

**BYLAWS
OF
THE COTTON BOARD**

As Amended 02/2018

ARTICLE I - NAME AND AUTHORITY

This Board is established pursuant to the authority of the Cotton Research and Promotion Act of 1966, as amended (7 U.S.C. 2101-2118) (hereinafter referred to as the "Act"), the Cotton Research and Promotion Order (7 CFR Part 1205) and all applicable regulations (hereinafter referred to as the "Order") and shall be designated as the Cotton Board, hereinafter referred to as the "the Board."

ARTICLE II - PRINCIPAL PLACE OF BUSINESS

The principal place of business of the Board shall be its office at Memphis, Tennessee.

ARTICLE III - PURPOSE

The purpose of the Board is to administer the provisions of the Act and the Order through the establishment and governance of an orderly process for developing and financing a continuous coordinated program of research and promotion to improve the competitive position of, and expand markets for, cotton.

ARTICLE IV - OFFICERS AND THEIR DUTIES

Section 1. The officers of the Board shall consist of a Chair, Vice-Chair, Secretary and a Treasurer, each of whom shall be a Member of the Board and shall have been a Board Member or Alternate Board Member the prior year. No Board Member may serve as Chair, Vice-Chair, Secretary or Treasurer more than one full term in the same office. After one term, the Board Member shall be eligible for a different office.

Section 2. Officers shall be elected each year at the regular annual meetings of the Board. The term of office for all elected officers shall be one (1) year to begin at the time of election. Officers shall serve until their successors are elected. In the event of the death, resignation, or disqualification of an officer, a successor shall be elected by the Board, as soon as practicable, to serve for the remainder of his predecessor's unexpired term of office. All officers shall be elected by majority vote of the Board.

Section 3. The duties of the Chair shall be: (1) to preside at all meetings of the Board, (2) call special meetings of the Board when deemed necessary, (3) have general supervision of the affairs of the Board, and perform all acts and duties usually incident to and required of a presiding officer, and (4) with the exception of the Nominating Subcommittee, be an *ex officio* member with voice and vote, of all Committees and Subcommittees.

Section 4. The duties of the Vice Chair shall be to act in the place of the Chair in the absence, disqualification, disability, or at the direction of the Chair.

Section 5. The duties of the Secretary shall be: (1) to keep, or cause to be kept, a complete record of the proceedings of all meetings of the Board, (2) to attest all papers, documents, and other instruments on behalf of the Board. As necessary, the Secretary may delegate such duties to an Assistant Secretary or other authorized employee of the Cotton Board.

Section 6. The duties of the Treasurer shall be: (1) to have custody and oversight of all money, property, and securities belonging to or under the control of the Board, (2) keep regular books of accounts under the direction of the Board, (3) receipt, deposit, investment and disbursement of all funds and money of the Board, or under its control, (4) sign checks on behalf of the Board, (5) submit to the Members of the Board and Alternates and the Secretary of Agriculture each month a financial report which shall include: (a) balance sheet, (b) income and expense statement or a statement of receipts and disbursements, (c) comparison of expenses with budget, (6) to cause an audit of the Board's financial statements to be conducted at least annually by a certified Public Accountant, (7) be custodian of all insurance policies, including any fidelity bond covering officers and employees of the Board, (8) to receive a monthly report from the Board's staff which shall include: (a) monthly check register, (b) monthly internal audit (c) notice of exceptional or unforeseen expenses, (d) monthly financial statements, and (e) expense reports of the President/CEO, and (9) as necessary, while maintaining oversight, the Treasurer may delegate such duties to an Assistant Treasurer or other authorized employee of the Cotton Board.

Section 7. The Board may appoint an Assistant Secretary and/or Assistant Treasurer as deemed necessary or appropriate. The duties of the Assistant Secretary and the Assistant Treasurer shall be: under the general supervision of the Secretary and Treasurer, respectively, to perform such duties as the Secretary and Treasurer may authorize and direct them to perform, including but not limited to (1) the preparation and maintenance of minutes of all meetings, (2) the signing of checks on behalf of the Board, (3) the collection and deposit of all monies due the Board and (4) the keeping of regular books of account. Such officers shall be appointed from among the professional staff of the Cotton Board.

Section 8. Contracts involving program implementation and checks shall be signed on behalf of the Board by any two of the following: Chair, Vice Chair, Secretary, Treasurer, Assistant Secretary, Assistant Treasurer, or such other persons as the Board may designate.

ARTICLE V - EMPLOYEES AND THEIR DUTIES

Section 1. The Board shall appoint, employ, or contract for the services of such person or persons it deems desirable and necessary to effectuate the terms and provisions of the Act and Order, including a President who may also serve as Assistant Secretary and/or Assistant Treasurer, in addition to performing such regular duties as designated by the Board.

Section 2. Subject to the general supervision and control of the Board, the duties of the President shall be as follows: (1) to function as the Chief Executive Officer of the Board for implementing and administering the policies and directions of the Board, (2) to employ, have general supervision of and discharge all employees of the Board, (3) be responsible for the publication of all notices the Board is required to give, (4) assemble, compile, and analyze all information necessary in connection with the performance of the official duties of the Board, (5) prepare all resolutions setting forth actions of the Board, and (6) be responsible at all times for the proper administration of all policies and actions that the Board adopts and undertakes, and for the proper performance of all duties on behalf of the Board that the Order requires.

ARTICLE VI - MEETINGS

Section 1. The Cotton Board shall hold a regular Annual meeting each fiscal year, during the month of August, at a time and place to be determined by the Board or the Chairman.

Section 2. Special meetings of the Board may be held whenever called by the Chair, or by the Vice Chair acting as Chair, or by 35% or more Members of the Board, and any and all business coming before the Board may be transacted at such special meetings.

Section 3. Notices of all meetings, together with a written agenda, shall be provided to each Member and Alternate Member of the Board, and, except in cases of emergency determined within the discretion of the Chair, every such notice shall be sent in time to be received at least five business days prior to such meeting. In case of an emergency, as much advance notice as is practicable shall be given. The Secretary of Agriculture, or his designated agent, shall be given the same notice as that given to Members and Alternate Members.

Section 4. Each major proposition, including all recommendations to the Secretary of Agriculture, which the Board may adopt shall be in the form of a resolution, the enacting clause of which shall be: "Be it resolved by the Cotton Board in meeting duly assembled" Upon the request of any Member, or any Alternate acting in the stead of a Member any such proposition under consideration by the Board shall be presented to the Board in written form prior to voting thereon. All resolutions shall, upon adoption by the Board, be recorded in a book for that purpose, and shall be authenticated by the signature of the Chair, or Vice Chair when acting as Chair, or the Secretary. The record shall also show for each meeting the vote by which each resolution is adopted, and in the event a roll call vote is required, the vote of each individual Member and all Alternates acting as Members shall be recorded. The minutes of each meeting shall contain all resolutions or motions adopted during each meeting exactly as they appear in the record, except that minutes need not show the vote by individual Members in the event of a roll call vote, but only the number in favor of and the number opposed to each resolution. Any proposition which the Board may adopt which does not require the Secretary's review or approval prior to being made effective shall become effective upon adoption by the Board.

Section 5. Voting by the Board shall be governed by the appropriate provisions of the Order. During official sessions of the Board and its committees, an Alternate may only vote while serving in the place of a Member. The Executive Committee may, between meetings of the Board, authorize Board votes to be taken by mail, electronic communications, or telephone if the Executive Committee determines it is not feasible to call an assembled meeting of the Board. At any assembled meeting, all votes shall be cast in person.

Section 6. Electronic Records. Notwithstanding any other provision of these bylaws, the Board may establish a policy whereby notices required to be provided to the Board may be electronically transmitted and whereby official records required to be maintained by the Board in accordance with these bylaws may be established or maintained as electronic records.

ARTICLE VII - COMMITTEES

Section 1. The Board may appoint, or empower the Chair to appoint, from its Members and Alternates such committees as it may deem necessary for the expeditious handling of the affairs of the Board and may assign to standing committees such ministerial duties as the Board may deem proper and to special committees such specific matter as needs to be investigated and a report thereon made to the Board. Special committees shall cease to exist upon completion of their assignment. Neither a standing nor a special committee nor any Member thereof shall have the authority to commit the board unless such authority has been duly delegated by the Board. The compensation for members of the committees shall be the regular expenses, and mileage provided for the Board. In the absence of the Secretary or Assistant Secretary the Chair of each such committee shall

arrange for the preparation and shall authenticate the minutes of the meetings of the committee.

Section 2. An Executive Committee consisting of the Officers of the Board, and not more than six (6) additional Board Members, one of whom shall be the immediate past Chair of the Cotton Board, provided he or she continues as a Member of the Board and, the Chairs of the Governance, Operations and Strategic Assessment committees. In order to be eligible for appointment to the Executive Committee, an individual must have been a Board Member or an Alternate Board Member the prior year. The Executive Committee shall serve as a standing committee to assist the Chair and the President with administration of the Program and Act with the full authority of the Board in its absence.

ARTICLE VIII - FINANCIAL ASSURANCE

The Board may establish requirements for liability insurance, fidelity assurance, and other appropriate means of insurance in order to ensure the funds and assets of the Board, its Members and Alternates, its Officers, and its employees are adequately protected. Any such insurance or bonds issued pursuant to this provision shall be paid by the Board.

ARTICLE IX - PROCEDURE AND TRANSACTION OF BUSINESS

The Board, when in session, shall be governed in its deliberations in the transaction of its business by these bylaws and by the provisions of the Order and applicable regulations. Any matter of procedure not covered by these bylaws shall be governed by "Roberts Rules of Order". No person, who is not a Member or Alternate Member of the Board, shall be entitled to participate in the deliberations and proceedings of the Board or speak upon any subject before the Board, except with the consent of the Chair.

ARTICLE X - POWERS OF BOARD

Any officer, agent, or employee appointed, elected, or employed by the Board shall be subject to removal or suspension by the Board at any time. No officer, member, employee or agent of the Board shall have the authority to commit the Board unless such authority has been duly delegated. Each and every order, regulation, decision, or act of any such officer, member, employee or agent shall be subject to the continuing right of the Board to disapprove of the same, and upon disapproval by the Board shall be deemed null and void to such extent as the Board may determine.

ARTICLE XI - EXPENSES

Section 1. The Members, Alternate Members, and employees of the Board, when performing such duties as may be assigned by the Board, shall be reimbursed for expenses necessarily incurred by them in the performance of their duties in accordance with such applicable policies and procedures adopted by the Board.

Section 2. The President or his designee may approve payment of all claims for reimbursement submitted by Members, Alternate Members or employees who are qualified to receive payment.

ARTICLE XII - AMENDMENTS

The Board may amend these bylaws at any meeting of the Board in accordance with the prescribed voting procedure. However, at least five days' notice shall be given to all Members of the Board that such amendment will be considered.

ARTICLE XIII - TIME WHEN EFFECTIVE

These bylaws and any amendments thereto shall become effective immediately upon adoption by the Cotton Board.