

**BY-LAWS
of the
ATLANTIC COTTON ASSOCIATION**

ARTICLE I.

Name and Domicile:

Section 1. The name of this Association is and shall be known as the Atlantic Cotton Association.

Section 2. The domicile of the Association shall be in the City of Memphis, Tennessee.

ARTICLE II.

Classification of Members:

Section 1. There shall be three (3) classes of memberships in the Association, to wit: Merchant and Merchant Representative for those described herein doing business in the states of Alabama, Florida, Georgia, North Carolina, South Carolina, or Virginia, as follows:

(a) **MERCHANT** - Individual, partnership, joint venture, company, corporation, or cooperative purchasing cotton on their own behalf, taking title thereto, and offering such cotton for sale to other parties.

(b) **MERCHANT REPRESENTATIVE** - Individual, partnership, joint venture, company, corporation, or cooperative when not acting on its own behalf, acts in facilitating the purchase or sale of cotton to other parties.

(c) **ASSOCIATE** - Individual, partnership, joint venture, company, corporation, or cooperative not involved in the purchase or sale of cotton but having a relationship to such activity in transportation, insurance, banking, futures trading, communications or other businesses. Associate Members shall have no right to vote, nor shall they acquire title to any property of the Association.

Application for Membership:

Section 2. Written application pledging the applicants, if elected to abide by and be subject to the Articles of Incorporation, By-Laws, Rules, and Regulations of the Association, in force, or to be thereafter adopted, must be filed with the Secretary-Treasurer by all applicants to membership. The Secretary-Treasurer shall forward such application to the Board of Directors, who may vote on same at any meeting of the Board, or in writing addressed to the Secretary-Treasurer, and such applicants as shall receive the approval of not less than two-thirds of the Board of Directors shall be declared elected to membership and shall thereafter remain a Member until they no longer meet the eligibility requirements described in Section 1.

Rejected Applicants:

Section 3. Any applicant failing to receive the approval of two-thirds of the Board of Directors within six (6) months of their application having been forward to the Board shall not again, within six (6) months thereafter, be entitled to consideration for membership, without the unanimous consent of the Board.

Section 4. Each Member shall own at least one (1) membership of record on the books of the Association; and every Member is thereby obligated to abide by and be subject to the Articles of Incorporation, By-Laws, Rules and Regulations of the Association whether such pledge has been given otherwise or not.

Suspension and Termination of Membership:

Section 5. Any Member may be suspended or terminated from membership for a failure to pay any dues, fees and/or assessments owed by them for more than sixty (60) days after the deadline for such payment; for a willful violation of the Articles of Incorporation, By-Laws, Rules or Regulations of the Association, or for an action or omission inconsistent with just and equitable principals of trade, or other misconduct, as determined by the Board of Directors, including but not necessarily limited to a willful refusal to abide by a final arbitration award.

ARTICLE III.

Dues, Fees and Assessments:

Section 1. Every Member shall be required to pay annual dues in advance of, and in such amounts as determined by the Board of Directors for, the year for which such annual dues apply. Every Member shall also pay any fees and other assessments determined, fixed, or levied by the Board, payment for which shall be due by a reasonable deadline as determined by the Board; provided, written notice of the amount(s) of such fees and assessments and the reasonable deadline for payment thereof is provided in advance to the membership by the President or by the President's designee.

Non-Payment of Dues and Delinquency:

Section 2. A Member that has failed to pay any dues, fees, or assessments owed by them for more than thirty (30) days shall receive a written notice of such delinquency, with a copy of such written notice also provided to the Board of Directors.

ARTICLE IV.

Meeting of Members Annually:

Section 1. (a) There shall be an annual meeting of the Members held at a time that does not conflict with a meeting of the other federated members of the American Cotton Shippers Association ("ACSA") at a location and time to be determined by the President with the approval of the Board.

(b) At the annual meeting of the Members, the Executive Business Session shall be attended by voting Members only.

Special Meetings:

Section 2. Special meetings of Members may be called by the President at the President's discretion, with advance notice provided to Members. It shall be the duty of the President to call such meetings upon written request of any ten (10) Members. Such meetings may be held at any time or place designated by the President, but no business shall be transacted at a special meeting other than that stated in the call of the meeting by the President, as the object thereof.

Quorum:

Section 3. The presence of no less than one-quarter of the Members described in Section 4 of this Article, four of whom shall be Directors, shall constitute a quorum, for the transaction of business at any meeting.

Who is Entitled to Vote:

Section 4. Any Merchant/Merchant Representative Member owning one (1) or more memberships of record on the books of the Association, on which all dues, assessments, and other charges have been previously paid, shall be entitled to vote at any meeting of Members, but no Member shall be entitled to more than one (1) vote.

ARTICLE V.**President Election of:**

Section 1. (a) The President and Vice President shall be elected by ballot at the annual meeting of Members of the year in which the two (2) year terms of their predecessors expire, and shall immediately after adjournment thereof, enter upon their duties, and continue in office for two (2) years, or until their successor is elected and qualified. The President shall not be eligible for re-election to succeed himself or herself and shall receive no remuneration for their services.

Board of Directors:

(b) The Board of Directors shall consist of the Immediate Past President, President, Vice-President and up to six (6) Directors duly elected from the membership. Alabama, Georgia, North Carolina, and South Carolina each shall be represented by one (1) director who shall serve for two (2) years. At-large Directors, not to exceed two (2), may come from any state and shall serve for two (2) years.

(c) Sixty (60) days before the annual meeting of the Association of the year in which the two-year terms of office of the President and Vice President expire, the President shall appoint a Nominating Committee, the personnel of which shall be composed of all living past Presidents who are Members of the Association in good standing at the time of such appointment and who shall nominate for consideration of the membership one (1) Member for President, one (1) Member for Vice-President and up to six (6) Members for Directors.

Duties and Power of the Board of Directors:

Section 2. The Board of Directors, on the date of their election, may appoint any standing committees they

deem necessary; shall be responsible for general oversight of the affairs of the Association; shall appoint a Secretary-Treasurer, who may be a person who is not a Member of the Association, and may, at their discretion, employ a manager or retain the services of ACSA or another entity to manage the affairs of the Association and to perform such other duties as may be delegated to them by the Board, including the retainer of such other agents and clerks and require such service and bonds, that are not inconsistent with the Articles of Incorporation and these By-Laws, and allow such compensation therefore, as may be deemed proper; shall adopt such Rules and Regulations, provide and furnish such buildings or rooms, determine, fix and levy such dues, fees, and assessments in such amounts and according to such formulae, and do and perform such other acts, not inconsistent with the Articles of Incorporation and By-Laws, as in their judgment may be required to best accomplish the purpose of the Association. Any vacancy that may occur to the membership of the Board at any time may be filled by the action of the remaining Members thereof.

Section 3. The Directors and Officers of the Association shall also be Directors of the Corporation.

Rules and Regulations Binding:

Section 4. All Rules and Regulations adopted by the Board of Directors shall be in force and binding upon the Members of the Association and shall govern all cases, to which they may be applicable after notice of them has been given.

Unauthorized Debts:

Section 5. No officer or Member of the Association or Board of Directors, or their designee, shall contract any debt on behalf of the Association or in any manner or to any extent, render the Corporation liable, for the payment of any sum, without authorization by the Board of Directors.

Liability of Members for Debts of Association:

Section 6. No Member of the Association shall be liable for the debts of the Corporation beyond the value of their membership therein.

ARTICLE VI.

Meetings:

Section 1. The Board of Directors shall hold not less than two (2) meetings during the year, at such times and places as they or the President may determine.

Quorum:

Section 2. Any number not less than a simple majority shall constitute a quorum and shall be competent to transact any business of the Association at any meeting of the Board.

ARTICLE VII.

President:

Section 1. The President shall have immediate supervision and direction, subject to the direction and approval of the Board, of the affairs and employees of the Association and of such manager or entity described in Article V, Section 2, that has been retained to manage the affairs the Association; shall call all meetings of Members and of the Board, and when present, shall preside at same; may appoint all committees not otherwise provided, shall be Chairman ex-officio of all committees; and shall do and perform all other duties incident to the office.

Vice President:

Section 2. In case of the absence of the President or of their inability from any cause to act, the Vice President shall, when present, perform the duties of the President. In case of the absence of the President and Vice President, then the Board of Directors shall appoint one (1) of the Directors to perform such duties for the time being.

Secretary-Treasurer:

Section 3. The Secretary-Treasurer, or such person or entity described in Article V, Section 2, that has been retained to manage the affairs of the Association, shall receive on behalf of the Association all funds belonging or payable to the Association and deposit same in bank, in the name of the Atlantic Cotton Association. The Secretary-Treasurer or such person, or entity that has been so retained Such officer, person, or entity shall: pay all bills and accounts against the Association; keep an account of all receipts and disbursements in a book kept for that purpose which, together with all vouchers and other records, shall be kept at all times subject to the examination of the Board of Directors; prepare a general annual report at the close of each fiscal year; and be responsible for the proper accounting for all receipts and disbursements, such that they may deliver to their successor all funds, books, papers and other property of the Association, in their possession at such time as is necessary to ensure the proper and continued maintenance of such information and property.

ARTICLE VIII.

Committees:

At the annual meeting of the Board of Directors, or as soon thereafter as may be practicable, the President, subject to the approval of the Board, may establish and appoint Members to a committee or committees for such purposes he deems necessary to support the interests of the Association.

ARTICLE IX.

Amendment or Suspension of By-Laws:

These By-Laws may be amended or suspended only by a two-thirds vote of the Members present and

eligible to vote at any annual meeting or by a two-thirds vote of the Board of Directors. A vote of the Board of Directors to amend or suspend the By-Laws may be taken at any meeting of the Board.

ARTICLE X.

Directors for ACSA:

The one (1) Member of this Association who shall serve as Director of ACSA shall consist of the President. The Vice President shall serve as an alternate to the President.

ARTICLE XI.

Dissolution:

Upon the time of dissolution of the Corporation, assets shall be distributed by the Board of Directors, after paying or making provisions for the payment of all debts, obligations, liabilities, costs and expenses of the Corporation, for one (1) or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XII.

Electronic Meetings:

Any meeting or vote held pursuant to or under the auspices of the By-Laws, Rules, and/or Regulations of the Atlantic Cotton Association may be held by electronic means, including but not limited to video conference, telephonic conference, email, or other electronic means. Participation by electronic means shall constitute being present at the meeting. Any notice required by the By-Laws, Rules, and/or Regulations of the Atlantic Cotton Association may be given electronically, including but not limited to email notice, text notice, telephone notice, and/or other electronic means. This By-Law shall be effective when adopted, shall be effective to validate the meeting or vote held to adopt this By-Law, and shall be retroactively effective to validate any electronic meeting held in the past.