) to reflect the latest available census numbers.

Section 5. Election of Directors. Boards subsequent to the initial Board will be elected at the annual meeting of the Corporation. At the annual meeting, the Members will be given an opportunity to nominate and vote for the open seats on the Board of Directors. The Board may determine which Members are able to vote for which seats, applying the same principles of segmentation among electing Members used to determine the criteria for each seat. Pursuant to policies and procedures developed by the Board, Members shall be given the opportunity to participate in a caucus to produce nominees for each open Director position. The Members will then elect a Director for each open Director position from the slate of nominees. Should no nominations be received for an open Director position, the Board shall develop a

procedure to determine how such Director position is filled. For the purpose of electing the first Board subsequent to the initial Board, the map attached as Attachment A shall be used, and based on criteria and subject to policies and procedures developed by the Board, Members in each district identified on the map shall be given the opportunity to participate in a caucus in such district for the purpose of producing two (2) nominees for each district to be voted on by the Members.

Section 6. Duties and Powers of the Board of Directors. The Board of Directors shall have general charge and management of the affairs, funds and property of the Corporation. The Board shall have full power, and it shall be the Board's duty, to carry out the purposes of the Corporation according to its Articles of Incorporation and these Bylaws, and to carry out all other duties and exercise the powers set forth in these Bylaws. The Board shall have the power to enter into contracts with other entities, including the power to enter into contracts for the provision of staff, related administrative services, and other projects. Specific duties of the Board shall include, without limitation:

- a. Development, and upon approval by the Board, implementation of an Annual Plan and an Annual Budget for the Corporation;
- b. Management of all funds and assets of the Corporation;
- c. Overall direction of the activities of the Corporation, which authority may be delegated to appropriate officers and managers of the Corporation.

Section 6. Vacancies. Any vacancy occurring on the Board shall be filled by election at the annual meeting.

Section 7. Removal of Directors. A director may be removed from office by a two-thirds vote of the other directors, provided that ten (10) days' written notice of consideration of removal is provided prior to any meeting at which removal of a director is to be considered.

Section 8. Expenses. Directors shall serve without compensation. Directors may be reimbursed for expenses necessarily incurred by them in the performance of their duties.

ARTICLE VI - MEETINGS OF BOARD OF DIRECTORS

Section 1. Meetings. There shall be an annual meeting of the Board, in addition to any other meetings that may from time to time be called by the Chair, or by four (4) directors. Meetings of the Board may be held within or without the Commonwealth of Virginia, upon ten days prior notice to each director, at such time and such place as shall be specified in the notice. Notice may be waived, as set forth below. The President may convene an emergency meeting pursuant to Section 3 below.

Section 2. Quorum. Except where otherwise provided herein, at any meeting of the Board of Directors, fifty percent (50%) of the voting Board of Directors then in office shall

constitute a quorum. Except where otherwise provided herein, any action of the Board shall require the concurring votes of at least a majority of those present at a meeting at which a quorum exists. If a quorum is not present at any meeting of the Board, a majority of the Directors present may adjourn the meeting from time to time without further notice until such time as a quorum is present. The conduct of non-routine business may require different quorum criteria as provided in these Bylaws.

Section 3. Voting. All votes at assembled meetings of the Board shall be in person. On the determination of the Chairman that a matter is of an emergency or other nature such that an assembled meeting of the Board is impractical, the Board may take action upon the concurring votes of a majority of its members by mail, electronic mail, facsimile, telephone, or other methods. Action taken by this emergency procedure is valid only if all members are notified and provided the opportunity to vote and the Secretary/Treasurer promptly confirms any such vote in writing. Any action so taken shall have the same force and effect as though such action had been taken at a properly convened meeting of the Board.

Section 4. Waiver of Notice. At any time that notice is required to be provided pursuant to these Bylaws, the requirement for such notice may be waived in writing by any person entitled to such notice.

ARTICLE VII - OFFICERS

Section 1. Officers. The elected officers of the Board shall consist of a Chair, a Vice Chair, and a Secretary-Treasurer.

Section 2. Term of Office. The officers shall be elected by the Board for a period of three (3) years from among the Board members and shall serve until their successors are elected, with elections to be held during the annual meeting. Officers may not serve more than two consecutive three-year terms, provided that should an officer assume office filling a vacancy, the time spent filling such vacancy prior to regular election as an officer shall not count against the term limitation.

Section 3. Vacancy. In the event of death, resignation or disqualification of the Chair, the Vice Chair shall assume the office of the Chair and fulfill the remainder of the term. If other vacancies occur, they shall be filled by the Board as soon as practical to serve for the remainder of the unexpired term of office.

Section 4. Duties of the Chair. The duties of the Chair shall be: (a) to preside at all meetings of the Board; (b) to call meetings of the Board; (c) to serve as Chair of the Executive Committee; (d) to have general supervision of the affairs of the Board, and to perform all acts and duties usually incident to and required of a presiding officer; and (e) to be an ex-officio member of all Standing and Special Committees.

Section 5. Duties of the Vice Chair. Duties of the Vice Chair shall be to preside over meetings and otherwise act in the place of the Chair in his/her absence, disability, or at his/her

direction; and to assume the office of the Chair in the event of the death, resignation or disqualification of the Chair.

Section 6. Duties of the Secretary-Treasurer. The Secretary-Treasurer shall: keep or cause to be kept the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records of the Board; and keep or cause to be kept a register of the post office address of each Member that shall be furnished to the Corporation. If required by the Board, the Secretary-Treasurer shall give a bond paid by the corporation for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board shall determine. He/she shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Board from any source whatsoever, and deposit all such monies in such banks, trust companies or other depositories, and remit assessments due to the Cattlemen's Beef Promotion and Research Board as provided under the Act and Order; and in general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him/her by the Chair or by the Board. The Secretary/Treasurer may delegate one or more of these duties, including to the Financial Officer, as provided in these Bylaws. As the Executive Committee shall determine, the Financial Officer may prepare and provide analysis of the budget and the finances of the Corporation for presentation to the Secretary/Treasurer, Executive Committee or Board, and may serve as bookkeeper for the Corporation.

ARTICLE VIII - COMMITTEES

Section 1. Executive Committee. There shall be an Executive Committee of the Board of Directors that shall comprise the Chair, Vice Chair and Secretary/Treasurer of the Corporation, one additional member of the Board elected to serve on the Executive Committee by a vote of the Board of Directors, and an appointed Financial Officer who may or may not be a Member of the Corporation, shall not have voting rights and shall serve at the pleasure of the Board. The elected member shall be elected to the Executive Committee for a term of one (1) year, and may be re-nominated and re-elected by the Board. The Executive Committee shall be responsible for the operation of the Corporation within the policies established by the Board. All actions of the Executive Committee must be ratified at the next scheduled Board meeting.

Section 2. Other Committees. The Board may establish such other committees as the Board may deem necessary for the expeditious handling of the affairs of the Board. The President shall appoint the Chair and Vice Chair of all committees established by the Board. Committees shall meet upon the call of the Chair of the committee or the President.

ARTICLE IX – MANAGEMENT

The Board may hire or contract for the services of a Chief Executive Officer of the Corporation and such other employees or contractors as it shall determine. The Board may also retain the services of a Financial Officer who may or may not be a Member of the Corporation to fulfill those responsibilities set forth under these Bylaws and as the Board shall determine.

ARTICLE X – AMENDMENTS

The Board may amend these Bylaws or the Articles of Incorporation upon a two-thirds vote of all the Directors of the Board then in office, provided, however, that at least ten (10) days' notice of such meeting shall be given to all Directors, and the intent of such amendments to be considered shall be made a part of the meeting notice.

ARTICLE XI – DISSOLUTION

In the event of the dissolution of the Corporation, its net assets remaining after provision for the payment of all debts, obligations, and liabilities of the Corporation shall be dedicated and transferred only in such manner as will be consistent with the provisions of the Internal Revenue Code then governing the Corporation as a tax-exempt corporation.

ARTICLE XII - MISCELLANEOUS PROVISIONS

Section 1. Corporate Seal. There may be an official seal of the Corporation in such form and design as the Board may approve.

Section 2. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June in each year, provided that the Board may establish a different period for the initial fiscal year of the Corporation.

Section 3. Parliamentary Procedure. The Board and any Committee when in session, shall be governed in its deliberations in the transaction of its business by these Bylaws. The most recent edition of Robert's Rules of Order shall govern any matter of procedure not so covered.

Section 4. Contracts. The Board may authorize any officer or officers, agent or agents of the Board, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any legal instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

Section 5. Confidential Information. Any Director, officer, employee, or agent shall maintain any confidential information of the Corporation disclosed to them in such capacity as a Director, officer, employee, or agent. Confidential information shall be the sole property of the Corporation and in no event shall it be disclosed or used by any Director, officer, employee, or agent without prior written consent of the Board of Directors, except as provided by law.

Section 6. Personal Liability. The officers and directors of the Corporation shall not be personally liable for the debts or actions of the Corporation.

Section 7. Indemnification. The Board shall indemnify any Director, officer, employee or agent of the Board and protect them from any loss for any action or omission taken in good faith on behalf of the Corporation, and shall purchase insurance for the purpose of such indemnification.

ATTACHMENT A

District I (western south west region)

Lee, Wise, Scott, Dickenson, Buchanan, Tazewell, Russell, Washington, Smyth, Grayson & Carroll

District II (eastern south west region)

Bland, Wythe, Giles, Pulaski, Craig, Roanoke, Montgomery, Floyd, Patrick, Henry, Franklin

District III (southern valley region)

Alleghany, Botetourt, Bedford, Rockbridge, Bath, Highland, Augusta, Amherst & Nelson

District IV (northern valley region)

Rockingham, Page, Shenandoah, Warren, Clarke & Fredrick

District V (northern piedmont region)

Albemarle, Fluvanna, Goochland, Henrico, New Kent, Gloucester, Mathews, King & Queen, King William, Hanover, Louisa, Orange, Greene, Madison, Culpeper, Rappahannock, Fauquier, Prince William, Loudoun, Stafford, Spotsylvania, Caroline, King George, Westmoreland, Essex, Richmond, Lancaster, Middlesex & North Hampton

District VI (southern piedmont region)

Buckingham, Cumberland, Appomattox, Campbell, Pittsylvania, Halifax, Mecklenburg, Charlotte, Lunenburg, Prince Edward, Powhatan, Amelia, Nottoway, Brunswick, Dinwiddie, Chesterfield, Prince George, Sussex, Greensville, Southampton, Surry, James City, Isle of Wight & VA Beach

