

AMENDED ARTICLES
OF
INCORPORATION
Of
The Kentucky Seed Improvement
Association



KNOW ALL MEN BY
THESE PRESENTS:

That the Kentucky Seed Improvement Association, incorporated under the provisions of Chapter 32, Sections 538 to 576a-2 of Carroll's Kentucky Statutes (1936) has, by a majority vote of its members, decided to accept the benefits and to be bound by the provisions of KRS 272.100 to 272.530 and has authorized all changes accordingly; and that the Articles of Incorporation of the Kentucky Seed Improvement Association are hereby amended and changed to read as follows:

ARTICLE I

The corporation shall be named and known as The Kentucky Seed Improvement Association, by which name it may contract and be contracted with, sue and be sued, adopt a corporate seal, and conduct its business.

ARTICLE II

The principal office and place of business of the Association shall be in the City of Lexington, Fayette County, Kentucky.

ARTICLE III

The corporation is to have no capital stock and no private pecuniary profit is to be derived in any manner or at any time from its organization, operation or existence. Because of the purposes for which the corporation is organized and the public interest in its function and operation, no payment of dividends or division of property of the corporation to members or former members shall ever be made in any form whatsoever, and in the event the corporation ceases to exist, or ceases to function for a period of two (2) consecutive years, all assets and property of the corporation shall become the property of the Kentucky Agricultural Experiment Station to be used by it in furthering the purposes for which this corporation is organized. In consideration of these premises it is provided that this article shall not be subject to amendment.

ARTICLE IV

The nature of business proposed to be transacted, promoted and carried on by this Association shall be to engage in any activity in connection with the marketing, selling, preserving, harvesting, processing, canning, packing, grading, storing, handling, or utilizing of any agricultural products produced or delivered to it by its members, or the manufacturing or marketing of the by-products of these products; or any activity in connection with the purchase, hiring or use by its members of supplies or equipment; or in the financing of any of these activities; or in any one or more of the activities specified above; to deal in agricultural products of non-members; to borrow without limitation as to the amount of indebtedness or liability, and to make advances to members; to act as the agent or representative of any member in any of these activities; to acquire, hold, own, and sell, transfer, pledge or guarantee the payment of dividends or interest on, or the retirement or redemption of shares of the capital stock or bonds of any corporation engaged in any related activity or in the warehousing, handling or marketing of any of the products handled by the Association; to establish reserves and invest the funds in any property permitted in the by-laws; to exercise any privilege or ownership over real or personal property necessary or convenient for the conduct and operation of, or incidental to, any business of the Association; and to exercise any other corporate powers not inconsistent with KRS 272.100 to 272.350 to accomplish the purpose for which it was organized.

ARTICLE V

The duration of the Association shall be perpetual.

ARTICLE VI

Persons may be admitted to membership in the Association upon application approved by a majority of the Board of Directors in the manner and subject to the limitations contained in the by-laws. The interest and vote of each member shall be equal. No person shall have, or acquire, by virtue of his membership, any personal or private interest in the assets or property of the Association. The payment of membership and other fees, required by the by-laws, shall be deemed only for services rendered during the year for which the fee was paid.

ARTICLE VII

The affairs and business of the Association shall be managed by a Board of not less than five, or more than fifteen directors, to be elected by the members in the manner provided in the by-laws.

The directors shall, at their first meeting following the annual meeting of the members of the Association, elect from their own number a president and vice-president. They shall also elect a secretary and treasurer who may be one and the same person and who shall hold office for a period of one year and until his successor is duly elected, unless sooner removed by a vote of the majority of the directors. Neither the secretary nor the treasurer need be a director or a member of the Association. The president shall be chief executive of the Association. The Board of Directors shall have power to make all such by-laws and rules to regulate the business of the Association as may not be inconsistent with the provision of these Articles of Incorporation or the laws of the State of Kentucky.

Other officers and employees of the Association, provided for in the by-laws, shall be elected or employed by the directors at the times and in the manner therein stated.

ARTICLE VIII

The highest amount of indebtedness, which the Association may at any time incur, shall be twenty thousand (\$20,000) dollars. The private property of members of the Association shall not be subjected to the payment of corporate debts.

IN WITNESS WHEREOF, witness our hands this 27th day of
March, 1944.

Directors-----Addresses

S.J. STOKES
R. 2, Lexington, KY

TATE BIRD
Shelbyville, KY

CHAS. L. TAYLOR
Bowling Green, KY

F.W. RICKARD
Winchester, KY

RALPH O. STITH
Guston, KY

R.T. BURKS
Hodgenville, KY

EMMERSON B. STULL
Sebree, KY

RUPERT S. REES
Foster, KY

S.D. BROADBENT, JR.
Cobb, KY

**AMENDED
BY-LAWS**

OF

**The Kentucky Seed Improvement
Association, Inc.**

**ARTICLE I
Purpose**

The purpose and nature of the business of the Association shall be:

1. To foster production of certified seed of all field crops approved for certification by the Kentucky Agricultural Experiment Station, and to act as the agent of the Director of Kentucky Agricultural Experiment Station in the certification of seed as provided in KRS 250.170-250.230.
2. To render any service to its members in the collecting, conditioning, grading, and marketing of Certified seed that may be desirable.
3. To collect and distribute to its members and others, information relating to the production, supply, handling and marketing of Certified seed.
4. To lease, purchase or otherwise acquire, and to exercise all privileges of ownership over such real and personal property as may be necessary or convenient for the conduct of any of the business of the corporation.
5. To apply for, take out, acquire, and own any interest in patents, trade-marks, and copyrights, relating to the business of the corporation or the products handled by it.
6. To engage in the financing of any of the above mentioned activities including the borrowing of money for any of the purposes herein enumerated.
7. To provide services to members to foster the use of high quality seed & efficient production of crops.

ARTICLE II Membership

Section 1. The membership of the Association shall consist of all members and conditioner members.

Section 2. Any resident of Kentucky who is a seed grower, or prospective grower or conditioner of certified seed, may be considered for membership in the Association; provided, however, that acceptance for membership as a conditioner shall not entitle the member to grow certified seed unless he shall also be accepted for a separate membership as a seed grower, or prospective seed grower and shall pay the additional membership fee.

Section 3. A non-resident of Kentucky who is producing or conditioning Kentucky certified seed may be considered for membership in the Association.

Section 4. An application for membership may be accepted or rejected at the discretion of Board of Directors following investigation as to the applicant's integrity, his interest in better seeds, his ability as a seed grower and his facilities for the production, care and storage of seed.

Section 5. Upon acceptance by the Board and payment in full of membership dues, the applicant shall receive a certificate of membership. Membership shall cease upon failure to pay dues.

Section 6. Any resident or non-resident of Kentucky who is engaged in the production or marketing of seed or agricultural products, as a contract producer, KSIA approved bulk retailer, seed brokers, etc., may be considered by the Board as an associate of the Association. Such individuals, firms or corporations have no vote but may (1) attend and participate in the meetings of members of the Association, (2) serve on various committees of the Association, or (3) receive mailings and other information from the Association as approved by the Board.

ARTICLE III
Meetings

Section 1. **Fiscal Year.** The fiscal year of this Association shall commence on the first day of January and end on the last day of the following December.

Section 2. **Date and Place of Annual Meeting.** The Annual Meeting of all the members of the Association shall be held on such date and at such place as shall be designated by the Board of Directors, for the purpose of transacting such business as may properly come before the meeting. A quorum at the Annual meeting shall consist of those members present.

Section 3. **Voting.** Each member shall have one and only one vote on any election. A member who holds two memberships shall nevertheless be entitled to one vote only. Voting by proxy shall not be permitted. Members may vote by mail when requested by the Board of Directors.

Section 4. **Special Meetings.** The Board of Directors shall call special meetings of the members when they deem it necessary and they must call such meetings whenever requested to do so by one-tenth or more of the members, provided a petition, stating the specific business to be brought before the Association, is filed with the Board (272.160). The Board shall designate the time and place of special meetings.

Section 5. **Notice of Meetings.** Written or printed notice of meetings for every regular and special meeting of members, shall be prepared and mailed to the last known post office address of each member not less than ten (10) days before such meeting. Such notice shall state the object or objects thereof, and the time and place of meeting. (272.160(2)). No business shall be transacted at Special meetings other than the business stated in the notice, unless 20% of the membership is present and consent thereto.

Section 6. **Order of Business.** Unless changed by a majority vote of all members present at any meeting, the order of business shall be as follows:

- [a] Reading of Minutes
- [b] Reading of Reports and Statements
- [c] Unfinished Business
- [d] New Business
- [e] Elections of Directors or announcements of the results of mail ballots thereof, as appropriate.

ARTICLE IV
Directors and Officers

Section 1. **Board of Directors.** The Corporate powers, business, and property of the Association shall be exercised, conducted and controlled by a Board of Directors consisting of up to twelve regular members elected by the members of the Association from among their number and up to three appointed At-Large members from any location for a total up to fifteen Directors as hereinafter provided, and one ex-officio member who shall be the Director of the Kentucky Agricultural Experiment Station or his authorized representative. Regular membership on the Board of Directors shall be limited to members of the Association, but at-large members may be appointed from any membership category. Each member of the Board of Directors shall have one vote on the Board.

Section 2. **Election of Directors.**

- a. Directors shall be elected each year and shall serve for a term of four years and until their eligible successors are duly elected. A "year" for this purpose shall be the period from one Annual Meeting to the next.
- b. The President of the Association shall, each year, at least forty-five days prior to the date designated for the Annual Meeting of the Association, appoint a nominating committee, consisting of three (3) members of the Association. The nominating committee shall meet and select at least nominee for each position on the Board to be filled as provided in these By-Laws. In selecting nominees, the nominating committee shall bear in mind the desirability of having equitable representation on the Board for the various interests of the members of the Association, including kinds of crops (it being desirable to have all major kinds represented); amounts of acreage (it being desirable to have growers of small acreages, as well as large, well represented; and geographical distribution of growers (as widespread as practicable).
- c. A report of the nominating committee shall be made to the Secretary of the Association at least 20 days prior to the Annual Meeting. A ballot shall be prepared and mailed to all members of the Association at least 15 days prior to the date of the Annual Meeting of the Association, together with instructions for voting and returning such ballot. Each member shall have the right to cast one vote for each position on the Board to be filled, a plurality being sufficient for election. Announcement of the results of the balloting shall be made by the Secretary of the Association at the Annual Meeting of the Association.

- d. Up to three Board Members – At – Large may be appointed to the Board of Directors to represent the membership. The Board Member-At-Large may be selected from any category of KSIA members. One Board Members-At-Large may be nominated and approved by the Board of Directors each year and shall serve up to a three year term.

Section 3. **Vacancies.** If a Director shall die, resign, or become incapacitated to serve on the Board, or shall cease to be eligible for membership in the Association, or remove his residence and seed producing activities from which he was elected, his seat on the Board shall automatically be deemed vacant. Vacancies on the Board of Directors shall be filled by a majority vote of the remaining Directors to complete the un-expired term (272.160(4)). No person shall be eligible to fill a vacancy on the Board unless he possesses the qualifications required of his predecessor at the time of the latter's' election of the Board.

Section 4. **Meetings of Board of Directors.** (a) Annual Meeting-Election of Officers. Immediately after the Annual Meeting of the Association, the Board of Directors shall meet and elect by ballot from among its membership a President and a Vice-President (272.181) and three (3) others who, together, with the President, Vice-President, and the past President for one year after leaving office, will constitute the Executive Committee, each of whom shall hold office until the next Annual Meeting and until the election and qualification of his successor, unless removed by death, resignation, or for just cause, and transact any other business of the Association. In the event that the President refuses to act, the Board of Directors may advance the Vice-President to the Presidency and elect a new Vice-President from among its regular members. (b) Special Meetings. The Board of Directors shall meet at any other time when called by the President or a majority of the Directors. A quorum for the transaction of business at any regular or special meeting of the Board of Directors shall consist of a majority of the Board Members, except in removal of an officer, when an affirmative vote of two-thirds of the total Directors is required.

Section 5. The Roberts Rules of Order will be followed during election of officers.

Section 6. The officers and directors of the Association, with the exception of the Manager, shall have no salaries. However, they may receive traveling expenses, including meals and lodging when attending special meetings of the Board of Directors or official committee meetings.

Section 7. **Notice of Board Meetings.** Notice of special meetings of the Directors shall be mailed to each Director at least five (5) days prior to the time of such meeting, except when a special meeting is called by a majority of the total number of Directors in which case actual notice, by telephone or otherwise, given not later than the day preceding the meeting, shall be sufficient.

ARTICLE V

Duties and Powers of Directors

Section 1. The Board of Directors shall have the general supervision of the business of the affairs of the Association. It shall be their duty to require proper records to be kept of all business transactions.

Section 2. The Directors shall have power to either: (1) employ and discharge personnel to carry out the management of the regular affairs of the Association, including the inspection and certification work thereof, and to keep the accounts and records of the Association, or (2) contract with the University of Kentucky to provide for such management and for the keeping of said books and accounts; provided, that action taken under this section shall be null and void unless approved by the Director of the Kentucky Agricultural Experiment Station.

Section 3. **Audits.** At the discretion of the KSIA Board of Directors, they may secure the services of a competent and disinterested public auditor or accountant, who shall make a careful audit of the books and accounts of the Association and render a report in writing thereon, which report shall be submitted to the members of the Association at their Annual Meeting. This report shall include at least (1) a balance sheet showing true assets and liabilities of the Association; (2) an operating statement for the fiscal period; (3) an itemized statement of all expenses for the period under review.

Section 4. **Referendum.** Upon demand of one-third of the entire Board, any matter that has been approved or passed by the Board shall be referred to the membership for decision at the next special or regular meeting. A special meeting may be called for this purpose. (272.210).

ARTICLE VI

Duties of Officers

Section 1. **President.** (a) The President shall preside at all meetings of the members, Board of Directors, and Executive Committee of the Corporation, and shall have general supervision over the affairs of the Corporation, and over the other officers; he shall sign such papers of the Association as he may be authorized or directed to sign for the Board of Directors and shall perform all such other duties as are incident to the office. (b) The President shall have the authority to appoint such committees in addition to those cited below, as he deems expedient for the welfare of the Corporation.

Section 2. **Vice-President.** In the absence or disability of the President, the Vice-President shall preside and perform the duties of the President.

Section 3. **The Secretary** shall be responsible for the issuance of notices of all meetings of members, Board of Directors, and Executive Committee of the Corporation, and shall attend and arrange for the keeping of the minutes of the same, and shall provide for the custody of all corporate books, records, and papers, with the exception of transactions involving the expenditure of funds of the Association, and shall perform all other duties incident to the office. The Secretary shall arrange for the presentation of a full report of the affairs of the Association at the Annual Meeting.

Section 4. **The Treasurer** shall be responsible for the financial affairs of the Corporation. He shall provide for the custody and safekeeping of all money and securities of the Corporation, and shall give bond in such sum and with such sureties as the Directors may require, conditioned upon a faithful performance of the duties of his office. He shall provide for the issuance of checks of the Corporation by duly authorized individuals and shall provide for the keeping of regular books of account which shall be available together with all vouchers, receipts, records, and other papers, to the Directors or to an auditor or accountant selected by them for examination and approval as often as they may require. The funds of the Corporation shall be deposited in such bank or trust company as the Directors shall designate and shall be withdrawn only by check or order of the Treasurer or his designee.

Section 5. **Removal of Officers or Director.** (1) Any member may bring charges against any officer or director by filing them in writing with the Secretary of the Association, together with a petition signed by five percent of the members, requesting his removal. The removal shall be voted upon at the next regular or special meeting of the Association. By a vote of a majority of the members, the Association may remove the officer or director and fill the vacancy (272.200(1); provided, that the successor shall be qualified to fill it under these By-Laws. (2) The Director or the officer against whom the charges are

brought shall be informed in writing of the charges before the meeting to be heard in person or by counsel and to present witnesses. The person bringing the charges against him shall have the same opportunity (272.200(3)).

ARTICLE VII

Section 1. **Executive Committee.** The Association shall have an Executive Committee consisting of the President, Vice-President, past President for one year after leaving office, and three other members elected by ballot by the Directors from among their number. The Executive Committee shall be directly responsible for the direction and management of the Association, shall have the power to establish all certification standards, subject, however, to the approval of the Director of the Kentucky Agricultural Experiment Station, and shall pass upon any other matter relating to seed certification, including fees and rules and regulations for the conduct of certification. The Executive Committee shall meet following their election by the Board of Directors, and at any other time at the call of the President. Members of the Executive Committee may receive traveling expenses, including room and board for attendance at any special meeting of the Executive Committee. The Executive Committee may at any time prefer charges against any member or conditioner member of the Association to determine whether or not such member has violated any of the provisions of these By-Laws, or to determine whether or not he has been guilty of conduct materially detrimental to the Association. After notice to such a member of the charges, and after opportunity has been given him to be heard before the Board of Directors, the Association may, by a two-thirds (2/3) vote of the total number of Directors, cancel such membership, or place the member on probation, if, in their opinion, the charges have proved. The length of such probation or removal will be determined by the Board.

Section 2. The following Commodity Committees shall be appointed by the President following each Annual Meeting.

- (a) Corn, sorghum and soybeans
- (b) Tobacco
- (c) Legumes and grasses
- (d) Small Grain

These committees shall consist of representative members of the growers and of a member or members of the Experiment Station and/or Extension Staff, provided the appointment of staff members meet with the approval of the Director of the Kentucky Agricultural Experiment Station. The Commodity Committee shall keep in touch with the development of new varieties or valuable old varieties and may offer to the Executive Committee suggestions regarding crops to be certified and changes in standards and regulations pertaining to the commodities which they represent.

ARTICLE VIII

Certified Seed

Section 1. The corporation shall recognize three classes of field seed, namely, foundation, registered and certified. Foundation seed shall be designated by a white tag, Registered seed by a purple tag, and Certified seed by a blue tag. Other classes of seed may be recognized by the corporation under auspices of Association of Official Seed Certification Agencies (AOSCA) such as Quality Assurance (QA), Identity Preserved (IP) and Source Identified. These classes should be designated by tag colors consistent with AOSCA.

ARTICLE IX

Inspection

Section 1. Fields will be inspected for members only.
Section 2. The Association reserves the right to make inspections at any time without extra charge to growers.
Section 3. Only varieties or hybrids approved by the Kentucky Agriculture Experiment Station, National Variety Review Board or other AOSCA members will be eligible for certification by the Association.

ARTICLE X

Tags and Seals

Section 1. Each bag or package of certified seed sold must bear the official tag or seal of the Association. These may be secured from the Manager at a nominal cost.

ARTICLE XI

Fees-Membership and Operating

Section 1. The annual dues for all types of memberships shall be set by the Board of Directors. Such dues will be refunded in the event the member is not accepted in accordance with Article II, Section 5.

Section 2. Each member applying for and having grain seed inspected and certified shall pay operation fees at such time, in such form and calculated in such manner as shall be determined by the Executive Committee. These fees shall be designed to cover the cost of maintaining the Association and carrying on its objectives.

Section 3. Revolving-Fund Certificates. The Association is authorized to issue and sell to members and others revolving-fund certificates of a character hereinafter described, for the purpose of raising capital funds with which to engage in business. No certificate shall be issued unless funds therefore have been fully paid. In order to further the cooperative character of this Association and to provide a means whereby its current and active patrons will finance the Association thereafter, the Association is authorized to issue revolving-fund certificates evidencing deductions made pursuant to agreements and/or patronage dividends, which are, in whole or in part, so paid, at the end of each fiscal year. Funds arising from the issue of such certificates shall be used for creating a revolving fund for the purpose of building up such an amount of capital as may deemed necessary by the Board of Directors from time to time and for revolving such capital, and such fund or funds derived from any other source shall when in the opinion of the Board of Directors of the Association such funds are not necessary for the proper financing of the operations of the Association, be devoted to the refunding of the oldest outstanding series of revolving-fund certificates.

Such certificates may obtain such other terms and conditions not inconsistent herewith as may be prescribed from time to time by the Board of Directors of the Association. Such certificates shall be issued in annual series, each certificate in each series upon its face being identified by the year in which it is issued; and each series shall be retired fully on a pro rata basis, only at the discretion of the Board of Directors of the Association, in the order of issuance by years as funds are available for that purpose. Notwithstanding any of the foregoing provisions, the Board of Directors shall have the power, from time to time and at any time, to pay off or retire or secure a release or satisfaction of any revolving-fund certificate in compromising or settling a dispute between the holder thereof and the Association.

Such revolving-fund certificates shall bear such rates of interest and only such rates of interest (in no event to exceed six (6) percent per annum) as the Board of Directors of the Association in its sole discretion may from time to time prescribe without any obligation on the part of the Board of Directors and the Association to pay interest on such certificates. A record of all holders of revolving-fund certificates shall be kept and maintained by the Association. All other debts of the Association, but secured and unsecured, shall be entitled to priority over all outstanding revolving-fund certificates. Upon the dissolution or winding up of the Association in any manner, after the payment of all other debts, all outstanding revolving-fund certificates shall be retired in full or on a pro rata basis without priority before any liquidation dividends are declared on account or property rights and interests.

ARTICLE XII

Annual Report

Section 1. **Annual Report.** The Association shall prepare an annual report on forms which shall be furnished by the Dean of the College of Agriculture of the University of Kentucky. This shall contain the name of the Association, its principal place of business, a general statement of its business operations during the fiscal year, showing the number of members and amount of membership fees received; the total expenses of operations, the amount of its liabilities, and its balance sheet (272.250).

ARTICLE XIII

Amendments

Amendments, changes, or alterations of these By-Laws may be made by two-thirds vote of the Directors of the Association present and voting at any Directors meeting duly called and held.

NOTICE

These By-Laws should not be amended without consulting KRS 272.151 to 272.171.

AMENDMENTS

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