

**BY-LAWS of the Agricultural Retailers Association  
As approved December 2, 2019**

**ARTICLE I – NAME, LOCATION AND PURPOSE**

**Section 1 – Name and Purpose**

The name of this Association shall be: Agricultural Retailers Association (“Association”), and the Association shall have such purposes as specified in its Articles of Incorporation.

**Section 2 – Office**

The Association shall maintain a registered agent in the State of Missouri, its State of incorporation. Offices may be located within or without the State as approved by the Board of Directors.

**ARTICLE II – MEMBERSHIP**

**Section 1 - Membership Categories.**

The Association shall have the following classes of non-voting members:

**Regular Members:**

Regular Members are eligible to designate representatives to serve on the Board of Directors. Regular Members shall be divided into the following sub-classes:

1. Retail/Distribution – class of membership which includes retailers selling to end users and businesses that function as both a retailer and a wholesaler/distributor. Dues based on total sales of both functions.
2. Industry Supplier – class of membership which includes businesses that function as a manufacturer or formulator and businesses that function solely as a wholesaler/distributor. Industry Suppliers shall be divided into the following four (4) categories: Crop Protection/Seed, Fertilizer, Equipment, and Technology & Services.

If a Member has both Retail/Distribution and Industry Supplier businesses, they shall first join as a Regular Member under the Retail/Distribution sub-category. Joint ventures of member companies must join separately from their parent organizations. Notwithstanding anything in these By-laws to the contrary, each Member in good standing is eligible for only one (1) position on the Board of Directors.

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### Leaders of Industry Members:

Leaders of Industry membership is offered to all natural persons who have a *bona fide* business connection with the agricultural retailer industry and who support the purpose and mission of the Association. This class of membership is intended to comply with Federal Election Commission regulations which stipulate that only individuals (as opposed to corporations) can receive a “partisan communication” or be solicited for fundraising in relation to ARA’s political action committee, ARAPAC. Leaders of Industry members may not serve on the Board of Directors unless designated by a Regular Member or elected by the Board of Directors.

### Affiliate Members:

An Affiliate Member is any individual, firm or corporation not otherwise eligible for Regular membership, but has a *bona fide* business connection with the agricultural retailer industry and supports the purpose and mission of the Association. Affiliate Members are not eligible to serve on the Board of Directors.

### Honorary Members:

Honorary membership may be conferred upon a person(s) deemed by the Board of Directors of the Association to have shown dedication, enthusiasm, commitment and support for the Association over a period of time. Honorary membership is conferred through the Association’s “Lifetime Achievement” Award.

## Section 2 – Application, Renewal of Membership, and Dues

Application for membership shall be made in writing on a form provided by the Association. The Board of Directors may consider the appropriate membership category, the ability and willingness of the proposed Member to support the Association’s purpose, mission and goals in determining eligibility for membership. Members shall pay annual dues as determined by the Board of Directors.

## Section 3 – Resignations

Any Member may resign from membership by giving written notice to that effect to the Board of Directors. Any Member so resigning shall not thereby be released of such Member’s obligation to the Association which may have occurred prior to the date of resignation and shall not be entitled to a refund in respect to unexpired dues.

## Section 4 - Terminations/Expulsions

Any Member whose dues are delinquent more than 60 days shall have all rights and privileges reserved for such Member terminated and shall be removed from the rolls after appropriate notification of non-payment.

A Member may be suspended or expelled from the Association for cause by a majority vote of the Board of Directors when a quorum is present at an authorized meeting. Sufficient cause for such suspension or termination of membership includes violation of the Articles of Incorporation, these Bylaws, any lawful rule or practice duly adopted by the Association, and/or engaging in any conduct prejudicial to the interests of the Association. The Member cited for suspension or

expulsion shall be notified in writing via certified mail at least fifteen (15) days before any proposed final action is taken and the reasons therefor. The written notice shall be accompanied by a notice of the time and place of the meeting of the Board of Directors at which the charges shall be considered and the Member shall have the opportunity to be heard orally or in writing, as determined at the discretion of the Board of Directors, at least five (5) days before the effective date of the suspension or expulsion.

## Section 5 – Membership Representation

Each Regular Member shall appoint or designate, in writing, one individual to represent the Member company as its delegate for all official affairs of the Association. The Member company's representative shall be designated on the annual membership application and may be changed by giving written notice to the President/CEO of the Association. The Board of Directors, in its discretion, may allow Affiliate, Leaders of Industry, and Honorary Members to attend Board meetings; however, except as otherwise provided in these Bylaws, Affiliate, Leaders of Industry, and Honorary Members shall not be able to vote, be eligible for office, or be allowed to participate as a Member of the Board of Directors.

## ARTICLE III – MEETINGS

The annual meeting of the Members of this Association shall be held each year, at such place and time as fixed by the Board of Directors. At such meeting, the members shall receive a report on the activities and financial condition of the Association, and there shall be transacted such other business that may properly come before such a meeting.

## ARTICLE IV - BOARD OF DIRECTORS

### Section 1 - Number of Directors

The Board of Directors shall consist of forty-four (44) voting Members, which shall be composed as follows:

Retail/Distribution: Twenty-seven (27) directors shall be Members (or delegates of Members if such Members are not natural persons) who come from the Retail/Distribution Member sub-class. Nine (9) of the Retail Member sub-class directors shall be determined annually from the highest dues-paying Members in the Retail Member category over the past twelve (12) months ending July 31 preceding the Annual Meeting whose delegates accept a position on the Board of Directors. The remaining Eighteen (18) Retail Member sub-class directors shall be eligible to serve up to two three-year terms and shall be nominated and elected as provided herein.

Industry Supplier: Sixteen (16) directors shall be Members (or delegates of Members if such Members are not natural persons) who come from the Industry Supplier sub-class. The sixteen Industry Supplier directors shall be composed as follows:

Crop Protection/Seed Industry Supplier – Five (5) Crop Protection/Seed Industry Supplier members, three (3) of whom shall be determined annually from the highest dues and

corporate sponsorship paying Members in the Crop Protection/Seed Industry Supplier Member sub-class over the past twelve (12) months ending July 31 preceding the Annual Meeting that accept a position on the Board of Directors. These three (3) members shall serve a one-year term. The two (2) remaining Crop Protection/Seed Industry Supplier Member sub-class directors shall be nominated and elected as provided herein and shall be eligible to serve up to two three-year terms.

Fertilizer Industry Supplier – Five (5) Fertilizer Industry Supplier members, three (3) of whom shall be determined annually from the highest dues and corporate sponsorship paying Members in the Fertilizer Industry Supplier Member category over the past twelve (12) months ending July 31 preceding the Annual Meeting that accept a position on the Board of Directors. These three (3) members shall serve a one-year term. The remaining two (2) Fertilizer Industry Supplier Member sub-class directors shall be nominated and elected as provided herein and shall be eligible to serve up to two three-year terms.

Equipment Industry Supplier– Four (4) Equipment Industry Supplier members, three (3) of whom shall be determined annually from the highest dues and corporate sponsorship paying Members in the Equipment Industry Supplier Member category over the past twelve (12) months ending July 31 preceding the Annual Meeting that accept a position on the Board of Directors. These three (3) members shall serve a one-year term. The remaining one (1) Equipment Industry Supplier Member sub-class directors shall be nominated and elected as provided herein and shall be eligible to serve up to two three-year terms.

Technology & Services Industry Supplier: Two (2) directors from Technology & Services Industry Supplier members, one (1) of whom shall be determined annually from the highest dues and corporate sponsorship paying Member (or delegate of Member who is the highest dues and corporate sponsorship paying Member) in the Technology & Services Industry Supplier Member sub-class over the past twelve (12) months ending July 31 preceding the Annual Meeting that accepts a position on the Board of Directors. This member shall serve a single one-year term. The remaining one (1) Technology & Services Industry Supplier Member sub-class director shall be nominated and elected as provided herein and shall be eligible to serve up to two three-year terms.

State Agri-Business Associations: One (1) director from a state agri-business association who shall be elected by the nominating committee to serve a single two-year term, which term can be renewed once.

President/CEO: The President/CEO of the Association shall serve on the Board of Directors as an ex-officio Member without voting privileges.

### Section 1.5 - Transition to New Board Structure beginning January 1, 2020

The implementation of the revised board structure shall be implemented in phases between January 1, 2020, and January 1, 2026, as follows:

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Action	Category	As of 1/1/21	As of 1/1/24	As of 1/1/26
Reduce one Highest Paid Fertilizer seat	Fertilizer	-1		
Add one Retail/Distribution seat	Retailer	+1		
Reduce one Highest Paid CP/Seed seat	CP/Seed		-1	
Add one Retail/Distribution seat	Retailer		+1	
Reduce one Termed Crop Protection/Seed seat	CP/Seed			-1
Add one Retail/Distribution seat	Retailer			+1
CUMULATIVE RETAIL/DISTRIBUTION IMPACT		+1	+2	+3

The Board of Directors may, from time-to-time, designate additional *ex-officio*, non-voting Members as it deems appropriate.

Each Member or Member's delegate (if such Member is not a natural person) in good standing is eligible for only one (1) position on the Board of Directors.

### Highest Paid Member procedures

No later than July 1 of each calendar year, the President/CEO shall cause a communication to be sent to all then-current highest dues-paying members informing of their status in qualifying for a "highest dues-paying" board seat during the following year. Any other Regular Member may also receive this information upon written request prior to July 1 of each calendar year. Payments for dues and sponsorships received by July 31 of each calendar year shall be counted toward the following year's highest dues-paying memberships.

### Section 2 - Geographic Regions

Directors shall be selected from geographic regions whose boundaries shall be established by the Board of Directors. The Board may periodically review membership statistics, the size and number of participants in the industry and general cropping patterns, and realign the boundaries of the regions. At least one (1) director shall serve from each region.

### Section 3 - Election of Directors and Term of Office

The Chairperson shall name the members of a Nominating Committee, which committee shall be chaired by the Chairperson and shall include the Vice-Chairperson, two at-large representatives from the Retail/Distribution member sub-class, and one representative each from the Crop Protection/Seed, Fertilizer, Technology & Services, and Equipment member sub-classes. No more than one committee member may be employed by the same member company.

The Nominating Committee shall select a slate of nominees for all expiring Board positions based on the criteria established in these By-laws. Members may also nominate individuals for a Board

seat by forwarding such nominations, including self-nominations, via a “letter of interest,” to the Nominating Committee. The Nominating Committee shall broadly solicit recommendations for potential Board members. The individuals selected by the Nominating Committee for each category described herein shall be a Member or a Member’s delegate.

All nominees for the Board of Directors shall be submitted by the Nominating Committee to the Board of Directors for review and approval. Nominees for elected positions receiving the majority of the votes cast shall be elected to serve as a Director. All nominees for annually appointed positions shall be considered ratified.

No directors shall be elected from any membership category other than Regular Members.

#### Section 4 – Vacancies

Any Member’s delegate that serves on the Board of Directors who terminates his or her employment with the Member company shall immediately tender a letter of resignation to the Board of Directors and the seat becomes vacant.

Any Member of the Board who shall fail, without cause, to attend two (2) consecutive meetings of the Board of Directors may be requested by the Chairperson to tender their resignation and if accepted by the Chairperson, the seat becomes vacant.

In the event of a director vacancy from those elected annually, whether from death or resignation, the Board Chairperson shall appoint another person from the company from which the director was elected as long as that company is still a Member as defined in these By-laws. If the vacancy is caused by removal of the Member company, for cause or otherwise, the Chairperson shall appoint a replacement based on the criteria outlined in these Bylaws.

In the event of a director vacancy from those elected to three-year terms, whether from death, resignation or removal, the Nominating Committee shall appoint another person to serve the remaining term of office.

A partial term shall not be counted as a term in a consecutive period.

#### Section 5 - Duties of the Board

The Board shall be responsible for the overall conduct and management of the Association. The Board shall also establish Association policy, elect Association officers, and confirm Members of the Association, set strategic direction, establish dues, provide oversight to ensure that resources are available and used effectively and efficiently. The Board may receive reports from the President/CEO and committees, and take such action as deemed necessary or desirable.

It is the express policy of the Association that ARA Directors must perform their duties to and responsibilities on behalf of ARA in a manner consistent with their fiduciary obligations to the Association. Directors should therefore consistently and faithfully perform their responsibilities in accordance with the duties of care and loyalty, as set forth in the Missouri Nonprofit Corporation Act.

As a means of continuing the growth and development of the Association’s Board of Directors, the Board of Directors shall receive an annual orientation on Board member duties and annually

acknowledge Board member fiduciary obligations. In addition, the Board Chairperson shall briefly summarize Board duties at the beginning of each Board meeting.

### Section 6 – Regular Meetings

Regular meetings of the Board may be held at such time and place as shall, from time to time, be determined by the Chairperson or a majority of the Board. Any business may be transacted at a regular meeting. Notice shall be made in a manner than complies with Missouri Revised Statutes §355.251, including by electronic mail. If notice is made by electronic mail, notice shall be sent not less than 30 days and not more than 60 days prior to the meeting date.

### Section 7 - Special Meetings

Special meetings of the Board may be called at any time by the Chairperson of the Board, the President or the Secretary, or by any one or more of the directors. Written or printed notice of each special meeting of the Board, stating the place, day and hour of the meeting and the purpose(s) thereof shall be made in a manner than complies with Missouri Revised Statutes §355.251, including by electronic mail. If notice is made by electronic mail, notice shall be sent not less than 30 days and not more than 60 days prior to the meeting date. The notice may be given by any officer having authority to call the meeting, or by any director.

### Section 8 - Action in Lieu of Meeting

Any action required to be taken at a meeting of the Board of Directors or the Executive Committee, or any other action which may be taken at a meeting of the Board of Directors or the Executive Committee, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the directors entitled to vote with respect to the subject matter thereof and included in the minutes filed with the corporate records reflecting the action taken. Any such consent signed by all the directors shall have the same effect as a unanimous vote and may be stated as such in any document describing the action taken by the Board of Directors.

### Section 9 - Meeting by Conference Telephone or Similar Communications Equipment

Directors of the corporation or any committee designated by the Board may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment whereby all persons participating simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting. Directors who are unable to participate in the conference call may consent to have their vote recorded by alternate means such as an online survey form. The survey form should (1) identify the director, (2) collect their consent to have their vote recorded in the alternative manner, and (3) actually collect their vote on the question before the board.

### Section 10 – Remuneration

Except as provided in Article VI, Section 4, Directors shall not be remunerated for their Board-related services.



## Section 11 – Quorum

At any regular or special meeting of the Board of Directors, forty-five percent (45%) of the Directors of the Board shall constitute a quorum and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors.

## Section 12 – Waiver

Any notice provided or required to be given to the directors may be waived in writing. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where the Director attends for the express purpose of objecting to the transaction of business, and so states at the opening of the meeting.

## Section 13 – Designation of Alternates

When deemed appropriate or expedient, the Board of Directors may permit a member of the Board to designate a non-voting alternate to attend a meeting or meetings of the Board of Directors in such member's place and stead.

# ARTICLE V – EXECUTIVE COMMITTEE

## Section 1 - Executive Committee Composition

The Executive Committee shall consist of the Chairperson, Vice-Chairperson, four (4) at-large members who shall be comprised exclusively from the Retail/Distribution member category, and one (1) Member from each of the following Industry Supplier groups: Crop Protection/Seed, Fertilizer, and Equipment. Between January 1, 2020, and December 31, 2020, the Immediate Past Chairperson will serve on the Executive Committee and only two (2) at-large Retail members will be elected. Effective January 1, 2021, the Immediate Past Chairperson position will be eliminated and two (2) additional at-large Retail members will be elected. There shall also be one member from Industry Suppliers elected at-large who may represent any of the Industry Supplier categories. One of the Industry Supplier members will serve as Secretary/Treasurer. There shall also be one (1) Member elected by a forum of State Agri-Business Associations who is also their representative to the Board of Directors. The President/CEO shall be *ex-officio* without voting privileges. All Executive Committee members must be duly elected members of the Board of Directors. The Chairperson of the Executive Committee shall be the elected Chairperson of the Association Board of Directors. In the event that the Chairperson is absent or unable to act, the Vice-Chairperson shall preside at meetings of the Executive Committee. The Executive Committee shall be nominated by the Nominating Committee and nominations shall be ratified by the Board of Directors.

## Section 2 – Duties

The Executive Committee shall superintend the conduct of the business and affairs of the Association pursuant to provisions of applicable law, and policies established by the Board of Directors with the full power and authority vested in the Board of Directors, except for matters concerning major acquisitions, sale of major Association assets, and amendment of the By-laws.



### Section 3 – Meetings

The Executive Committee shall meet at the call of the Chairperson or upon the written request of the majority of the Members of the Executive Committee addressed to the Secretary/Treasurer of the Association. Notice of such meeting shall be provided in the same manner as required for a special meeting of the Board of Directors.

### Section 4 – Quorum

A majority of the Members of the Executive Committee shall constitute a quorum for the transaction of business and the act of a majority of the Members present shall be the act of the Executive Committee.

### Section 5 – Term Limits

Members of the Executive Committee may not serve more than four (4) continuous years on the Committee. The Term Limits contained in this Section 5 shall not apply to the Chairperson, Vice-Chairperson, or President/CEO.

## ARTICLE VI – OFFICERS

### Section 1 – Officers

The Officers of the Association shall be a Chairperson, Vice Chairperson, Secretary/Treasurer and President/CEO. The Officers, with the exception of the President/CEO, are elected by the Board of Directors. The Chairperson and Vice-Chairperson shall be delegates of Retail/Distribution Members.

### Section 2 - Election of Officers

The Nominating Committee shall select a slate of nominees from the Board of Directors for the office of Chairperson, Vice Chairperson, Secretary/Treasurer, and other members of the Executive Committee, for approval by the Board of Directors.

### Section 3 - Term of Office

Officers of the Association shall serve for a term of two years or until a successor is duly elected and qualified. Officers may succeed themselves in office if duly nominated and elected in accordance with these By-laws. Notwithstanding anything in Article IV, Section 1 to the contrary, the provisions of this Section 3 shall control.

### Section 4 - Remuneration/Reimbursement

Officers of the Association, except the President/CEO, shall not receive remuneration for their services. However, the Chairperson (or the Vice-Chairperson or another board official if serving on behalf of or at the express direction of the Chairperson) may be reimbursed for actual expenses reasonably incurred while serving on and related to official Association business. All requests for reimbursement pursuant to this Section 4 shall be submitted on a timely basis and in any event

within sixty (60) days after being incurred, to the President/CEO and the Secretary/Treasurer of the Association for approval of payment.

#### Section 5 - Succession in the Event of Vacancy

In the event of a vacancy in the office of Chairperson, the succession shall be the Vice Chairperson. In the event the Chairperson and Vice-Chairperson offices are vacant simultaneously, a special election will be held by the Board of Directors at its earliest convenience. In either event the new officers will serve the balance of the term and then be eligible for election as accorded in these By-laws. In the event of a vacancy in the office of Vice-Chairperson or Secretary/Treasurer, the Board Chairperson shall appoint a successor to fill the balance of the term.

#### Section 6 – Chairperson

The Chairperson shall be the principal elective officer of the Association, preside at meetings of the Association, the Board of Directors, and serve as Chairperson of the Executive Committee, and a member *ex-officio*, with right to vote, of all committees except the Officers Nominating Committee.

#### Section 7 – Vice Chairperson

The Vice-Chairperson shall perform such duties as the Chairperson or the Board of Directors may assign. The Vice-Chairperson shall perform the duties of the Chairperson in the event of the Chairperson's disability, absence from meetings or inability to serve.

#### Section 8 - Secretary/Treasurer

It shall be the duty of the Secretary/Treasurer to maintain all records of the Association and Board of Directors, serve as Secretary/Treasurer of the Executive Committee, notify all members and Board of Directors of meetings of the Association, supervise the account books and financial records, arrange for an annual audit of the Association's books by a firm of certified public accountants and submit a report on the financial condition of the Association at each regular Board meeting and at other such times as requested by the Board of Directors.

#### Section 9 – Removal

Any officer elected or appointed by the Board of Directors may be removed by an affirmative vote of a majority of the Board of Directors at any annual, regular or special meeting of the Board of Directors, provided that this vote represents a majority of the members of the Board of Directors, whenever the best interests of the Association would be served thereby.

### ARTICLE VII - PRESIDENT/CHIEF EXECUTIVE OFFICER (CEO)

#### Section 1 – Employment

The Executive Committee shall have the responsibility for the hiring and the terms of employment and termination of the President/CEO. Matters pertaining to employment, including the contract of employment of the President/CEO, shall be reported to the Board of Directors.

## Section 2 – Duties

The President is the Chief Executive Officer (CEO) of the Association and shall have responsibility for carrying out the policies and programs of the Association as directed by the Board of Directors, Executive Committee, and the Chairperson. The President/CEO shall prepare reports of the recommendations for proposed projects, expenditures and other activities within the scope of appointed committees for submission to the Board of Directors. The President/CEO shall be a non-voting ex-officio member of all committees and shall have charge of the Association's office and property.

The President/CEO shall have the hiring and termination authority for all staff.

## ARTICLE VIII – COMMITTEES

### Section 1 - Nominating Committees

The Directors and Officers Nominating Committees shall be constituted and operated in accordance with these Bylaws.

### Section 2 - Audit Committee

On an annual basis, the Chairperson shall appoint a minimum of three (3) non-officer members of the Board of Directors to serve as the Audit Committee. The Audit Committee shall review the annual audit of the Association and make a report of its findings to the Board of Directors. Additionally, if the Audit Committee determines there is a need for an interim review of the Association's financial operations, it is to advise the President/CEO and the Association's auditor(s) of the need of such a review and conduct such review and report the findings to the Board of Directors. The Audit Committee shall have the power and authority to select and remove accounting firms.

### Section 3 - Other Taskforces and Committees

The ARA Chairperson may, from time-to-time, appoint or delegate the authority to appoint additional taskforces and/or committees as deemed necessary by the Board of Directors to carry out the work of the Association. The ARA Chairperson or their designee shall appoint the taskforce or committee chair and Members thereof and assign the duties and duration of such assignments. All additional task forces or committees established under this provision are responsible to and serve at the pleasure of the Board of Directors and have the power and authority given to them by the Board of Directors.

## ARTICLE IX – INDEMNIFICATION

The Association shall indemnify Directors, Officers, and other authorized employees or agents of the Association against claims or suits arising in connection with their positions or activities on behalf of the Association to the full extent permitted by law.

## ARTICLE X – AMENDMENTS

These By-laws may be amended, repealed, or altered, in whole or in part, at any regular meeting or special meeting of the Board of Directors. Proposed amendments to the By-laws shall be mailed to each voting Board member no less than thirty (30) days and no greater than sixty (60) days in advance of the meeting at which the proposal is to be considered. Such notice must state that a purpose of the meeting is to consider the proposed amendment and contain a copy or summary of such amendment. Amendments to the By-laws shall require a majority vote of the Board Members present for adoption. A quorum of the voting Board members must be present for consideration.

## ARTICLE XI – ANTITRUST COMPLIANCE

The Association is committed to strict compliance with any and all federal and state antitrust laws. Particularly, the Association is dedicated to the compliance with the Sherman Act, the Federal Trade Commission Act and the Clayton Act. A copy of ARA's Antitrust Compliance Statement shall be given to each Director and ARA employee annually. Official notice of ARA's Antitrust Compliance Policy shall be given as the first order of business at all meetings of the Board of Directors and all other meetings of the Association's members.