



WESTERN COTTON SHIPPERS ASSOCIATION

WESTERN COTTON SHIPPERS ASSOCIATION BY-LAWS

(As Amended March 18, 2026)

ARTICLE I

NAME AND PRINCIPAL PLACE OF BUSINESS

SECTION 1. The name of this Association is and shall be known as WESTERN COTTON SHIPPERS ASSOCIATION.

SECTION 2. The principal place of business of the Association will be at Memphis, Tennessee.

ARTICLE II

CLASS OF MEMBERSHIPS

MEMBERSHIPS

SECTION 1. There shall be three (3) classes of memberships in the Association for those described herein doing business in the States of California, Arizona, New Mexico, and that certain territory or area which is commonly known in the industry as the El Paso Territory of Texas: to wit, Merchant, Non-Merchant Handler, and Associate Members, and they shall be classified as follows:

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.



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NON-MERCHANT HANDLER: 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.

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 at any meeting or to be elected to any office of the Association, nor shall they acquire title to any property of the Association.

APPLICATION FOR MEMBERSHIP

SECTION 2. Written application for membership, pledging the applicant, if elected, to abide and be subject to the Articles of Incorporation, By-Laws, Rules and Regulations of the Association in force or thereafter to be adopted, must be filed with the Secretary-Treasurer and must specify whether the applicant desires to become a Merchant, Non-Merchant Handler, or Associate Member. Each application for membership must be accompanied by the membership dues for the first year and any preliminary initiation or membership fees as required by the Rules and Regulations; notice of each application for a Merchant or Non-Merchant Handler membership, stating the status of the applicant as to the manner of operation, whether individual operator or representing a principle, and if the latter the name of the principal, shall be submitted by the Secretary-Treasurer to the Board of Directors, who may vote on same at any meeting of the Board or may vote on same by written communication addressed to the Secretary-Treasurer; no notice need be given of any application for an Associate membership, but same shall be submitted by the Secretary-Treasurer to the Board of Directors; no applicant shall be accepted for membership unless and until such applicant has the approval of not less than two-thirds of the members of the Board of Directors and, upon such approval being had, each such applicant shall be declared elected to membership.

REJECTED APPLICANTS

SECTION 3. Any applicant failing to receive the approval of two-thirds of the Board of Directors within six (6) months of the submission of the notice described in Section 2 shall not again, within six (6) months thereafter, be entitled to consideration for membership without the unanimous vote of the Board.



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EVIDENCE OF MEMBERSHIP

SECTION 4. Each Member shall be entered on the books of record as a Member, and is hereby obligated to abide by and be subject to the Articles of Incorporation, By-Laws and Rules and Regulations, whether such pledge has been given otherwise or not.

NUMBER OF MEMBERS

SECTION 5. The number of Merchant or Non-Merchant Handler memberships shall not exceed one hundred (100) at any time.

SUSPENSION AND TERMINATION OF MEMBERSHIP

SECTION 6. 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 Charter, 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 AND FEES

DUES AND FEES

SECTION 1. On every membership the owner thereof, of record on the Association, shall be required to pay annual dues in advance in accordance with the By-Laws, Rules and Regulations, 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 of by the President's designee.



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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.

LIEN ON MEMBERSHIPS

SECTION 3. All debts due the Association by any Member thereof for dues or fees shall be a charge and lien upon the membership standing in the name of such person on the books of the Association, and failure to pay any such indebtedness shall subject such Member to forfeiture but will not release any of such indebtedness.

ARTICLE IV

MEETINGS OF MEMBERS, ANNUAL

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 of Directors.

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

SPECIAL MEETINGS

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

QUORUM

SECTION 3. The presence of a minimum of one-quarter of the Merchant and/or Non-Merchant Handler Members described in Section 4 of this Article shall constitute a quorum for the transaction of business, whether Annual or Special.



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WHO IS ENTITLED TO VOTE

SECTION 4. Any Merchant or Non-Merchant Handler Member owning one (1) or more memberships of record on the books of the Association, on which all dues and fees have been previously paid, shall be entitled to vote at any meeting of Members, but no Merchant or Non-Merchant Handler Member shall be entitled to more than one (1) vote.

ARTICLE V

ELECTION OF OFFICERS

PRESIDENT AND VICE PRESIDENT

SECTION 1. (a) Election of: The President and Vice President shall be elected at the annual meeting of Members of the year in which the two-year terms of their predecessors are expiring and shall, immediately after adjournment thereof, enter upon their duties and continue in office for two (2) years or until their successors are elected and qualify. The President and Vice President shall receive no remuneration for their services.

BOARD OF DIRECTORS

(b) Upon their election, the newly elected President, Vice President, and the Immediate Past President shall first be declared Directors for the ensuing two years (2) and then up to four (4) other Members shall be elected to constitute the Board.

(c) The newly elected Board, consisting of the President, Vice President, the Immediate Past President, and up to four (4) Directors, shall enter upon its duties immediately after adjournment of the annual meeting at which they were elected, and continue in office for two (2) years, or until their successors are elected and qualify, and any vacancy that may occur in the Board, at any time, may be filled by the remaining Members thereof.

(d) The retiring President, and the four (4) immediate Past Presidents of the Association, shall serve as the Nominating Committee for the office of President, Vice President and Directors. Should a vacancy appear on the committee, the committee may elect a past Director to fulfill the unexpired term, not to exceed two (2) years. The Nominating Committee is tasked with making every effort to ensure the membership is fairly represented on the Board. The committee will



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assemble and deliberate no later than six (6) weeks prior to the annual meeting of Members at which a new President and Vice President shall be elected.

**DUTIES AND POWERS OF BOARD OF DIRECTORS
AND ELECTION OF OFFICERS**

SECTION 2. The Board of Directors, on the date of their election or at their first meeting thereafter, shall be responsible for general oversight of the affairs of the Association; shall appoint a Secretary-Treasurer; 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 of Directors, including the retainer of such other agents and clerks and require such services 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 and 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 the By-Laws as in their judgment may be required to best accomplish the purposes of the Association. They may appoint an Executive Committee from their number consisting of the President and two (2) others to be named by the Board of Directors from their number to handle all Association matters other than that covered by Section 3 of this By-Law, which the President may refer to it; the purpose being to eliminate general meetings of the Board except in matters of major importance. Any action of the Board of Directors authorized by the Articles of Incorporation or these By-Laws may be taken without a meeting if all members of the Board of Directors consent in writing to said action.

RULES AND REGULATIONS BINDING

SECTION 3. The Board of Directors may amend, modify or change, or adopt new Rules and Regulations from time to time, and such Rules and Regulations shall be binding upon all Members of the Association and shall cover all cases to which they may be applicable, after notice of them has been given.

UNAUTHORIZED DEBTS NOT TO BE CONTRACTED

SECTION 4. No officer or Member of the Association or Board of Directors, or their designee, shall contract any debts on behalf of the Association, or in any manner or to any extent render the corporation liable for the payment of any sum without the sanction and approval of the Board of Directors.



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LIABILITY OF MEMBERS

SECTION 5. No Member of the Association shall be liable for any debt of the corporation beyond the extent of their membership therein.

ARTICLE VI

MEETINGS AND QUORUM OF BOARD OF DIRECTORS

MEETINGS

SECTION 1. The Board of Directors shall meet immediately after their election as such, or as soon thereafter as practicable, and shall hold not less than two (2) meetings during each year at such times, places, and manner as they or the President may determine.

QUORUM

SECTION 2. A quorum shall consist of not less than a majority of the Directors and shall be competent to transact any business of the Association.

ARTICLE VII

DUTIES OF OFFICERS

PRESIDENT

SECTION 1. The President shall have immediate supervision and direction, subject to the Board of Directors, 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 of the Association; shall call all meetings of Members and of the Board of Directors, and when present shall preside at the same; may appoint any committee or committees not otherwise provided, and shall be Chairman ex-officio of all committees, and shall do and perform all other duties incident to the office.



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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; and in case of the absence of the President and of the Vice President, then the Board of Directors shall appoint one (1) existing Director from their number to perform such duties for the time being.

SECRETARY-TREASURER

SECTION 3. (a) The duties of the Secretary-Treasurer, who need not necessarily be a Member of the Association, shall be in all respects subject to the requirements of the Board of Directors, or of the President, and their term of office and compensation shall be determined by the Board; in addition to holding the office and title of Secretary-Treasurer and all rights, powers, duties and responsibilities pertaining thereto, they shall have full authority and capacity to represent and act on behalf of the Corporation.

(b) 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 all funds belonging to the Association and deposit same in bank in the name of Western Cotton Shippers Association. Such officer, person, or entity shall pay all bills and accounts against the Association, when certified or authorized by the President; 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 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 to ensure the proper and continued maintenance of such information and property.

COMBINED DUTIES OF OFFICERS

SECTION 4. (a) It shall be within the discretion of the Board of Directors to combine duties of any two (2) officers of the Association, provided, however, that the offices of President and Secretary-Treasurer may not be held by the same person.

(b) In the performance of their duties, the President and/or the Vice President are authorized to act, and to authorize the Secretary-Treasurer or such person or entity described in Article V, Section 5, that has been retained to manage the affairs of the Association to act, on behalf of the



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Association in regard to the sale or purchase of securities or financial instruments and to authorize the Secretary-Treasurer or such person or entity to transfer funds to or from the Association's account to accomplish such purposes.

EXECUTIVE COMMITTEE

SECTION 5. The Executive Committee shall be composed of the President, the Immediate Past President, and the Vice President of the Association. This Committee shall assist the President and staff in the daily operations of the Association by providing consultation on such matters and in such instances where full contact with the Board of Directors may be impractical. The Executive Committee shall have no authority to change any policy position established by the Board of Directors.

ARTICLE VIII
RULES AND REGULATIONS

The Rules and Regulations of the Association are hereto attached and shall be deemed adopted upon the adoption of these By-Laws, and said Rules and Regulations may be amended, changed, or modified at any time by the Board of Directors as herein provided.

ARTICLE IX
ALTERATION OR SUSPENSION OF BY-LAWS

These By-Laws may be amended or suspended by a two-thirds vote of the Merchant and Non-Merchant Handler Members at any meeting of the Association, or by the written assent of two-thirds of the Merchant and Non-Merchant Handler Members filed with the Secretary-Treasurer, 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
DIRECTOR FOR ACSA

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



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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 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 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 Western Cotton Shippers 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 the By-Laws, Rules, and/or Regulations of the Western Cotton Shippers 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