

2016
AMENDED AND RESTATED
BYLAWS
OF THE OKLAHOMA STATE UNION OF THE
FARMERS EDUCATIONAL AND CO-OPERATIVE
UNION OF AMERICA, INC.

ARTICLE I

TITLE, PURPOSE, LOCATION, TAX PROVISIONS

Section 1.1: TITLE

The Corporation shall be known as THE OKLAHOMA STATE UNION OF THE FARMERS EDUCATIONAL AND CO-OPERATIVE UNION OF AMERICA, INC. (hereinafter called the "STATE UNION") which shall at all times be operated and conducted as a non-profit corporation, organized under the laws of the State of Oklahoma and exempt from income tax under section 501(c)(5) of the Internal Revenue Code.

Section 1.2: PURPOSE

The purpose of the STATE UNION shall be as follows:

1. To adopt programs and membership services calculated to promote better conditions for persons engaged in agricultural pursuits, their families, and those benefiting from the business of agriculture and the development of rural communities;
2. To foster, promote, and teach the concept of cooperation and the co-operative movement among farmers, ranchers, rural communities, and those involved in agricultural pursuits;
3. To publish, distribute and disseminate information to educate consumers and policy makers; and
4. To aid in the improvement and development of agricultural products and services for the betterment of agriculture and rural viability.

Section 1.3: LOCATION

The STATE UNION shall locate its Principal Office within Oklahoma. The STATE UNION may change said Principal Office from one location to another, notifying the Membership, the Internal Revenue Service and the Oklahoma Secretary of State of such change. Business may be conducted at the Principal Office or at any other location as determined by the Board of Directors of the STATE UNION (hereinafter called the "Board"). Unless stated otherwise, the Principal Office shall be:

THE OKLAHOMA STATE UNION OF THE FARMERS EDUCATIONAL AND CO-OPERATIVE
UNION OF AMERICA, INC.
4400 Will Rogers Parkway
Oklahoma City, Oklahoma 73108

ARTICLE II

MEMBERSHIPS

Section 2.1: ELIGIBILITY

Any person, without regard to sex, race, creed, color, national origin or handicap status, sixteen (16) years of age or over, and of a good moral character and habits, believing in God, bearing allegiance to the Government of the United States of America is eligible for Membership in the STATE UNION if all of the following requirements are met:

1. The person meets the Membership requirements of Sections 2.2 or 2.3;
2. The person's application for Membership is approved; and
3. The person does not act against the purpose or the interests of the STATE UNION or the welfare of family-type farming.

Section 2.2: MEMBERSHIP

Membership is available to any person who has an interest in furthering the purposes of the STATE UNION including any person who derives a portion of his or her income from engaging in agricultural pursuits, the production of agricultural, horticultural, livestock, poultry, or forestry products or, from employment of the STATE UNION, the National Union, a County Charter, a Local Charter, agriculture related co-operative or, any associated business enterprise, division or subdivision of any of the aforementioned.

Each person must apply for and may be admitted to the Membership in the STATE UNION through an approval process as determined by the Board and upon payment of the prescribed membership dues. Dues must be paid to be considered a Membership entitled to vote and to receive benefits of membership as set forth in these Bylaws and/or other policies as set forth by the Board.

Section 2.3: FAMILY MEMBERS

By virtue of their relationship to a Membership as set forth in Section 2.2 above, any spouse and/or child sixteen (16) years of age or over and who has not reached their twenty-first (21st) birthday shall be a Member of the STATE UNION without payment of additional dues as long as the person who maintains Membership to whom they are related is in good standing. Any child who attains the age of twenty-one (21), to acquire a Membership with voting rights and/or be entitled to other benefits of Membership, must file an application, be accepted and, pay dues.

Section 2.4: MEMBERSHIP DEFINED

For purposes of these Bylaws, any person meeting the requirements of Section 2.2 or 2.3 may be referred to as a Member. However, the term Membership shall refer only to the Membership defined in Section 2.2 above. When determining voting rights at the County Charter, Local Charter or when determining the number of Delegates pursuant to Sections 4.4 and 4.5, each household, irrelevant of

the number of Family Members, shall be counted as one (1) Membership and, only Memberships shall receive voting rights.

ARTICLE III

MEMBERSHIP, DUES, AND RIGHTS

Section 3.1: ANNUAL DUES

The annual dues for a Membership shall be a minimum of thirty-five dollars (\$35.00). The dues shall be divided in the following proportions per Membership:

1. To the County Charter, six dollars (\$6.00),
2. To the Local Charter, three dollars (\$3.00),
3. To the National Union, eight dollars (\$8.00), and
4. The balance of the money will be maintained by the STATE UNION to further the purpose of the STATE UNION as set forth in Section 1.2.

Section 3.2: DISTRIBUTION

All annual dues shall be collected by the STATE UNION and distributed pursuant to Section 3.1.

Section 3.3: VOTING RIGHTS

The Memberships shall determine the number of County Delegates, Local Delegates and alternate delegates selected to vote on behalf of the Membership. Voting of the Membership shall be done by and through the respective County Delegates and Local Delegates representing the Membership as set forth in Sections 4.4 and 4.5. Only Memberships who are current on the payment of dues shall be counted when determining the number of Delegates for each County and Local Charter.

Section 3.4: RIGHTS AND DUTIES OF THE MEMBERSHIP

The Membership, through their respective County Delegates and Local Delegates, shall have the right to vote on the following:

1. Elect the Officers and Directors;
2. Determine the amount and allocation of Membership Dues;
3. Amend the Bylaws;
4. Amend the Certificate (Articles) of Incorporation; and
5. Dissolve, merge or sell the assets of the STATE UNION other than in the regular course of activities.

The Membership, through their respective County Delegates, shall have the right to vote on all matters arising at special meetings of the Membership in accordance with Section 5.2.

The Membership shall have the following duties:

1. Maintain current dues to be entitled to voting rights;
2. Choose their respective County Delegates and Local Delegates;
3. Follow the Bylaws of their respective County and Local Charters and these Bylaws of the STATE UNION; and

4. Follow the policies of their respective County and Local Charters and the policies of the STATE UNION.

Section 3.5: TERMINATION OF A MEMBERSHIP OR MEMBER

A Membership or Member may be terminated by his or her respective County or Local Charter in accordance with the Bylaws of such County or Local Charter. The Board of the STATE UNION by a two-thirds (2/3) majority vote of all the Directors may terminate a Membership or Member. The Membership may override such termination through an Annual or special meeting of the Membership as set forth in Section 5.2.

Section 3.6: BENEFITS OF MEMBERSHIP

Membership benefits will be published periodically as determined by the Secretary of the STATE UNION with the approval of the Board.

Section 3.7: ELECTIONEERING

Should any concern of electioneering arise by any Membership, Director, or Officer, an Officer of the STATE UNION will create an ad hoc committee to investigate and make corrective recommendations as needed to the Board. The Board shall have full authority to act upon the corrective recommendations without further review or action by the Membership.

ARTICLE IV

COUNTY AND LOCAL CHARTERS

Section 4.1: ISSUANCE OF CHARTERS

All County and Local entities must have a Charter to participate in the STATE UNION. The STATE UNION shall issue all County and Local Charters within the requirements set forth in these Bylaws and policies as determined by the Board.

Section 4.2: LOCAL UNIONS

A Local Charter must have at minimum of fifteen (15) Memberships to qualify for a Charter. A Local Charter with less than fifteen (15) may maintain a financial account at the STATE UNION until reaching fifteen (15) Memberships or until determined otherwise by the Board.

Section 4.3: COUNTY UNIONS

A County Charter may be formed in any county having one or more Local Charters. Local Charters will be placed under and report to their respective County Charter. If a Local Charter should exist without a County Charter, the STATE UNION will determine which existing County Charter such Local Charter should be placed.

Section 4.4: DETERMINATION OF VOTING MEMBERSHIPS AND ELIGIBLE DELEGATES

The Membership of the STATE UNION, for the purposes of calculating the number of Local Delegates as set for the below in Section 4.5 entitled to vote on behalf of the Membership at the Annual Meeting, will be those Memberships of record on December 31st of the year immediately preceding the Annual Meeting. To be eligible for election as a Delegate or alternate to the Annual Meeting, a person must have been a Membership in the STATE UNION for at least the entire calendar year (beginning January 1) preceding the year of the Annual Meeting. Memberships who do not belong to a Charter will not be represented by a Delegate. Delegates may be any Member including a spouse or child included in Section 2.2.

Section 4.5: NUMBER OF DELEGATES

Only County or Local Charters may have voting Delegates.

1. Each County Charter shall have one (1) Delegate.
2. Each Local Charter with fifteen (15) or more Memberships shall be entitled to one (1) Local Delegate for each fifty (50) Memberships or fraction thereof.

Section 4.6: SELECTION OF DELEGATES

The Membership of each County Charter shall elect one (1) County Delegate and the Membership of each Local Charter shall elect the number of Local Delegates as set forth in Section 4.5. Only County Delegates and Local Delegates (and alternates when replacing a Delegate) elected by the Membership of their respective Charters shall vote.

A Local Charter Officer will report its respective slate of Local Delegates and/or alternates to the County President no later than fifteen (15) calendar days prior to the opening day of the Annual Meeting. A credentialing form supplied by the STATE UNION must be utilized to report the names of the Local Delegates and/or alternates and such credentialing form must be signed and dated by the Local Charter President and Secretary, or other Officer if the Local President or Secretary is unavailable, to be valid. If a Local Charter has not elected its maximum number of Local Delegates, the County Charter President may appoint the remaining number of Local Delegates subject to approval by the County Charter Board. These Local Delegates must be appointed from within the Membership of the respective County. The County Charter will complete the credentialing form as set forth above.

The County President will provide to the Secretary of the STATE UNION the certified Credential Forms as provided by the Local Charters, and the credentialing form certified by the County Charter President and Secretary or other Officer if the President or Secretary is unavailable, no later than seven (7) calendar days prior to the opening day the Annual Meeting.

Section 4.7: CONDITIONS OF CHARTER

The STATE UNION will provide each Charter with a charter agreement which will include the Group Exemption requirements set forth in Article X and the terms of being an active/inactive Charter.

Section 4.8: REVOCATION, SUSPENSION, OR INACTIVE CHARTER

The Charter of a County or Local entity may be revoked or suspended by a two-thirds (2/3) affirmative vote of the Board of the STATE UNION. A revocation or suspension shall prevent operation

as a County or Local Charter and shall be in effect until the next Annual Meeting of the STATE UNION where the Delegates, representing the Membership, shall vote and at which time the County or Local Charter, whose Charter has been suspended or revoked, shall have an opportunity to appear and appeal the decision of the Board suspending or revoking its respective Charter upon the Charter meeting the requirements of the Group Exemption and/or charter agreement. In case of such appeal, the Delegates by a majority vote may overrule the action of the Board and reinstate said Charter. Terms of an active Charter will be provided in the charter agreement. When inactive, the Local Charter funds will be transferred to the County Charter and the County Charter Officers will become the Board for the Local Charter. When inactive, the County Charter funds will be transferred to the STATE UNION and the Secretary of the STATE UNION will become the sole Director for the Local Charter. Should any Charter be dissolved due to being inactive, the funds of the dissolved Charter will follow the Membership and be divided proportionately between the County Charters and Local Charters where the Memberships are placed.

Section 4.9: ACTION BY CORPORATION DURING REVOCATION, SUSPENSION, INACTIVE, OR LOSS OF OFFICER

In case the Charter of a County or Local entity has been suspended, revoked or inactive, the STATE UNION shall take steps to protect the rights of the Membership of the suspended Charter and shall take charge of the books and finances of the entity, pending a vote of the Delegates at the Annual Meeting.

If the office of Secretary, Treasurer, or Secretary/Treasurer of a County or Local Charter becomes vacant, the books, files and records of such officer shall immediately be turned over to his/her successor, to a designated officer or committee of such Charter, or, if the Charter is inactive, turned over to the STATE UNION.

Should the Charter not be reinstated by the Membership, the STATE UNION shall remove the Charter from the Group Exemption.

ARTICLE V

MEETINGS OF THE MEMBERSHIP

Section 5.1: ANNUAL MEETING

The Annual Meeting of the STATE UNION shall be held in the first quarter of the Calendar Year at a place designated by the Board of the STATE UNION. Should an Annual Meeting not take place, an Annual Meeting shall be scheduled by the Board or Membership through a special meeting of the Membership within the second quarter of the Calendar Year.

Section 5.2: SPECIAL MEETINGS

A special meeting of the Membership of the STATE UNION may be called upon resolution of the Board or upon petition of at least five thousand (5,000) Memberships. Such petition must be filed with the Secretary who shall then provide notice and an agenda to each Delegate of the prior Annual Meeting. Such Delegates of the prior Annual Meeting shall have the right to vote at any special meeting of the Membership.

The purpose of every special meeting of the Membership shall be stated in the notice thereof, and no business shall be transacted except as specified in the notice and/or agenda of such meeting accompanying the notice.

Should the Secretary fail to act, the Board shall appoint an individual to take the above actions on behalf of the Board. Should the Board fail to act, any thirty (30) Delegates may take action under this Section 5.2. The voting results of the Delegates shall be published on the website within ten (10) calendar days of the closing of the special meeting of the Membership.

Section 5.3: NOTICE

Notice of the Annual Meeting or any special meeting of the Membership may be distributed as follows:

1. Placed in a publication used by the STATE UNION if time allows;
2. Electronically via the website used by the STATE UNION; or
3. By other means as determined by the Board.

The date of the Annual Meeting shall be made known to the Membership a minimum of ninety (90) calendar days prior to the Annual Meeting. The Notice of the Annual Meeting, including the day, hour and place, shall be provided not less than fourteen (14) calendar days nor more than one hundred twenty (120) calendar days preceding the Annual Meeting. Notice of any special meeting of the Membership, including the day, hour, place, and purpose, shall be provided not less than seven (7) calendar days nor more than thirty (30) calendar days preceding the meeting. If a Membership does not receive notice of a meeting, but attends the meeting, he/she shall be deemed to have waived notice of the meeting.

Section 5.4: QUORUM AND VOTING

A quorum for any Annual Meeting or any special meeting will consist of the Delegates present at the time of a vote. Only Delegates as set forth in Sections 4.4 and 4.5 shall be counted for the purposes of quorum and only such Delegates shall be entitled to vote at the Annual Meeting or any special meeting.

Section 5.5: MEETING PROCEDURES

When special rules are not adopted by the Board, the most current version of Robert's Rule of Order shall be utilized as a procedural guide. Conflicts in procedures shall be resolved in accordance with the current edition of Robert's Rules of Order unless determined otherwise by a vote of the Board, these Bylaws, or written policy.

ARTICLE VI

BOARD OF DIRECTORS OF THE CORPORATION

Section 6.1: AUTHORITY AND COMPOSITION

All powers and authority which may be granted to a Board of Directors of a corporation under the laws of Oklahoma shall be vested in the Board. Any decision of the Board regarding the business of the STATE UNION shall be binding upon the Officers of the STATE UNION. Any one Officer or Director

shall not have the authority to contract on behalf of the STATE UNION unless determined otherwise by a vote of the Board.

~~The Board shall consist of seven (7) Directors. There shall be four (4) District Director elected from each of the four (4) districts defined in the map below, and three (3) At-Large Directors. Each district shall have a minimum of one (1) Director but no district may have more than two (2) Directors. Only individuals who are independent shall be elected as a District Director. At-Large Directors may be, but are not required to be, independent. To be considered an Independent Director for the purposes of this Article VI, the Director and his/her "Family Member(s)" (defined as a spouse, parent, child and sibling, whether by blood, marriage or adoption, or anyone residing in such person's home) may not, other than in the capacity as a member of the Board or committee of the Board, accept any consulting, advisory other compensatory fee from the STATE, be an affiliated person of the STATE or subsidiary thereof since the first day of the year in which the "Director" files for office. An Independent Director shall not be an "insurance producer or agent" (defined as a person required to be licensed under the laws of Oklahoma to sell, solicit, or negotiate insurance) for American Farmers and Ranchers Mutual Insurance Company, its subsidiaries or affiliates while serving as a Director and shall not have been an "insurance producer or Agent" for American Farmers and Ranchers Mutual Insurance Company, its subsidiaries or affiliates at any time during the two (2) years prior to the date of his or her election(s) as a Director of the STATE. The control of State Union shall be vested in seven (7) Directors pursuant to the terms of the current Amended and Restated By-Laws of the Oklahoma State Union of the Farmers Educational and Co-Operative Union of America, Inc., dated February 13, 2015 until the 2017 Annual Meeting, at which time, the control of State Union shall be vested in a Board of nine (9) Directors. The nine (9) Directors shall have staggered terms of one (1) to three (3) years or until their successors are chosen and qualified according to their positions and terms of office described in Section 6.2 below. The Board of Directors shall be divided into three (3) classes. Each class shall consist, as nearly as possible, of one-third of the whole number of the Board of Directors. Except as otherwise provided herein, the term of those Directors whose term is expiring as of the 2017 Annual Meeting of the members of State Union and the American Farmers & Ranchers Mutual Insurance Company, an Oklahoma Corporation, shall be considered Directors in the first class; the term of office of those Directors whose term expires as of the 2018 Annual Meeting of Members of State Union and the American Farmers & Ranchers Mutual Insurance Company shall be considered Directors of the second class; and the term of office of those Directors whose term expires as of the 2019 Annual Meeting of the Members of State Union and the American Farmers & Ranchers Mutual Insurance Company shall be considered Directors of the third class. Except as otherwise provided herein, at each Annual Meeting the election of the successors to the class of Directors whose terms have expired in that year shall be elected to hold office for a term of three (3) years.~~

Notwithstanding anything herein to the contrary, the Board of Directors shall at all times be comprised of a majority of Directors who are independent (an "Independent Director"). For the purposes of this Article VI, an Independent Director shall be a Director who neither he/she nor his/her "Family Member(s)" (defined as a person's spouse, parent, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person's home) have, other than in the capacity as a member of the Board of Directors of State Union or committee of the Board, accepted any consulting, advisory or other compensatory fee from State Union, been an affiliated person of State Union or subsidiary thereof since the first day of the year in which the "Director" filed for office. An Independent Director shall not be an "insurance producer or agent" (defined as a person required to be licensed under the laws of Oklahoma to sell, solicit, or negotiate insurance) for the American Farmers & Ranchers Mutual Insurance Company its subsidiaries or affiliates while serving as a Director and shall not have been an "insurance producer or agent" for the American Farmers & Ranchers Mutual Insurance

Company, its subsidiaries or affiliates at any time during the two (2) years prior to the date of his or her election as a Director of State Union.

The term “District Director” as used herein shall mean a person who would qualify as an “Independent Director” and who is otherwise qualified to serve on the Board of Directors who resides in one of the four (4) districts defined in the map below. The term “Agent Director” as used herein shall mean a person who has been or currently serves as an “insurance producer or agent” for the Corporation, its subsidiaries or affiliates in one of the four (4) districts defined in the map below. The term “At-Large Director” as used herein shall mean a person who would qualify as an “Independent Director” and who is otherwise qualified to serve on the Board of Directors who may reside anywhere in the State of Oklahoma.

The Board of Directors shall be elected by statewide vote with (a) one independent “District Director” elected from each of the four (4) districts defined in the map below; (b) one “Agent Director” elected from each of the four (4) districts defined in the map below; and (c) one independent At-Large Director elected from the state at-large. Therefore, each district shall have a minimum of two (2) Directors and one (1) district shall have three (3) Directors.

Only individuals who are independent shall be elected as a District Director. Only individuals who are agents or former agents of the American Farmers & Ranchers Mutual Insurance Company shall be elected as an Agent Director. The At-Large Director must be an independent.



Section 6.2: DESIGNATION OF DIRECTOR POSITIONS AND TERMS OF OFFICE

The nine (9) Director positions and terms of office shall be designated as follows:

Office No. 1: The District Director elected from District One (1) shall have an initial term beginning the 20th day of February, 2016, for a term of 1 year.

Office No. 2: The District Director elected from District Two (2) shall have an initial term beginning the 20th day of February, 2016, for a term of 2 years.

Office No. 3: The District Director elected from District Three (3) shall have an initial term beginning the 20th day of February, 2016, for a term of 3 years.

Office No. 4: The District Director elected from District Four (4) shall have an initial term beginning the 20th day of February, 2016, for a term of 1 year.

Office No. 5: The Agent Director elected from District One (1) shall have an initial term beginning the 18th day of February, 2017, for a term of 1 year.

Office No. 6: The Agent Director elected from District Two (2) shall have an initial term beginning the 20th day of February, 2016, for a term of 3 years.

Office No. 7: The Agent Director elected from District Three (3) shall have an initial term beginning the 20th day of February, 2016, for a term of 1 year.

Office No. 8: The Agent Director elected from District Four (4) shall have an initial term beginning the 20th day of February, 2016, for a term of 2 years.

Office No. 9: The At-Large elected statewide shall have an initial term beginning the 18th day of February, 2017, for a term of 2 years.

The terms of office of the current members of the Board of Directors shall expire according to the current Amended and Restated Bylaws of State Union or upon the election of his/her successor according to the terms of this Bylaw change (whichever occurs first).

Section 6.23: DIRECTOR DEFINED

For purposes of these Bylaws, District Directors, Agent Directors, and the At-Large Director shall hereafter collectively be known as the “Directors” or “Board”.

Section 6.34: ELIGIBILITY AND FILING REQUIREMENTS

To be eligible to file for an Officer or Director position, a candidate must have had a membership of record beginning on December 31st for five (5) years preceding the Annual Meeting; not had a conflict of interest as defined in the STATE UNION’s conflict of interest policy; have been actively engaged in production agriculture during this time and received an appreciable portion of their income from producing agriculture *or*, be involved in cooperative work with the STATE UNION; have met the eligibility requirements of the American Farmers and Ranchers Mutual Insurance Company; and, have met the requirements set forth in the policies of the STATE UNION. Once a Director has been elected, to be eligible for reelection he/she must have a current farm mutual director certificate from National Association of Mutual Insurance Companies (NAMIC) or a similar certificate and be current on continuing education opportunities from NAMIC or other similar organization at the time he/she files for reelection.

A candidate for a particular Director or Officer position must file in writing with the Secretary between one hundred and twenty (120) calendar days and ninety (90) calendar days prior to the next Annual Meeting thereby making the filing period thirty (30) calendar days. In case of there being no candidate for a position or in the loss of a candidate for whatever reason, the Board shall re-open the filing period for a period of time prior to the Annual Meeting to be determined by the Board.

Section 6.45: ELECTION

Prior to any election of any Director, an appropriate committee of the STATE UNION and the Secretary shall verify that the composition requirements set forth in Section 6.1 are met. The Directors shall be elected by the Membership through a vote of their respective Delegates at the Annual Meeting. Elections shall take place by a statewide vote thereby allowing all Delegates to vote on each Director. A

plurality of votes will determine all elections: therefore, the candidate receiving the most votes will be elected.

Section 6.5: TERMS

~~The seven (7) Directors shall be elected for terms of three (3) years or until their successors are chosen and qualified. The Board of Directors shall be divided into three (3) classes. Each class shall consist, as nearly as possible, of one-third of the whole number of the Board of Directors. Except as otherwise provided herein, the term of office of those Directors whose term is expiring as of 2011 Annual Meeting of the members of the STATE shall be considered Directors in the first class, the term of office of those Directors whose term expires as of the 2012 Annual Meeting of members of the STATE shall be considered Directors in the second class, and the term of office of those Directors of the STATE whose terms expires as of the 2013 Annual Meeting of the members of the STATE shall be considered Directors of the third class. Except as otherwise provided herein, at each annual election the successor to the class of Directors whose terms have expired in that year shall be elected to hold office for a term of three (3) years.~~

Section 6.6: DUTIES

The duties of the Directors include the following:

1. Exercise a duty of obedience to the STATE UNION's central purpose in guiding all decisions;
2. Exercise due care and act in good faith in all dealings and interests with the STATE UNION;
3. Exercise a duty of loyalty to the STATE UNION by avoiding and/or managing conflicts of interest;
4. Manage conflicts between Directors and/or Memberships or assign a committee to do so with the Board having full authority to determine such matters;
5. Periodically review these Bylaws and the Certificate (Articles) of Incorporation and make recommended changes to the Membership for a determination;
6. Approve, periodically review and/or amend board policies which may include duties in addition to those designated in these Bylaws;
7. Maintain a record of all approved policies and contemporaneous minutes and records of all meetings of the Board, committees with board delegated duties, and Membership;
8. Approve the annual budget and oversee the financial administration of the STATE UNION and publication utilized by the STATE UNION;
9. Review Form 990 prior to submission to the IRS or authorize an appropriate committee to perform such duty;
10. Maintain Membership Dues;
11. Sit on a minimum of one committee unless excused from such duty by a vote of the Board; and,
12. Perform such other duties as prescribed by the Board and Membership.

Section 6.7: COMPENSATION

Each Director shall receive for services rendered seventy-five (\$75.00) dollars per day in which a meeting takes place, plus traveling expenses for meetings. A written report of all compensation and expense of Directors will be available to the Delegates upon request.

Section 6.8: DUAL POSITIONS

Officers or Directors filing for any other position within the STATE UNION must resign their present position, to be effective the day of the election at the Annual Meeting and notify in writing the Secretary no later than one hundred twenty (120) calendar days before the opening day of the Annual Meeting. The filing period for the position being vacated shall be the period described in Section 6.31.

Section 6.9: REMOVAL OR RESIGNATION

A Director may be removed either with or without cause, by the affirmative vote of any ~~six~~ eight (8) Directors at any regular or specially called meeting. The conflict of interest policy of the STATE UNION shall be followed in the removal of a Director. The Membership may override such termination through an Annual Meeting or special meeting of the Membership as set forth in Section 5.2. In addition, a two-thirds (2/3) majority vote of the Delegates present may remove any Director at any time with or without cause at any Annual Meeting or special meeting of Membership.

Any Director may resign at any time by giving written or verifiable electronic notice to the President or to the Secretary. Any resignation shall take effect upon receipt or at the time specified in the notice and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. No Director may resign if the STATE UNION would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Oklahoma Secretary of State and to the Internal Revenue Service.

Section 6.10: VACANCIES

Notification of vacancies resulting from resignation, removal or any other cause will be provided to the County and Local Charters via electronic transmission or mail if no form of electronic transmission is available, within ten (10) calendar days of the Secretary becoming aware of such vacancy. The vacancy may, at the discretion of the Board, by a majority vote of a quorum of the Directors at any regularly or specially called meeting of the Board appoint a Director so long as the Composition requirements in Sections 6.1, 6.2 and 6.34 are met. The appointed Director shall serve the remainder of the unexpired term. However, the Membership may remove any appointed Director at any Special Meeting of the Membership or at the next Annual Meeting as determined by the Membership through their respective Delegates. The election by the Membership shall be for the unexpired term of the position unless the position was scheduled for election at the next Annual Meeting in which case the term shall be for three (3) years.

Section 6.11: NATIONAL CONVENTION DELEGATES

The Directors, the Officers, and the Chair and Vice-Chair of the Policy Committee shall be automatically appointed as National Delegates to the National Convention. Additional National Delegates and alternates up to the maximum number allowable based on STATE UNION Membership shall be elected from the floor at the Annual Meeting. There shall be a limit of one (1) National Delegate per family. To be eligible for election as a delegate or alternate to the National Farmers Charter Convention, a person must have been a Membership of record beginning on December 31st for two (2) years preceding the Annual Meeting and must have been a Delegate at the Annual Meeting prior to the National Conference.

At least one (1) alternate for every two (2) National Delegates may be elected to attend the National Convention up to what the budget allows. A spouse of a National Delegate elected by the Membership may be elected as an alternate National Delegate.

Elected National Delegates may be eligible for re-election as a National Delegate every 3rd year. In the event a full slate of National Delegates is not nominated, the Board shall have the authority to waive the 3rd year eligibility rule. The 3rd year eligibility rule will not apply to the spouse serving as an Alternate National Delegate.

Employees, other than the Officers, of the STATE UNION are excluded from being delegates to the National Convention.

ARTICLE VII

MEETINGS OF THE BOARD OF DIRECTORS

Section 7.1: MEETINGS

There shall be a minimum of four (4) regular meetings per year. Special meetings of the Board for any purpose(s) may be called at any time by the President of the Board or by any ~~four (4)~~ five (5) Directors. No business shall be considered at any special meeting other than the purpose(s) mentioned in the notice given to each Director of the meeting. Regular meetings and special meetings of the Board may be held at such times and locations as shall be determined by the Board. In the absence of a location designation, meetings shall be held at the Principal Office of the STATE UNION.

Section 7.2: QUORUM

A majority (over 50%) of the total number of Directors shall constitute a quorum. A majority vote of a quorum shall be deemed the action of the Board unless specified otherwise in these Bylaws. Directors present by electronic transmission where such Director can hear and be heard shall be counted for purposes of determining a quorum. Directors with a conflict of interest may be counted for purposes of determining a quorum but may not participate in the discussion or vote on such conflict of interest.

In the absence of a quorum, a majority of the Directors present at any meeting may vote to adjourn the meeting to another place, date or time. Notice of any meeting adjourned and rescheduled in this manner shall be given as set forth in Section 7.4.

Section 7.3: VOTING

Each Director shall have one vote. The President will only vote in the case of a tie vote. Voting may take place via any means as determined by the Board. To vote on any issue, each Director must at a minimum, have heard the discussion prior to the vote. At any meeting of the Board, the Directors may vote by voice on all matters either in person or via electronic transmission, where the Director can hear and be heard. The STATE UNION shall implement reasonable measures to verify that each person deemed present at the meeting and permitted to vote at a meeting by means of electronic transmission is a Director.

Section 7.4: NOTICE AND ACTION WITHOUT NOTICE

Any regular meeting of the Board will require no notice if the time, date and location of such meeting were previously determined by the Board and distributed to the Directors. Directors not in attendance at the meeting setting forth the dates shall be given the dates, time and location of such meetings within seven (7) calendar days following the meeting. For any regular meeting where the date, time and location was not previously determined, notice shall be sent to the Directors as least seven (7) calendar days prior to the holding of the meeting. For any special meeting, notice shall be sent to the Directors not fewer than twenty-four (24) hours prior to the holding of the meeting.

Directors shall receive notice via electronic transmission and shall provide, in writing, an electronic address. Directors must request, in writing, to receive notice by US Postal Service and shall provide an address for such purpose. Notice via electronic transmission or US Postal Service shall be valid notices thereof. If a Director does not receive notice of a meeting, but attends the meeting, he/she shall be deemed to have waived notice of the meeting.

Any action taken or approved at any meeting of the Board however called and noticed or wherever held, shall be valid if a quorum was present at such meeting and if either before or after the meeting, a two-thirds (2/3) majority of the total number of Directors sign a written waiver of notice or a written consent to holding such meeting. All such waivers or consents shall be filed with the corporate records or made a part of the minutes of the meeting. In the absence of such waivers, any action taken shall be considered void.

Section 7.5: MEETING PROCEDURES

When special rules are not adopted by the Board, the most current version of Robert's Rule of Order shall be utilized as a procedural guide. Conflicts in procedures shall be resolved in accordance with the current edition of Robert's Rules of Order unless determined otherwise by a vote of the Board, these Bylaws, or written policy.

ARTICLE VIII

OFFICERS OF THE BOARD

Section 8.1: NUMBER AND ELGIBILITY

The Officers of the STATE UNION shall be a President, Vice-President, Secretary and Treasurer. Officers may be employees but may not be Directors as set forth in Article VI. The Officer positions of President, Vice-President and Secretary shall be elected by the Membership. The Officer position of Treasurer shall be nominated by the President and appointed by a vote of the Board.

Section 8.2: ELIGIBILITY AND FILING REQUIRMENTS

To be eligible for an Officer position, a candidate must meet the eligibility and filing requirements of a Director as set forth in Sections 6.1, 6.2-6.3-a and Section 6.4.

Section 8.3: ELECTION

The Officers shall be elected by the Membership through a vote of their respective Delegates at the Annual Meeting.

Section 8.4: TERMS

Unless otherwise provided in these Bylaws, an Officer shall serve a term for a period of three (3) years. To allow for approximately one-third (1/3) of the Officers to be up for election each year, elections will be staggered with the President being elected in the first year of the three (3) year cycle, the Vice-President being elected the in the second year of the cycle and the Secretary being elected the third year of the cycle. Upon resignation, removal or other vacancy of an Officer, the respective successor shall serve the remainder of the term.

Section 8.5: DUTIES AND COMPENSATION OF OFFICERS

Duties of the Officers shall be set forth in job descriptions as determined by the Board and Officers will receive fair and reasonable compensation for services rendered.

Section 8.6: ASSISTANT SECRETARY AND ASSISTANT TREASURER

The President may appoint any Assistant Secretary or Assistant Treasurer to perform such duties as determine by and under the direction of the President. Appointed Officers may receive fair and reasonable compensation for services rendered.

Section 8.7: REMOVAL OR RESIGNATION

Any Officer may be removed, either with or without cause, by the affirmative vote of ~~any seven (7) Directors~~ nine (9) Directors at any regular or special meeting of the Board. The Membership shall be notified of the removal and such Officer shall be replaced in accordance with Section 8.8.

Section 8.8: VACANCIES

If a vacancy occurs in the office of President, the Vice-President shall succeed to the office of President and serve for the unexpired term. If the Vice-President is unable to serve as President or a vacancy occurs in any other Office, the Board may, at its discretion, elect a person or persons to fill such vacancies, and the person so elected shall serve for the remainder of the unexpired term. Any Director so elected to fill an officer vacancy for the unexpired term will not be required to resign from the Board of Directors until the next Annual Meeting.

Section 8.9: DELEGATION OF DUTIES

In case of the absence or disability of any Officer or for any other reason that the Board may deem sufficient, the Board may by a vote, delegate the powers or duties of such Officer to any other Officer or to any Director with such power of delegation valid until the next Annual Meeting where an election can take place.

Section 8.10: VOTING RIGHTS OF OFFICERS

Officers have no voting rights at any meeting of the Board with the exception that the President may vote in the case of a tie vote of the Board.

ARTICLE IX

COMMITTEES OF THE BOARD

Section 9.1: CREATION

The Board shall have the power to create, revoke or modify any committee deemed necessary. The President shall have the power to appoint a Chairperson of any committee or to delegate such appointive powers to any other appropriate Director, unless determined otherwise by the Board. Each committee shall have a minimum of two (2) members. Members who are not Directors may serve at the approval of the Committee Chairperson and President.

All committees shall report to the Board as the Board may require. Should the Board delegate any of its powers to a committee (including an Executive Committee), such committee shall notice meetings in accordance with Section 7.4; shall keep contemporaneous minutes of such committee meetings; and, shall file such minutes with the corporate records and report all actions to the Board. The Board may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

Section 9.2: NOTICE OF COMMITTEE MEETINGS

For committees without board delegated powers, Committees Chairpersons shall provide a minimum twenty-four (24) hour notice to the committee members. If a committee member does not receive notice of a committee meeting, but attends the committee meeting, he/she shall be deemed to have received notice of the committee meeting. Notice of such committee meetings may be given verbally or via electronic transmission.

ARTICLE X

GROUP EXEMPTION PROVISIONS

Section 10.1: GROUP EXEMPTION

The STATE UNION shall maintain the Group Exemption number _____ as required by section 501(c)(5) of the Internal Revenue Code, or corresponding section of any future federal tax code until it notifies the Internal Revenue Service it no longer qualifies under a group exemption or of a dissolution of the STATE UNION. The STATE UNION shall have general supervision over each Charter placed under the group exemption.

Section 10.2: ORGANIZING DOCUMENTS

The STATE UNION shall provide each Charter with a description of the purposes and activities allowed by a Charter. Any Charter with activities outside of the purposes and activities allowed by the STATE UNION will be removed from the Group Exemption.

The STATE UNION shall provide each Charter with bylaws in which to govern the Charter. A Charter may modify or amend such bylaws only upon the written approval of the Board. In addition, the STATE UNION will provide required language to be placed in the Certificate (Articles) of Incorporation or

other organizing document of the Charter. A Charter may modify or amend such Certificate (Articles) of Incorporation or other organizing document only upon the written approval of the Board.

Section 10.3: TAX RETURNS

Each Charter shall acquire a Federal Employee Identification Number and shall prepare a tax return (Form 990) for its respective Charter. Should the Charter request the STATE UNION to prepare such tax returns, the Charter will provide financial information and other information as requested by the STATE UNION.

Section 10.4: REPORTS

Due to IRS requirements, each Charter will provide a report annually to the STATE UNION which includes past or planned changes in activities which are not within the scope of the STATE UNION's purpose as set forth in Section 1.2; change in name; change in location; any legal or threatened legal action; any variation from bylaws or Certificate (Articles) of Incorporation.

In addition, each Charter will provide a general financial report including the nature of expenditures and sources and amounts of receipts; and, minutes from any meeting showing the election or removal of a Director. The STATE UNION may request additional information as needed.

Section 10.5: CORPORATE RECORDS

The STATE UNION and each Charter shall make available for public inspection, a copy of its Form 990 for the previous three (3) years. The STATE UNION shall make its application for tax-exempt status with the amendments, schedules, attachments and supporting documents filed with the Internal Revenue Service available for public inspection. In addition, the STATE UNION shall make its list of Charters under the Group Exemption available for public inspection.

Section 10.6: DISSOLUTION

Should any Charter be dissolved, the funds of the dissolved Charter will follow the Membership and be divided proportionately between the County Charter and Local Charter where the Memberships is placed. The STATE UNION Board shall be responsible for distributing the remainder of the Charters assets to another Charter.

ARTICLE XI

CONFIDENTIALITY

Section 11.1: MEMBERSHIP LIST

No person or company may use the Membership List of the STATE UNION without prior written approval of the Secretary of the STATE UNION or of the Board.

Section 11.2: CONFIDENTIAL INFORMATION

No person or company may use the Confidential Information of the STATE UNION without prior written approval of the Secretary of the STATE UNION or of the Board. Confidential Information refers

to any and all information relating to the STATE UNION's business activities and includes, without limitation, the STATE UNION's business processes, products, services, strategies, objectives, financial information, technical information, data, marketing materials, business plans, and employees. Confidential Information is the exclusive property of the STATE UNION and may be used by the Board solely in the performance of its obligations to the STATE UNION.

ARTICLE XII

AMENDMENTS AND CONTRUCTION

Section 12.1: AMENDMENTS TO BYLAWS

Amendments to these Bylaws may be proposed by a County Union or Local Union and filed with the Secretary of the STATE UNION not less than ninety (90) calendar days preceding any Annual Meeting or special meeting of the Membership. In addition, amendments to these Bylaws may be proposed by the Board not less than thirty (30) calendar days preceding any Annual Meeting or special meeting of the Membership.

These Bylaws may be amended, altered, changed or repealed by the affirmative vote of a two-thirds (2/3) majority of a quorum of the Membership at any Annual Meeting or special meeting of the Membership if notice of the proposed amendment, alteration, change or repeal was given at least ten (10) calendar days prior to the meeting at which the amendment is acted upon. In addition, for the purpose of clarity or consistency such proposed alteration, amendment or revision may be further amended at the meeting upon the affirmative vote of two-thirds (2/3) majority of a quorum of the Membership.

Section 12.2: CONSTRUCTION AND TERMS

Should there be any conflict between the provisions of these Bylaws and any prior bylaws, the provision of these Bylaws shall govern.

Should there be any conflict between the provisions of these Bylaws and any internal policies and procedures, the provisions of these Bylaws shall govern. However, internal policies and procedures approved by the Board may allow for additional or more stringent requirements to be placed on the Directors, Officers, Memberships and/or committee members.

Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding. All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

Should there be any conflict between the provisions of these Bylaws and the Certificate (Articles) of Incorporation, the Certificate (Articles) of Incorporation shall govern.

ARTICLE XIII

PROMOTIONAL FEE

The American Farmers & Ranchers Mutual Insurance Company shall pay up to one percent (1%) of its annual premium to the STATE UNION to support programs that furthers the purpose and promotes the American Farmers & Ranchers Mutual Insurance Company, with the exact amount being set at the discretion of the Board of Directors.

APPROVAL

These Bylaws, as amended and restated herein, are the true and complete Bylaws of THE OKLAHOMA STATE UNION OF THE FARMERS EDUCATIONAL AND CO-OPERATIVE UNION OF AMERICA, INC., as amended by its Members.

Dated this ____ day of _____, 2016.

By: _____
Terry Detrick, President

Date: _____

ATTEST:
By: _____
Paul Jackson, Secretary

Date: _____