

**Council for Burley Tobacco, INC
Bylaws**

ARTICLE I. NAME

The name of this corporation shall be "*Council for Burley Tobacco, Inc.*"

ARTICLE II. PURPOSE

The Council for Burley Tobacco ("Council") is organized for the following purposes specifically, but not limited to:

1. Represent the mutual interest of all segments of the burley tobacco industry in the development of effective programs, administrative policies and legislation designed to meet the changing needs of this industry;
2. Encourage and develop a better understanding between the producers of burley tobacco and other farmers and non-farm people;
3. Provide a forum in which all matters of concern to the tobacco industry may be discussed and resolved;
4. Accept, receive, maintain, and invest gifts, contributions, donations, devisees, bequests, endowments and funds, both general and special, and to administer the same, and to expend the principal and the income thereof or either the principal or the income for the furtherance of any of the purposes expressed herein.

This nonprofit corporation is organized and operated exclusively for all lawful purposes consistent with the Articles of Incorporation and the Bylaws of the Council. No part of the net earnings of the Council shall inure to the benefit of any private individual, but the Council shall be empowered and authorized to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof.

ARTICLE III. MEMBERSHIP

1. All burley tobacco producers are eligible for membership in the Council for Burley Tobacco. In addition, established organizations and associations constituted with a membership with a direct interest and concern in burley tobacco production are eligible for membership, but the representatives for these organizations and associations must be active burley tobacco producers or the President of the organization or association. Membership to the Council is subject to approval by the Board of Directors.
2. Non-voting advisory membership may be given to other such individuals and organizations as determined by the Board of Directors

ARTICLE IV. MEETINGS OF THE MEMBERS

Section 1. Annual Meeting.

The annual meeting of the Council shall be held on any date during the 1st quarter of the calendar year at such time and place as determined by the Board of Directors.

Section 2. Special Meetings.

Special meetings of the Council may be called at any time by order of the President or by a majority of the Board of Directors.

Section 3. Notice of Meetings.

Written or electronic notice of every regular and special meeting of members shall be prepared, and mailed/emailed to the last known post office or email address not less than ten (10) days before such meeting. Such notice shall state that nature of the business to be conducted and the time and place of the meeting. No business shall be transacted at any special meeting other than that referred to in the notice.

Section 4. Voting

Unless otherwise stated in the articles of incorporation or in these bylaws, or required by applicable law, all questions shall be decided by a vote of the majority of the members voting thereon.

Each member shall be allowed only one (1) vote on any item of business coming before a duly called and convened regular or special meeting of the members. Voting may be in person or proxy. The Board of Directors shall prescribe rules and regulations to the use of proxy voting.

Section 5. Quorum

The presence of any members at any duly called regular or special meeting shall constitute a quorum for transaction of business at any such meeting except as otherwise provided by law, the Council's Articles of Incorporation, or these Bylaws.

Section 6. Order of Business

The order of business at the annual meeting shall be:

1. Call to Order
2. Proof of due notice of meeting
3. Ascertainment of quorum
4. Reading and approval of minutes
5. Financial report
6. Annual Reports of officers and committees
7. Unfinished business

- 8. New business
- 9. Election of directors
- 10. Adjournment

ARTICLE V. BOARD OF DIRECTORS.

Section 1. Powers

The Board of Directors shall have general supervision and control of the business and the affairs of the Council and shall make all rules and regulations consistent with law, the Council's Articles of Incorporation, or with these bylaws for the management of the business and the guidance of the affairs of the Council.

The Board of Directors shall have power to select one or more banks to act as depositories of the funds of the Council and to determine the manner of receiving, depositing, and disbursing the funds of the Council and the form of checks and the person or persons by whom they shall be signed, with the power to change such banks and the person or persons signing such checks and the form thereof at will. In addition, the Board of Directors shall have the general authority to make appropriate investment of the funds of the Council.

Section 2. Composition.

The Council shall have a board of directors of eleven (11) members. Each director shall be a member of the Council in good standing. The general membership of the Council shall be represented on the Board by the following:

1. Kentucky Farm Bureau Federation – two representatives (2)
2. Burley Tobacco Growers Cooperative Association – two representative (2)
3. Burley Stabilization Committee representative
4. Six (6) burley tobacco producers

Section 3. Eligibility.

No individual shall be eligible to serve as a member of the Board unless he or she is an active burley tobacco producer.

Section 4. Election of Directors.

Election of board members will occur at the annual meeting of the Council. All members of the Board shall serve a three (3) year term. Thereafter, he or she is eligible for re-election. A system of staggered terms shall be established so that the Board shall not be entirely constituted of new members at any one time. All directors shall be elected by secret ballot, and the nominee receiving the greatest number of votes shall be elected.

Section 5. Election of Officers.

The board of directors shall meet within seven (7) days after the first election and within seven (7) days after each annual election and shall elect by nomination a president, vice president, secretary, and treasurer, each of whom shall hold office until the election of a successor, unless earlier removed by death, resignation, or for cause. The offices of

secretary and treasurer may be combined; however the Board shall ensure that all the functions, duties, and responsibilities of that office are duly carried out. All officers shall serve a two (2) year term. Thereafter, he or she is eligible for re-election.

Section 6. Vacancies.

Whenever a vacancy occurs in the Board of Directors, other than from the expiration of a term of office, the remaining Directors shall by majority vote appoint a member to fill the vacancy until the next regular meeting of members. If the term of the vacating director does not expire at that regular member meeting, a special election shall be held to select a director to fill the time remaining in that term.

If one or more officer positions become vacant, such offices shall be filled by the board of directors, at either a regular or special meeting of the board.

Section 7. Board Meetings.

In addition to the meetings mentioned above, regular meetings of the Board of Directors shall be held (monthly, quarterly, or semi-annually) or at such times and at such place as the Board may determine.

Section 8. Special Meetings.

A special meeting of the board of directors shall be held whenever called by the president or by a majority of the directors. Only the business specified in the written notice shall be transacted at a special meeting. Each call for a special meeting shall be in writing, shall be signed by the person or persons calling the meeting, shall be addressed and delivered to the secretary, and shall state the time and place of such meeting.

Section 9. Notice of Board Meetings.

Oral or written notice of each meeting of the board of directors shall be given to each director by the secretary of the Council not less than 24 hours before the time of meeting. Physical appearance at a meeting shall constitute waiver of notice.

Section 10. Quorum.

A majority of the board of directors shall constitute a quorum at any meeting of the Board of Directors.

Section 11. Reimbursement and Compensation.

Board members shall not receive compensation. The Council shall reimburse directors for all reasonable expenses incurred in carrying out their duties and responsibilities. The Board shall adopt policies to govern the amount (s) that constitute reasonable expenses.

Section 12. Proxies.

Each member of the Board of Directors shall be allowed only one (1) vote on any item of business coming before a duly called meeting of the Board. Voting by proxy shall not be allowed.

Section 13. Resignation, Termination, and Absences

Resignation from the Board must be in writing and received by the Secretary to be effective. A board member shall be removed from the Board for excess absences if he or she has three (3) unexcused absences from board meetings in one year's time. The Board shall adopt a resolution to determine the criteria for excused absences from board meetings.

ARTICLE VI. DUTIES OF OFFICERS.

Section 1. President.

The President shall (1) preside over all meetings of the Council and the Board of Directors, (2) call special meetings of the members or the Board of Directors, (3) perform all acts and duties usually performed by an executive and presiding officer, (4) sign all necessary documents, and (5) perform such other duties as may be prescribed by the Board of Directors.

Section 2. Vice-President.

In the absence or disability of the President, the Vice-President shall perform the duties of the President, provided, however, that in case of death, resignation, or disability of the president, the board of directors may declare the office vacant and elect any eligible person president.

Section 3. Secretary.

The Secretary shall issue all notices of meetings, keep all records and minutes of all meetings, and perform all other duties usually required by the office of secretary and as directed by the president or by the Board of Directors.

Section 4. Treasurer.

The Treasurer shall perform such duties with respect to the finances of the Council as may be prescribed by the board of directors.

ARTICLE VII. COMMITTEES

Section 1. Committees and Duties

The Board of Directors may create committees as needed, and will appoint or accept volunteer members for all committees. Each committee should include at least one Board member, and the President shall appoint all committee chairs. The Board may establish these committees as either standing committees, temporary committees, or may decide that no committee is needed for the functions included in the committee's responsibilities.

Section 2. Record of Committee Meeting.

The Board shall ensure that minutes of the committee meetings are documented and that reports are presented to the Board in such form as prescribed by the Board. The committee chair shall present committee reports to the Board or shall arrange for a report to be

presented, which ensures that recommendations developed by the Committee are reported to the Board for further consideration and the Board's support, rejection, or revision of the recommendation.

Section 3. Executive Committee

The four (4) officers of the Board of Directors serve as the members of the Executive Committee. Except for the power to amend the Articles of Incorporation and Bylaws, the Executive Committee shall have all of the powers and authority of the Board of Directors in the intervals between meetings of the Board, subject to the direction and control of the Board of Directors.

ARTICLE VIII. AMENDMENTS.

Section 1. Articles of Incorporation.

The Articles of Incorporation of this Council may be amended or altered in whole or in part by an affirmative vote of two-thirds (2/3) of the members present in person at any annual or special meeting of the members duly called and convened provided reasonable explanation of the proposed amendments was included in the meeting notice.

Section 2. Bylaws.

These Bylaws may be amended, changed, or altered at any time by an affirmative two-thirds (2/3) vote of the members of the Board of Directors present at any regular or special meeting of the Board of Directors duly called and convened or by majority vote of the members present at any regular or special meeting of the members duly called and convened. A copy and reasonable explanation of the proposed amendments must be included in the notice for the meeting.

ARTICLE IX. MISCELLANEOUS ITEMS

Section 1. Fiscal Year.

The fiscal year of the Council shall begin on the first day of October of each year and end on the last day of September of each year.

Section 2. Contributions

The Council may receive, with approval of the Board of Directors, gifts and other contributions in support of its work or its activities.

Section 3. Dissolution.

Upon an affirmative vote of two-thirds (2/3) of the members present in person to dissolve at any annual or special meeting of the members duly called and convened, the Council may be dissolved. Any funds or assets remaining after the payment of all debts and liabilities of the Council shall be distributed or disbursed as may be determined by the General Assembly of the Commonwealth of Kentucky.

Section 4. Audits.

The books and accounts of this Council shall be audited every four years, and the audit reports shall be made available to the membership.