

**AMENDED AND RESTATED BYLAWS
OF THE
FARM FINANCIAL STANDARDS COUNCIL
(a Nebraska nonprofit corporation)**

ARTICLE I

OFFICES

Section 1: Principal Office. The principal office of the Farm Financial Standards Council (“Council”) shall be located at the office of the President. The Council may have other such offices, either within or without the State of Nebraska, as the Board of Directors may designate or as the business of the Council may from time to time require.

Section 2: Registered Office. The registered office of the Council is located at N78 W14573 Appleton Ave. , #287, Menomonee Falls, Wisconsin, 53051.

ARTICLE II

MEMBER

Section 1: Membership. The Board of Directors may establish a membership group, the criteria for membership, the process for establishing membership, and the obligations of members.

Section 2: Resignation of Members. Any member may at any time file a resignation in writing with the Secretary-Treasurer of the Council, which resignation shall become effective as of the date received by said Secretary-Treasurer.

Section 3: Termination of Membership. The Board of Directors may terminate the Membership of any member.

Section 4: Voting Power. Member voting rights will be limited to selection of the members of the Board of Directors.

Section 5: Membership Category Emeritus. Lifetime, honorary membership may be awarded to individuals for their long-term involvement and leadership in the Council but who may no longer be actively engaged. Emeritus membership confers all rights as regular membership status. Membership is by Board of Director nomination and approval.

ARTICLE III

BOARD OF DIRECTORS

Section 1: Eligibility. To be eligible for election as a director, a person must have a demonstrated interest in, familiarity with, and knowledge about financial reporting and financial analysis with respect to agricultural producers, and be current in the payment of any membership dues at the time of election.

Section 2: Responsibility. Each director shall be responsible for:

- a. maintaining a personal awareness of industry trends, changes in laws and regulations, and other developments in the broad-based industry of production agriculture affecting issues of concerns to the Council and share this information with other directors;
- b. attending the annual meeting and, to the extent possible, any special meetings of the Council;
- c. reviewing all relevant material prior to any Council meeting;
- d. participating in the discussions and voicing objective opinions regarding issues being addressed by the Council;
- e. providing constructive criticism, orally or in writing, to written material distributed by other directors or committees;
- f. serving on various committees or work groups established to further the goals and objectives of the Council;
- g. nominating persons for director positions;
- h. soliciting comments, suggestions, criticism, etc. from any source with respect to issues of interest to the Council;
- i. becoming aware of and expressing to the Council the viewpoints and concerns of others with respect to the issues of financial reporting and analysis; and
- j. expressing and supporting the positions taken by the Council with respect to the various issues of financial reporting and analysis.
- k. maintain current paid membership status during term of office.

Section 3: General Powers. The directors shall select issues for consideration and research, determine the official position of the Council with respect to any issue selected, and determine what positions are appropriate for inclusion in written publications issued by or on behalf of the Council. The directors shall in all cases act as a board. The directors may adopt such rules and regulations for the conduct of their meetings and the management of the Council as they may deem proper, but not inconsistent with these Bylaws, the Articles of Incorporation or the laws of the State of Nebraska.

Section 4: Number of Directors. The number of Board of Directors of the Council shall be ten (10) in number.

Section 5: Qualifications. In addition to each director being eligible to serve, as set out in Section 1 of this Article III, the Board of Directors shall represent, as broadly as practical, the full spectrum of enterprises which are, or provide support for agricultural producers. To the extent practical, directors shall come from geographically dispersed regions of the country. To accomplish the foregoing, the Nominating Committee shall select candidates such that the make-up of the Board of Directors shall be, and it is to be as follows:

representative of the following six (6) constituent groups or general categories of business enterprise, with individual group or category representation not necessarily being equal but with directors present from each category or group.

- i) Agricultural Producers;
- ii) Farm Credit System;
- iii) Representatives of commercial banking, non-bank agricultural finance companies, insurance company lenders, supplier credit groups, and secondary loan market participants;
- iv) Providers of service (other than accounting) to agricultural producers, and suppliers of inputs for agricultural producers;
- v) Providers of financial accounting services to agricultural producers;
- vi) Academician and cooperative extension personnel;

Section 6: Term of Office.

- a. For an elected director, the term of office shall be three (3) years, beginning at 1:00 AM the day after election and ending at 12:00 midnight the day any successor shall have been qualified and elected.

- b. For a past president, the term of office as a director shall be one year, to begin immediately upon the new president having been qualified and duly elected and ending at 12:00 midnight on the date one year later of the annual meeting or special meeting at which directors and officers are elected.
- c. For a director appointed to fill the unexpired term of a former director, the term of office shall be to the end of that unexpired term.
- d. For a member appointed to Chair or Co-Chair a Standing Committee (as provided in Article VI, Section 10), the term of office shall be one (1) year, or to 12:00 midnight of the next annual meeting or special meeting at which directors and officers are elected.

Section 7: Election. Approximately one-third (1/3) of the directors from the six (6) categories of business enterprises shall be elected by a simple majority of the members in good standing present at each annual meeting. If the election of directors shall not be held at such annual meeting, such election of directors shall be held as soon thereafter as convenient. Each director shall hold office until (i) an eligible successor shall have been qualified and been duly elected, (ii) until his or her death, (iii) until he or she shall resign, or (iv) until he or she shall have been removed in the manner hereinafter provided.

Section 8: Nominating Committee. A Nominating Committee shall be appointed by the President prior to any scheduled annual meeting. The Nominating Committee shall consist of the immediate Past-President, as Chair (if able and willing to serve), and not less than two (2) other directors. If the immediate Past-President is unable or unwilling to serve, three (3) directors shall be appointed with one (1) named as Chair. The Nominating Committee for each year shall present to the members at the annual meeting the names of one or more nominees for each elected director position and each elective office to be filled. In addition, the Nominating Committee may recommend one or more names for each appointed position to be filled.

Section 9: Removal. Any director may be removed by vote of a simple majority of the Board of Directors whenever in the judgment of the Board of Directors the best interests of the Council will be served by such removal. However, such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of a person as a director shall not of itself create contract rights.

Section 10: Vacancies and Succession. If a vacancy occurs on the Board of Directors, a reasonable effort will be made to recruit an eligible person, willing to serve from among the same constituency the former director represented. If no one can be identified, a qualified representative from any constituent group may be asked to serve. For the purpose of filling vacancies among elected directors, appointments will be made by a simple majority vote of the Board of Directors and those persons appointed will serve for the remainder of the vacated term.

ARTICLE IV

MEETINGS

Section 1: Annual Meeting. The annual meeting of the Council shall be held at the time and place and with an agenda determined by the Board of Directors provided, however, the annual meeting shall in no event be held (a) earlier than six (6) months or (b) later than twenty four (24) months after the date of the last held annual meeting. The annual meeting shall be held for the purpose of electing directors and officers and for the transaction of such other business as may come before the meeting.

Section 2: Special Meetings. Special meetings of the Board of Directors, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President at the request of one-half (1/2) of the directors. Such meetings may be held in person or by teleconference. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Nebraska, as the meeting place or establish the teleconference procedures for holding such special meeting of the Board of Directors called by them.

Section 3: Notice of Meeting or Teleconference. Written or printed notice stating the place, day and hour of the annual meeting, and in case of a special meeting or teleconference the purposes for which the meeting or teleconference is called, shall be delivered to each director not less than fifteen (15) days before the date of the meeting or teleconference, either personally or by mail (USPS or electronic media), by or at the direction of the President or the Secretary-Treasurer, or the officer or persons calling the meeting. If mailed, such notice shall be deemed to be delivered three (3) days after having been deposited with the United States Postal Service, addressed to the director at his or her address as it appears on the books of the Council, with postage thereon prepaid.

Section 4: Quorum. Official business may be conducted by the membership attending properly called meetings. A quorum is assumed to be achieved by those members present. .

ARTICLE V

VOTING

Section 1: Voting Rights. Each director shall have one (1) vote and, subject to the provision for mail-in ballots set forth in Section 4 below, shall cast any vote in person and not by proxy. The presiding officer will establish such rules for the conduct of a meeting as will assure fair and orderly proceedings. In cases of doubt, Robert's Rules of Order shall prevail.

Section 2: Elections. The election of directors (Article III, Section 7) and the election of officers (Article VI, Section 7) shall be by simple majority vote of members in good standing present at any annual meeting, any special meeting, or participating in any teleconference.

Section 3: Other Matters. Except for elections (Section 2 of this Article V), the position, either affirmative or negative, of the Council on all other matters shall be determined by a majority vote of the members present at an annual meeting or special meeting, or participating in any teleconference. Such matters include without limitation selection of issues for research and debate and/or determination of an official position.

Section 4: Mail Ballots. Whenever the Board of Directors determines that it is in the best interests of the Council, issues may be submitted by mail to all of the directors with provision for timely return, by mail (USPS or electronic) or facsimile transmission, of a ballot before the date fixed by the Board of Directors, such date to be not less than twenty (20) days after the mailing. The Executive Committee may shorten the time involved in a mail vote in emergency situations. For matters decided by ballots without an actual, physical meeting occurring, such action can only be taken by the Board of Directors if it is taken by the consent of all directors. (Nebraska Revised Statutes, Section 21-1981)

ARTICLE VI

BOARD OF DIRECTORS and STANDING COMMITTEES

Section 1: General Powers. The regular business and affairs of the Council shall be managed by its Board of Directors. The Board of Directors may adopt such rules and regulations for the conduct of its meetings and the management of the Council as it may deem proper, but not inconsistent with the Articles of Incorporation, these Bylaws, the authority granted by the Board of Directors, or the laws of the State of Nebraska.

Section 2: Elected and Appointed Officers. The elected officers of the Council shall be: President, who will also serve as Chair of the Board of Directors a Vice President, who will also serve as Vice Chair of the Board of Directors; and a Secretary-Treasurer. The three (3) elected officers must represent three (3) different constituent groups (i.e., no more than one (1) elected officer from each constituent group). Such other officers and assistant officers as deemed necessary may be elected by the directors. The Board of Directors may appoint an assistant secretary and an assistant treasurer (or other title as is deemed appropriate and who may be one and the same person) who need not be elected directors, need not represent any constituent group and may be compensated as an independent contractor for purposes of carrying out certain administrative tasks necessary to further the work of the Council.

The persons elected to serve as President, Vice-President and Secretary-Treasurer will be selected from among the members of the Council. These three (3) officers are elected to serve a one (1) year term or until their replacements shall be qualified and elected.

Section 3: President. The President will serve as Chair of Board of Directors. The President shall be the principal executive officer of the Council. Subject to the control of the directors, the President shall generally supervise and control all of the business and affairs of the Council and shall perform all duties incident to the office of President and such other duties as may be prescribed by the directors from time to time.

Section 4: Vice President. The Vice President will serve as Vice Chair of the Board of Directors. In the absence of the President/Chair or in event of his or her death, inability or refusal to act, the Vice President/Vice Chair shall perform the duties of the President/Chair. When so acting, he or she shall have all the powers of and be subject to all the restrictions upon the President/Chair. The Vice President/Vice Chair shall perform such other duties as from time to time may be assigned by the President/Chair or the Board of Directors.

Section 5: Secretary-Treasurer. The Secretary-Treasurer of the Council shall serve as Secretary-Treasurer of the Board of Directors. The Secretary-Treasurer shall himself or herself, or by delegation to an assistant secretary and/or assistant treasurer approved by the Board of Directors, see that the minutes of the members and directors meetings shall be kept in one or more books (or electronic files established) for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required; be custodian of the Council records and keep a register of the post office (and electronic) address of each director and member, which address shall have been furnished to the Secretary-Treasurer by such director and member; shall have charge and custody of and be responsible for all funds of the Council; receive and give receipts for moneys due and payable to the Council from any source whatsoever; deposit all such moneys in the name of the Council in such depositories as shall be selected in accordance with these Bylaws; arrange for the filing of all applicable reports and tax returns, and in general perform all duties incident to the office of Secretary-Treasurer and such other duties as from time to time may be assigned by the Chair or the Board of Directors. The Secretary – Treasurer may appoint, as he/she sees fit, a Chief Financial Officer (CFO) to assist with the duties as described in this section.

Section 6: Composition. The Board of Directors shall be composed of the following:

- a. Chair, who shall be the elected President of the Council.
- b. Vice Chair, who shall be the elected Vice President of the Council.
- c. Secretary-Treasurer, who shall be the person so elected by the Council.
- d. The immediate past President of the Council, if that person is able and willing to serve.
- e. One representative of the designated constituent groups to serve on a staggered 3- year terms.

Section 7: Election and Term of Office. The elected officers of the Council shall be elected annually by a simple majority of the members present at the annual meeting. Term of office for elected officers shall begin immediately upon election. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until a successor shall have been qualified and elected, or until his or her death, or until he or she shall resign, or until he or she shall have been removed in the manner hereinafter provided.

Section 8: Removal. Any officer may be removed by a majority vote by the Board of Directors whenever in its judgment the best interests of the Council will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment to an office shall not of itself create contract rights.

Section 9: Vacancies. A vacancy in any elected office because of death, resignation, removal, disqualification or otherwise, may be filled by a majority vote of the remaining members of the Board of Directors for the unexpired portion of the term.

Section 10: Standing Committees.

- a. The Council shall maintain Standing Committees so as:
 - (i) to maintain an awareness of technical issues to be addressed and assure technical soundness of publications from the Council;
 - (ii) to increase awareness and adoption of the recommendations published by the Council by agricultural producers and those who prepare, use and analyze financial reports of agricultural producers;
 - (iii) to assure the financial viability of the Council; and
 - (iv) to develop and maintain a general membership program.
- b. The Standing Committees of the Council shall be:
 - (i) **Technical Committee** which shall be responsible for the theoretical and practical soundness of any material published by or on behalf of the Council.
 - (ii) **Marketing Committee** which shall be responsible for increasing the awareness and/or adoption of the Council recommendations among agricultural producers, lenders, public and private educators of agricultural producers and lenders, and accounting professionals and for providing supporting materials for active Standing and other committees/activities of the Council.

- (iii) **Finance Committee** which shall be responsible for solicitation or otherwise obtaining the funding necessary to assure the financial viability of the Council.
 - (iv) **Membership Committee** which shall be responsible for developing and managing a program for general membership.
- c. Each Standing Committee and all special committees shall have a Chair and Co-Chair who shall be appointed by the President subject to the approval of the Vice President and Secretary-Treasurer. The Chair and Co-Chair shall serve a one (1) year term, but may succeed themselves.
 - d. Standing Committee members, and any sub-committee or work group members will be selected by the Board of Directors and the Chair or Co-Chair. Persons selected to chair/co-chair or serve on Standing Committees, sub-committees, or work groups may be from among elected directors, members, or nonmembers who actively participate in the activities of the Council.

Section 11: Special Advisors. The Board of Directors may select whatever special advisors are deemed necessary to facilitate the activities of the Council. Such individuals may serve in the capacity of legal advisor, technical advisor, discussion facilitator, etc. and may or may not be compensated for their time and expenses.

ARTICLE VII

DUES, DISBURSEMENT OF FUNDS, NEGOTIABLE INSTRUMENTS, BORROWING MONEY, AND DEEDS, CONVEYANCES, LEASES

Section 1: Dues. Annual dues, if any, of the Council shall be established by the Board of Directors and shall be due and payable as the Board of Directors shall establish by resolution.

Section 2: Disbursement of Funds. All payments of funds, whether honoring an invoice or otherwise, by the Council must be approved by any two (2) of the following individuals: the President, the Vice President, the Secretary-Treasurer, or a member of the Board of Directors designated by the President. One of the approving persons may also be the person signing the check or other instrument for disbursement of funds (Section 3).

Section 3: Negotiable Instruments. All checks, drafts, notes, bonds, bills of exchange, and orders for the payment of money by the Council must be signed by one (1) of the following individuals: the President, the Vice President, the Secretary-Treasurer, or any assistant treasurer appointed pursuant to Article VI, Section 2.

Section 4: Borrowing Money. The Board of Directors shall have no authority to incur or contract on behalf of the Council any liability whatsoever beyond the annual dues and other annual receipts which may legally accrue to the Council.

Section 5: Deeds, Conveyances, Leases. Deeds, conveyances, leases for a term of one (1) year or more, and other instruments dealing with real estate or interests therein, shall be executed, on behalf of the Council, by the President or Vice President and countersigned by any one of the other officers. Releases of any lien may be executed by any one (1) of the elected officers of the Council.

ARTICLE VIII

FINANCIAL AFFAIRS

Section 1: Basis of Accounting. The financial books and records of the Council shall be maintained on the basis of cash receipts and cash disbursements. Any annual reporting to the Board of Directors shall be accompanied by notes that disclose the balance of any amounts receivable, amounts payable, and units of printed or other material in inventory for future usage.

Section 2: Fiscal Year. The fiscal year of the Council shall begin on July 1 of each year and close on June 30 of the next succeeding year.

ARTICLE IX

NO-LIABILITY AND INDEMNIFICATION

Section 1: No Liability. A director, officer, member, employee, other volunteer or independent contractor of the Council shall have no liability with respect to the Council's debts or other obligations and a director, employee, officer, member, employee, other volunteer or independent contractor is not personally liable in that capacity, for a claim based upon any act or omission of the person performed in the discharge of the person's duties, except for (i) breach of the duty of loyalty to the Council, (ii) for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or (iii) for a transaction from which the person derives an improper personal benefit.

If this limitation of liability is determined too broad under law, then the above provisions shall be enforced to the fullest extent allowed by law.

If Nebraska law is hereafter changed to permit further elimination or limitation of the liability of directors, officers, employees, members or other volunteers for monetary damages to the Council, then the liability of such director, officer, employee, member or other volunteers of the Council shall be eliminated or limited to the fullest extent then permitted.

Section 2: Indemnification. The Council shall and hereby does indemnify directors, officers, employees, members, or other volunteers of the Council, together with each director, officer, employee, member or other volunteer of the Council who is serving or who has served, at the request of the Council, as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan, to the fullest extent possible under Nebraska law against expenses, including attorneys' fees,

judgments, penalties, fines, settlements and reasonable expenses, actually incurred by such director or person and relating to such person's conduct as a director, officer, employee, member or other volunteer of the Council, or as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan, except that the mandatory indemnification required by this sentence shall not apply (i) to breach of such director's, officer's, employee's, member's or other volunteers duty of loyalty to the Council, (ii) for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, (iii) for a transaction from which such directors, officers, employees, members or other volunteers derived an improper personal benefit or against judgments, penalties, fines and settlements arising from any proceeding by or in the right of the Council, or against expenses in any such case where such director, officer, employee, member, or other volunteer shall be adjudged liable to the Council.

Section 3: Reliance. The directors, officers, employees, members and other volunteers of the Council have agreed to serve in their respective capacities in reliance upon the provisions of this Article IX.

ARTICLE X

AMENDMENTS

These Bylaws may be amended or replaced in whole or in part, or new Bylaws may be adopted by (a) the affirmative vote of a two thirds (2/3) majority of the members of the Council present at any annual meeting or special meeting or participating in a teleconference of the Board of Directors of the Council or (b) the unanimous consent of all directors pursuant to Article V, Section 4.

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Revised: 11/12/1994

Revised: 1/31/1997, but effective as of 11/16/1996

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