

**BYLAWS
OF
DEER BREEDERS COOPERATIVE**

These bylaws (the “Bylaws”) govern the affairs of Deer Breeders Cooperative (the “Association”), a Texas cooperative association organized pursuant to the Texas Business Organizations Code.

Article 1. OFFICES

1.01 Principal Office. The Association’s principal office in Texas will be located 17336 W. Little York , Houston, Texas, 77084. The Association may have such other offices, in Texas, as the Board of Directors (the “Board”) may determine. The Board may change the location of any office of the Association.

1.02 Registered Office and Registered Agent. The Association will maintain a registered office and registered agent in Texas. The registered office may, but need not, be identical with the Association’s principal office in Texas. The Board may change the registered office and the registered agent as permitted in the Texas Business Organizations Code (the “TBOC”).

Article 2. MEMBERS

2.01 Classes of Members. The Association may have such classes of Members as determined by appropriate resolution by the Board. There shall be no voting differences between the classes of membership other than to the extent such membership terminates at the end of each calendar year. The Board shall have the authority to set policies regarding the time and place for payment of the membership fees. The Board shall be entitled to limit the number of Members of a particular class as it deems in the best interests of the Association. Membership shall include the residual membership of each member of The Deer Breeders, Inc. transferred pursuant to that certain Plan of Conversion and Dissolution dated as of February 28, 2009. Any non-voting membership transferred shall become a voting membership for purposes of the residual membership term.

2.02 Admitting Members and Renewing Membership. Any individual operating a business or conducting as a hobby any activity with the intent of promoting the deer industry within the boundaries of the cooperative service area may be admitted to membership in the Association by application and approval by the Board. The Board may reject such membership application in its sole determination. The Board may adopt and amend the application procedures and qualifications for membership in the Association. An affirmative vote of the majority of the Directors present and voting is required for admitting any applicant who meets the membership qualifications then in effect. A Member may renew membership by paying all required annual fees and dues. The Board shall be responsible for setting the amount of the annual fees and membership dues. The membership year shall be September 1 to August 31.

2.03 Certificates of Membership. The Board may, but it is not required to provide certificates or other evidence of the membership in the Association. When a person has been admitted as a Member and has paid any required fees, the Association will acknowledge such membership in writing to the person or entity.

2.04 Voting Rights. Each Member is entitled to one vote on each matter submitted to a vote of the Members in accordance with §251.254 of the TBOC.

2.05 Resolving Disputes. In any dispute between Members relating to the Association's activities, all parties involved will cooperate in good faith to resolve the dispute. If the parties cannot resolve a dispute among themselves, the parties shall submit the dispute to the Ethics Committee. The Ethics Committee's decision will be final and binding upon both the parties. Both parties agree to respect a final decision by the Ethics Committee and give up all of their rights to challenge such decision. This paragraph will not apply to a dispute involving the Association as a party relating to the sanctioning, suspending, or expelling a Member from the Association. The Ethics Committee has discretion to authorize the use of corporate funds for third party mediation or arbitration of a dispute described in this paragraph.

2.06 Sanctioning, Suspending, or Terminating Members. To the extent allowed by law, the Board may impose reasonable sanctions on a Member, or suspend or expel a Member from the Association, for good cause after a hearing. Good cause includes defaulting on an obligation to the Association to pay membership fees or the amount owed to the Association for a period of thirty (30) days following delivery of notice of default, or a material and serious violation of the Association's Certificate of Formation, Bylaws, or rules and regulation, or terms and conditions of membership which can be changed or modified from time to time with sole discretion of the Board or as required under Texas law. The Board may delegate powers to a regular or ad hoc committee to conduct a hearing, make recommendations to the Board, or take action on the Board's behalf. The Board or a committee designated by the Board to handle a matter involving sanctioning, suspension, or expulsion may not take any action against a Member without giving the Member adequate notice and an opportunity to be heard. To be deemed adequate, notice must be in writing and delivered at least fourteen (14) days before the hearing. Shorter notice may be deemed adequate, however, if the Board or a committee designated by the Board to handle a matter involving sanctioning, suspension, or expulsion determines that the need for a timely hearing outweighs the prejudice caused to the Member and if the notice states the need for a timely hearing. If mailed, the notice will be sent by registered or certified mail, return receipt requested. A Member may be represented by counsel at and before the hearing at such Member's sole cost and expense. The Board or a committee designated by the Board to handle a matter involving sanctioning, suspension, or expulsion may impose sanctions, suspend a Member, or expel a Member by vote of a majority of directors or a committee designated by the Board to handle a matter involving sanctioning, suspension, or expulsion who are present and voting (or recommend to the membership expulsion of such Member). Any Member who is ultimately sanctioned, suspended, expelled or otherwise has its membership interest revoked, shall be posted in the cooperative magazine and on-line on the cooperative website.

2.07 Resignation. Any Member may resign from the Association by submitting a written resignation to the Secretary. The resignation need not be accepted by the Association to be effective. A Member's resignation will not relieve such Member of any obligations to pay any membership fees or other charges that had accrued and were unpaid before the effective date of the resignation.

2.08 Reinstatement. A former Member may submit a written request for reinstatement of membership. The Board or a committee designated by the Board to handle the matter may reinstate membership on any reasonable terms that the Board or committee deems appropriate.

2.09 Transferring Membership. membership in the Association is not transferable or assignable. membership terminates when the Association dissolves, a Member dies or is dissolved, the primary business of the Member is sold or reorganized, or when there is a change of fifty percent (50%) or more of the shareholders of a Member. membership is not a property right that may be transferred after a Member dies or is dissolved.

2.10 Waiving Interest in Property of the Association. The Association may own all real and personal property, including all improvements located on the property, acquired by the Association. A Member has no interest in specific property of the Association. Each Member waives the right to require partition of all or part of the Association's property.

2.11 Transfer of Membership: Withdrawal. If a Member decides to withdraw from the Association, the Member shall offer his membership to the directors in writing, the directors may elect to have the Association purchase (or recall) such withdrawing Member's interest within a ninety (90) day period following receipt of notice by paying the Member the membership capital attributable to the membership interest. However, no recall may be made if the solvency of the Association would be jeopardized. For purposes of these Bylaws, "membership capital" shall mean the par value of the membership interest which shall initially be \$1 for all classes of membership interest as may be adjusted from time-to-time by resolution of the Board.

2.12 Membership Interests: Recall. If any Member's interest has been terminated pursuant to 2.06 hereof, the Association may recall the Member's membership interest by paying such Member the membership capital attributable to such interest, thereby terminating his membership in the Association. No recall may be made if the solvency of the Association would be jeopardized.

2.13 Reserve Fund and Membership Recall. The Board shall have the power to establish a reserve fund and to use the reserve funds to recall, at the value of his or her membership capital, the membership interest of any Member, and may also provide that if any Member has failed to patronize the Association for period of not less than two (2) years, the Board may recall the Member's interest, thereby terminating the membership interest in the Association. No recall may be made if the solvency of the Association would be jeopardized.

Article 3. MEETINGS OF MEMBERS

3.01 Annual Meeting. The Board will hold an annual Members' meeting at such time and place the Board may decide each year or at another time that the Board designates but no later than August 30th of each year. If the day fixed for the annual meeting is a legal holiday in Texas, the meeting will be held on the next business day. At the annual meeting, the Members will elect directors and transact any other business that may come before the meeting. If, in any year, the election of directors is not held on the day designated for the annual meeting, or at any adjournment of the annual meeting, the Board will call a special meeting of the Members, as soon as possible, to elect directors.

3.02 Special Meetings. Special meetings of the Members may be called by a majority vote of the Board, a written petition of at least one-tenth (1/10th) of the Members or otherwise as

provided by law. When a meeting is demanded, it is the duty of the Secretary to call the meeting for a date no more than thirty (30) days after the demand.

3.03 Place of Meeting. The Board may designate any place, inside the state of Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board. If the Board does not designate the place of meeting, the meeting will be held at the Association's registered office in Texas.

3.04 Notice of Meetings. Written or printed notice of any Members' meeting, including the annual meeting, will be delivered to each Member entitled to vote at the meeting not less than ten (10) nor more than thirty (30) days before the date of the meeting. After fixing the record date, the Board will cause to be prepared an alphabetical list of all Members entitled to notice of any meeting of Members. Notice will be given by or at the direction of the President or Secretary, or the officers or persons calling the meeting. If all of the Members meet and consent to holding a meeting, any cooperative association action may be taken at the meeting regardless of lack of proper notice.

3.05 Eligibility to Vote at Members' Meetings. A Member in good standing is entitled to vote at a meeting of the Members of the Association. A Member in good standing is one who has paid all required fees and dues and is not suspended as of the date of the meeting. The record date for determining the Members entitled to vote at any meeting of Members will be thirty (30) days prior to such meeting. After a record date is fixed, an alphabetical list of Members entitled to receive notice, including their addresses, will be prepared. The list will contain a listing of Members entitled to vote at the meeting but not entitled to receive notice and will be available for inspection at the principal office of the Association from two (2) business days after notice is given until the meeting is held. Any Member entitled to vote at the meeting is entitled to access to the list for the purpose of communicating with other Members, except those Members who fail to keep their information up-to-date or refuse to release such information to the Association in accordance with the Association's record-keeping policies. The Member or the Member's agent or attorney may make the inspection or written demand and copy the list at a reasonable time and at the Member's expense.

3.06 Quorum. Members holding a majority of the votes that may be cast at a meeting who attend the meeting in person or represented by a mail-in vote as allowed under TBOC § 252.156(b) will constitute a quorum at a meeting of Members. The Members present at a duly called or held meeting at which a quorum is present may continue to transact business, even if enough Members leave so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of Members required for a quorum. If a quorum is not present at any time during a meeting, a majority of the Members who are present may adjourn and reconvene the meeting once without further notice.

3.07 Actions of Membership. The membership will try to act by consensus. However, if a consensus is not available on a matter or proposal, the vote of a majority of voting Members in good standing, present and entitled vote at a meeting at which a quorum is present, is enough to constitute the act of the membership unless Texas law or these Bylaws require a greater number. Voting will be by ballot, voice, or mail-in vote at a meeting of the Members.

3.08 Proxies. A Member is prohibited from voting by proxy.

Article 4. BOARD OF DIRECTORS

4.01 Management of Association. The Board will manage the affairs of the Association. The Board may hire an executive director to run the day-to-day operations of the Association upon such terms and conditions as may be approved by the Board or contract with a third party service provider to manage different aspects of the organization including the magazine, auctions, website, advertisements and accounting services.

4.02 Number, Qualifications, and Tenure of Directors. The number of directors will be not less than nine (9) directors for the first five hundred (500) Members, and the Association will add two (2) additional directors for every five hundred (500) additional Members up to a maximum of thirteen (13) directors. There will always be an odd number of directors. Up to three (3) of the director positions may be occupied by a qualifying out of state deer breeder who has a proven record as a deer breeder, is registered and currently in good standing with the appropriate state agency, department or commission of his or her state of residence and is a current Member in good standing with the Association. All other directors must be Texas residents who are either a Member in good standing with the Association, a current employee of a valid TPWD deer permit holder or a current employee of a valid TPWD licensed deer breeding, MLD, DMP or other deer permit holder. Directors will serve staggered terms of three (3) years with one-third (1/3) of the directors elected each year. There shall be no limit on the number of terms. Immediately following the conversion, the directors of Whitetail Deer Breeders of Texas shall serve as the initial Board of the Association until the first annual meeting of the Members.

4.03 Nominating Directors. The Secretary will send written notice to all Members at least ninety (90) days prior to the annual meeting asking for nominations for director. Any voting Member in good standing or a director may nominate a person with the second of any other voting Member in good standing or a director. The Board will appoint a three (3) member Nominating Committee, consisting of Members not up for re-election as directors including at least one (1) member of the current Board. All nominations will be submitted to the Nominating Committee at least sixty (60) days prior to the annual meeting. The Nominating Committee will consider possible nominees and make nominations for each election of directors. The Nominating Committee shall have the power to set the minimum criteria for any nominee to be put up for election to the Board at the annual meeting, however, at a minimum, (a) nominees must have served for at least ninety (90) days on a non-Board committee of the Association, (b) must be an active Member in good standing and (c) whose election will not create a conflict of interest pursuant to Section 7.04. The Secretary will include the names nominated by that committee, and any report of the committee, with the notice of the meeting at which the election occurs including instructions on mail-in voting (including any deadline on accepting mail-in votes). Notwithstanding any directive in this section to the contrary, a person who was a active member of the Association prior to April 1, 2009 is eligible to be nominated for election to the Board in 2009.

4.04 Electing Directors. A person who meets the qualifications as set forth by the Board for director and who has been duly nominated may be elected as a director at the Member's annual meeting. Directors will be elected by the vote of the membership under Section 3.06 hereof. A term shall begin and end at consecutive annual meetings.

4.05 Vacancies. The Board will fill any vacancy in the Board and any director position to be filled due to an increase in the number of directors. A vacancy is filled by the affirmative vote of a majority of the remaining directors, even if it is less than a quorum of the Board. A director selected to fill a vacancy will be serve for the unexpired term of his or her predecessor in office.

4.06 Meeting. The annual meeting of the Board may be held without notice other than the notice provided by these Bylaws. The annual Board meeting will be held each year immediately after, and at the same place as, the annual Members' meeting.

4.07 Regular Meetings. The Board may provide for regular meetings by resolution stating the time and place of such meetings. The meetings may be held within or outside of the state of Texas, and will be held at the Association's registered office in Texas if the resolution does not specify the location of the meetings. No notice of regular Board meetings is required other than a Board resolution stating the time and place of the meetings. Meetings may be held by phone in accordance with Article 12.

4.08 Special Meetings. Special Board meetings may be called by or at the request of the President or any director. Upon demand for such meeting, the President may fix any place within or outside of the state of Texas as the place for holding a special meeting. The person or persons calling a special meeting will inform the Secretary of the Association of the information to be included in the notice of the meeting. The Secretary of the Association will give notice to the directors as these Bylaws require. Meetings may be held by phone in accordance with Article 12.

4.09 Notice. Electronic, written or printed notice of any special meeting of the Board will be delivered to each director not less than one (1), nor more than thirty (30) days before the date of the meeting. The notice will state the place, day, and time of the meeting; who called it; and the purpose or purposes for which it is called.

4.10 Quorum. A majority of the number of directors then in office constitutes a quorum for transacting business at any Board meeting. The directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of directors required for a quorum. If a quorum is never present at any time during a meeting, a majority of the directors present may adjourn and reconvene the meeting once without further notice.

4.11 Duties of Directors. Directors will discharge their duties, including any duties as committee members, in good faith, with ordinary care, and in a manner they reasonably believe to be in the Association's best interest. In this context, the term "ordinary care" means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging any duty imposed or power conferred on directors, directors may, in good faith, rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Association or another person that has been prepared or presented by a variety of persons, including officers and employees of the Association, professional advisors or experts such as accountants or legal counsel. A director is not relying in good faith if he or she has knowledge concerning a matter in question that renders reliance unwarranted. Directors are not deemed to have the duties of trustees of a trust with respect to the Association

or with respect to any property held or administered by the Association, including property that may be subject to restrictions imposed by the donor or transferor of the property.

4.12 Duty to Avoid Improper Distributions. Directors who vote for or assent to improper distributions are jointly and severally liable to the Association for the value of improperly distributed assets, to the extent that, as a result of the improper distribution or distributions, the Association lacks sufficient assets to pay its debts, obligations, and liabilities. Any distribution made when the Association is insolvent, other than in payment of Association debts, or any distribution that would render the Association insolvent, is an improper distribution. A distribution made during liquidation without payment and discharge of or provision for payment and discharge of all known debts, obligations, and liabilities is also improper. Directors present at a Board meeting at which the improper action is taken are presumed to have assented, unless they dissent in writing. The written dissent must be filed with the Secretary of the Association before adjournment of the meeting in question or mailed to the Secretary by registered mail immediately after adjournment.

A director is not liable if, in voting for or assenting to a distribution, the director: (1) relies in good faith and with ordinary care on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by one or more officers or employees of the Association; legal counsel, public accountants, or other persons as to matters the director reasonably believes are within the person's professional or expert competence; or a committee of the Board of which the director is not a member; (2) while acting in good faith and with ordinary care, considers the Association's assets to be at least that of their book value; or (3) in determining whether the Association made adequate provision for paying, satisfying, or discharging all of its liabilities and obligations, relied in good faith and with ordinary care on financial statements or other information concerning a person who was or became contractually obligated to satisfy or discharge some or all of these liabilities or obligations. Furthermore, directors are protected from liability if, in exercising ordinary care, they acted in good faith and in reliance on the written opinion of a certified public accountant for the Association.

Directors held liable for an improper distribution are entitled to contribution from persons who accepted or received the improper distributions knowing they were improper. Contribution is in proportion to the amount received by each such person.

4.13 Delegating Duties. Directors may select advisors and delegate duties and responsibilities to them, such as the full power to buy or otherwise acquire stocks, bonds, securities, and other investments on the Association's behalf and to sell, transfer, or otherwise dispose of the Association's assets and properties at a time and for a consideration that the advisor deems appropriate. The directors have no liability for actions taken or omitted by the advisor if the Board acts in good faith and with ordinary care in selecting the advisor. The Board may remove or replace the advisor at any time and without any cause whatsoever.

4.14 [Deleted.]

4.15 Actions of Board of Directors. The Board will try to act by consensus. However, if a consensus is not available, the vote of a majority of directors present and voting at a meeting at which a quorum is present is enough to constitute the act of the Board, unless the act of a greater number is required by law or by some other provision of these Bylaws. A director who is present

at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the Board's decision.

4.16 Proxies. A director may not vote by proxy.

4.17 Compensation. Directors may not receive salaries for their services. However, the Board may adopt a resolution providing for paying directors for expenses of attendance, if any, for attending each Board meeting.

4.18 Removing Directors. The Board or the Members may vote to remove a director at any time, without cause. A meeting to consider removing a director may be called and noticed following the procedures provided in these Bylaws for a special meeting of the Board or the Members of the Association. The notice of the meeting will state that the issue of possibly removing the director will be on the agenda. A director may be removed by the affirmative vote of two-thirds (2/3) of the Board or the Members. Any director who fails to attend three (3) consecutive Board meetings (whether annual, regular or special meetings and regardless of whether in-person, telephonic or by other electronic means) will be considered to have resigned as a director and vacated his or her directorship.

4.19 Allocations and Distributions of Net Savings.

- (a) At least once each year the directors shall apportion the net savings of the Association in the following order:
 - (i) Investment dividends, within the limitations of Section 251.301 of the TBOC, may be paid from the surplus of total assets over total liabilities on membership certificates;
 - (ii) a portion of the remainder may be allocated to retained earnings;
 - (iii) the remainder shall be allocated at the same uniform rate to each patron of the Association in proportion to individual patronage as follows:
 - 1) in the case of a Member patron, the proportionate amount of savings return distributed to the Member may be any combination of cash, property, membership certificates, investment certificates; and
 - 2) in the case of a subscriber patron, the patron's proportionate amount of savings returns as these Bylaws provide, may be distributed to the subscriber patron or credited to the subscriber patron's account until the amount of capital subscribed for has been fully paid.
- (b) This section does not prevent the Association from disposing of the net savings by rendering services in a manner calculated to lower the fees charged for services or otherwise to further the common benefit of the Members.
- (c) This section shall not prevent the Association from adopting a system wherein the payment of savings returns are deferred for a fixed period of time, nor from adopting a system in which the savings returns distributed are in cash.

Article 5. OFFICERS

5.01 Officer Positions. The Association's officers will be a President, a Secretary, one or more Vice Presidents, and a Treasurer. The Board may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions. The same person may hold any two (2) or more offices, except for the offices of President and Secretary.

5.02 Qualifications, Election and Term of Office. An officer of the Association must be a member of the Board of Directors prior to the officer's election as an officer of the Association and must continue to be a member of the Board of Directors during his or her term in office. All officers must be Texas residents who are either a Member in good standing with the Association, a current employee of a valid TPWD deer permit holder or a current employee of a valid TPWD licensed deer breeding, MLD, DMP or other deer permit holder. The Association's officers will be elected by the Board at the appropriate annual Board meeting. If officers are not elected at that time, they will be deemed to hold office until a successor is duly selected and qualifies. If any officer is not re-elected as a Board member, he or she shall be deemed to have immediately forfeited his or her role as an officer of the Association. Subject to the limitations set forth herein, an officer shall serve a two (2) year term.

5.03 Removal. Any officer elected may be removed by a majority of the members of the Board with or without good cause. Removing an officer will be without prejudice to the officer's contractual rights, if any.

5.04 Vacancies. A majority of the Board may select a person to fill a vacancy in any office for the unexpired portion of the officer's term.

5.05 President. The President is the Association's chief executive officer. He or she will supervise and control all of the Association's business and affairs and will preside at all meetings of the Members and of the Board. The President may execute any deeds, mortgages, bonds, contracts, or other instruments that the Board authorizes to be executed. However, the President may not execute instruments on the Association's behalf if this power is expressly delegated to another officer or agent of the Association by the Board, these Bylaws, or statute. The President will perform other duties prescribed by the Board and all duties incident to the office of President.

5.06 Vice President. When the President is absent, cannot act, or refuses to act, a Vice President will perform the president's duties. When acting in the President's place, the Vice President has all the powers of and is subject to all the restrictions on the President. If there is more than one Vice President, the Vice Presidents will act for the President in the order of appointment. A Vice President will perform other duties as assigned by the President or Board.

5.07 Treasurer. The Treasurer will:

- (a) Have charge and custody of and be responsible for all the Association's funds and securities;
- (b) Receive and give receipts for moneys due and payable to the Association from any source;
- (c) Deposit all moneys in the Association's name in banks, trust companies, or other depositories as these Bylaws provide or as the Board or President directs;

- (d) Write checks and disburse funds to discharge the Association's obligations. However, funds may not be drawn from the Association or its accounts for any expenditure in excess of \$1,000 without the signature of the President in addition to that of the Treasurer;
- (e) Maintain the Association's financial books and records;
- (f) Prepare financial reports at least annually including any reports required to be produced pursuant to TBOC Sections 251.352 and 251.353;
- (g) Perform other duties as assigned by the President or the Board;
- (h) If the Board requires, give a bond for faithfully discharging his or her duties in a sum and with a surety as determined by the Board;
- (i) Refuse to pay any expenses incurred by any person or committee until all the required expense documentation has been properly presented; and
- (j) Perform all of the duties incident to the office of Treasurer.

The duties of the Treasurer may be contracted out to a third party or assigned to other officers of the Association at the direction of the Board.

5.08 Secretary. The Secretary will:

- (a) Give all notices as provided in the Bylaws or as required by law;
- (b) Take minutes of the meetings of the Members and the Board and keep the minutes as part of the corporate records;
- (c) Maintain custody of the corporate records and seal;
- (d) Affix the corporate seal to all documents as authorized;
- (e) Keep a register of the mailing address of each director, officer and employee of the Association;
- (f) Perform duties as assigned by the President or the Board; and
- (g) Perform all duties incident to the office of Secretary.

The duties of the Secretary may be contracted out to a third party or assigned to other officers of the Association at the direction of the Board.

Article 6. COMMITTEES

6.01 Establishing Committees. The Board may adopt a resolution establishing one or more committees, delegating specified authority to a committee, and appointing or removing members of a committee. A committee will include one or more directors and may include persons who are not directors. A committee will have to consult and receive approval from the Board for any decision made. The Board may also delegate to the President its power to appoint and remove members of a committee that has not been delegated any management authority of the Board. The Board may establish qualifications for membership on a committee.

Establishing a committee or delegating authority to it will not relieve the Board, or any individual director, of any responsibility imposed by these Bylaws or otherwise imposed by law. No committee has the authority of the Board to:

- (a) Amend the Certificate of Formation;
- (b) Adopt a plan of merger or of consolidation with another entity;
- (c) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the Association's property and assets;
- (d) Authorize voluntary dissolution of the Association;
- (e) Revoke proceedings for voluntary dissolution of the Association;
- (f) Adopt a plan for distributing the Association's assets;
- (g) Amend, alter, or repeal these Bylaws;
- (h) Elect, appoint, or remove a member of a committee or a director or officer of the Association;
- (i) Approve any transaction to which the Association is a party and that involves a potential conflict of interest;
- (j) Take any action outside the scope of authority delegated to it by the Board; or
- (k) Take final action on a matter requiring membership approval.

6.02 Authorization of Specific Committees. The Board will define the activities and scope of authority of each committee by resolution.

6.03 Term of Office. Each committee member will continue to serve on the committee until his or her term has expired. However, a committee member's term may terminate earlier if the committee is terminated, or if the member dies, ceases to qualify, resigns, or is removed as a member. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a committee will serve for the unexpired portion of the terminated committee member's term.

6.04 Chair and Vice-Chair. The Board shall appoint one member of each committee as the committee chair, and it may designate another member of each committee as the vice-chair. The chair will call and preside at all meetings of the committee. When the chair is absent, cannot act, or refuses to act, the vice-chair will perform the chair's duties. When a vice-chair acts for the chair, the vice-chair has all the powers of and is subject to all the restrictions on the chair.

6.05 Notice of Meetings. Written, electronic or printed notice of a committee meeting will be delivered to each member of a committee not less than twenty four (24) hours nor more than thirty (30) days before the date of the meeting. The notice will state the place, day, time of the meeting, and the purpose or purposes for which it is called.

6.06 Quorum. A majority of the number of committee members constitutes a quorum for transacting business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if

enough committee members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of committee members required for a quorum. If a quorum is never present at any time during a meeting, the chair may adjourn and reconvene the meeting once without further notice.

6.07 Actions of Committees. Committees will try to take action by consensus after consulting and obtaining approval from the Board. However, if a consensus is not available, the vote of a majority of committee members present and voting at a meeting at which a quorum is present is enough to constitute the act of the committee unless the act of a greater number is required by statute or by some other provision of these Bylaws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

6.08 Proxies. A committee member may not vote by proxy.

6.09 Compensation. Committee members may not receive salaries for their services. The Board may adopt a resolution providing for paying committee members for expenses of attendance, if any, for attending each meeting of the committee. -

6.10 Rules. Each committee may adopt its own rules, consistent with these Bylaws or with other rules that may be adopted by the Board.

Article 7. TRANSACTIONS OF ASSOCIATION

7.01 Contracts. The Board may authorize any officer or agent of the Association to enter into a contract or execute and deliver any instrument in the name of, and on behalf of, the Association. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contracts and instruments.

7.02 Deposits. All the Association's funds will be deposited to the credit of the Association in banks, trust companies, or other depositories that the Board selects.

7.03 Gifts. The Board may accept, on the Association's behalf, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association. The Board may make gifts and give charitable contributions not prohibited by these Bylaws, the Certificate of Formation, state law, and provisions set out in federal tax law that must be complied with to maintain the Association's federal and state tax status.

7.04 No Conflicts of Interest. Any contract, transaction or other agreement with (a) a director or (b) any affiliate of a director creating a direct or indirect financial interest in the Association is void or voidable solely for that reason. For purposes of this section "affiliate" shall mean (i) any relative of an individual including a grandparent, any lineal descendent of a grandparent including the spouse of such lineal descendent or (ii) any entity of which an individual holds at least a five percent (5%) ownership interest or otherwise asserts direct or indirect control of its business operations.

7.05 Prohibited Acts. As long as the Association exists, and except with the Board's prior approval, no Member, director, officer, or committee member of the Association may:

- (a) Do any act in violation of these Bylaws or a binding obligation of the Association;

- (b) Do any act with the intention of harming the Association or any of its operation;
- (c) Do any act that would make it impossible or unnecessarily difficult to carry on the Association's intended or ordinary business;
- (d) Receive an improper personal benefit from the operation of the Association;
- (e) Use the Association's assets, directly or indirectly, for any purpose other than carrying on the Association's business;
- (f) Wrongfully transfer or dispose of Association property, including intangible property such as goodwill;
- (g) Use the Association's name (or any substantially similar name) or any trademark or trade name adopted by the Association, except on behalf of the Association in the ordinary course of its business; or
- (h) Disclose any of the Association's business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

Article 8. BOOKS AND RECORDS

8.01 Required Books and Records. The Association will keep correct and complete books and records of account. The books and records include:

- (a) A file-endorsed copy of all organizational documents filed with the Texas Secretary of State relating to the Association;
- (b) A copy of all bylaws, including these Bylaws, and any amendments and restatements thereof;
- (c) Minutes of the proceedings of the Members, Board, and committees, or unanimous consents in lieu thereof, having any of the authority of the Board;
- (d) A list of the names and addresses of the Members, directors, officers, and any committee members of the Association;
- (e) A financial statement showing the Association's assets, liabilities, and net worth at the end of the three (3) most recent fiscal years;
- (f) A financial statement showing the Association's income and expenses for the three most recent fiscal years;
- (g) All rulings, letters, and other documents relating to the Association's federal, state, and local tax status; and
- (h) The Association's federal, state, and local tax information or income tax returns for each of the Association's six (6) most recent tax years.

8.02 Inspection and Copying. Any Member, director, officer, or committee member of the Association may inspect and obtain copies of all the corporate books and records required to be kept under the Bylaws if he or she has a proper purpose for such inspection related to his or

her interest in the Association. If so, he or she shall make such request for inspection in writing or may do so through his or her attorney or other duly authorized representative. The inspection may take place at a reasonable time during regular office hours, no later than five (5) working days after the Association receives a proper written request. The Board may establish reasonable copying fees, which may cover the cost of materials and labor. The Association will provide requested copies of books or records no later than thirty (30) working days after receiving a proper written request.

8.03 Additional Reports. If the Association has more than one hundred (100) Members or at least twenty thousand and no/100 dollars (\$20,000.00) in annual business, the Association shall make such reports as required by §251.353 of the TBOC.

Article 9. FISCAL YEAR

The fiscal year of the Association shall be the calendar year.

Article 10. INDEMNIFICATION

10.01 When Indemnification is Required, Permitted, and Prohibited.

- (a) The Association will indemnify a director, officer, Member, committee member, employee, or agent of the Association who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the Association. For the purposes of this Article 10, an agent includes one who is or was serving at the Association's request as a director, officer, partner, venturer, proprietor, trustee, partnership, joint venture, sole proprietorship, trust, employee-benefit plan, or other enterprise.
- (b) The Association will indemnify a person only if he or she acted in good faith and reasonably believed that his or her conduct was in the Association's best interests. In case of a criminal proceeding, the person may be indemnified only if he or she had no reasonable cause to believe that the conduct was unlawful. The Association will not indemnify a person who is found liable to the Association or is found liable to another on the basis of improperly receiving a personal benefit from the Association. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if the person has been adjudged liable by a court of competent jurisdiction and all appeals have been exhausted. Termination of a proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent does not necessarily preclude indemnification by the Association.
- (c) The Association will pay or reimburse expenses incurred by a director, officer, Member, committee member, employee, or agent of the Association in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the Association when the person is not a named defendant or respondent in the proceeding.
- (d) In addition to the situations otherwise described in this paragraph, the Association may indemnify a director, officer, Member, committee member, employee, or agent of the Association to the extent permitted by law. However, the Association will not indemnify

any person in any situation in which indemnification is prohibited by the TBOC or this Article 10.

- (e) The Association may advance expenses incurred or to be incurred in the defense of a proceeding to a person who might be eventually be entitled to indemnification, even though there has been no final disposition of the proceeding. Advancement of expenses may occur only when the procedural conditions specified in paragraph 10.03(c), below, have been satisfied. Furthermore, the Association will never advance expenses to a person before final disposition of a proceeding if the person is a named defendant or respondent in a proceeding brought by the Association or one or more Members or if the person is alleged to have improperly received a personal benefit or committed other willful or intentional misconduct.

10.02 Extent and Nature of Indemnity. The indemnity permitted under these Bylaws includes indemnity against judgments, penalties, (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. If the proceeding was brought by or on behalf of the Association, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

10.03 Procedures Relating to Indemnity Payments.

- (a) Before the Association may pay any indemnification expenses (including attorney's fees), the Association must specifically determine that indemnification is permissible, authorize indemnification, and determine that expenses to be reimbursed are reasonable, except as provided in paragraph (c), below. The Association may make these determinations and decisions by any one of the following procedures:
 - (i) Majority vote of a quorum consisting of directors who, at the time of the vote, are not named defendants or respondents in the proceeding.
 - (ii) If such a quorum cannot be obtained, by a majority vote of a committee of the Board, designated to act in the matter by a majority vote of all directors, consisting solely of two (2) or more directors who at the time of the vote are not named defendants or respondents in the proceeding.
 - (iii) Determination by special legal counsel selected by the Board by the same vote as provided in subparagraphs (i) or (ii), above, or if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all directors.
 - (iv) Majority vote of Members, excluding directors or other Members who are named defendants or respondents in the proceeding.
- (b) The Association will authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible. If special legal counsel determines that indemnification is permissible, authorization of indemnification and determination of reasonableness of expenses will be made as specified by subparagraph (a)(iii), above, governing selection of special legal counsel. A provision contained in the Certificate of Formation, or a resolution of Members or the Board that requires the indemnification permitted by, above, constitutes

sufficient authorization of indemnification even though the provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

- (c) The Association will advance expenses before final disposition of a proceeding only after it determines that the facts then known would not preclude indemnification. The determination that the facts then known to those making the determination would not preclude indemnification and authorization of payment will be made in the same manner as a determination that indemnification is permissible under paragraph (a), above.

In addition to this determination, the Association may advance expenses only after it receives a written affirmation and undertaking from the person to receive the advance. The person's written affirmation will state that he or she has met the standard of conduct necessary for indemnification under these Bylaws. The written undertaking will provide for repayment of the amounts advanced by the Association if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking will be an unlimited general obligation of the person, but it need not be secured and may be accepted without reference to financial ability to repay.

- (d) Any indemnification or advance of expenses will be reported in writing to the Association's Members. The report will be made with or before the notice or waiver of notice of the next membership meeting, or with or before the next submission to Members of consent to action without a meeting. In any case, the report will be sent within the twelve (12) month period immediately following the date of the indemnification or advance.

Article 11. NOTICES

11.01 Notices by Mail, Telegram or Electronic Mail. Any notice required or permitted by these Bylaws to be given to a Member, director, officer, or member of a committee of the Association may be given by mail, telegram or electronic mail. If mailed, a notice is deemed delivered when deposited in the mail addressed to the person at his or her address as it appears on the records of the Association, with postage prepaid. If given by telegram, a notice is deemed delivered when accepted by the telegraph company and addressed to the person at his or her address as it appears on the records of the Association. If given by electronic mail, a notice is deemed delivered when the sender receives electronic confirmation (either through electronic return receipt or reply email) that the recipient is in possession of the notice. A person may change his or her address in the records of the Association by giving written notice of the change to the Secretary of the Association.

11.02 Signed Waiver of Notice. Whenever any notice is required by law or under the Certificate of Formation or these Bylaws, a written waiver signed by the person entitled to receive such notice is considered the equivalent to giving the required notice. A waiver of notice is effective whether signed before or after the time stated in the notice being waived.

11.03 Waiving Notice by Attendance. A person's attendance at a meeting constitutes waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

Article 12. SPECIAL PROCEDURES CONCERNING MEETINGS BY TELEPHONE

The Board and any committee of the Association may hold a meeting by telephone conference call procedures. In all meetings held by telephone, matters must be arranged in such a manner that all persons participating in the meeting can hear each other; the notice of a meeting by telephone conference must state the fact that the meeting will be held by telephone as well as all other matters required to be included in the notice; and a person's participating in a conference call meeting constitutes his or her presence at the meeting.

Article 13. AMENDING BYLAWS

Except as required by Chapter 251 of the TBOC, amendments must be originated by the Board and must be presented by at least two current directors to the entire Board for a vote at least sixty (60) days prior to the annual meeting and election. The changes to the Bylaws must be approved by a two-thirds (2/3rds) vote of the Board. Upon the approval of the Board, the Secretary will include the proposed changes on either (a) the annual elections ballot for vote of the membership or (b) the ballot for vote at a special meeting called by the Board for the purpose of amending the bylaws, and will include the text of the proposed Bylaw provisions as well as the text of any existing provisions proposed to be altered, amended, or repealed. The proposed amendments must receive a majority vote of the aggregate Members in good standing in order to become effective.

Article 14. MISCELLANEOUS PROVISIONS

14.01 Legal Authorities Governing Construction of Bylaws. These Bylaws will be construed under the laws of the State of Texas. All references in these Bylaws to statutes, regulations, or other sources of legal authority will refer to the authorities cited, or their successors, as they may be amended from time to time.

14.02 Legal Construction. To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit corporations. If any Bylaw provision is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision, and the Bylaws will be construed as if they had not included the invalid, illegal, or unenforceable provision.

14.03 Headings. The headings used in the Bylaws are for convenience and may not be considered in construing the Bylaws.

14.04 Number. All singular words include the plural, and all plural words include the singular.

14.05 Power of Attorney. A person may execute any instrument related to the Association by means of a power of attorney if an original executed copy of the power of attorney is provided to the secretary to be kept with the records of the Association.

14.06 Parties Bound. The Bylaws will bind and inure to the benefit of the Members, directors, officers, committee members, employees, and agents of the Association and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as the Bylaws otherwise provide.

[Secretary's certification follows]

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of Deer Breeders Cooperative, and that these Bylaws constitute the Association's Bylaws. These Bylaws were duly adopted at a meeting of the Board of Directors held on the _____ day of February, 2009, and are effective as of February __, 2009.

DATED: _____

NAME: VICKI McLEAN
TITLE: SECRETARY OF THE ASSOCIATION