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PART TWO

Rules and Regulations

ARTICLE I: MEMBERSHIP FEES

- A. The initiation fees and dues to be charged by the Association are as follows:
Active Members.....\$125.00 plus Annual Dues
Junior Members.....\$30.00 plus Annual Dues
- B. All Active and Junior shall pay annual membership dues. No annual dues shall be payable in the calendar year a member pays their initiation fee. Dues will not be required the following year on a membership issued the last three (3) months of the year. Annual dues are due December 1 of each year and considered delinquent January 1. Any inactive membership may be reactivated by paying the current year dues.
- C. The fees to be charged by the Association for the registration, recordation, transfer of cattle, membership dues and for other services of the Association shall be fixed by the Board of Directors from time to time and copy attached to these Rules and Regulations.

ARTICLE II: AFFILIATED OR LOCAL ORGANIZATIONS

Local organizations of the members of the American-International Charolais Association may be chartered by the Board of Directors for the purpose of engaging in local activities for the promotion of the Charolais Breed of beef cattle. Members of the American-International Charolais Association desiring to form such a local organization shall submit to the Directors, in writing, an application for charter, accompanied by a statement of the plan of organization and proposed activities of the local organization. Such plan may be approved and charter approved by the Board of Directors if the following requirements are met:

- A. The geographical limits prescribed for a local organization shall be such that the members may assemble easily and at frequent intervals to participate in local promotional activities.
- B. The proposed activities of the local organization shall consist of the local promotion of the Charolais Breed of beef cattle, shall not conflict in any way with the activities of the American-International Charolais Association and must be carried on subject to the provisions of the Constitution and Rules and Regulations of the American-International Charolais Association. Local organizations shall not discriminate in any way against the members of the American-International Charolais Association who are not members of the local organization.
- C. The Board of Directors may, at its discretion, withdraw any such charter at any time, if in its opinion, the local organization does not carry on its activities in compliance with the Constitution and Rules and Regulations of the American-International Charolais Association and with such further regulations as the Board of Directors may prescribe from time to time for such local organizations.
- D. AICA funds shall not be allocated to any group which wants to promote their own particular type of cattle.

ARTICLE III: BUDGET

The Board of Directors, at its Fall Meeting each year, shall adopt a proposed budget for the ensuing year with final approval being given at the spring meeting. The accounting will be for the previous year. Said budget shall be adhered to during such year unless modified or amended by the Board of Directors.

ARTICLE IV: AUTHORITY TO CONTRACT FOR ASSOCIATION

Either the Association's current President or its current Treasurer may contract for and bind the Association, and either such officer execute any legal instrument of whatsoever nature in this regard, providing only that the Executive Vice President of the American-International Charolais Association shall also sign any such instrument. No other person or persons shall have the authority to bind the American-International Charolais Association and no contract made by any other individual, other than the ones specified above, shall be binding on this Association. And no such commitment shall exceed a total obligation in excess of \$25,000 without the expressed consent of the Board of Directors.

ARTICLE V: ARBITRATION

No arbitration agreement made under the provisions of this article shall be binding until and unless an actual bona fide dispute shall at first have risen between the parties. Any controversy shall be heard by a panel of three arbitrators appointed by the Association's then acting President and chosen by him/her from a pool of members composed of duly elected committeemen who, at the time of their appointment, are serving on either a permanent or a temporary AICA committee. However, no Officer or Director of the AICA shall be eligible to serve as an arbitrator.

In order to initiate arbitration proceedings, it shall be necessary for each party to sign a written agreement to submit their controversy for arbitration under the terms and provisions of this article. The agreement to arbitrate must be signed upon the advice of counsel and each party must obtain such counsel's signature on the instrument itself.

The President shall upon receipt of the duly executed agreement to arbitrate outlined above and after payment to the Association the sum of \$1,000 by each disputant, proceed forthwith to appoint three arbitrators and to name the time and place where they shall meet to hear evidence and arguments. Thereafter, the Executive Vice President shall give each party notice of the date and time on which the hearing shall be held and the names of the arbitrators who will preside.

Each party shall be entitled to be heard and to present any evidence material to the controversy and to cross-examine the witnesses appearing at the hearing. Any party has the right to be represented by an attorney in any proceeding held under this article.

The hearing shall be conducted and heard by all three arbitrators. They may adjourn the hearing from time to time as necessary or upon request of any party and for good cause shown or upon their own motion.

A simple majority vote of the arbitrators shall be conclusive of any questions arising before them and such majority shall render a final award.

The arbitrators shall act under the provisions of and enjoy the powers conferred under Article 230, Vernon's Annotated Texas Statutes, as revised. The arbitrators may authorize a deposition to be taken of witnesses who cannot be required by subpoena to appear before them or who may be unable to attend the hearing and this deposition may be used as evidence at said hearing.

The arbitrators may issue or cause to be issued by any one of them, subpoenas for the attendance of witnesses and for the production of books, records or documents or other evidence. The appearance of witnesses required by such subpoenas may be either at the hearing before the arbitrators or at a deposition of such witness. These subpoenas shall be issued in a manner provided by law under the provisions of Article 230, Vernon's Annotated Texas Statutes.

Fees for witnesses attending any hearing before the arbitrators or any deposition taken pursuant to the arbitration proceedings will be the same as those provided to witnesses in a civil action in the District Court of Texas.

The complaining party or plaintiff shall have the burden of proof and shall be entitled to open and conclude the argument.

The arbitrators may hear and decide any case solely on affidavits, depositions, and other documentary instruments without the appearance of witnesses or parties if the parties so provide in their agreement. Nothing, however, shall act to deprive either of the right to appear in person if he/she elects to do so. Any party may require a court reporter to be present and prepare a transcript of the proceedings made at his/her own expense. But, in such event, said party shall furnish to each arbitrator a copy of the transcript without cost to them. If both parties desire a transcript, then this cost shall be borne equally by them.

All costs and expenses incident to the conduct of any proceedings held under this article shall be borne equally by the parties to the controversy and shall be deducted from the \$1,000 advance fee deposited by each party. The arbitrators shall require each party to make such other and further deposits to defray the cost of the proceeding held hereunder as the arbitrators may in their unlimited discretion deem necessary.

The award of the arbitrators shall be in writing and shall be signed by the arbitrators joining in the award. The arbitrators shall deliver a copy to each party personally or by registered or certified mail. An award shall be made within the time fixed therefore by the agreement, or if no such time is set, then within thirty (30) days following the hearing.

ARTICLE VI: CASH TRANSACTIONS WITH THE ASSOCIATION

All transactions must be on a cash basis. Check, money order, or credit card information must accompany all applicants.

ARTICLE VII: HERD BOOKS

A. Charolais Purebred Registry

The Secretary shall cause to be kept and/preserved in the office of the Association a full and complete record known as the American-International Charolais Association Purebred Registry, containing a record of:

1. Private herd number (brand or tattoo) sex, date of birth, owner, sire and dam of every Charolais accepted for entry in the said Purebred Registry in accordance with the Rules and Regulations governing entries therein: and
2. All subsequent transfers of ownership of animals so registered.
3. The color of animals for which registration is sought, with animals subject to the color disqualifications contained in Section V.1.a through d to be requested only in a Colored Division Registry as provided in Article VIII, Section V.1.d.

B. Charolais-Cross Record

In addition, the Secretary shall cause to be kept and preserved in the office of the Association a full and complete record known as the American-International Charolais-Cross Record, containing a record of:

1. Private herd number (brand or tattoo), sex, date of birth, owner, sire and dam (including their breeding) of every Charolais-Cross animal accepted for entry in the said Charolais-Cross Record, in accordance with the Rules and Regulations governing entries therein: and
2. All subsequent transfers of ownership of animals so recorded in the Charolais-Cross Record.

C. Charbray Division Registry

In addition, the Secretary shall cause to be kept and preserved in the office of the Association a full and complete record known as Charbray Division Registry of the American-Internationals Charolais association, containing a record of:

1. Private herd number (brand or tattoo), sex, date of birth, owner, sire and dam (including their breeding) of every Charbray animal accepted for entry in the said Charbray Division Registry, in accordance with the Rules and Regulations governing entries therein: and
2. All subsequent transfers of ownership of animals so registered in the Charbray Division.

D. Charbray-Cross Record

1. Private herd number (brand or tattoo), sex, date of birth, owner, sire and dam (including their breeding) of every Charbray-Cross animal accepted for entry in the said Charbray-Cross Record, in accordance with the Rules and Regulations governing entries therein: and
2. All subsequent transfers of ownership of animals so recorded in the Charbray-Cross Record.

ARTICLE VIII: REGISTRATION AND RECORDATION

A. Privileges of Registration and Recordation

All Active and Junior Members of the Association are eligible to register cattle in the American-International Charolais Association Herd Books. Non-members may register at double fees.

1. Registration in the "Purebred Registry" shall extend to and be available to all cattle having not less than 31/32 Charolais Blood and are free of the disqualifications contained therein, provided the requirements written in the Rules and Regulations are complied with and further provided that:
 - a. Progeny of Registered Animals – The progeny of a Charolais sire and a Charolais dam that are both registered

- as purebreds in the Association's Purebred Registry are eligible for registration.
- b.** Progeny of Registered and Recorded Animals – The progeny of a dam of 15/16 or more Charolais breeding recorded in the Association's Charolais-Cross Record or Charbray-Cross Record and whose sire is a purebred Charolais registered in the Association's Purebred Registry is also eligible for registration.
 - c.** Full French Registration: The Association will identify Full French Charolais cattle meeting the criteria described below by having the initials FFF preceding the registration number for females and FFM preceding registration number for bulls.
 - (1.)** Such animals shall conform to all current requirements for registration in the AICA in force at the time of application for registration.
 - (2.)** Such animals shall be pure French animals or descendants of pure French animals exported from France no earlier than 1962 and in the event said animals or their ancestors exported from France since 1962 were domiciled in a foreign country, that country must have had a national Charolais Association that kept continuous records on the parentage and ancestry of said imported animals back to the time that said animals or their ancestors were exported.
 - (3.)** Pass the standard DNA test for parentage verification in accordance with current AICA DNA Procedures or pedigree check.
 - (4.)** Bloodtype of animals tested prior to April 30, 1978, will be accepted as Full French, following pedigree check.
 - (5.)** Full French animals DNA or bloodtyped and/or calved after January 1, 1975 must be parentage verified or pedigree checked.
 - d.** American French Registration: A certificate with prefix AF (American-French) may be requested for animals bred-up to 15/16 French blood. This requires nine generations from foundation cows or four generations starting with a French sire and purebred domestic cow. The great grand dam must be ½ French. For example, a Full French sire with a purebred female or an American French sire with a Full French female could produce American French offspring.
- 2.** The purpose of the "Charolais-Cross Record" is to provide a means whereby accurate records can be maintained of the breeding and the specific percentages of Charolais blood of each generation of Charolais-Cross animals which are devoted to an upbreeding system with the object of attaining the stature of 31/32 Charolais blood and becoming eligible for registration in the Purebred Registry of the Association. To be eligible for Recordation in the Charolais-Cross Record of AICA, each individual case must conform to the Rules and Regulations and requirements set forth.
- a.** Recordation in the Charolais-Cross Record shall extend to all cattle having less than 31/32 Charolais blood appearing on the records of AICA and Charbray Division.
 - b.** Foundation Animals – "Foundation Animal" as the term implies means the initial animal of a line of breeding recorded in the Charolais-Cross Record of the Association. The eligibility requirements for recordation of a foundation animal (first cross) born after June 1, 1971, are as follows: Females resulting from the first cross having not less than ½ Charolais blood are eligible for recordation as a Foundation Animal provided:
 - (1.)** The dam or sire is identified by breed or combination of breeds.
 - (2.)** The sire or dam is a registered Charolais.
 - (3.)** Male calves must be ¾ Charolais.
 - (4.)** Animals shall not be disqualified for color with the exception of black. Black cattle will not be recorded.
- 3.** Registration in Charbray Division Registry
To be eligible for registration in the Charbray Division Registry, animals must conform to the following basic rule: From February 25, 1998 onward, a Purebred Charbray can be 5/8 to 13/16 Charolais and 3/8 to 3/16 Bos indicus. The progeny resulting from the mating of two previously Registered Charbray will be considered as Purebred Charbray. The blood percentage from these progeny will be so stated on the registration papers. A 1/32 or less of any breed in the progeny of purebred Charbray, Charolais, Recorded Charolais, Recorded Charbray or Bos indicus will not appear on the registration or recordation certificate. The Brahman portion must be derived from registered Bos indicus cattle.
- 4.** Recordation in Charbray-Cross Record
Animals eligible for recordation in the Charbray-Cross Record of the Association are those male progeny from ¼ but less than 5/8 Charolais resulting from original mating of registered Charolais Bos indicus cows or bulls, and female progeny of the same percentage resulting from mating of registered or recorded Charolais and registered Charbray, either through natural service or artificial insemination.
- 5.** Registration in Colored Division Registry: Animals subject to the color disqualifications contained in Section V.1. a through d but otherwise eligible for registration in the Purebred Registry shall be eligible for registration in a Colored Division Registry, the exception being black animals. The Association will register and identify Colored Charolais cattle meeting the criteria described below by having the initials QF preceding the registration number for females and QM preceding the registration number for bulls.
- a.** Such animals shall conform to all current requirements for registration in the AICA in force at the time of application for registration.
 - b.** Such animals shall have not less than 31/32 Charolais blood.
 - c.** Progeny of such animals shall be registered only in the Colored Division Registry, the exception being black animals.
 - d.** Such animals shall be subject to the standard parentage verification test in accordance with current AICA parentage.
- 6.** Registration in Percentage Charolais division: The Association will register and identify percentage Charolais animals meeting the criteria described below by having the prefix MP preceding the registration number for males and FP preceding the registration number for females.
- a.** Such animals shall conform to all current requirements for registration in the AICA in force at the time of application for registration.
 - b.** Such animals shall have not less than 1/2 Charolais Blood.
 - c.** Animals will not be disqualified for color with the exception of black. Black cattle will not be recorded.
 - d.** Animals can be recorded if either their sire or dam is purebred registered Charolais or if both their sire and dam are recorded Charolais (1/2 blood or higher).
 - e.** Any progeny out of these animals must be registered in the Percentage Charolais division.

B. Ownership of Sire

The AICA makes no attempt to regulate the sale, lease or other use of any Charolais animal. However, for the purpose of determining the eligibility of such animal's progeny for Registration and Recordation, the following rules shall be observed:

1. The ownership of a sire shall be divided into no more than four (4) equal breeding interests. Each interest shall be on record in the AICA office and a Certificate of Registration fee must be paid for each partial interest. If an interest is owned in partnership, one individual must be designated to sign for the corporation.
2. Should the Association's Recording Secretary or the applicant be unable for any reason to obtain the necessary signature(s) of the owner necessary to properly complete any application for registration or recordation arising under this rule, then in such event the question of whether to issue said recordation or registration papers shall be referred for determination to the Rules & Ethics Committee which, after giving due notice and an opportunity to be heard to both parties, shall recommend that any such application be either approved or disapproved and the matter referred to the Board of Directors for its adoption or rejection as in other hardship cases.
3. As in the case of the sale of bulls for natural breeding, artificial breeding privileges also transfer with the ownership of the bull and all stored semen must be considered as sold with the interest in the bull. The past owner is subject to all Rules and Regulations governing the registration and recordation of the progeny of out-of-herd artificial insemination.

C. Multiple ownership of females of up to four owners became effective January 1, 1981 with certain qualifications

1. Each interest shall be on record in the AICA office and a Certificate of Registration fee must be paid for each partial interest.
2. Any progeny of partial interest females will be registered partial interest in accordance with the ownership of the dam unless an authorization, signed by all owners, stating other terms is on file with the AICA. If an interest is re-sold, a new authorization must be filed with the AICA.

D. Ownership of Dam

1. Progeny are registered or recorded in the name of the owner of record at time of birth. In the case of multiple-owned females, if above qualifications are met, the progeny will be registered or recorded as bred and owned as indicated.

E. Progeny from Artificial Insemination

1. Calves, the produce of out-of-herd artificial insemination, shall be accepted for registration or recordation provided the breeder has complied with the regulations governing artificial insemination
2. The progeny of within herd artificial breeding, where the breeder is the owner of both the sire and dam at time of service, shall be accepted for registration and recordation and considered the same as for the progeny of natural breeding.

F. Branding Requirements

Any animal to be registered or recorded in the AICA shall be identified by a private herd number (tattoo or firebrand) in accordance with the following requirements:

1. Each breeder shall devise his own plan or system of tattoo identification using a series of numbers and/or letters, or a combination of numbers and letters.
2. No two animals of the same sex registered or recorded by the same breeder shall be given identical numbers.
3. Tattoo marks shall be limited to a maximum of eight units.
4. Only standard numbers or standard letters and numerals shall be acceptable for herd number identification.
5. If the tattoo of an animal becomes unreadable or illegible, the same marking shall be placed in a different lobe of the ear and no attempt shall be made to alter or over-imprint the old tattoo and the AICA office should be notified of the change.

G. Calves of Multiple Birth

When applying for registration or recordation of twins or one number of twins, the word "Twin" must be written following the animal's name on the application and the sex of the other twin must be given. Unless this is done, no application for Registration or Recordation of the other twin will be accepted. In case of death of one twin or one twin is not to be registered or recorded, the above information should be submitted to the Association for record. If both twins are to be registered or recorded, a separate application must be submitted for each. In case of twins of opposite sex, the female cannot be registered or recorded until proven to be a breeder, at which time the extra fee for age shall be waived.

H. Eligibility of calves produced by Embryo Transplant

1. The following requirements shall apply to registration of calves resulting from an Embryo Transplant.
 - a. The Sire and Donor Dam must be DNA tested.
 - b. DNA testing of recipient dams may be required by the Association if the DNA analysis of the calf indicates an inconsistency. The owner of the donor dam shall be responsible for DNA fees.
 - c. The owner of record of the donor dam at the time of conception must be identified as the breeder.
 - d. For registration purposes, the owner of the embryo and resultant calf shall be known as the first owner. Also, the owner of the recipient dam, when calf resulting from embryo transplant is born, shall be known as the first owner. The first owner of the calf will be responsible for submitting the application for registration and DNA testing of the calf, if requested.
 - e. Registration Certificates issued for offspring from embryo transplants shall be so designated by the inclusion of the letters ET in the last two name spaces on the application for registration form. The Association may require information from the owner(s) from time to time relating to embryo animals.
 - f. Resulting offspring calved after the death of the donor cow shall be eligible for registration under the same conditions and provision governing the eligibility of the embryo calves prior to death of said female. No time limit is imposed on the use of embryos after death, providing the donor cow is DNA tested subject to exception stated in "g".
 - g. If there is a dead donor dam that has been registered and all effort has been taken through scientific technology to determine her DNA, which was unsuccessful, and if all other requirements of this rule have been met, then the breeder may, request a waiver of the donor dam DNA requirement, provide an affidavit, properly notarized, to the Association swearing that, to the breeder's personal knowledge, the donor cow has not been DNA tested and is dead, and pay a fee of \$1,000 to the Association, whereupon the Rules and Ethics Committee will grant such a waiver at their next meeting.
2. If the embryo was purchased (fresh, frozen, or already implanted) or retained after the donor dam was sold the flush date must be given and the signature of the owner of the donor at the time must be obtained.

I. Eligibility of cloned calves

1. The following requirements shall apply to the registration of cloned calves.
 - a. The Association shall register without limitation those Charolais cattle that are a clone of Charolais cattle holding an AICA registration or recordation certificate of breeding.
 - b. Verification of the clone animal must be done through DNA testing.
 - c. Cloning donor's dam and sire must be DNA tested whenever possible.
 - d. A fee equal to that of the Whole Herd Rewards fee shall apply to all cloned calves.
 - e. The owner of the tissue donor at the time of sample collection must be identified as the breeder.
 - f. For registration purposes, the owner of the resultant calf shall be known as the first owner. The first owner of the calf will be responsible for submitting the application for registration and DNA testing of the calf, if requested.
 - g. Registration certificates issued for clones shall be designated by the inclusion of the letters "CLONE" in the last 5 spaces of the animal name.

J. Steers:

Steers are not eligible for registration or recordation except for show purpose. The application must be plainly marked "Steer" and the certificate will be cancelled immediately after registration. The certificate will be boldly stamped "Steer" and the regular registration fee applies.

K. Application for Registration or Recordation

All applications must be made on approved forms which maybe obtained from the AICA office. It must be legibly completed, preferably typed or filled out in ink, and contain the following information:

1. Sex of the animal to be registered.
2. Date of birth.
3. Indication of whether the animal is a twin or other multiple birth.
4. Identification number (private herd number) and location on the animal.
5. Name of animal.
6. Indication of whether or not the animal is the produce of artificial insemination or embryo transplant.
7. Percentage of Charolais blood and balance of breeding if a Charolais-Cross or Charbray.
8. Color description, including body and nose.
9. Exact herd number and registration number of the sire including AICA prefix.
10. Exact herd number and registration number of dam including AICA prefix.
11. Foundation dams must be identified by breed.
12. Signature of owner of sire at time dam was served, unless the same is already given on the transfer of the pregnant dam or are on file at AICA office.
13. Signature and address of the breeder (owner of dam at the time of service).
14. Signature and address of first owner (owner of dam at the time of calving).
15. If the application is not the first owner, then application for transfer will be required from the first owner and any succeeding owners to the present applicant.
16. Signature of the applicant is certification that the animal is qualified for registration or recordation.
17. Applicant's breeder number.
18. Preparation of Application.

Name: An animal's name cannot contain more than 30 characters or spaces, and only English letters and Arabic numbers shall be acceptable. Unusual marks or symbols cannot be accepted.

The association reserves the right to require the applicant to change the name assigned to an animal on an application for registry when the identical name is found to have already been used or it is deemed advisable to do so. The substitute name to be supplied by the applicant. As this application is literally an affidavit by the applicant, it must be signed.

RUBBER STAMP SIGNATURES WILL NOT BE ACCEPTED UNLESS INITIALED.

Breeder: The breeder of an animal is the owner of the dam at the time she was bred to produce the calf for which application is made.

First Owner: The first owner of a calf is the owner of the dam at the time the calf is born.

Sale of Calf at Side: As of July 1, 1980 all calves must be registered and transferred individually rather than on the dam's certificate. This applies to all private sales as well as auction sales.

The seller must furnish the purchaser at the time of sale, an application of Registration and Recordation of the calf so sold, duly filled out and signed in order that the purchaser can complete registration or recordation, if the calf is not already registered. The registration and transfer would be at prevailing AICA fees.

L. Certificate of Registration or Recordation

1. A registration number shall not be assigned to an animal, or a certificate issued, until every requirement of the Rules and Regulations has been complied with.
2. The existence of more than one registration certificate per animal shall not be permitted, except in case of partial interest ownership.
3. The Certificate of Registration and Recordation issued by the Association shall constitute receipt for the fee paid, but the Association shall not be bound by such certificate, in case of error.
4. Bulls of less than $\frac{3}{4}$ Charolais breeding will not be recorded, except as permitted in the Charbray-Cross Record.

M. Breeding Date Ruling

Cows pasture exposed or bred by artificial insemination to one bull must not be pasture exposed to another bull until at least 21 days have elapsed since exposure to the first bull. In cases where this rule is not strictly followed, calves may be declared ineligible for registration or recordation, if dates of birth involve a question as to sire except where parentage is verified by means of DNA testing.

N. Semen Transfer or Natural service permit

1. If the person who applies for registration or recordation of the calf is not the owner of its sire at the time the dam was bred to produce the calf, he must secure certification from the owner of the bull that served the dam (unless the service has been properly reported on the Transfer of the pregnant dam). Name, private herd number and Registration or Recordation Number of the bull, and the date of service, or if pasture bred, the period of exposure must be given.
2. It is provided, however, that if the Recording Secretary or applicant, or both, encounter any difficulty in getting the cooperation of the owner to conform to either of the above described methods of certification, that the Board of Directors has the authority to approve or disapprove the Application in question based on the evidence submitted by the applicant.

O. Multiple Sire Breeding

The use of two or more bulls in the same pasture with a group of cows is permitted in the case of the first cross for production of foundation animals. Then, the applicant must state on the application that the animal is the result of Multiple Sire Breeding and must list the possible sires by registration number.

The use of two or more bulls in the same pasture with a group of registered cows is permitted, provided the resulting offspring and sire ID by DNA testing.

P. Registration for the Estate of a Deceased Person

In the event of the death of one who normally would apply for registration or recordation of cattle, the Association requires that there shall be filed in the office all papers and documents necessary to show that the person requesting the registration or recordation is legally authorized and entitled to request such registration or recordation.

Q. Change of Animal's Name

The name of an animal may be changed if written permission is received from the first owner, the animal has no registered progeny and payment of required fees.

R. Duplicate Certificates of Registration or Recordation

A duplicate Certificate of Registration or Recordation may be obtained by submitting notification in writing from the recognized owner that such certificate has been lost or destroyed and that if and when such papers are found, they will become the property of the AICA and be immediately returned to the Association's office. (Special forms for securing Duplicate Certificates may be obtained from the Association office upon request.)

S. Correction Errors

New certificates should be checked immediately upon receipt to determine if correct. If an error is found or correction found to be necessary, it should be returned to the Association office for correction. (An Application for Correction form is available from AICA.)

1. Errors in Registration, Recordation, or Transfer committed by the Association office shall be corrected free of charge.
2. Errors committed by applicants for Registration, Recordation, or Transfer shall be corrected at fees established by these Rules and Regulations.

T. Incomplete Applications for Registration and Recordation

Whenever an application is incomplete, and the applicant has failed to provide all of the information required by this Article of the Rules and Regulations, such application shall be returned to the applicant for completion. An application shall be considered incomplete if not accompanied by required fee.

U. Surrender of Registration or Recordation Certificates

When a registered or recorded animal is lost by death, destruction, or other means, or is disposed of for slaughter or as a common grade animal, it shall be the obligation of the listed owner of the animal to inform the Association to cancel the animal. The cancellation request can be done in any manner including, but not limited to, lists available from the AICA office. The cancellation request must include the animal's name, herd number and the AICA registration number. The request for cancellation must be signed.

V. Disqualifications

1. For Purebreds - 31/32 and up and notwithstanding parentage verification by DNA.
 - a. Nothing accepted unless light cream, light straw or white in color with pink skin
 - b. Animal must not have a dark nose
 - c. Animal must not have excessive dark skin pigmentation.
 - d. Provided, however, that the foregoing disqualification numbered "a" through "c" inclusive shall not apply as to animals for which an application is submitted for the Colored Division Registry described in these Rules and Regulations.
 - e. An unidentified sire or dam.
2. For Charolais-Cross - under 31/32.
 - a. Except for the first cross, the sire and dam must be registered or recorded in AICA.
 - b. Sire or dam on first cross must not be less than 31/32 Charolais.
 - c. Sire having less than ¾ Charolais breeding.

W. Purebred Selection Guide

1. Color: Solid white, creamy white or light straw.

Article IX: TRANSFERS

Transfer of cattle registered or recorded in the American-International Charolais Association must be made promptly in order that progeny of the animal may be registered or recorded and subsequent changes in ownership recorded.

A. Transfer of Registration or Recordation

1. Every transfer of registration or recordation of an animal used for breeding purposes must be recorded by official transfer on the records of AICA.
2. It shall be a duty of the transferor to apply for transfer and to pay the transfer fee unless it is otherwise specifically agreed between

transferor and transferee, in which case the transferor must execute an application for transfer in favor of the transferee.

3. "Transferor" shall mean the individual, partnership or corporation in whose name an animal is registered.
4. "Transferee" shall mean the individual, partnership, or corporation into whose name the animal is to be registered or recorded.
5. If, in the case of a change of ownership of a registered or recorded animal, it is agreed that the certificate of registration or recordation is not to be transferred, it shall be the duty of the individual, partnership or corporation in whose name the animal is registered or recorded to surrender such certificate to the Association for cancellation indicating that the animal was sold as a grade.
6. It shall be the duty of the transferor before offering a registered or recorded animal for sale, or applying for transfer, to verify that the animal carries legible identification marks, corresponding to the identification marks entered on its certificate.
7. No Application for Transfer shall be signed prior to actual delivery date of the animal and without filling in completely all blanks on the form. Violation of this subparagraph will subject members to such disciplinary action and the applications of members and non-members to such penalty as the Board of Directors deem appropriate, including as a minimum penalty rejection of the application to transfer. Applications which are defaced or mutilated or which violate this subparagraph will be returned to the buyer without action, accompanied by a letter explaining the reason for non-action.
8. A transfer application is a transfer of ownership and must be signed by hand. A rubber stamp signature with written initials will be accepted.
9. Ovum Transplant before entering an embryo transplant program, both sire and donor cow must be DNA tested and the recipient cow identified by breed and permanent brand or tattoo. If a recipient cow is sold with calf, the seller must furnish an embryo Registration application to the buyer.

B. Application for transfer of Registration or Recordation

Application for transfer shall be made on an approved form and signed by the transferor or his authorized agent. Evidence of authority to sign as agent on behalf of a transferor and the signature of an authorized agent must be filed in the office of the Association before transfer application will be accepted for processing.

An application form is printed on the back of each registration certificate. The application shall be legibly completed, preferably typed or filled in with ink and must specify:

1. Name and post office address of transferee
2. Date of delivery
3. Service date, name and registration number of bull if animal transferred has been served. (The date of service must be prior to the date of transfer; dates of exposure must be completed.)
4. Signature of owner of record of service bull or a semen transfer on file in the AICA office if service is by A.I.
5. To whom Registration or Recordation Certificate is to be sent after transfer is properly recorded in the Association office.

C. Omission of Data on Transfer Application

The execution of transfer application with the names and address of the transferees, date of sale or transfer, or other data omitted is prohibited.

D. Cow with calf at side

If a cow is sold with a calf at side, the transferor must register and transfer the calf individually at prevailing AICA fees.

E. Transfer of Artificial Breeding Service

When transfer is made of a dam pregnant by artificial insemination it shall be the responsibility of the transferor or seller to indicate all breeding dates in the preceding 298 days on the registration certificate to be transferred, to pay all breeding or signing fees and to secure proper signatures from the owner(s) of the bull or persons authorized to sign as owner of such bull. Or the seller must sign as semen owner if a sire signing is on file with the Association, in which case, the sire signing will be transferred to the buyer's signature inventory.

F. Adjustment Transfer

Transfer for the purpose of correcting certificate records to exact membership names as required by the Rules and Regulations are not classified as transfers in the ordinary usage of the term and may be made at special fees specified in these Rules and Regulations.

G. Errors in Recording of Transfers

The Association shall not be bound by errors in the recording of the transfers.

H. Transfer by Affidavit

In case of neglect or refusal of a member or non-member of the Association to apply for transfer of registration or recordation, transfer may be recorded, if approved by a majority of the members of the Rules Committee and Board of Directors, on the basis of the transferee's affidavit setting forth the facts and sworn to or affirmed before a Notary Public. Each such affidavit must be accompanied by proof of sale and payment in full of the purchase price of the animal or by evidence of an agreement to sell, purchase or transfer including the terms and conditions of service, if any, in the case of females and payment of fees.

I. Transfer Application of Animals Consigned to Public Sale

Sales managers or their representatives may fill in buyer's names on the application for transfer of animals consigned to public sales.

J. Transfer of Exported Animals

Application for transfer of an animal exported to another country shall be made upon receipt of a completed transfer application. Rush fees are waived for transfers to foreign buyers with a foreign address.

K. Transfer from the Estate of a Deceased Person

In the event of the death of a transferor, the Association requires that there shall be filed in its office all papers and documents necessary to show that the person requesting transfer is legally authorized and entitled to request such transfer.

L. Incomplete Applications for Transfer

Whenever an application for transfer is incomplete, and the applicant has failed to provide all of the information required by this Article of the Rules and Regulations, the application shall be returned to the applicant for completion. An application shall be considered incomplete if not accompanied by the required fee.

M. Responsibility for Legal Title

A transfer of Registration or Recordation entered on an application or a certificate of registration or recordation, or on the records of the Association shall not be construed as a conveyance or warranty of legal title by the Association. The Association shall in no way be involved in or assume liability for purchase, sale, or terms of sale of registered or recorded animals, or the passage of legal title thereto.

ARTICLE X: REGISTRATIONS OF ANIMALS FROM OTHER RECOGNIZED ASSOCIATIONS

A. Registration of Imported Animals

Registration of animals registered in any of the member associations of the International Federation of Charolais Associations and from the

Government Livestock Registries in El Salvador and Costa Rica shall be accepted for registration if they conform to the requirements set forth in these Rules and Regulations. The application must be accompanied by certificates of Registration, complete pedigrees and proof of ownership.

All animals transferred from Canada to the United States must first be transferred through the Canadian Charolais Association prior to registration in AICA.

B. Registration of Calves Imported in Dam

If a cow was bred prior to importation from a foreign country and a record of service does not appear on the export certificate, the owner of the bull on the date of service must certify to the particulars of service.

C. Registration of Calves Imported at Side

Registration of a calf, imported at side of a cow recorded in the Herd Book of other recognized associations, shall be accepted only if the calf is also registered in the said Herd Book.

D. International Federation of Charolais Associations

Verband der Deutschen Charolais (Germany)
The British Charolais Cattle Society (England)
Asociacion Argentina Criadores de Charolais (Argentina)
Bahamian Charolais Herd Book (Bahamas)
Asociacao Brasileira de Criadores de Ganado Charolais (Brazil)
Canadian Charolais Association (Canada)
Associaition Colombiana de Criadores de Ganado Charolaise y Charbray (Colombia)
Denmarks Charolaisforening (Denmark)
American-International Charolais Association (United States)
Herd Book de la race bovine Charolais (France)
Japan Charolais Association (Japan)
Federation des Herdbook Luxembourgeois (Luxembourg)
Charolais Herd Book International (Mexico)
Livro Genealogico Portugues de race bovine Charolesa (Portugal)
Asociacion de Criadores de Charolais de Espana (Spain)
Association des Eleveurs Uruguayens de betail Charolais (Uruguay)
Irish Charolais Cattle Society (Ireland)
Charolais Breeders Association of South Africa (South Africa)
Norwegian Charolais Association (Norway)
The Charolais Society of Australia
Het Nederlandse Charolais Stamboek (Holland)
Svenska Charolaisforeningen (Sweden)
Jamaica Livestock Associaton, Ltd. (Jamaica)
Costa Rica National Registry (Costa Rica)

E. Registration of Imported Sires

1. Bulls domiciled in the U.S. irrespective of origin, ownership, member or non-member must be registered in the AICA.
2. Bulls owned and domiciled in Canada or Mexico require registration in the AICA. If partially owned by an AICA member this partial interest must be registered in the AICA.

ARTICLE XI: FEES AND SERVICE

A. Registration, Recordation, Transfer, Pedigree and Duplicates

1. Registration, Recordation, Transfer of Ownership, Pedigree, or Duplicate, etc., shall be on a cash basis. Check, money order or credit card information must accompany all applications.
2. Fees charged for issuance of Registration, Recordation, or Transfer are determined by the date received and the status of the applicant to Record or Register, or of the seller on the date received. If the application is delivered by means other than the United States mail, the effective date for determination of the fee shall be the date the item is received in the Association office.
3. All active and junior members shall pay annual membership dues. No annual dues shall be payable in the calendar year a member pays his initiation fee. Annual dues are considered delinquent January 1.

B. Fees to All Breeders (Subject to change by order of the Board of Directors)
(SEE CURRENT FEE SCHEDULE)

ARTICLE XII: MEMBERSHIP

A. Types of Membership

1. *Active Membership:* Active Membership may be issued in the name of an individual, a farm or ranch name, a partnership or a corporation, who are active breeders of Registered or Recorded Charolais or Charbray. The initiation fee is \$125.00, payable at the time application is submitted. Annual dues are due and payable the following year to retain active status. Acceptance is subject to approval by the Board of Directors and applicant must comply to all terms and conditions contained on the face of the membership application.
2. *Junior Membership:* Junior Membership is available to boys and girls twenty-one years of age and younger who are interested in the Charolais and Charbray breed of cattle. Upon recommendation of the Director of Youth Activities, an applicant may be elected to Junior Membership by the Board of Directors. Initial fee is \$30.00; of which the AIJCA receives \$5.00. Regular membership fees apply to record, register and transfer animals. Membership remains in effect until such minors reach the age of twenty-two and may then be converted to Active Membership upon application and paying the fee. Junior Members enjoys all privileges of an Active member except a right to vote. Annual Junior dues are \$25.00.

B. Required Information

1. Blank forms for membership will be furnished by the Recording Secretary on request and no membership will be

accepted except upon one of these forms.

2. Application forms for membership must be typed or filled out in ink and must give:
 - a. Name in which membership is to be issued, mailing address and telephone number.
 - b. Agreement to be governed by the Association Constitution and Rules and Regulations and all terms and conditions contained on the face of the membership application.
 - c. Signature of Applicant: Partnership, Corporation, or Firms which are Active Members shall each:
Designate some individual partner, officer, director, or member of the firm who shall exercise the rights and privileges of such membership, however all must sign the application for membership.

ARTICLE XIII: ARTIFICIAL INSEMINATION

The Association shall register or record without limitation female progeny having no less than ½ Charolais blood and bull progeny having no less than ¾ Charolais blood provided that the semen used to produce such progeny is from a purebred Charolais bull that is registered with the Association. Artificial breeding in the Charbray Division or Charbray-Cross Division is permitted providing the semen transfer is on file with the AICA.

A. General Rules

The DNA for any bull being used out-of-herd A.I. must be on file with the AICA. Such DNA testing must be processed by an AICA accepted DNA laboratory.

1. The owner of the sire or his authorized agent must:
 - a. file a semen transfer with the AICA. This semen transfer can be done at any time as long as the semen seller owns the bull. Semen transfer may be mailed, faxed or e-mailed to AICA.
If a bull owner sells his interest in said bull and has retained semen, the bull seller must file a semen transfer with the AICA within 30 days of the bull sale date. The semen transfer should be dated according to semen sales and usage.
2. If the person selling semen does not own the bull, only owns semen, the semen transfer must be filed within 30 days of the semen sale date.

ARTICLE XIV: VERIFICATION OF RECORDS

A. Herd Records

1. Applicants for registration or recordation shall maintain accurate breeding and herd records. The Executive Committee of the Board of Directors, or the Board of Directors, may investigate or cause to be examined, identified, investigated, or DNA tested any registered or recorded animal or herd and may examine the breeding and herd records maintained by a member or non-member of the Association for the purpose of the Association, or for the purpose of investigating other matters in which the Association may be interested.
2. If upon investigation by the Executive Committee or the Board of Directors it is determined that breeding or herd records or herd management practices relating to such records of either a member or nonmember of the Association are such that the purity of the Charolais or Charbray Breed may be impaired or has been impaired then in such event the Executive Committee may, after giving due notice and an opportunity to be heard to the offending member or non-member, take such action as in the Committee's discretion is appropriate to insure compliance with the Association's Constitution and Rules and Regulations or the Committee may recommend disciplinary action.

B. DNA Tests

1. The Executive Committee of the Board of Directors itself may require that a DNA test be made by such agencies as it may designate, of any animal or animals whose DNA may be relevant to the accuracy of any record or registry maintained by the Association or of any program conducted by the AICA for this purpose.
2. It shall be the duty of any person concerned with the ownership or possession of any animal or animals designated by the Executive Committee to afford representatives of the Association reasonable opportunity to secure DNA from such animals and to examine all records relevant to the Association's investigation.
3. The Executive Committee of the Board of Directors, or the Board of Directors shall determine who shall pay the costs of any investigation including laboratory fees, undertaken under the provisions of paragraph 1 of this section of the Rules and Regulations.
4. DNA tests are required for:
 - a. A bull being used for out of herd artificial insemination.
 - b. Embryo transplant donor dam and sire.

C. Penalties for Refusal

1. If a member of the Association or an owner of record shall refuse reasonable opportunity to representatives of the Association, or its designated agents to secure DNA as set forth in Paragraph B of this section, the Executive Committee.
2. Termination or Suspension of Privileges
In addition to any other penalty or sanction provided by the Association's Constitution and Rules and Regulations, the Executive Committee or the Board of Directors may take such other action including the suspension of privileges as the Committee or Board may deem necessary or proper to insure the accuracy of its records and the good name, welfare and credit of the Association provided, however, that no sanction or penalty shall be assessed or enforced until after notice and a reasonable opportunity to be heard had been afforded the offending party.

ARTICLE XV: EXHIBITION OF ANIMALS

At any Livestock Show where the Association appropriates monies toward the payment of premiums, it is for the purpose of rewarding exhibitors of those animals whose conformation is most desirable; and in the case of breeding stock, most likely to be valuable to breed improvement.

To accomplish this purpose of the Association, the Board of Directors has established the Rules and Regulations set forth below. These Rules and Regulations are intended to insure to the greatest possible degree that all animals presented for exhibition shall be in their natural conformation and structure without alteration or modifications. Exhibitors are required to fulfill all the conditions established by any Fair, Show, or Exposition to.

which funds are appropriated by the Association for payment of premiums and further to submit all exhibits to any examinations, inspections, or tests deemed necessary by the Board of Directors of the AICA.

A. Ownership of Animals Presented for Exhibition

1. Every animal entered for competition at any Fair, Show or Exposition to which funds are appropriated by the AICA for payment of premiums must:
 - a. Be exhibited in the name of the owner of record at the time the animal is presented for exhibition and in the event that there is more than one owner of record, the name of at least one of such owners of record. Ownership of record means bona fide ownership including the original certificate of registration and the ordinary incidents thereof (PHOTOCOPIES NOT ACCEPTABLE).
 - b. The transfer, re-transfer, or leasing of animals, or any attempt to circumvent the ownership requirements or other provisions of this Rule for the purpose of complying by technicality or evasion shall be deemed a violation of this Rule. However, the exhibition of any animal, the legal title to which has passed by public or private sale subject to a reservation of the privileges of exhibiting such animal subsequent to its sale and prior to its transfer on the records of the AICA shall not be deemed a violation of the provisions of Paragraph 1 of this section.

B. Responsibility of Exhibitors

Each exhibitor, in consideration of the exhibitor's entries being accepted by any Fair, Show or Exposition to which funds are appropriated by this Association toward the payment of premiums offered by such Fair, Show or Exposition shall assume the responsibility that:

1. Each animal entered therein as the exhibit of such exhibitor is of correct age for exhibition in the class or classes in which such animal is entered and is identifiable by legible tattoo markings, or firebrand, corresponding to the animal's registration certificate and will have the registration certificate on hand.
2. Each animal will be presented in the show ring in its natural conformation and structure without alteration or modification. Alteration or modification shall be defined to include any surgical, chemical, electrical or other (including banding or other circulatory constriction) appearance change for cosmetic purpose, save only branding, tattooing, foot trimming or dehorning. The act of artificially filling animals internally, which would include stomach pumping, drench tubes, or any other method per os (by esophagus) is prohibited. Silicone injection or other injection for cosmetic purpose shall be prohibited. Anabolic steroid use shall likewise be prohibited and any animal testing positive for anabolic steroid or diuretic use shall be presumed to be altered and modified.

No herdsman, employee, manager or individual who participates in the fitting and/or showing of any animal presented for exhibition by the exhibitor has violated any of the provisions of this Rule.

C. Inspection of Exhibits

1. Each exhibitor, in consideration of the exhibitor's entry being accepted by any Fair, Show or Exposition to which funds are appropriated by this Association toward the payment of premiums offered by such Fair, Show or Exposition shall, if requested, submit any animal entered by the exhibitor to inspection by any veterinarian or veterinarians appointed for such purpose by the Executive Committee of the Board of Directors of AICA; And likewise shall agree to have such animal submitted to such tests and examinations as may be designated and requested by such veterinarian or veterinarians; and further, each exhibitor, by such entry, agrees that the conclusion reached by such veterinarians as to whether such animal is of the correct age or in its natural conformation or structure shall be final and conclusive without recourse against the Association or any officer thereof or any veterinarian appointed aforesaid; and said exhibitor also by such entry shall waive any right of action which the exhibitor might have for any action taken under this Rule and shall release the AICA, its Officers and Directors and any veterinarian appointed to act for it under this Rule from any and all claims and demands whatsoever in connection with the inspection or testing of any such animals or any ruling or action taken by reason of the conclusions of such veterinarians as to whether such animal is of the correct age or is in its natural conformation and structure as set forth in these Rules and Regulations.
2. The presence, at the time of examination, of tissue or of any substance, which in the opinion of the veterinarian is abnormal or unusual, may be presumed to be evidence that the animal is not in its natural conformation and structure.

D. Penalties

1. In the event that it is determined that under the provisions of a Paragraph 2 of this section that an animal does not bear a legible identification or is not of the correct age or in its natural conformation and structure, such animal shall be immediately barred from competition until such time as the Eligibility, Show and/or Executive Committee, or the Board of Directors, shall review the findings of the examining veterinarians. Furthermore, the Executive Committee or the Board of Directors may thereafter permanently bar such animal from further participation in any Fair, Show or Exposition to which funds are appropriated by this Association toward the payment of the premiums offered by any such Fair, Show or Exposition.
2. In the event that any animal is barred under any of the provisions of this section, the Executive Committee or the Board of Directors, after having afforded a reasonable opportunity to the exhibitor to appear before said Executive Committee or Board of Directors, may take action to bar the exhibitor from further participation in any Fair, Show or Exposition. Reinstatement of anyone so barred may be made only by action of the Board of Directors of this Association.

ARTICLE XVI: SALES AND GUARANTEES

A. Sales:

1. Every registered or recorded animal sold or offered for sale publicly or privately must carry visible, legible tattoo or firebrand identification marks corresponding to the certificate of registration or recordation of such animal and if upon examination legible marks lacking, the Association may cancel the registration or recordation.
2. The offering of registered or recorded cattle for sale in other than the name or names of owners of record is prohibited.

B. Cattle Purchased for Resale:

1. Each change of ownership must be recorded by transfer on the records of the Association.
2. The purchase of animals and their resale without fulfilling the requirements of paragraph 1 of this section is prohibited.

C. Sale Guarantees

The AICA shall not be liable for any warranties made by the seller of cattle.

D. Glossary of Terms and Definitions

1. *Open* – This is a virgin heifer that has never been exposed to any bull by any means or in the case of a cow, she has not been exposed

- to a bull by any means since the birth of her last calf.
- 2. *Bred* – Female is known to have been served by a bull either by natural breeding or artificial insemination, but does not guarantee that this female is safe in calf to that service.
- 3. *Pasture Exposed* – Female has been running in the pasture with the bull and has been exposed for the time stated, but does not necessarily mean that this female is safe in calf.
- 4. *Safe in Calf* – Female has been palpated by a competent licensed veterinarian or by any other means and diagnosed as being pregnant and is declared to be carrying a calf at the time of the sale.
- 5. *Fertility Tested* – Bull's semen has been tested by a competent, licensed veterinarian or by a recognized breeding center and his live sperm count and motility qualifies the bull to be a satisfactory breeder.

E. Full Disclosure

Sellers should fully disclose, preferably in writing, all terms and additional changes associated with an embryo transaction. In particular, sellers should disclose:

- 1. The terms of any pregnancy guarantee.
- 2. Who is responsible for shipping and other fees, such as handling or release fees at the storage facility (with disclosure of the amount of any such fees).
- 3. Information concerning registration of resulting offspring, including any extraordinary fees, such as signing fees that may be incurred by the buyer.

F. Registration of Embryo Lots

Frozen embryos and pregnant recipients should be sold with an AICA application for registration of embryo transfer calf, completed to show the sire, the donor dam, and the flush date and containing the required signatures from the owner of the sire and the donor dam. When frozen embryos are sold in pairs with a guarantee of a single pregnancy, the seller should provide at least one fully executed AICA application for registration to the buyer.

ARTICLE XVII: FAILURE TO COMPLY WITH THE RULES AND REGULATIONS OF THE ASSOCIATION

A. Failure of Members to Comply with the Rules and Regulations of the Association

- 1. Failure of any member of this Association to comply with the Rules and Regulations of the Association shall be grounds for expulsion from membership in the Association or the suspension of membership and other privileges including the registration, recordation, transfer of cattle and the exhibition of cattle at any Fair, Show or Exposition to which funds are appropriated by the Association for payment of premiums. Nonpayment of annual membership dues shall automatically suspend Active or Junior status until current dues are fully paid.
- 2. If a member of the Association charged with misrepresentation, misconduct or willful violation of the Rules and Regulations of the Association in connection with the breeding, showing, registration, recordation, purchase or sale of Charolais or Charbray cattle shall fail to appear before the Board of Directors for a hearing or shall fail within twenty (20) days of notice to make a full statement with respect to the charges being considered by the Board of Directors, then the Board of Directors may expel or suspend such member from membership in the Association.
- 3. In the event that a member is expelled or suspended, written notice shall be forwarded to the last known address of such member and the fact thereof may be announced to the membership of the Association through the medium of official Association bulletin. However, in the event that a member is suspended during the pendency of the complaint then any announcement to the membership of such suspension shall be at the discretion of the Board of Directors.
- 4. In the event that the suspension of a member (announced to the membership as provided in paragraph 3) has been terminated by action of the Board of Directors, then such termination or suspension shall be announced to the membership through the medium of an official Association bulletin.

B. Failure of Non-Member to Comply

Failure of non-members of the Association to comply with its Rules and Regulations shall be grounds for denial of the privileges of transfer and the exhibition of cattle at any Fair, Show or Exposition to which funds are appropriated by the Association for the payment of premiums; and to the same penalties and sanctions as are applicable to a member.

ARTICLE XVIII: AMENDING RULES AND REGULATIONS

- 1. The Rules and Regulations may be altered or amended by a vote of the majority of the members of the Board of Directors.
- 2. A Director must be present in person to vote on any matter to come before the Board of Directors at any regularly called meeting of the Board, but may be present by telephone to vote on any matter to come before the Board of Directors at any specially called or emergency meeting of the Board. This rule may not be changed without at least 30 days prior notice to all members of the Board of such change.

ARTICLE XIX: ELECTION OF DIRECTORS AND ALTERNATE DIRECTORS

- 1. In those areas whose director comes up for election, each active AICA member as of record date June 15 will be sent a nominating ballot on July 1. Said ballot shall provide space for six (6) names of active AICA members residing within the area. The six persons with the most votes shall be contacted as to their availability for serving as Area Director, 1st Alternate or 2nd Alternate. Should any of the six nominated be unwilling to serve, the remaining names shall come from the list of nominations in accordance with the ranking number of votes. In the case of a tie for the sixth place, the names of those so tied shall be listed as nominees on the election ballot.
- 2. Those nominations are to be received by the AICA office by July 31.
- 3. The AICA office shall mail each active member, as of record date, June 15, an election ballot on November 1, listing the top six nominees in alphabetical order for Area Director, 1st Alternate and 2nd Alternate.
- 4. Returned ballots must be mailed to the Association's CPA office and must be postmarked no later than November 30 to be valid. Tabulation of ballots shall be the responsibility of the Association's accounting firm.
- 5. AICA will provide the approved CPA firm a list of members eligible to vote and that member may cast one vote for the director candidate of his or her choice and each ballot requires a breeder number and a signature to be valid.
- 6. In the case of a tie on the final ballot, AICA's accounting firm shall draw straws to determine the winner.

7. In the event a vacancy occurs on the Board of Directors, the 1st Alternate will assume the office. If the 1st Alternate is unable to serve, the 2nd Alternate will assume office.
8. Previous Director's tenures of office prior to the March 11, 1978, General Membership meeting shall not be counted. In compliance with the Constitution, the division of states according to equitable membership representation and geographical location is as follows:

<p><u>Area 1</u> Washington Oregon Idaho Montana Wyoming Alaska Hawaii</p>	<p><u>Area 2</u> California Nevada Utah Arizona Colorado New Mexico</p>	<p><u>Area 3</u> North Dakota South Dakota</p>	<p><u>Area 4</u> Nebraska Kansas Oklahoma</p>	<p><u>Area 5</u> South Texas</p>
<p><u>Area 6</u> North Texas</p>	<p><u>Area 7</u> Minnesota Iowa</p>	<p><u>Area 8</u> Missouri</p>	<p><u>Area 9</u> Arkansas Louisiana</p>	<p><u>Area 10</u> Wisconsin Illinois Michigan Indiana Ohio</p>
<p><u>Area 11</u> Kentucky</p>	<p><u>Area 12</u> Alabama Georgia Florida Mississippi</p>	<p><u>Area 13</u> Tennessee</p>	<p><u>Area 14</u> Maine New Hampshire Vermont Massachusetts Connecticut Maryland New Jersey Rhode Island New York Pennsylvania Delaware West Virginia</p>	<p><u>Area 15</u> Virginia North Carolina South Carolina</p>

Each area shall be represented by one Director who shall be elected in the manner set forth in Article XIX.

The location of the Annual Meeting will be by invitation and subject to acceptance by the Board. The invitation must be extended at least two years in advance.

ARTICLE XX: RIGHT OF APPEAL FROM COMMITTEE ACTION AFTER BOARD APPROVAL

- A. Any member desiring to appeal the action or decision of any committee shall have the right to have his grievance heard by the Executive Committee upon the giving of reasonable notice. Such appeal shall be considered at any regular meeting of the Executive Committee. The action of a majority of the Executive Committee sitting in attendance at any such hearing shall be the action of the entire Committee. The Executive Committee can make whatever disposition it deems proper of any appeal submitted to it including (but not limited to) referring the matter back to the original committee with a recommendation for different or additional action.
- B. A member may appeal from the action or decision of the Executive Committee in any case, including both appellate matters and matters originating in the Executive Committee and including matters already formally adopted by resolution of the Board of Directors. Such members can appeal to the full Board of Directors if and only if he first obtains the concurrence of seven (7) members of the Board of Directors whose signatures shall be endorsed on his letter asking the full Board of Directors to convene for the purpose of reconsidering its action or reviewing the Executive Committee's decision. Any member wishing to invoke this appellate procedure must obtain the necessary signatures and have a letter on file with the Executive Vice President at the AICA headquarters no later than thirty (30) days before the next regular meeting of the Board of Directors. Should for any reason a member fail to perfect and appeal as provided above, then the original action of the Committee or the Board in adopting the Committee's actions shall become final.
- C. Nothing contained in this section shall ever be construed in any way to limit the right of appeal to the General Membership from a discontinuance of a membership as set forth in Article II B of the Constitution.

ARTICLE XXI: IDENTIFICATION OF VOTERS

Members may be required to identify themselves to receive ballots.

ARTICLE XXII: COMMITTEES: CANCELLATION OF MEETINGS

1. Should the Chairman of a committee elect not to hold a committee meeting at a regular Board of Directors meeting, he must notify the members of that committee fifteen (15) days prior to cancellation. The cancellation notice is to be followed by letter from the

- Chairman and notification must be sent to the AICA office.
2. If the majority of the committee members polled desires to hold a meeting, it would be held.
 3. If a committee member cannot be present:
 - (a) He/she should notify the chairman of the committee 15 days prior to the meeting.
 - (b) Committee chairman, in consultation with the area director for that committee member, shall name an alternate from that area, if available, for that meeting, with the area director having the final say on the alternate.
 4. A quorum would consist of the number of committee members present.

ARTICLE XXIII: PAY THE VALUE OF THE SERVICE RENDERED

It is the policy of the Association not to pay vendors for administrative, overhead, G&A or other indirect costs, but to only pay the value of the service rendered or the goods provided.

ARTICLE XXIV: AICA DATA POLICY REGARDING RESEARCH AND GENETIC EVALUATION

- A. **AICA Policy Statement Regarding Genetic Research and Evaluation.** The AICA recognizes that genetic research and evaluation enhances selection and characterizes genetics for certain traits in beef cattle that impact the profitability of beef production. Improvements in genomic technology have further enhanced the predictability of certain traits in conjunction with current selection tools. Specifically, the incorporation of genomic values into genetic evaluations results in the improved accuracy of Expected Progeny Differences (“EPDs”). The AICA intends to remain a leader in the use of genomic values in the calculation and reporting of EPDs and in genetic research and evaluation generally to provide for improvement in the breeding of registered and recorded Charolais cattle.
- B. **AICA Genetic Research and Evaluation Activities.** The AICA, in collaboration with its members and with qualified research specialists, gathers data through samples of biological material as well as pedigree, phenotypic and genotypic data for use in the research, development, and implementation of the Genomic Enhanced Expected Progeny Differences (the “GE-EPD Data”) in the Charolais breed. The collection and use of GE-EPD Data remains under the oversight of the Board of Directors of the AICA and shall be consistent with policies enacted by the Board from time to time regarding such collection and such use.
- C. **Member Participation.** Any member may participate in the AICA’s GE-EPD Data collection, research and evaluation program (the “Program”), which includes genetic evaluation, preparation, procedures, data use and results, but agrees (i) to the terms of this AICA data policy and (ii) that participation is at the member’s own cost and expense. In order to participate in the Program, a member must agree to transfer to the AICA and relinquish control over any biological samples requested by and submitted to the AICA (including, but not limited to, tissue, blood, semen and hair follicles) as well as any paper and electronic records and data with respect to any animal being included in the Program by the member (the “Samples and Data”). The Samples and Data, as well as any previously submitted data by the member in connection with the collection and reporting of EPDs by the AICA, will be retained by the AICA. The AICA will take commercially reasonable steps to de-identify the source of Samples and Data to protect the privacy of the member submitting the Samples and Data.
- D. **Publication of and Control Over the AICA’s Evaluation Results.** As a condition to participating in the Program, each participating member agrees (i) that the AICA is free to publish the results of its research and evaluation without restraint, (ii) that the AICA has exclusive and sole control, ownership and rights and license in and to all GE-EPD Data contained in its evaluation results, and (iii) any inventions or other intellectual property conceived by AICA from the AICA’s evaluation results, including any patentable inventions, are the sole property of the AICA.
- E. **Delivery and Use of Samples and Data.** The AICA has established a specific methodology for collecting and submitting samples for use in the GE-EPD Data research, as reflected on its webpage. Such methodologies are subject to change without notice. Each member should refer to the AICA’s website before submitting any specimens in order to adhere to such requirements established and effective at that time.
- F. **AICA’s Evaluation Results.** As soon as is reasonably practicable and depending on national cattle evaluations and other scheduling concerns, AICA shall use reasonable efforts to provide member with access to AICA’s evaluation results for the samples submitted by member, for member’s benefit in its cattle business, and a license to use such AICA’s evaluation results. The accuracy and sufficiency of AICA’s evaluation results with respect to a particular animal or member cannot be guaranteed. A member shall not use AICA’s evaluation results for any other purpose except to the member’s benefit in the improvement of the member’s cattle business, and shall not provide such AICA’s evaluation results for inclusion in any other database.
- G. **AICA’s Statement regarding Accuracy of Data.** The AICA makes every reasonable effort to ensure the accuracy of the GE-EPD Data and other information available in the AICA’s evaluation results. The AICA cannot and does not guarantee the accuracy or completeness of the GE-EPD Data or the AICA’s evaluation results.
- H. **AICA’s Statement Regarding Use of Data.** Any information presented by the AICA regarding a particular animal or group of animals is based on genetic predictability and cannot be considered to be a measure of the actual value or performance of the animal or its progeny or a guarantee of its or its progeny’s future performance. Any representation to the contrary is false and may not be relied on in evaluating a particular animal or its progeny. The AICA disclaims any responsibility for the use or interpretation of information on the animals included in the Program.
- I. **Disclaimer of Warranty.** THE AICA MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, WARRANTIES WITH RESPECT TO THE CONDUCT, COMPLETION, SUCCESS OR PARTICULAR RESULTS OF THE PROGRAM, OR THE CONDITION, OWNERSHIP, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF ANY INTELLECTUAL PROPERTY, CLINICAL DATA, MATERIALS OR AICA’S EVALUATION RESULTS OR THAT THE USE OF THE INTELLECTUAL PROPERTY, CLINICAL DATA, MATERIALS OR AICA’S EVALUATION RESULTS WILL NOT INFRINGE ON ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER INTELLECTUAL PROPERTY RIGHT OF A THIRD PARTY. THE AICA SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, PUNITIVE OR OTHER DAMAGES SUFFERED BY A MEMBER, A BREEDER OR ANY OTHER PERSON RESULTING FROM THE PROGRAM, THE AICA’S EVALUATION RESULTS OR THE USE OF ANY GE-EPD DATA OR ANY PRODUCTS RESULTING THEREFROM.

- J. **Use of Electronic Signatures.** In order to participate in the Program, a member will be requested to consent to the use of his or her electronic signature in lieu of an original signature on paper. A member who is unable or unwilling to use an electronic signature may request to sign a paper copy instead. Any member who provides an electronic signature will be deemed to have waived the opportunity to sign a paper copy. Upon written request to the AICA, any member may obtain a paper copy of an electronic record and no fee will be charged for such copy. A member's agreement to use an electronic signature with the AICA will continue until such time as the member notifies the AICA in writing that the member no longer consents to the use of an electronic signature.
- K. **Condition to Participation in the Program.** As a condition to participation in the Program, each participating member must agree to the terms of Article XXIV, Paragraphs C, D, E, F, G, H and I, either by use of an electronic signature on the AICA's website, commonly referred to as a "click through" agreement, or by signing a paper agreement containing those terms and returning it to the AICA.
- L. **This Data Policy shall be reviewed periodically by the Board of Directors of the AICA to insure that it meets the needs and goals of the AICA and remains current and consistent with scientific and AICA policy standards then in effect.**