

Articles of Incorporation
and
By-Laws
of
The Education, Research, &
Development Foundation
Of



**Empress Chinchilla
Breeders Cooperative, INC.**

Articles of incorporation and by-Laws
of
The Educational, Research, & Development Foundation
of
Empress Chinchilla Breeders Cooperative, Inc.

Article I	Title	3
Article II	Purpose and Functions	3
Article III	The Corporation	5
Article IV	Dissolution	5
Article V	Term	6
Article VI	By-Law Amendments	6
Article VII	Corporate Property	6
Article VIII	Private Property of Members	6
Article IX	Amendment to Articles	6
Article X	Officers	6
Article XI	Duties of Officers	7
Article XII	The Board of Directors	8
	Section 1 Composition	8
	Section 2 Election	8
	Section 3 Term of Directors	8
	Section 4 Territories	8
	Section 5 Term Duration	8
	Section 6 Removal and Resignation	9
	Section 7 Power of the Board	9
	Section 8 Qualifications	9
	Section 9 Vacancies	9
	Section 10 Compensation of National Directors	10
	Section 11 Meetings of the National Board	10
	Section 12 Notice of Meetings of the Board	10
	Section 13 Budget and Finance	11
Article XIII	Subordinate Organizations	11
	Section 1 Regions	11
	Section 2 Branches	12
	Section 3 Units	15
Article XIV	Membership	17
Article XV	Annual Meeting	18
	Section 1 Location and Notice	18
	Section 2 Business	19
	Section 3 Nominations to National Board	19
Article XVI	ECBC Special meetings	21
Article XVII	Publications	22
Article XVIII	ECBC Registry	22
Article XIX	ECBC Sanctioned Shows	23
Article XX	Miscellaneous	23
Article XXI	Repeal, Amendment, and inspection of by-laws	24
Article XXII	Creation of the Corporation	25

Article I

Title

The Corporation hereby established shall be known and designated as the Educational, Research, and Development Foundation of Empress Chinchilla Breeders Cooperative, Inc., and is herein after sometimes also referred to as the "Corporation" and/or "Cooperative" and/or "ECBC".

Article II

Purposes and Functions

The purposes and functions of the corporation shall be for charitable, educational or scientific purposes within the meaning of section 501 (C)(3) of the Internal Revenue Code and it shall engage in activities directly ancillary thereto, which may include:

1. To organize, maintain, and conduct a program, an office, services and other facilities, for the registration of pedigrees of chinchillas and to assist in the maintenance and preservation of records of the registry thereof;
2. To issue certificates of pedigrees or other evidence of ancestral lineage and history and to otherwise make record of and certify to the authenticity and continuity of genetic strains, genealogical lines of descent, and particular qualities and characteristics of chinchillas;
3. To procure, collect, and compile information and statistics calculated to be beneficial or useful to persons or organizations in any way connected with chinchillas and to divulge or disseminate such information and statistics in such manner as may be considered expedient;
4. To disseminate to its members in a practical and intelligent form information collected or made available, and to interchange ideas in rendering mutual benefits;
5. To conduct and operate organization for the purpose of advising and instructing its members or others in the care and handling of chinchillas and to advise and instruct in the care and feeding of such animals;
6. To conduct, operate and maintain a program for the purpose of judging and grading the qualities of chinchillas and to pass upon the merits, fitness and market value of the same;
7. To conduct, carry on, or encourage experimental and research work of every kind and description in the United States of America and elsewhere throughout the world for the development of scientific breeding and raising of chinchillas;
8. To Keep lists of all breeds and species of chinchillas, their pedigrees and their distinguishing characteristics, and to publish from time to time every kind of information on pertaining subjects to those interested in the breeding and raising of chinchillas;

9. To organize, conduct and maintain programs for the investigation of the scientific ways and means for raising and breeding of chinchillas;
10. To carry on general advertising or book publishing business in all the branches thereof, both as principals and agents, for the purposes of advertising and publishing that which encourages and promotes the improvement, the breeding and species of chinchilla;
11. To publish and circulate publications and literature of any kind and description and in that connection to purchase, erect, maintain, manage, conduct and in any lawful manner acquire and/or dispose of printing and publication plants, houses and equipment and paraphernalia necessary or incidental thereto, that may be found, from time to time, necessary, advisable and desirable;
12. To give, promote , foster and encourage mutual aid and assistance among the members of this corporation and to that end to supervise, direct and provide, in all reasonable ways such as may be lawfully engaged in by this corporation, such services to its members;
13. To create, establish and maintain such agencies and/or committees that may be necessary to carry out the purposes of this corporation and to pay out of its funds all such necessary sums to properly maintain the same;
14. To acquire, receive, purchase, hold, use and enjoy, and to take by gift, grant, devise or bequest, real estate, personal and mixed property, whether within or without the State of Utah, and by rights in actions and, to grant, bargain and sell, give, exchange, demise, let, assign, mortgage, pledge, transfer, and set all over the same at pleasure, and generally to deal therewith as fully and amply as individual persons can do with their own property; and also to make contracts and to all matters and things to have all other privileges, powers and liberties permitted to a corporation organized under the general incorporation laws of the State of Utah;
15. To borrow money from any person, firm or other corporation, and to issue notes or obligations of this corporation from time to time, as necessary, for any of the objects or purposes of this corporation, and to secure the same by lawful means, and to take, receive and invest notes, bonds, mortgages, deeds of trust, or any evidence of indebtedness for the use and benefit of the Corporation;
 - a. this Corporation, except as an insubstantial part of its activities, shall not carry on any activities which are not in furtherance of the exempt purposes of this organization, as set forth herein. No part of the assets or net earnings of the Corporation shall ever be used so as to inure to the benefit of any individual;
 - b. no more than an insubstantial part of the Corporation activities shall be devoted to attempting to influence legislation by mail, direct contact or otherwise;
 - c. the Corporation shall not directly, or indirectly participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE III

The Corporation

1. All the assets of the corporation shall be managed by the Board of Directors of the corporation and its officers.
 - a. The dues of the members of the corporation shall be fixed from time to time by its Board of Directors. Part of the dues, which shall be determined by the Board of Directors of the Corporation, may be allocated to its branches for education and development purposes;
 - b. part of the dues for membership shall be such sums as shall be prescribed by the Board of Directors from time to time for on account of the annual subscription price of the "*Empress Chinchilla Breeder*" magazine;
2. Books, records and accounts shall be established for the Corporation and such documentation shall at all times be maintained on a current basis, with a full report given at the annual meeting to the Board of Directors and the authorized delegates of the branches.
3. In the event of the dissolution of the Corporation, all of its property not needed for the payment of its lawful debts and expenses shall be transferred and conveyed to such organizations or corporations as qualify for exemption under section 501 (c) of the Internal Revenue Code of 1954, as amended, or similar statute hereinafter enacted, in such proportions as the Board of Directors of the Corporation shall determine to be appropriate.

ARTICLE IV

Dissolution

1. Upon any liquidation or dissolution of the Corporation, voluntary or involuntary, all obligations of the corporation, the rights of the members shall be distributable as such interest then appears.
2. None of the property, funds or other assets of the Educational, Research and Development Foundation, upon dissolution or otherwise, shall ever revert to or be distributed to, its members or officers of Empress Chinchilla Breeders Cooperative, Inc., or any of them either directly or indirectly, or to any private individual, but in case of dissolution shall be distributed to an organized charity, educational institution, or other organization to be chosen by vote of the members of the foundation.

ARTICLE V

Term

The term for which this corporation shall exist is perpetual, unless sooner dissolved according to Article III, Section 3.

ARTICLE VI

By-Law Amendments

The members, as herein before provided, shall have power to make and adopt By-Laws of the Corporation and to alter, amend, or otherwise change or repeal the same in all or in part as provided by law.

ARTICLE VII

Corporate Property

The property of the Corporation may be sold, pledged, exchanged or otherwise dispose of in whole or in part by the directors, without the consent or authority of the members whatever, for cash or other property or rights, real or personal, for such amounts and values and upon such terms as a majority of the directors then present may determine at any properly held meeting of directors, and no consent or authority of the members whatever shall be requisite or necessary in that behalf, but the resolution of the Board of Directors shall be full and sufficient warrant for any sale, mortgage, exchange or other disposition of the corporate property or any part thereof.

ARTICLE VIII

Private Property of Members

The private property of the members shall not be liable for the debts or obligations of the corporation.

ARTICLE IX

Amendments to Articles

This corporation reserves the right to amend, alter, enlarge, change or repeal from time to time, in whole or in part, these Articles of Incorporation or any provision contained therein in the manner now or hereinafter prescribed by law, and all rights, powers, privileges and restrictions conferred upon the members, officers and directors herein are granted subject to this reservation.

ARTICLE X

Officers

1. The Officers of the Corporation shall be President, a First Vice-President, a Second

Vice-President, a Secretary and a Treasurer. The officers shall be elected at the annual meeting by majority of the duly elected Board of Directors.

2. The Officers of the Corporation shall perform the duties usually performed by such officers, together with such duties as prescribed by the by-laws of the Corporation.
3. The terms of all officers shall be for one (1) year. The duty of the officers starts on Sunday morning of the annual meeting and ends Saturday night after the conclusion of the official functions.
4. A President may be elected to a maximum of four (4) consecutive years.
5. The Secretary and Treasurer may be appointed by the Board of Directors of the Corporation and need not be members of the Board of Directors or the Corporation to be appointed. Further, the Secretary and/or Treasurer serves in an advisory capacity to the Board of Directors of the Corporation only, and provide an opinion or suggestion only when called upon to do so.

ARTICLE XI

Duties of Officers

1. The President of the Corporation shall perform principal executive duties of the Corporation.
2. The First Vice-President, in absence of the President, shall assume the duties of the President. He/She shall also assume other duties of the Corporation as may be assigned.
3. The Second Vice-President, in absence of the President and the First Vice-President, shall assume the duties of the President. He shall also assume other duties for the Corporation as may be assigned.
4. The Secretary shall be responsible for and oversee the following: the keeping of minutes of all meeting of the Board of Directors of the Corporation; preservation of all papers, and letters and transactions of the Corporation; and shall deliver to their successor within one month after their term expires, all Corporation property in their possession.
5. Treasurer;
 - a. The Treasurer shall oversee and be responsible for the following: collect, receive and have charge of all monies of the Corporation, shall deposit such monies in a bank designed by the Board of Directors of the Corporation and shall provide for the expenditures of such funds. The Treasurer shall report to the Board of Directors of the Corporation the financial standing of the Corporation, whenever requested so to do and make a full report to the Board of Directors of the Corporation at the Annual Meeting. The Treasurer shall give such bond as may be required by the Board of Directors. The Treasurer's accounts shall be audited annually by an independent auditor appointed by the Board of Directors of the Corporation.
 - b. A retiring Treasurer of the Corporation shall, within one month of the close of their term, shall deliver to their successor as Treasurer of the Corporation all money,

vouchers, books records and papers of the corporation in their custody, and deliver to their successor a supplemental report covering all transactions of the Corporation from the date of the retiring Treasurer's last annual report to the Board of Directors of the Corporation.

6. All officers of the Corporation, except the Treasurer, shall on expiration of their terms surrender all property of the Corporation in their possession belonging to their respective offices to the newly elected President.

ARTICLE XII

The Board of Directors

Section 1 Composition

The Board of Directors shall consist of seven (7) elected directors; comprise of three (3) at-large directors and four (4) regional directors.

Section 2 Election

1. At-Large Directors shall be elected from the entire voting membership of the Corporation.
2. Regional Directors shall be elected with one each being elected by the voting membership of regions 1,2,3 and 4.

Section 3 Terms of Directors

1. At-Large Directors shall be elected for a three (3) year term. At-Large Directors shall be alternately elected in one each consecutive three (3) years, with one director's term expiring each year.
2. Regional Directors shall be elected for a two (2) year term. Regional Directors from Regions one (1) and three (3) shall be elected in odd-numbered years. Regional Directors from regions two (2) and four (4) shall be elected in even-numbered years.

Section 4 Territories

The By-Laws may provide that the territory in which the Corporation has members shall be divided into regions and that the directors shall be elected according to such regions or at-large or both, and for the nomination and election of directors and other officers.

Section 5 Term Duration

The term of all directors shall begin at 7:00am on Sunday following the day that the respective director's election results were given to the Board of Directors and to the branch delegates at the annual meeting, which is held on a weekend in the first half of November each year. Said term shall run for three or two years respectively, until the end of Saturday's official business.

Section 6 Removal and Resignation

Any officer or executive employee may be removed either with or without cause, by a two-thirds (2/3) vote of the directors at any regular or special meeting of the National Board, or, except in case of an officer chosen by the National Board, or any officer upon whom such power of removal may be conferred by the National Board. Any officer may resign at any time by giving written notice to the National Board or to the President, or to the Secretary of the Corporation. Any such resignation shall take effect at the date of receipt of such notice or any time later specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7 Power of the Board

Subject to the limitations of the Articles of Incorporation and the provisions of law as to action which shall authorized or approved by members, and subject to the duties of Directors as prescribed by these By-Laws all corporate powers shall be exercised by or under the authority of, and the business and affairs of ECBC shall be controlled by, a Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the said Board shall have the following powers and duties to wit:

- a. To select and remove all other officers, agents, and employees of ECBC; prescribe such powers and duties for them as may not be inconsistent with law or with the Articles of Incorporation or these By-Laws.
- b. To adopt, make and use a corporate seal; to prescribe the forms in which membership records shall be kept; to alter the form of such seal and records as in their judgement they may deem best, provided that such seal and records shall at all times comply with the provisions of law.
- c. To borrow money and incur indebtedness for the purpose of ECBC and to cause to be executed and delivered therefore in the ECBC name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, or other evidences of debt and securities therefor.
- d. To grant charters to branches and to revoke such charters as in these By-Laws provided.

Section 8 Qualifications

No employee of ECBC, receiving compensation from ECBC as such, shall be eligible to serve as a Director of ECBC.

Section 9 Vacancies in the National Board

1. **Vacancy in Regional Director.** Regional Director vacancies in the National Board shall be filled from the region as to which the vacancy occurs, by a majority vote of the members present and voting at a special or regular meeting of the region called for that purpose and each Director so elected shall hold office until the next annual meeting, when an election by the membership determines who will fill the position for the remainder of the term.
2. **Vacancies in At-Large Directors.** The National Board shall be filled by a majority vote of

the remaining Directors, and the Director so elected shall hold office until the vacancy is filled by a vote of the membership at the next annual meeting.

3. A vacancy or vacancies in the National Board shall be deemed to exist in case of death, resignation or removal of any Director, or if the authorized number of Directors be increased, and may be declared by the National Board to exist if ECBC members fail, at any ECBC Annual Meeting (or adjournment thereof) at which any Director or Directors are to be elected, to elect the full authorized number of Directors to be voted for at that meeting. No reduction in the authorized number of National Board of Directors shall have the effect of removing any Director prior to the expiration of his/her term of office.

Section 10 Compensation of National Directors

National Directors shall not receive any compensation for their services as National Directors, excepts that the National Board may establish a per diem fee to compensate National Directors in connection with attendance at meetings, functions, and occurrences, and discharging other corporate business, as approved or ratified by the National Board plus reimbursement for actual lodging, travel, telephone, and other similar expenses incurred thereby and essential thereto.

Section 11 Meetings of the National Board of Directors

1. Immediately following the ECBC Annual Meeting, an organizational meeting of the newly elected National Board shall be held for the purpose of election of the President, First Vice-President, Second Vice-President, Secretary, and Treasurer, and the transaction of other business. Notice of the date, time and place of the holding of the organizational meeting of the National Board is hereby specifically dispensed with. The President shall announce the date, place and time of the holding of such organizational meeting during and before adjournment of the ECBC Annual Meeting. The failure of the President to make such announcement shall not preclude the holding of such organizational meeting.
2. Special meetings of the National Board may be called by the President or three (3) Directors and shall be held at such time and place as may be designated by the National Board, or if the Directors shall fail to act with respect to such meetings, the President shall designate the time and place for holding such special meetings.
3. A majority of the National Board shall constitute a quorum for the transaction of business, provided that any number of Directors less than a quorum may, in the absence of a quorum, adjourn any regular or special meeting from day to day, or to a date, time, and place, certain but not to exceed thirty (30) days.

Section 12 Notice of Meetings of the Board

1. **Regular and Special Meetings.** Notice of the date, place and time of meetings of the National Board, except the organizational meetings, shall be given in writing by the Secretary at least ten (10) days prior to the date of such meetings. Such notice shall be transmitted either by United States mail, postage prepaid, or prepaid telegram, addressed to each Director at his/her last known address, or at the address designated by him/her and made part of the records of ECBC. no notice of matters of business to be considered at any regular or special meeting of the National Board need by given.

2. **Adjourned Meetings.** Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned. However, such notice may be given if there is sufficient time to enable the absent Directors to attend the adjourned meeting.
3. **Waiver of Notice.** The transactions of any meeting of the National Board however called and noticed or wherever held, shall be valid as though made at a meeting duly held after regular call and a notice if a quorum be present, and if either before or after the meeting each of the Directors not present signs a written waiver of notice or a consent to take such action or hold such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records made a part of the minutes of the meeting.

Section 13 Budget and Finance

The management of ECBC shall prepare yearly budget to be submitted for the approval of the National Board of Directors. It shall be provided, however, that necessary expenditures not provided for in the budget may be authorized by the President and one other Director when required, and it shall be the duty of the Secretary to notify the President promptly of any such necessity or requirement. The National Board may modify and amend the approved budget at any time during the fiscal year.

- a. **Audits.** An annual audit of the books of ECBC shall be made at the close of each annual period by an independent auditor who shall be selected by the National Board. The National Board or the Secretary may cause other audits to be made whenever the National Board or the Secretary deem such additional audits necessary for the protection of ECBC and the members thereof.
- b. **Publication of Financial Statements.** The National Board shall furnish financial statements of ECBC to be presented at the Annual Meeting.
- c. **Signatures Authorized.** All checks, drafts, or other orders for payment of money, notes, or other evidences of indebtedness, issued in the name of or payable to ECBC, shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the National Board.

ARTICLE XIII

Subordinate Organizations

Section 1 Regions

The Board of Directors (hereinafter called the "National Board") of Empress Chinchilla Breeders Cooperative, Inc. shall establish four (4) geographic regions, collectively covering the present fifty (50) states of United States, in such manner as will, in the judgement of the National Board, provide for the most equitable division and representation of the members of ECBC in, by and through such regions. The National Board shall, from time to time as need may arise, designate the region in which any new state, or any territory or possession, of the United States shall be included and deemed a part.

1. **Functions of Regions.** The regions established by the National Board shall be and are established for the purpose of nominating at least one (1) director of ECBC from each region to be voted upon by the ECBC members of the particular region so nominating and to insure the representation of at least one (1) director from each region.
2. **Regional Conferences.** Between ECBC annual meetings one or more regional conferences for purposes of information and education not inconsistent with these By-Laws or the Articles of Incorporation, may be called by the National Directors or by a majority of the branch presidents of that region. Each branch governing board (hereinafter sometimes called "branch board") may adopt, or elect, a delegate or delegates to attend such regional conferences. Any purported legislative action at such conference shall be advisory only and each branch shall be entitled only to one (1) vote.

Section 2

Branches

The National Board may establish and grant charters to branches in any region. In case of any question as to the region within which a branch shall be deemed located, the matter shall be determined by the National Board. Each branch shall initially have and continuously maintain a membership of members in good standing with ECBC and the Foundation, as shown by the roster in the National Office, with the number of active members necessary to constitute a functioning branch being the number determined in each individual case from time to time by the ECBC Board of Directors. Such number shall be sufficient, in the judgment of the ECBC Board, to promote the interests and policies of ECBC and to conduct such additional activities as will promote the general welfare of the members of ECBC.

1. **Functions of Branches.** A Branch shall promote the interests and policies of ECBC, may submit recommendations the National Board in the form of resolutions or otherwise, and conduct such additional activities as will promote the welfare of the members of ECBC, consistent with the Articles of Incorporation of ECBC and of the Branch and any and all supplementary rules and regulations as may be prescribed by the National Board from time to time. The active members of the Branch shall have the power to nominate one or more candidates, and to vote for the election of the National Board Director from the Region concerned and the At-Large Directors herein elsewhere provided.
2. **Government of Branches.** Each Branch shall adopt by-laws not inconsistent with these By-Laws of ECBC, and shall elect governing board of the Branch as may be provided by such by-laws. The governing of a Branch, aside from action to amend the Branch by-laws taken by the Branch membership at annual and special meetings, rests in the governing board of the Branch. Consistent with ECBC By-Laws, Articles of Incorporation, and policies and regulations established by the National Board, which shall be binding upon each Branch and consistent with the Branch By-Laws, the Branch Board may make and establish policies, rules, and regulations governing the Branch. The power of the members shall, in addition to their powers set forth section 2 of Article XIII hereof, rest in their right to elect the Branch Board, to take action to amend the Branch By-Laws at annual and special meetings of the Branch, and to recommend, in Branch memberships conferences, policies consideration of the Branch.
3. **Membership in Branch.** All members of a branch shall be active members in good standing of ECBC. No member of ECBC shall be affiliated with more than one Branch.

Branch membership may not be held without National membership except as may be approved by the National Board of Directors of ECBC.

4. **Fiscal Year.** The fiscal year of each Branch shall commence on July 1 of each calendar year and end on June 30 of the following calendar year.

5. **Financing of Branches.**

- (a) National. A portion of the Educational, Research, and Development Foundation dues, as provided in Article III Section 1 hereof, as determined from time to time by the National Board of ECBC may be allocated to the Branches for educational and development purposes.
- (b) Local. The by-laws of any Branch, by a majority of the vote of the Branch members voting thereon by mailed ballot, may provide for assessments to defray the expenses of said Branch, or for other financing thereof, provided, however, that such financing shall not be inconsistent with the Articles of Incorporation or By-Laws of ECBC and shall in no way interfere with the tax-exempt status of ECBC.
- (c) Investment of Surplus Branch Funds. "Surplus funds" are hereby defined as funds in excess of the amount required for current operation of the branch as determined by the the Branch Directors. With the approval and by the direction of the Branch Board of Directors surplus Branch funds may be invested as follows only:
 - 1. In a savings account deposit in any national or state bank, or savings and loan association, or similar financial institution, protected by federal deposit insurance at all times exceeding the amount of Branch funds on deposit therein.
 - 2. In United States Government bonds which can be converted to liquid assets with reasonable promptness.
 - 3. Every investment of Branch funds, as provided in (1) and (2) above, shall be taken and made in the official name of the Branch. (Example: _____ Branch, Empress Chinchilla Breeders Cooperative, Inc.). No investment of Branch funds shall be encroached upon for any purpose nor in any way diminish or terminated, unless first duly authorized by the Branch Board of Directors, acting within the scope and limitations of the Articles and By-Laws of ECBC.

6. **Branch Meetings.**

- (a) Membership Annual Meetings. Each Branch shall provide by a by-law for an annual meeting of the members of the Branch to be held between the 1st day of May and the 30th day of June at a date, time and place as may be fixed by the governing board of the branch.
 - 1. **Election of Branch and Nomination of Candidates for Election to the National Board.** There shall be elected at the annual or special meeting of the active members of the Branch, a governing board as is provided by the Branch By-Laws and for terms as provided by such by-laws. There may also be nominated, as hereinafter provided, by the active members of the Branch at such annual or special meeting, one or more candidates for election, as hereinafter provided, to fill a vacancy occurring or about to occur on the National Board in the office of Director from the Region in which the Branch is located.

2. **Voting.** At the annual meeting of the Branch, each member shall be entitled to one vote, which vote shall be cast in person or by mail ballot previously supplied by the Branch Secretary.
3. **Action.** Legislation action to amend the Branch by-laws may be taken by the members at a regularly-held annual meeting of the Branch.
4. **Special Meetings.** Branch by-laws may provide for special meetings of the branch membership at which meetings legislative action to amend the Branch by-laws may be taken by the membership, as well as any other action or actions herein elsewhere authorized. Notices of special meetings, at which membership action is to be taken, shall specify the purpose of said meeting.
5. **Membership Conferences.** General membership conferences may be held for purposes of education and information as often as provided by the Branch by-laws or at the discretion of the Branch board. Action taken at membership conferences shall be advisory only.
6. **Frequency of meetings.** Branch by-laws shall require that at least one general membership conferences be held each year. In addition to the annual meeting of the Branch membership.
7. Branches shall be self-governing within the standards set out by these Articles of Incorporation and By-Laws, provided however, that the National Board of ECBC shall have absolute power of Charter revocation as delineate in paragraph 8 (a) especially to the end that no Branch organization or subdivision thereof shall engage in any activity or transact any business which would adversely effect the tax exempt status of ECBC.
8. **Revocation of Charter.**
 - (a). Failure to maintain required membership. If after the organization and establishment of any Branch, the Board of Directors of ECBC shall determine that the membership of any Branch consists of an insufficient number of active members of good standing with ECBC, as shown by the roster in the National Office, then the Charter and Authority of such Branch shall cease, unless within ninety (90) days after written notice from the Secretary of ECBC to the Branch Board that it has failed to maintain the membership number determined by the ECBC Board of Directors to be the necessary minimum, said Branch attains a membership of not less than the minimum required of active members of ECBC as determined by the Board aforesaid.
 - (b). **Improper Conduct of Branch Affairs.** The National Board of ECBC, after notice and reasonable opportunity to be heard, may by a two-thirds (2/3) vote of said National Board, revoke the charter of any Branch when such Branch is conducting its affairs in a matter contrary to the provisions of the Articles of Incorporation or By-Laws, or that said Branch board is pursuing policies which are contrary to or inconsistent with the policies of ECBC.

- (c). **Reassignment of Membership.** Any members of a Branch whose charter has been revoked may affiliate with another Branch upon approval of the National Board.

9. Dissolution. Upon final dissolution of a Branch, whether voluntary and by action of the Branch Board of Directors, or involuntary by revocation of its Charter by the National Board, the Branch Board shall immediately proceed to wind up the affairs and business of the Branch; and for this purpose alone the Branch Board and officers shall continue in their respective official positions with full capacity and responsibility as such to take all actions necessary to complete the final settlement of all Branch affairs. After payment of all Branch debts and obligations, all Branch investments and other property shall be liquidated and all such funds, together with all other funds on hand or on deposit, shall be remitted to the National Secretary by cashier's check payable to Empress Chinchilla Breeders Cooperative, Inc. or, such separate entity be not in existence, to an organized charity, educational institution, or other organization to be chosen by vote of the members. The complete financial records of the Branch, certified by the Branch President and Secretary to be correct, shall also be forwarded to the National Secretary.

Section III Units

1. **Establishment of Units.** Each Branch Board may approve and sponsor the formation of affiliated Units within the Branch area to the extent the Branch Board will be beneficial to the Branch, its members and ECBC.

a. Formation and Operation of Branch Units. Any group within a Branch area may petition its Branch Board for Branch Unit status. The petition shall be addressed to the Branch Board of Directors. The proposed by-laws for the Unit shall accompany the petition, and shall be in harmony with ECBC By-Laws and those of the Branch. If the Branch Board grants the petition, the Branch Secretary shall immediately certify the fact of the National Office, enclosing a copy of the Unit By-Laws. If the Unit By-Laws be not inconsistent or in conflict with ECBC By-Laws, the Branch Unit shall be deemed to be duly establish and shall be recognized as an official Unit of the Branch. Such Units shall operate under the supervision of the Branch Board, and the channel of communication between such Units and the National Office shall be through the Branch Secretary, except as the National Board or the ECBC Secretary may from time to time otherwise permit. The official name of such Branch Units shall be:

"_____ Unit of the _____ Branch of Empress Chinchilla Breeders Cooperative, Inc." All members of a Branch Unit must be active members of ECBC and of the Branch of which it is part.

b. Establishment by National Board of Directors. The National Board of Directors may establish ECBC Units, without regard to geographical location or residence or citizenship of the members thereof, whether within or without the United States or its territories or possessions, and whether the Unit members are residents and/or citizens of different states or territories or possessions of the United States and/or foreign countries, whenever in the judgment of the National Board the formation and establishment of such ECBC Units is in the best interest of ECBC. The National

Board shall determine in each instance, and from time to time, the number of members an ECBC Unit shall have initially and continuously maintain: such number shall be such as in the judgment of the National Board is sufficient to constitute an effective functioning ECBC Unit capable of promoting the interests and policies and general welfare of ECBC.

With respect to the type or constituency of ECBC Units which may be established hereunder, and by way of explanation of the intent hereof, the National Board is hereby authorized, in its discretion, to establish ECBC Units whose membership are particularly interested in a specialty of chinchilla breeding and husbandry, or whose membership are residents and/or citizens in a foreign country.

2. **Formation and Operation of ECBC Units.** Any group of chinchilla breeders, not already constituted and established as a Branch Unit as provided in Paragraph 1 of this Section, may petition the National Board of Directors for ECBC Unit status. The petition shall be addressed to the National Board of Directors of ECBC, and shall set forth fully the special circumstances prompting the petition, and whether the actual and/or contemplated membership thereof is or will be constituted of members of ECBC, and the actual number of members at the time. The proposed By-Laws of the Unit shall accompany the petition, and shall be in harmony with the By-Laws of ECBC. The National Board may grant a hearing to the petitioners.

If the petition is approved by the National Board, it shall cause to be issue and deliver to the Unit an appropriate Charter designating it as an official ECBC Unit. The Charter shall name the Unit correctly by its official title. Such ECBC Units shall operate under the supervision of the National Board of Directors, and all communications between such Units and the National Office shall be through the Secretary of ECBC.

The official name and designation of ECBC Units shall be: “ _____ Unit of Empress Chinchilla Breeders Cooperative, Inc.” ECBC By-Laws, Articles of Incorporation, and policies and regulations established by the National Board shall be binding upon ECBC Units, and consistent therewith such Unit may make and establish policies, rules and regulations with respect to the governing of the Unit and the conduct of its affairs. Provided however, that ECBC Units, as such, may nominate members of the National Board of Directors of ECBC. Provided further, that nothing herein shall be construed so as to abridge or limit the individual rights and privileges granted to active members of ECBC. All members of and ECBC Unit must be active members of ECBC in good standing.

3. **Functions of Units.** All Units, whether Branch Units or ECBC Units, shall further the interests and policies of ECBC, and shall carry on such programs and activities as will promote the welfare of the members of ECBC.

ARTICLE XIV

MEMBERSHIP

Section 1 Eligibility

1. Any producer of chinchilla, chinchilla pelts, or the products thereof, who is acceptable to the Corporation, may become a member.
2. Retiring members may keep their membership active and in good standing at the discretion of the National Board.
3. Any member shall be eligible to participate in the activities of the Educational, Research and Development Foundation, upon the payment of dues as determined by the National Board.

Section 2 Classes of Membership

In addition to regular membership, the Board of Directors is authorized to create different and other classes of memberships with dues, privileges, and other conditions and obligations there under to be determined by the National Board.

Section 3 Application for Membership

Application for membership in ECBC shall be subject to the approval of the National Board and shall be made in writing on such forms as may from time to time be prescribed by the National Board. All applications shall be accompanied by the prescribed membership fee and/or annual dues. Each applicant shall state in writing that he/she agrees to be bound by and abide by the provisions of ECBC Articles of Incorporation and By-Laws, ECBC Code of Ethics, and any and all supplementary rules and regulations as may be prescribed by the National Board from time to time.

Section 4 Dues

1. The dues of the Educational Research and Development Foundation shall be fixed from time to time by the Board of Directors of ECBC. Part of such dues which amount shall be ascertained by the Board of Directors of ECBC may be allocated to the Branches for educational and development purposes.
2. **REFUND OF DUES.** Termination of membership, regardless of how terminated, shall not entitle the member or his/her successor in interest to the return of all and any part of the dues paid.

Section 5 Transfer of Membership

No membership in ECBC shall be transferable or assignable from one person to another person except that membership may be transferred to a surviving spouse upon receipt of legal evidence of the member's death and a properly executed application for membership signed by the surviving spouse.

Section 6 Termination of Membership

1. Membership in ECBC may be terminated in any of the following manners:
 - a. By written resignation filed with the Secretary of ECBC between August 1 and August 10. Such resignation shall be effective upon the receipt thereof by the Secretary.
 - b. Through cancellation for cause by the National Board after due hearing.
 - c. By death of the member or dissolution of a corporation or partnership, except that the membership of a deceased individual may be transferred to the surviving spouse.
 - d. By failure of the member to renew his/her membership by paying his/her annual dues on or before the termination date of his/her current membership.
2. Cause for Suspension or Cancellation. The National Board may cancel or suspend any membership for cause as provided herein. Cause is hereby defined as an intentional and willful failure of a member to:
 - a. Abide by the provisions of the Article of Incorporation, the By-Laws, the Code of Ethics, or rules and regulations of ECBC as established by the National Board.
 - b. Submit such reports and information pertinent to the business and affairs of ECBC as the National Board may request.
 - c. Discharge his/her financial obligations to ECBC.
 - d. Maintain eligibility for membership.
 - e. A member may be expelled for the improper use of membership in the Corporation to promote commercial products or services.
 - f. Memberships expire more than ninety (90) days will be reinstated as a new membership, when the dues are paid.
 - g. Suspended or cancelled members may appeal their expulsion to the Board of Directors at the next Annual Meeting. The decision of the Board of Directors is final.

ARTICLE XV

ANNUAL MEETING

Section 1 Location and Notice

An annual meeting of the members of ECBC (hereafter sometimes referred to as the "ECBC Annual Meeting") shall be held in each calendar year at such date, time and place as may be fixed from time to time by the National Board or an Executive Committee thereof.

Written or printed notice of the date, time and place of holding said ECBC Annual Meeting shall be given not less than ninety (90) days to the date of ECBC Annual Meeting, if given by notice in the official publications of ECBC, or not less than seventy (70) days prior to the date of said ECBC Annual Meeting if given by mailing, and no other notice thereof need be given. The failure of any one or more Members of ECBC to receive such notice shall not, if the notice shall have been duly published or mailed, invalidate the meeting or any election or action taken thereat.

Section 2 Business

The business of the ECBC Annual Meeting shall be (a) the election of Directors to the National Board as hereafter provided, (b) reports by the President, the Secretary and such other officers, committees and persons as the National Board or the President may determine from time to time, and (c) discussion of pertinent matters. The President of ECBC, or, in his/her absence, a Vice-President of ECBC, or in the absence of all thereof, the Secretary of ECBC, shall preside at said ECBC Annual Meeting with all of the powers of a presiding officer under Robert's Rules of Order. No topic shall be discussed at said ECBC Annual Meeting unless written notice of the proposed topic shall have been received, by National Office from one or more Branches of ECBC desiring such discussion, at least thirty (30) days prior to the date of said ECBC Annual Meeting; provided however, that the presiding officer at said ECBC Annual Meeting shall have the power to waive these restrictions on topics whenever such presiding officer, in his/her discretion deems it desirable. Any resolutions submitted to, or adopted at, said ECBC Annual Meeting shall be advisory only.

Section 3 Nominations of Candidates for Election to National Board

1. Whenever the office of a National Board of Director elected from a particular Region will become vacant, by expiration of term of office at or before the ECBC Annual Meeting concerned; and at or before the end of the year in which said ECBC Annual Meeting is held, or whatever at the time of giving notice of said ECBC Annual Meeting a vacancy exists in the office of a National Board Director elected from a particular Region of ECBC, or would exist had such a vacancy not been filled by the National Board as elsewhere herein provided, members of each ECBC Branch in the Region concerned shall have the right, at an Annual or Special Meeting of the members of the Branch at which a quorum of such members vote by ballot cast in person or by mail, to nominate from among the members of ECBC who are members of a Branch within the Region concerned, one or more candidates meeting the qualifications hereinafter prescribed, for election to fill such vacancy on the National Board of Directors from the Region concerned. All qualified nominees receiving the affirmative vote of at least fifteen (15) members or twenty (20) percent which ever is lesser, of the total number of members of the Branch shall be duly nominated candidate or candidates of the Branch. Nothing herein contained shall be construed to preclude the members of any other Branch from nominating as a candidate, any members of any other Branch of ECBC located within the Region concerned, provided that such member of such other Branch meets the requirements of the By-Laws. For the purposes of the aforesaid nomination, each member of a Branch shall have only one vote, and shall not vote for more than one candidate. Any and all duly nominated candidates of a Branch of ECBC located within the Region concerned shall be certified in writing to the ECBC Secretary (or his/her substitute) by the Secretary and President of the Branch whose members make the nomination; in the place of an absent Secretary or President, and two of the officers or directors of the Branch may sign and forward the certificate, provided, however, that if both the Secretary and President are

absent, three such other signatures shall be required. Said certification shall contain, in addition to the name or names of the candidate or candidates so nominated, a statement establishing the qualifications and willingness to serve of each such candidate, the total number of members of the Branch voting, and the number of votes cast by such members of the Branch in favor of each candidate. Unless certification of a nomination, as aforesaid is received by the Secretary (or his/her substitute) at least ninety (90) days prior to the date of the ECBC Annual Meeting, such nomination shall not be valid.

2. One hundred and twenty (120) days prior to the Annual Meeting, a written nomination signed by at least 15 members may be filed with the Secretary of the corporation, nominating an At-Large Director whose term is about to expire.

Section 4 Qualifications of Candidates for Election to National Board

A candidate shall be twenty-one (21) years old or more. No person shall be eligible to be nominated as a candidate, as provided in Section 3 of Article XV hereof, or to be elected to the office of Director on the National Board, or to hold such office, unless he/she fully meets, and continues to meet, these requirements: He/She shall be a member in good standing of ECBC and shall be an active producer of chinchilla pelts.

Section 5 Notice of Nomination

AT least thirty (30) days prior to the date of the ECBC Annual Meeting concerned, notice of the date of the ECBC Annual Meeting concerned, notice of all duly nominated candidates, and of the directorship for which they are respectively nominated, together with such other information as the National Board may prescribe from time to time, shall be given the members of ECBC by publication in the official publication of ECBC or by being mailed by first class mail to said members, with which said notice and official form of ballot shall be so published or mailed. The failure of any one or more members of ECBC to receive such notice shall not, if the notice shall be duly published or mailed, invalidate any election or meeting.

Section 6 Voting Power

1. Each voting member in good standing of ECBC shall have one vote for the National Board Director to be elected from their Region. Such vote shall be by ballot, either cast in person at the ECBC Annual Meeting, or mailed to the ECBC Secretary (or his/her substitute) after the date on which notice of nominations is given as aforesaid, providing that such mailed ballot is actually received by said Secretary (or his/her substitute) not later than during the day preceding the day of said ECBC Annual Meeting concerned. The National Board or the Secretary shall adopt such methods as will preserve the secrecy of balloting but permit disqualification of invalid ballots. No member may authorize anyone else to cast his/her vote, and no member may receive any money, thing of value or other reward as an inducement to vote for, or for voting for, any particular candidate; violation of this provision shall be grounds for disqualifying the ballot cast and shall subject all parties involved to cancellation or suspension of their ECBC membership.
2. Every voting member in good standing of ECBC shall have one (1) vote for At-Large Director.
Such vote shall be by ballot, either cast in person at the ECBC Annual Meeting, or mailed to the ECBC Secretary (or his/her substitute) not later than during the day preceding the day

of said ECBC Annual Meeting concerned. The ballot for at-large Directors shall be of such form as to make them clearly distinguishable from ballot for Regional Directors. No member may vote by mail and also in person. The nominee or nominees receiving the highest number of votes within a Region shall be declared elected as a Regional Director. The at-large Director receiving the highest number of votes shall be declared Director-at-Large. No member may authorize anyone else to cast his/her vote, and no member may receive money, thing of value or other reward as inducement to vote for, or for voting for, any particular candidate; violation of this provision shall be grounds for disqualifying the ballot cast and shall subject all parties involved to cancellation or suspension of their membership.

3. In case of the failure of the members to nominate or elect a director or directors in the manner above provided, the members present at the meeting shall thereat elect such directors or directors.

Section 7 Quorum

The members of ECBC in attendance, shall constitute a quorum for the ECBC Annual Meeting.

Section 8 Election and Term of Office of National Board of Directors

1. The term of each National Board Regional Director shall be two (2) years and shall commence immediately following his/her election; provided, however, that a director who is elected to fill an expired term shall become such director forthwith upon election and shall hold office only until the expiration of that term, or until he/she, or his/her successor, is elected for a new full term; and provided further that if, for any reason as Annual Meeting is adjourned or postponed to the following year, the term of office of any National Board Director, elected or re-elected thereat, shall commence forthwith and shall expire as though no such adjournment or postponement of the Annual Meeting (at which he/she was elected or re-elected) had occurred.
2. At-Large National Directors shall be elected to a term of three (3) years.

ARTICLE XVI

ECBC Special Meetings

Section 1 Purpose and Notice

Special meeting of ECBC may be called at any time for any purpose not inconsistent with these By-Laws or the Articles of Incorporation by the ECBC President or a majority of the National Board. Notice of the time and place of holding such meetings shall be given to each member not less than sixty (60) days prior to the meeting if given by publication in the official publication of ECBC, or not less than twenty (20) days if given by mail, and no other notice thereof need be given. Notice of the special meeting shall state the purpose.

Section 2 Quorum and Action

Twenty (20) members or thirty (30) percent of the members called, whichever is less, shall constitute a quorum legally entitled to hold a special meeting. Action of members regularly taken at any properly called special meeting shall, where appropriate, be referred to the National

Board for consideration and any action deemed advisable.

ARTICLE XVII

Publications

Section 1 Empress Chinchilla Breeder

ECBC shall make available to the membership of ECBC a magazine to be known as the *Empress chinchilla Breeder*. Said magazine is hereby designated as the official publication of ECBC, and all notices and reports of Officers and Directors required to be given to the members by law, the Articles of Incorporation, or these By-Laws, unless other provision is made therefore in these By-Laws, shall be published therein and when so published shall be conclusive evidence that the required notice or report has in fact been given or made.

Section 2 Other Publications

The National Board may cause to be published from time to time additional publications designated for the mutual benefit, improvement, advancement, information or guidance of any persons interested in the breeding or care of chinchillas or the use of services offered by ECBC.

Section 3 Publication of Rules of ECBC

Rules and Regulations of ECBC and all changes and modifications therein, shall be published by ECBC in whatever manner deemed proper by the National Board and shall be distributed to the members for their observance and guidance when received.

ARTICLE XVIII

ECBC Educational Research and Development Foundation Registry

Section 1 Establishment

The National Board under the Educational, Research and Development Foundation shall cause to be established, at the principal office of ECBC, the ECBC Registry, which shall issue certificates of pedigree and other evidences of ancestral lineage of chinchillas and to otherwise make record of and certify to the authenticity and continuity of blood lines and genealogical lines of descent of chinchillas.

Section 2 Rules Governing ECBC Registry

The National Board shall cause to be prepared rules and regulations governing the registration of chinchillas. The National Board shall have full power to amend or delete any of said proposed rules, and all rules and regulations for the government of registration shall, upon their approval by the National Board continued in full force and effect until amended or otherwise dispensed by action of the National Board.

ARTICLE XIX

ECBC Educational, Research and Development Foundation Sanctioned Shows

Section 1 Establishment of Show System

The National Board under the Educational, Research and Development Foundation may establish and maintain a system of live animal or pelt shows or both for the purpose of education and information of all persons interested in the breeding and care of chinchillas. The National Board under the Educational, Research and Development Foundation shall establish rules and regulations governing the exhibition of live chinchillas and pelts and shall publish such rules for the information and guidance of all concerned.

ARTICLE XX

Miscellaneous

Section 1 Alternate Methods of Notice

All notices and reports required to be published in the *Empress Chinchilla Breeder* may in addition thereto be published and disseminated in any manner provided by law.

Section 2 Inspection of ECBC Records

The ECBC books of account, minutes or proceedings of annual and special meetings of members, and organizational, regular and special meetings of the National Board, the membership register, or membership roster, and the records on a member's own transactions with ECBC shall be open to inspection at the principal office of ECBC upon the written demand of any active member at any reasonable time during business hours, and for a purpose reasonably related to his/her interests as a member, where such inspection may be made in person or by an agent or attorney, and shall include the right to make extracts. Demand of inspection shall be made in writing upon the President or Secretary of ECBC and shall clearly state the purpose or purposes for which said inspection is desired. Any ruling as to the reasonableness by an officer or employee of ECBC may be appealed to the National Board, whose decision shall be final.

Section 3 Execution of Contracts

The National Board, except as in the By-Laws otherwise provided may authorize any officer or officers, agents, to enter into any contract or execute any instrument in the name of and on behalf of ECBC, and such authority may be general or confined to specific instances.

Section 4 Fiscal Year

The fiscal year of ECBC shall commence on October 1 of each calendar year and end on September 30 of the following calendar year.

Section 5 Robert's Rules of Order

Robert's Rules of Order, where applicable and not inconsistent with the Articles of Incorporation, and By-Laws of ECBC, may be followed in any meetings.

ARTICLE XXI

Repeal, Amendment and Inspection of ECBC By-Laws

Section 1 Repeal of Existing By-Laws

Upon the adoption of these By-Laws, all By-Laws and amendments thereto heretofore adopted by either the members or the National Board shall be and are hereby declared to be repealed and of no further force and effect.

Section 2 Amendments to By-Laws

New By-Laws may be adopted or these By-Laws may be amended or repealed with the approval of a majority of the members voting at an Annual Meeting in person or by mailed ballot containing the exact language of the proposed By-Law change which By-Law change has been recommended by the Board of Directors as provided in the Articles of Incorporation.

ECBC shall keep in its principal office the By-Laws as amended or otherwise altered to date which shall be open to inspection by the members at all reasonable times during business hours.

ARTICLE XXII

Creation of Corporation

This Corporation had its inception in, and shall be deemed to be created under the laws of the State of Utah and is the continuation of the former Empress Chinchilla Breeders Cooperative, Inc., a Utah Corporation.

IN WITNESS WHEREOF, the duly appointed and qualified officers and Board of Directors of the Corporation have subscribed to this instrument in triplicate this 4th day of November, 1995.

Gary Neubauer, President, Director At-Large

William E. Booker, 1st Vice-President, Director At-Large

Pete E. Kiseskey, 2nd Vice-President, Director At-Large

Maxine S. Lynch, Secretary-Treasurer, Director At-Large

James Burnett, Director Region II

Silvio LaMarra, Director Region III

Robert A. Barrett, Director, Region IV