

BYLAWS
OF
SOUTH DAKOTA CORN GROWERS ASSOCIATION

Article I

Name:

The name of this Association shall be the South Dakota Corn Growers Association.

Article II

Not for Profit:

This Corporation is organized and exists under and by virtue of SDCL 47-22 to 47-28 South Dakota Nonprofit Corporation Act.

Article III

Purpose:

This Corporation is organized to promote and develop new and expanded markets for corn and corn products, organize and assist local corn grower organizations and to sponsor research on corn production, utilization and marketing, thus enhancing the livelihood of the South Dakota corn producer.

Article IV

Offices:

The principle office of this Corporation shall be located in the City of Sioux Falls, Lincoln County, State of South Dakota and the Corporation may have such other offices within or without the State of South Dakota as the Board of Directors may from time to time determine.

Article V

Member:

Section 1. Classes of Members. The Corporation shall have three (3) classes of members designated as "Regular" and "Associate" and "Corporate".

Section 2. Qualifications, Acceptance.

- A) Regular. Any individual or business engaged in the production of corn in South Dakota may become a regular member upon filing an application and paying the annual dues. Failure to remit annual dues will result in loss of membership.
- B) Associate. Any individual or business not engaged in the production of corn in South Dakota may become an associate-nonvoting member in the same manner as a regular member. Failure to remit annual dues will result in loss of membership.
- C) Corporate. Any business engaged in the interest of agriculture production in South Dakota may become a corporate-nonvoting member in the same manner as a regular member. Failure to remit annual dues will result in loss of membership.

Section 3. Voting Rights. Only Regular members of this Corporation shall have voting rights. Each regular member shall have one vote and shall be entitled to take part in and vote, in person, at any regular, special meeting and annual meeting of the Corporation. No voting by proxy mail shall be permitted. Associate and corporate members of this Corporation do not have voting rights during any regular, special meetings or annual meeting of the Corporation.

Section 4. Mailings. Regular, Associate and Corporate members are entitled to receive all mailings, literature and periodicals of the Corporation.

Section 5. Acceptance. In order to become a member, a candidate for membership must be accepted by the Board of Directors.

Section 6. Termination and Suspension of Membership.

- A) The Board of Directors may, by affirmative vote of a majority of the membership of the Board after due notice and appropriate hearing, suspend or terminate detrimental to the Corporation, its aims and programs.
- B) The Board of Directors may by a majority vote of those present at any regularly constituted meeting, after due notice and appropriate hearing,
 - 1) Terminate the membership of any member who no longer satisfies the "Qualifications" for membership in Article V, Section 2.
 - 2) Suspend or terminate the membership of any member who is in default in the payment of dues for the period fixed in Article XIII of these Bylaws.

Section 7. Resignation. Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member so resigning of the obligation to pay any dues, assessments or other charges theretofore accrued and unpaid.

Section 8. Reinstatement. Upon written request signed by a former member and filed with the Secretary, the Board of Directors may, by the affirmative vote of a majority of the membership of the Board, reinstate such former member to membership upon such terms as the Board of Directors may deem appropriate.

Section 9. Transfer of Membership. Membership in this Corporation is not transferable or assignable.

Section 10. Dues not Refundable. Dues paid to this Corporation are not refundable under any circumstances.

Section 11. Student Membership. A student membership is a 1 year term at the rate of \$10 per calendar year. The membership entitles the student to special rates at SDCGA events, but student memberships do not have voting rights.

Article VI

Meetings of Members:

Section 1. Annual Meeting. The annual meeting of this Corporation shall be held at a time and place to be designated by the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

Section 2. Special Meetings. Special meetings of members may be called by the President or by the majority of the entire Board of Directors, and shall be called by the President upon written request signed by at least one-tenth of the Regular members, at a location to be designated by the Board of Directors.

Section 3. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than five (5) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. The notice of the meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 4. Quorum. A quorum for the transaction of business at any annual or special meeting of the members of the Corporation shall be seven (7) members. If a quorum is not present at any meeting of members, a majority of these members present may adjourn the meeting to another time without further notice.

Section 5. Resolutions. All resolutions must be submitted to the state office in writing 30 days prior to the annual meeting. Resolutions offered from the floor must receive a majority vote to be considered. If they receive a majority vote to be considered, they must receive a simple majority vote to pass.

Article VII

Board of Directors:

Section 1. Authority. The Board of Directors shall have the authority and shall be responsible for the supervision, control and direction of the Corporation.

Section 2. Number, Qualification. The business and property of this Corporation shall be managed and controlled by a Board of Directors of up to, but not exceeding, eleven (11) members. At least nine (9) directors shall be residents of South Dakota, regular members of the South Dakota Corn Growers Association and not refunders of the South Dakota Corn Utilization Council. The other two (2) directors shall represent allied industry, be residents of South Dakota and be corporate members of the South Dakota Corn Growers Association.

Section 3. Classes of Directors. There shall be one (1) regular member elected as a director from each of the nine (9) districts of the South Dakota Corn Growers Association. Up to two (2) industry directors will also be appointed by the Board of Directors. Industry directors appointed to the board shall have voting rights on the board and during the annual meeting.

Section 4. Districts. For purposes of election of directors, the State of South Dakota shall be divided into the following nine (9) districts:

<u>District Number</u>	<u>Counties Comprising District</u>
I	Union, Clay, Yankton, Lincoln and Turner
II	Minnehaha, Moody, Lake and Minor
III	Brookings, Kingsbury, Hamlin, Deuel and Codington
IV	Clark, Day, Grant, Roberts and Marshall

- V Brown, McPherson, Campbell, Walworth, Corson, Perkins and Harding
- VI Spink, Faulk, Edmunds and Potter
- VII Aurora, Sanborn, Jerauld, Buffalo, Beadle, Hand and Hyde
- VIII Bon Homme, Hutchinson, Douglas, McCook, Hanson and Davison
- IX Charles Mix, Gregory, Brule, Lyman, Hughes, Sully, Dewey, Stanley, Jones, Tripp, Todd, Mellette, Ziebach, Haakon, Jackson, Bennett, Shannon, Fall River, Custer, Pennington, Meade, Lawrence and Butte

Section 5. Nominations. The Association Nominating Committee shall consist of four persons appointed by the President. The Association Nominating Committee shall nominate 30 days prior to the annual meeting, one willing candidate for the Board of Directors from each district. Each district will elect its own representative to the Board of Directors. At-large directors are elected by the members.

Section 6. Terms. Regular members who are at-large directors and district directors shall serve three-year terms. No director shall be eligible to serve for more than three (3) consecutive three-year terms, except that a director elected for less than one-half of a full term to fill a vacancy or a new directorship by reason of an increase in the number of directors shall be eligible to serve three subsequent consecutive three-year terms. The At Large Board of Director positions will expire after the current At Large Directors have fulfilled their 3 consecutive 3-year terms on the SDCGA (One At-Large Member will expire in January 2011 and the other will expire in January 2013 to eliminate these positions all together).

The two (2) members serving as industry directors shall be appointed by the Board of Directors for a two-year term and can serve a maximum of three (3) consecutive two-year terms.

Section 7. Regular Meetings. A regular annual meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after and at the same place as, the annual meeting of members. The Board of Directors may provide, by resolution, the time and place, either within or without the State of South Dakota, for the holding of additional regular meetings of the Board without other notice than such resolution.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of South Dakota for the holding of additional special meeting of the Board without other notice than such resolution.

Section 9. Notice. Notice of any special meeting of the Board of Directors shall be given at least five (5) days previously thereto by written notice delivered personally or sent by mail or telegram to each director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered-when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any 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 because 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 need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

Section 10. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; provided that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting to another time without further notice.

Section 11. Manner of Acting. The act of majority of the Directors present at a meeting at which quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or by these Bylaws.

Section 12. Vacancies. Any vacancy occurring on the Board of Directors or any directorship to be filled by reason of an increase in the number of Directors shall be filled by the Board of Directors. A Director appointed to fill a vacancy shall serve for the unexpired term of his predecessor in office.

Section 13. Compensation. Directors, as such, shall not receive any stated salaries for their services, but by resolution of the Board of Directors, a fixed sum and expenses, if any, may be allowed for attendance at each regular or special meeting of the Board; provided, that nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefore.

Section 14. Teleconference. Any meetings of the Board of directors may be held after such notice as required by these bylaws by teleconference pursuant to SDCL 47-23-21.

Section 15. Confidentiality of Information.

- A. Each member of the Board of Directors is obliged to treat with the strictest confidence all classified business and secrets of the Association and its subsidiaries of which he or she becomes aware in his or her function as a member of the Board of Directors. This also applies to the period after his or her term of office on the Board of Directors has ended. Each member of

- the Board of Directors must ensure that all co-workers instructed by such Board of Directors members observe the same level of confidentiality.
- B. At the end of each Board of Directors member's term of office, he or she must return all confidential documents in his or her possession to the Association or guarantee their disposal in a manner that ensures confidentiality is preserved.
 - C. If a member of the Board of Directors intends to impart to third parties information which he or she has become aware of in his or her duties as a member of the Board of Directors and which cannot be ruled out upon reasonable analysis as being subject to the duty of confidentiality, he or she must inform the Executive Director and President of the Board of his or her intent in writing, including the identity of the person who is to receive the information with sufficient notice for the Executive Director and President to assess the situation and advise the Board of Directors member accordingly. This also applies to official statements as well as other personal statements made by persons attending Board meetings which in terms of their content and form are clearly only intended for the Board of Directors.

Article VIII

Officers:

Section 1. Officers. The officers of the Corporation shall be a President, Vice President, a Treasurer, a Secretary, and any such officers as may be elected in accordance with the provision of this Article. The Board of Directors may elect or appoint such other offices, as it shall deem desirable. Such officers are to have authority to perform the duties prescribed, from time to time, by the Board of Directors. No person may serve as an officer while serving in any elected or leadership position on a statewide political board or organization.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected by the Board of Directors at the regular annual meeting of the Board. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office for one year and until his successor shall have been duly elected and shall have qualified. Each officer may succeed himself one year in the same office. All officers shall be elected from among the members of the Board of Directors.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the principle executive officer of the Corporation and shall, in general, supervise and control all of the business and affairs of the Corporation. The President shall preside at all meetings of the members and the Board of Directors. The President may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some officer or agent of the Corporation; and in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the absence of the President, or in the event of his/her inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. ~~Any~~ Vice President shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

Section 7. Secretary. The Secretary shall keep the minutes of the meetings of the members 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 corporation's records; keep a register of the post office address of each member, which shall be furnished to the Secretary by such member; and in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors. The Secretary may use staff of the Association to carry out such duties.

Section 8. Treasurer. The Treasurer shall sign checks for the Corporation, and shall perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

ARTICLE IX

Executive Committee:

Section 1. Authority and Responsibility. The Executive Committee may act on behalf of the Board of Directors between Board meetings on all matters, except those specifically reserved to the Board by these Bylaws, pursuant to delegation of authority to such Committee by the Board of Directors. Actions on the Executive Committee shall be reported to the Board for ratification at the next Board meeting.

Section 2. Composition and Election. The Executive Committee shall consist of President, Vice-President, Treasurer and Secretary of the Association and the Executive Director.

Section 3. Quorum-Call of Meetings. A majority of the Executive Committee shall constitute a quorum at any duly called meeting of the Committee. An Executive Committee member shall call such meetings of the Executive Committee as the business of the Association may require.

ARTICLE X

Committees:

Section 1. Committees of Directors. The President of the Association shall designate two or more Directors to the SDCGA committees consisting of the Showplot, Membership, State Legislative Issues and National Legislative Issues.

Section 2. Term of Office. Each member of a committee shall continue as such until the February meeting of the members of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 3. Chairman. One member of each committee shall be appointed Chairman.

Section 4. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 5. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 6. Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors

Article XI

Contracts, Checks, Deposits and Funds.

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of

and on behalf of the Corporation and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such employees and/or officers of the corporation as the board of directors shall determine. However an instrument over \$500.00 shall be signed by one of the officers of the corporation and/or one of the employees of the corporation as the board of directors shall determine.

Section 3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purpose or for any special purpose of the Corporation.

Section 5. Bonding. The Board of Directors shall require the Treasurer and may require the Executive Director to post bond for the faithful performance of his/her duties, the cost of such bond for the faithful performance of his/her duties to be borne by the Corporation.

Article XII

Certificates of Membership:

The Board of Directors may provide for the issuance of certificates evidencing membership in the Corporation, which shall be in such form as may be determined by the Board.

Article XIII

Books and Records:

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, and committees having any of the authority of the Board of Directors, and shall keep at the registered or principle office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member or his agent or attorney for any proper purpose at any reasonable time.

Article XIV

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.

Article XV

Dues:

Section 1. Annual Dues. Annual dues for “Regular”, “Associate” and “Corporate” members shall be determined by the board of directors.

Section 2. Payment of Dues. The annual dues for each regular, associate and corporate member of this Corporation shall be payable on or before the first day of the member's membership year. A member's membership year shall begin on the first day of the month following the date of his first payment of dues to this Corporation and each anniversary date thereof. Dues, either yearly or paid in advance, shall not be prorated in the event a member terminates his membership.

Section 3. Default and Termination of Membership. When any member of any class shall be in default in the payment of dues thirty (30) days after the beginning of his membership year, he may, upon such default alone, be terminated by the Board of Directors in the manner provided in Article V of these Bylaws.

Article XVI

Waiver of Notice:

Whenever any notice is required to be given under the provisions of the Nonprofit Corporation Act of South Dakota or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Article XVII

Amendments to Bylaws:

These Bylaws may be altered, amended or replaced and new Bylaws may be adopted by majority of the entire Board.

Any changes to the Bylaws made by the Board of Directors may be rescinded by the general membership at a regular meeting that has been called in accordance with these Bylaws. The general membership shall be informed in writing of changes to the Bylaws in the invitation to the annual meeting.

These Bylaws adopted-by the Board of Directors of the South Dakota Corn Growers Association at the organizational meeting thereof held in Sioux Falls, South Dakota March 18, 1986.

Article XVIII

Rules of Order:

Section 1. Rules. The Board of Directors may establish rules that are consistent with these Bylaws for the policies, procedures and programs of the Corporation.

Section 2. Standard Order of Business. For formal meetings, the Board of Directors shall use a systematic plan for the orderly conduct of business, which shall consist of the following:

- (a) Reading and Approval of the Minutes of the Previous Meeting
- (b) Report of Officers, Boards, and Standing Committees
- (c) Reports of Special Committees
- (d) Special Orders
- (e) Unfinished Business and General Orders
- (f) New Business

Section 3. Parliamentary Authority. The rules contained in the current edition of Robert's Rules of Order shall govern the Corporation in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the Corporation may adopt. The President shall appoint a member of the Board of Directors or an equally qualified individual to serve as Parliamentarian and he/she shall serve as Parliamentarian for the purpose of advising the Board of Directors with respect to the Rules of Order of the Corporation.

Article XIX

Indemnification:

The Corporation shall indemnify, defend and hold harmless Officers, Directors and all "agents" (i.e., Committee chairs, committee members, staff, etc. acting on behalf of the organization and having approval to do so) against any and all losses, claims, lawsuits, damages, actions, proceedings and other liability, including, without limitation, expenses actually and necessarily incurred by them in connection with the settlement on defense of

any of the foregoing in which they or any of them are made party or parties, by reason of having been officers, directors or agents of the Corporation, except in relation to matters in which such officers, directors, agents or formal officers, directors or agents shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in performance of duty.

The Corporation shall obtain and maintain “directors and officers” and general liability insurances consistent with usual limits and coverage recommended for similar organizations. The organization may also obtain and maintain other insurance(s) as the Board of Directors may deem appropriate.

Article XX

Dissolution:

The Corporation shall use its funds and other assets to accomplish the purpose specified in these bylaws and no part of such funds or assets shall inure or be distributed to Officers, Directors or members of the Corporation except staff and agents of the Corporation, or be used for any other taxable entity or purpose.

In the event of the dissolution of this Corporation, all assets of the Corporation shall be distributed to any organization or organizations selected by its Board of Directors which are qualified as exempt organizations under the provisions of the Internal Revenue Code, or to local, state or federal governments or agencies thereof for exclusively public purposes.

Article XXI (Implementation Article)

This Article shall be effective only during the implementation process of the SDCGA re-districting (January 9, 2010 until January 11, 2014). Unless further action is taken by the Board of Directors or the Members, and all transition terms and temporary offices will be terminated as provided herein, but not later than January 11, 2014 when this Article shall be repealed automatically.

District 1 - Union, Clay, Yankton, Lincoln and Turner

Walt Bones - Will represent District 1 with his first term expiring in 2012. Which, at that point he will be eligible to run for two additional Three – Year Terms.

District 1 - At Large Position - Union, Clay, Yankton, Lincoln and Turner

Travis Mockler – shall serve in an at-large district position which will represent District 1. Then at the end of his term in 2012, this at-large position will be terminated.

District 2 - Minnehaha, Moody, Lake and Minor

Will be open for Election

District 3 - Brookings, Kingsbury, Hamlin, Deuel and Codington

Gary Duffy - Will represent District 3 with his third term expiring in 2012. Which, at that point he will not be eligible to run for another term.

District 3 - At Large - Brookings, Kingsbury, Hamlin, Deuel and Codington

David Leiseth – shall serve in an at-large district position which will represent District 3. Then at the end of his term in 2011, this at-large position will be terminated.

District 4 - Clark, Day, Grant, Roberts and Marshall

Brian Renelt - Will represent District 4 with his first term expiring in 2011. Which, at that point he will be eligible to run for another two (2) terms of three (3) years each.

District 5 - Brown, McPherson, Campbell, Walworth, Corson, Perkins and Harding

Open for Election at the time of adoption

District 6 - Spink, Faulk, Edmunds and Potter

Open for Election at the time of adoption

District 7 - Aurora, Sanborn, Jerauld, Buffalo, Beadle, Hand and Hyde

Jim Burg – Will represent District 7 and will represent this district until 2011. Which, at that point he will be eligible to run for another two (2) terms of three (3) years each.

District 8 - Bon Homme, Hutchinson, Douglas, McCook, Hanson and Davison

Mark Gross – Will represent District 8 with his first term expiring in 2010. Which, at that point he will be eligible to run for another two (2) terms of three (3) years each.

District 8 - At Large Position - Bon Homme, Hutchinson, Douglas, McCook, Hanson and Davison

Kurt Stiefvater – shall serve in an at-large district position which will represent District 8. Then at the end of his term in 2014, this at-large position will be terminated.

District 9 – Charles Mix, Gregory, Brule, Lyman, Hughes, Sully, Dewey Stanley, Jones, Tripp, Todd, Mellette, Ziebach, Haakon, Jackson, Bennett, Shannon, Fall River, Custer, Pennington, Meade, Lawrence and Butte

Marv Schumacher – Will represent District 9 and will represent this district until 2011. Which, at that point he will be eligible to run for an additional Three – Year Term.

At-Large District

Jim Thyen – Will represent an at-large district position for the SDCGA. Then at the end of his term in 2011, this at-large position will be terminated.

Mark Klumb – Will represent an at-large district position for the SDCGA. Then at the end of his term in 2013, this at-large position will be terminated.

Industry Directors

The two (2) members serving as industry directors shall be appointed by the Board of Directors for a two (2) year term, and can serve a maximum of three (3) consecutive two (2) year terms.