

*Articles
and
Constitution
of*

National All-Jersey Inc.

**Organized 1957
Amended June 1996**

**6486 East Main Street
Reynoldsburg, Ohio 43068-2362
Telephone: 614/861-3636
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Amended Articles of Incorporation

FIRST. The name of the corporation is National All-Jersey Inc.

SECOND. The place in the State of Ohio where the principal office of the corporation is the City of Reynoldsburg, Franklin County.

THIRD. The purposes for which corporation is formed are: To promote the increased production and sale of Jersey milk and milk products, and to promote Jersey cattle and the interests of breeders of Jersey cattle.

To do all things necessary or incident to the foregoing and to engage in any activity for which corporations may be formed under the Nonprofit Corporation Law of Ohio.

FOURTH. Upon dissolution or other winding up of the affairs of the corporation all assets of the corporation, after payment of all debts and obligations, shall be transferred to and become the property of the American Jersey Cattle Association or such other organization as the Board of Directors of the American Jersey Cattle Association may direct.

FIFTH. These amended Articles of Incorporation take the place of and supersede the existing Articles of Incorporation.

IN WITNESS WHEREOF, the undersigned Officers, acting for and on behalf of the corporation, have subscribed their names this 22nd day of June, 1996.

Ted Luther, President
Calvin Covington, Executive Secretary

**CONSTITUTION OF
NATIONAL ALL-JERSEY INC.
Effective June 22, 1996**

**ARTICLE I
Members**

- 1. CLASSES OF MEMBERSHIP:** The Corporation shall have three classes of members and any member may be a member of more than one Class:
 - (a) **PRODUCER MEMBERS.** Natural persons, partnerships, corporations and similar entities who are producers of milk, who pay fees as established by the Board of Directors, and whose membership has been accepted by the Corporation shall be Producer Members.
 - (b) **DISTRIBUTOR MEMBERS.** Natural persons, partnerships, corporations and similar entities who are distributors of Jersey milk, Jersey milk products and other items sold under the Jersey trademarks and whose membership has been accepted by the Corporation shall be Distributor Members.
 - (c) **HONORARY MEMBERS.** A member of the American Jersey Cattle Association who has been nominated by Producer Members residing in the state in which he/she resides and who shall be approved for honorary membership by the Board of Directors shall be an Honorary Member. The president of the American Jersey Cattle Association and directors of the Corporation appointed by the Board of Directors of the American Jersey Cattle Association shall so be Honorary Members for the period they serve as such president or director.
- 2. VOTING RIGHTS:** All Producer Members and all Honorary Members shown on the membership records of the Corporation sixty days prior to a meeting of members (the "record date") shall be entitled to vote at the meeting and are herein referred to as "Voting Members."
- 3. TERMINATION OF MEMBERSHIP:**
 - (a) Membership of Producer Members and Distributor Members may be terminated by the Board of Directors upon sixty days written notice to the member when the member shall cease to qualify with the requirements for membership provided in section 1 of this Article or to pay fees as determined by the Board of Directors from time to time.
 - (b) Membership of Honorary Members appointed by the Board of Directors may be terminated by the Board of Directors at any time upon sixty days written notice to the member. The membership of all other Honorary Members shall terminate when they cease to qualify for Honorary Membership as set forth in paragraph 1 (c) of this Article.

**ARTICLE II
Meetings**

- 1. ANNUAL MEETING:** The annual meeting of Voting Members for the election of directors, and for the transaction of such other business as may come before the meeting, shall be held during the month of June at such place within or without the State of Ohio and on such date and at such hour as the Board of Directors shall designate.

- 2. SPECIAL MEETINGS:** The President or the Board of Directors may call, and the President, at the written request of at least one-half of the Voting Members shall call, a special meeting of Voting Members.

Such meetings shall be held in the City of Columbus, Ohio or at such other places in or outside the State of Ohio as the President or Board of Directors shall designate.

- 3. NOTICE OF MEETINGS:** Notice of the place and time of each meeting of the Voting Members stating the matters to be acted upon at such meeting shall be given to each Voting Member by personal delivery, mail, electronic mail, telecopy, or any other authorized communication equipment (as that term is defined in Ohio Revised Code 1702.01 (Q)) not less than thirty or more than sixty days before the meeting.
- 4. QUORUM:** At all meetings one-tenth of the Voting Members as reflected by the membership records of the Corporation on the record date shall constitute a quorum.
- 5. PROXIES:** Voting Members may vote in person or by proxy. Proxies may be voted by Voting Members of the Corporation only and must have been executed within sixty days of the date of the meeting.

ARTICLE III

Districts

- 1. DISTRICTS:** The United States shall be divided into five districts following state boundaries.
- 2. CREATION OF ADDITIONAL DISTRICTS:** Without amendment of this Constitution, additional districts may be created and additional directors may be authorized by the affirmative vote of the Voting Members represented at any annual meeting of Voting Members or any meeting called for the purpose of electing directors, provided the creation of such additional district or districts shall first be approved by the Board of Directors of this Corporation and the Board of Directors of the American Jersey Cattle Association.
- 3. REDISTRICTING:** The Board of Directors may reassign states to districts from time to time. In any such redistricting, each new district shall be created along state boundary lines so that approximately the same amount of revenue will be received by the Corporation from each district.

ARTICLE IV

Directors

- 1. AUTHORITY:** Except where the law, the Articles of Incorporation or this Constitution provide otherwise, all the authority of the Corporation shall be exercised by or under the direction of the Board of Directors.
- 2. NUMBER:** Unless changed in accordance with Article III, Section 2, the Board of Directors shall consist of eight members, who are members of the American Jersey Cattle Association and who are Producer or Honorary Members of the Corporation, and three ex officio members. The ex officio members shall be the President of the American Jersey Cattle Association and the Chairman of the Marketing and Research Committee and the Chairman of the Finance Committee of the American Jersey Cattle Association.
- 3. EX OFFICIO DIRECTORS:**
 - (a)** The President of the American Jersey Cattle Association shall be considered for quorum purposes and shall be entitled to vote on all matters coming before the Board of Directors.

- (b) Except as hereinafter provided, the Chairman of the Marketing and Research Committee and the Chairman of the Finance Committee of the American Jersey Cattle Association shall not be considered for quorum purposes and shall have no vote. If any director is absent from a meeting of the Board of Directors or if there shall be a vacancy on the Board, then the Chairman of the Marketing and Research Committee of the American Jersey Cattle Association, and, in his/her absence, the Chairman of the Finance Committee of the American Jersey Cattle Association shall be considered for quorum purposes and shall be entitled to vote in the place of the absent director; and if two of the directors are absent or there shall be one director absent and one vacancy or there shall be two vacancies, then both the Chairman of the Marketing and Research Committee and the Chairman of the Finance Committee shall be considered for quorum purposes and shall be entitled to vote.
- (c) The Chairman of the Marketing and Research Committee and the Chairman of the Finance Committee shall also be considered for quorum purposes and be entitled to vote on the adoption of the annual budget for the Corporation; and if at any time during the fiscal year the budget is being exceeded in the aggregate by as much as 10% and such condition continues to exist at the end of ninety days after the same was first brought to the attention of the Board of Directors, then the Chairman of the Marketing and Research Committee and the Chairman of the Finance Committee shall be considered for quorum purposes and shall be entitled to vote on all matters coming before the Board of Directors at all meetings held during the remainder of the fiscal year.

4. TERM OF OFFICE: Directors shall be elected or appointed at the annual meeting of Voting Members for a term of four years and until their successors are elected.

5. ELECTION:

- (a) The members of the Board of Directors will be designated as follows:
 - Director #1 from District 1
 - Director #2 from District 2
 - Director #3 from District 3
 - Director #4 from District 4
 - Director #5 from District 5
 - Director #6 at-large
 - Director #7 at-large
 - Director #8 at-large
 - Director #9 President, American Jersey Cattle Association

District directors shall be nominated and elected by the Voting Members of the Corporation residing in the district from which a director is to serve. Partnerships, corporations and similar entities shall be considered to reside in the district in which their principal business office is located. Directors-at-large shall be appointed by the American Jersey Cattle Association Board of Directors.

- (b) Nominations for district directors shall be made by written petition signed by ten or more Voting Members, and shall be filed with the Executive Secretary of the Corporation not less than sixty days prior to the annual meeting. The Executive Secretary shall, at least thirty days prior to the annual meeting, send to each Voting Member of a district from which a director is to be elected a ballot and a list of all candidates thus nominated, their places of residence and the signers of the nominating petitions, with the name of the director whose term is expiring and his/her place of residence.

- (c) Each director shall be elected by a plurality of the votes cast by all Voting Members. In the case of a tie, the winner shall be determined by drawing lots.
6. **VACANCIES:** In the case of elected directors, a vacancy on the Board of Directors shall be filled for the remainder of the term by appointment by the Board of Directors and shall be the first order of business at the next meeting of the Board, and in case of a vacancy in a positions appointed by the American Jersey Cattle Association the vacancy shall be filled by the American Jersey Cattle Association Board of Directors.
 7. **MEETINGS:** The Board of Directors shall meet immediately following the annual meeting for the purpose of organization and the transaction of such other business as may properly come before the Board and shall meet at such other times as the Board of Directors may determine. Special meetings of the Board of Directors may be called by the President, or by five directors. Participation at meetings may be by means of any communications equipment if all directors participating can hear each other.
 8. **NOTICE OF MEETINGS:** Written notice stating the place, date, and time of any meeting of directors shall be given by the Executive Secretary to each director not less than ten days before the date of the meeting. The notice may be delivered by first class mail, facsimile transmission or any authorized communications equipment. If mailed, the notice shall be deemed to be given if mailed or otherwise sent or delivered to the director at his or her address as it appears on the records of the Corporation or if evidence of receipt is received by the Corporation. If sent by means of authorized communications equipment, that notice shall be deemed to be given if sent to the address furnished by the director for transmissions by authorized communications equipment. The notice need not specify the purpose of the meeting.
 9. **WAIVER OF NOTICE:** The giving of notice shall be deemed to be waived by any director who shall attend and participate in any meeting other than to object to the transaction of any business because the meeting is not lawfully called or convened. The giving of notice may be waived, in writing, by any director before or after the meeting.
 10. **QUORUM:** A majority of the whole authorized number of directors, who are authorized to vote at a meeting of directors when all the directors authorized are present, shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Except as may be otherwise provided by the Articles of Incorporation or this Constitution, the vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors.
 11. **COMMITTEES:** The Board of Directors may create committees of directors consisting of not less than three directors, and to the extent permitted by law, may delegate to such committees any of the authority of the Board of Directors. The President, subject to approval of the Board of Directors, shall appoint the members of such committees and may authorize and appoint, subject to the Board approval, such other committees as he/she may deem necessary.
 12. **ACTION WITHOUT A MEETING:** Any action that may be authorized or taken at a meeting of the Board of Directors may be authorized or taken without a meeting with the affirmative vote or approval of, and in a writing or writings signed by, the directors who would be authorized to vote if a meeting were held at the time the action is taken and all the directors in office were present.

ARTICLE V

Officers

1. **OFFICERS:** The officers of the Corporation shall be a President, a Vice President, an Executive Secretary, an Assistant Secretary, a Treasurer and an Assistant Treasurer.
2. **PRESIDENT AND VICE PRESIDENT:**
 - (a) The Board of Directors at its first meeting after the annual meeting, shall elect a President and a Vice President. The President and the Vice President shall be elected by the Board of Directors from the membership of the Board of Directors and shall serve for one year and until their successors are elected.
 - (b) It shall be the duty of the President to maintain a general oversight of the affairs of the Corporation, to preside at all meetings of Voting Members and at all meetings of the Board of Directors. The President shall report to the annual meeting and shall make recommendations to the Corporation for the promotion of its interests, as the President may deem advisable.
 - (c) The Vice President shall perform the duties of the President in case of the inability of the President to act by reason of absence or disability as determined by the Board of Directors, and shall succeed to the Presidency in the event of the President's death.
3. **EXECUTIVE SECRETARY:** The Executive Secretary of the American Jersey Cattle Association shall be the Executive Secretary of the Corporation. The Executive Secretary shall have such powers and duties as the Board of Directors shall from time to time direct. The Executive Secretary shall keep or cause to be kept the minutes of the meetings of the Corporation and the Board of Directors. He/she shall be the custodian of all records of the Corporation and [He]shall send out all official notices required by law or the Constitution. The Executive Secretary shall have charge of the property of the Corporation except such as is assigned to the Treasurer. He/she shall have general management of the business affairs of the Corporation and in performance of his/hers duties at all times be responsible to the President and Board of Directors. The Executive Secretary shall give a surety bond of a surety company authorized to do business in the State of Ohio for the faithful performance of his/her duties, which bond shall be in such amount as may be fixed by the Board of Directors and shall be approved by the Board.
4. **TREASURER:** The Treasurer of the American Jersey Cattle Association shall be the Treasurer of the Corporation. The Treasurer shall have the custody of all real estate, moneys, and securities of the Corporation subject to the direction and control of the Executive Secretary. He/she shall deposit and invest the Corporation's funds as the Board of Directors shall direct and authorize. The Treasurer shall see that the property and liability of the Corporation are protected by insurance in an amount approved by the Board. Heshe shall deposit the Corporation's funds and securities with such depositories and custodians as the Board of Directors may designate. He/she shall present a report for the annual meeting showing all receipts and disbursements with a statement of the financial condition of the Corporation and shall perform such other duties as the Board may prescribe and at all times be responsible to the President, the Board of Directors and the Executive Secretary. He/she shall give a surety bond of a surety company authorized to do business in the State of Ohio for the faithful performance of his/her duties, which bond shall be in such amount as may be fixed by the Board of Directors and shall be approved by the Board.
5. **ASSISTANT SECRETARY:** An assistant secretary may be appointed by the Executive Secretary, with the approval of the Board of Directors. The Assistant Secretary shall assist the Executive Secretary in the performance of his/her duties and perform any other duties that shall be assigned by the Executive Secretary or the Board of Directors.

6. **ASSISTANT TREASURER:** The assistant treasurer of the American Jersey Cattle Association shall be the assistant treasurer of the Corporation. The Assistant Treasurer shall assist the Treasurer in the performance of his/her duties and perform any other duties that shall be assigned by the Board of Directors or the Executive Secretary.

ARTICLE VI Indemnification

1. **INDEMNIFICATION:** The Corporation shall indemnify any person (hereinafter referred to as an "Eligible Person") who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer, partner, trustee or other fiduciary of another corporation, association, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by such Eligible Person in connection with such action, suit or proceeding, to the extent and under the circumstances permitted by the Nonprofit Corporation Law of the State of Ohio. Such indemnification, unless ordered by a court, shall be made as authorized in a specific case upon a determination that indemnification of the Eligible Person is proper in the circumstances because he or she has met the applicable standards of conduct set forth in the Nonprofit Corporation Law. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not, and are not, parties to, or threatened with, any such action, suit or proceeding, or (2) if a majority vote of a quorum of disinterested directors so directs, in a written opinion by independent legal counsel meeting the requirements of independence prescribed by the Nonprofit Corporation Law, or (3) by the Voting Members, or (4) by the Court of Common Pleas or the court in which such action, suit or proceeding was brought.
2. **ADDITIONAL RIGHTS:** The right to indemnification under this Article VI shall not be inclusive of, and shall be in addition to, any other rights granted to those seeking indemnification by the Constitution, any agreement, vote of members or disinterested directors, or otherwise, and shall continue as to a person who has ceased to be a director, officer, partner, trustee or other fiduciary and shall inure to the benefit of the heirs, executors and administrators of such person.
3. **EXPENSES:** To the extent permitted by the Nonprofit Corporation Law, the Corporation shall pay expenses on behalf of an Eligible Person, including reasonable attorneys' fees, incurred in defending any action, suit or proceeding referred to in this Article VI, in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the Eligible Person to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article VI.
4. **EMPLOYEE BENEFIT PLANS:** For the purpose of this Article VI: the Corporation shall be deemed to have requested a person to serve as a fiduciary of an employee benefit plan if the performance of his or her duties to the Corporation involved services with respect to the plan; excise taxes imposed on a person with respect to an employee benefit plan shall be considered fines; and action taken by a person with respect to an employee benefit plan in the performance of his or her duties and reasonably believed to be in the best interest of participants and beneficiaries of the plan shall be deemed to be not opposed to the best interests of the Corporation.

ARTICLE VII

Legal Action and Proceedings

LEGAL ACTION AND PROCEEDINGS: Any action at law or in equity or other judicial proceeding instituted or prosecuted by a member or by an applicant for membership against the Corporation, or by a member on behalf of, or in the right of, the Corporation, shall be instituted and prosecuted only in the courts, Federal or state, within whose jurisdiction the principal office of the Corporation is located. Each member or applicant for membership hereby waives the right to change of venue in any action at law or in equity or other judicial proceeding in which he or she is a party, whether plaintiff or defendant.

ARTICLE VIII

Finances

1. **DEBTS:** No officer, employee or member of the Corporation shall contract any debt in the name of the Corporation unless so authorized by the Board of Directors.
2. **BUDGET:** Before the expiration of the fiscal year, the Board of Directors shall set up a budget of expenditures for the next ensuing fiscal year, which shall be filed with the Board of Directors of the American Jersey Cattle Association. The budget shall not be exceeded as to total expenditures by more than 10% during such fiscal year unless modified with the approval of the Board of Directors of the American Jersey Cattle Association.

ARTICLE IX

Amendments

AMENDMENTS: All amendments to this Constitution shall be first approved by the Board of Directors of the American Jersey Cattle Association. When approved by the Board of Directors of the American Jersey Cattle Association all amendments to this Constitution shall be presented in writing at an annual or special meeting called therefor, and if approved by a two-thirds majority of the Voting Members represented in person or by proxy at any such meeting, such amendment shall become effective or in lieu of being presented in writing at an annual or special meeting and at the election of the Board of Directors of the Corporation, by a two-thirds majority vote of the Voting Members voting by mail whose votes are received within thirty days after submission to them of any such amendment.