

**ARTICLES OF INCORPORATION
OF
GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF**

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I. NAME, DOMICILE AND OBJECTIVES

The name of this corporation is Global Roundtable for Sustainable Beef (also referred to in this document as GRSB).

- A. This organization is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.
- B. The Specific purposes for which this corporation is organized include, but are not limited to the advancement of continuous improvement in sustainability of the global beef value chain through leadership, science and multi-stakeholder engagement and collaboration.
- C. The name and address in the State of Colorado of this Corporation's initial agent for service of process is:
 - Name: Bryan Weech
 - Address: 23122 Briar Leaf Ave.
Parker, CO 80138
- D. The corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

- E. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (1) by a corporation exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code or (2) by a corporation contributions to which are deductible under Section 170(c)(2) of said Code, or the corresponding provisions of any future statute of the United States.
- F. No substantial part of the activities of this corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation; nor shall the corporation participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.
- G. The names and addresses and office held of the persons designated to act as the initial Board of Directors of this corporation are:

Mr. Cameron Bruett - President
JBS USA
1770 Promontory Circle
Greeley, CO 80634

Mr. Bryan Weech - Secretary
23122 Briar Leaf Ave.
Parker, CO 80138

Mr. Roger Cady - Treasurer
Elanco
808 Williams Dr.
Eureka, MO 63025

Mr. John Carter - Vice President
120 Blackburn Avenue
Nashville, TN 37205

Mr. Robert Fields - Vice President
Sam's Club / Walmart
2101 SE Simple Savings Drive
Bentonville, AR 72716

- H. The property of this Corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of the corporation shall ever inure to the benefit of any director, trustee, member or officer of this corporation, or to any private person.

II. MEMBERSHIP

Article 1 - Membership Categories

- A. GRSB shall be composed of two categories of Members: Participating Members with voting rights and Observing and Consulting Members without voting rights.

- B. Participating Members shall represent organizations willing to contribute to the objectives of GRSB as actors in the beef value chain.
- C. Each Participating Member shall belong to one of the following six¹ constituencies:
 - a. Producers – Organizations and associations who are actively engaged in the ownership and management of live cattle used to produce beef;
 - b. Processing – Organizations and associations that process live cattle into saleable product;
 - c. Allied Services and Industries - All input providers and companies offering services to the beef supply chain, and not buying or selling cattle or beef, and undertaking associated activities.
 - d. Retail – Organizations and associations who bring beef and beef-related products to consumers;
 - e. Civil Society – Academic institutions, non-government and non-commercial institutions, foundations and associations with a stake in the beef value chain;
 - f. Roundtable – Local, national or regional multi-stakeholder initiatives who share the vision, mission, and statement of purpose and objectives of GRSB.
- D. Each constituency shall have a member responsible for oversight of voting, conduct, Board of Directors nominations and bringing forth resolutions.
- E. Observing Members individuals and organizations that may otherwise qualify for Participating Membership may apply for Observer status in order to learn and engage in the association. It is expected Observers would work toward becoming Participating Members within a reasonable period of time.
- F. Consulting Members are individuals or organizations such as regulatory authorities, governmental agencies, consulting and auditing firms and donor organizations, which do not belong to one of the six constituencies.

Article 2 - Admission

- A. In order to become a Member of GRSB, a membership application must be completed and sent to the President of the Board of Directors. The Membership and Nominations Committee at the Board of Directors shall rule on current admission requests.
- B. The Board of Directors will be the final authority regarding applicant's status as Participating or Observing Members.

Article 3 - Rights of the Members

- A. Participating Members have voting rights at General Assembly meetings.
- B. Participating members may propose amendments to the Statutes and By-laws to the Board of Directors for ratification by the General Assembly.

¹ Amended January 24, 2018

- C. Participating Members may propose agenda items and make motions to General Assembly meetings.
- D. Participating Members are eligible for participation in Technical Working Groups and representation in the Board of Directors in their respective constituency as provided for in Article 12.
- E. Observing and Consulting Members may attend and address General Assembly meetings, but they have no voting rights. They may also participate in Technical Working Groups when invited.

Article 4 - Obligations and Expectations of the Members

- A. All Members shall pay an annual membership fee.
- B. All Members are obliged to adhere to GRSB By-Laws and to support the vision, mission and goals of GRSB.
- C. Participating Members shall designate in writing a representative to exercise their voting rights.
- D. Participating Members are expected to report annually, in writing by the end of the year, on progress towards the objectives of GRSB.

Article 5 - Termination of Membership

- A. A membership shall cease by virtue of:
 - a. resignation by letter to the GRSB Administrative Staff to be effective 30 days after reception of this letter;
 - b. failure to pay membership fees;
 - c. dissolution of a Member's organization;
 - d. termination by the Board of Directors on the basis provided for in the GRSB By-laws.

III. GENERAL ASSEMBLY MEETINGS (PHYSICAL OR VIRTUAL)

Article 6 - Ordinary and Extraordinary General Assembly Meetings

- A. An ordinary General Assembly meeting is held annually. The meeting can be in person or via video conference.
- B. An extraordinary General Assembly meeting may be called:
 - a. based on a decision of the Board of Directors;
 - b. at the request of at least one third of the Participating Members; this request must contain the items of discussion for the proposed meeting;
 - c. at the request of the auditor.

Article 7 - Notice for the General Assembly Meetings

- A. A written notice for ordinary General Assembly meetings stating the venue, date and time as well as the agenda, shall be mailed to each Member, with adequate documentation, not less than sixty calendar days prior to the date of the meeting. Communication can be electronic (e-mail) or physical.
- B. A written notice for an extraordinary General Assembly meeting stating the venue, date and time as well as the agenda, shall be mailed to each Member, with adequate documentation, not less than twenty calendar days prior to the date of the meeting. Communication can be electronic (e-mail) or physical.

Article 8 - Powers of the General Assembly

- A. The General Assembly is the highest decision-making body of GRSB. It is composed of all Participating Members. Decisions are reached by vote of Participating Members. The decisions of the General Assembly may not be challenged or altered by the Board of Directors.
- B. The General Assembly has the power to:
 - a. supervise the activities of the governing bodies and may at any time dismiss the latter without prejudice to any contractual rights of those dismissed;
 - b. dismiss members of the Board of Directors which power exists by law whenever justified by good cause;
 - c. accept the financial statements;
 - d. elect the members of the Board of Directors;
 - e. approve an independent auditor of GRSB;
 - f. establish the principal guidelines for the general policy of GRSB;
 - g. approve or reject the membership fees proposed by the Board of Directors;
 - h. ratify amendments to the by-laws and statutes and;
 - i. decide on the dissolution of GRSB.
- C. Formal votes of the General Assembly meetings are restricted to the items stated in the agenda of the written notice.

Article 9 - Resolutions

- A. The General Assembly meeting is composed of all Participating and Observing Members or their representatives. The General Assembly meeting shall have a quorum if the majority of Participating Members have voted.
- B. A 50% majority within each constituency and two-thirds majority vote across constituencies is required to pass a resolution.
- C. The Participating Members vote by constituencies.
- D. If a Participating Member is not able to attend the General Assembly meeting, such Participating Member can delegate its voting rights in writing to another person within their organization.

Article 10 - General Assembly Voting Principles

- A. The following voting principles are provided to ensure that General Assembly votes are fair and balanced. These principles avoid the potential for one particular size of organizations dominating a particular constituency's voting and encourage consensus building within and between constituencies.
- B. Each GRSB Member shall have one vote within their respective constituency. The individual General Assembly votes are cast then calculated to determine the Aggregated constituency vote for each of the five constituencies.
- C. The Aggregated constituency vote is calculated according to the following process:
 - a. Each constituency is allocated nine aggregated constituency votes with each tier within the constituency receiving three votes. The exceptions are the Round Table constituency which is allocated twelve aggregated constituency votes and only has one tier, and the Producer Constituency which is allocated twelve aggregated constituency votes and has four tiers.
 - b. Each tier's votes will be cast according to the percentage distribution of its member's votes (rounded to the nearest hundredth). The aggregated constituency vote is the total Yes and No votes of all tiers within the constituency.

(See example chart below.)

1. Individual member votes are cast and counted within their constituency tier. In this case a total of 20 members in Tier 1 voted.

2. The respective percentage of Yes and No votes are multiplied by the number of votes per tier to calculate the Tier votes. In this case, 75% voted yes multiplied by 3

Constituency Example

Tier	Individual		Constituency Votes / Tier	Tier Votes	
	Yes	No		Yes	No
Tier 1	15	5	3	2.25	0.75
Tier 2	8	2	3	2.40	0.60
Tier 3	3	2	3	1.80	1.20
Aggregated Constituency Vote (passed)				6.45	2.55

3. The Tier votes are summed to determine if the vote meets the majority requirement for passing any resolution. In this case, $2.25 + 2.40 + 1.80 = 6.45$

4. Then the Aggregated constituency votes of all six constituencies are summed to determine if the vote meets the 2/3rd majority requirement.

- D. The resolutions and votes are taken by open ballot, in person, or via electronic communication.

Article 11 - Minutes

- A. The deliberations of the General Assembly meetings shall be recorded in minutes prepared and signed by the President and approved by the General Assembly.

IV. BOARD OF DIRECTORS

Article 12 - Composition and Constitution^{4, 5}

- A. The board of directors consists of 20 voting members drawn from the 6 constituencies, 4 from producers, 3 from processing, 3 from allied services and industries, 3 from retail, 3 from civil society, and 4 from regional and national roundtables.
 - a. There are an additional 3 ex officio members, nominated by the membership; the President, the Vice President (who succeeds the President in the normal course of events) and the Secretary/Treasurer. These three members are non-voting except in the case of a tied vote in which case the President may cast vote to break a tie.
- B. Each constituency group is responsible for electing its own respective members to the Board of Directors. Terms are two years in length.
- C. In case of a vacancy, the members of Board of Directors representing the constituency with the vacancy shall designate an interim substitute until the next General Assembly. The Board of Directors constitutes itself. The Board of Directors elects a President, Vice-President, and Secretary/Treasurer. Together with a further two members elected from the membership, at-large, these officers form the Executive Committee.
- D. The Board of Directors shall adopt all policies and procedures necessary for the management of its activities and may within the frame of its powers, delegate part of its powers and responsibilities to an Executive Committee.
- E. The President of the Board of Directors will serve a one-year term and should have served at least eleven months in a leadership role in GRSB or regional beef roundtable prior to being elected. The President is eligible for re-election, serving a maximum of two consecutive one-year terms.
- F. The Board of Directors shall adopt all policies and procedures necessary for the management of its activities and may delegate part of its responsibilities to the Administrative Staff, see part V.

Article 13 - Powers and Responsibilities

- A. The Board of Directors shall have power in all matters delegated to it by the Statutes of the General Assembly.
- B. The powers of the Board of Directors shall include, without limitation:

⁴ Adopted February 27, 2015

⁵ Amended January 24, 2018

- a. promoting the strategic priorities and objectives of GRSB;
 - b. electing and holding the Executive Committee of GRSB accountable;
 - c. preparing and organizing the ordinary and extraordinary General Assembly meetings;
 - d. appointing, directing and controlling the Administrative Staff of GRSB;
 - e. establishing the organization's strategic priorities and objectives;
 - f. admitting and excluding Members;
 - g. reviewing and approving the scope of work for the Technical Working groups, and;
 - h. delegating responsibilities to Committees and Administrative Staff as they see fit.
- C. The powers of the Executive Committee shall include, without limitation:
- a. preparing the agenda for the Board of Directors meetings;
 - b. performing the roles of President, Secretary and Treasurer, and;
 - c. performing the fiduciary responsibilities including, but not limited to budget review, approval and monitoring and hiring and supervising auditors.

Article 14 - Meetings (Physical or Virtual)

- A. An annual meeting of the Board of Directors may take place immediately before or after the General Assembly meeting. Meetings at regular intervals shall take place, upon the decision of the Board of Directors.
- B. The annual meeting of the Board of Directors is called by the President in writing (e-mail suffices) and mailed to each member of the Board of Directors at least 30 days prior to the date of the meeting.
- C. Meeting notes of all Board of Directors and Executive Committee meeting will be kept by the Administrative Staff and will be made available publicly within in two (2) weeks of the meeting.

Article 15 - Decisions

- A. The Board of Directors meetings shall have a quorum if more than 50% of its members are present (physically, telephone or video conference). The Board of Directors may instead of holding a meeting take a circular decision by obtaining the vote of all members in writing (e-mail suffices). However, each member of the Board of Directors shall be entitled to call for a formal meeting instead of the circular decision.
- B. The Board of Directors will make decisions through a majority vote. Minority viewpoints will be documented for the written record of decision-making.

Article 16 - Signature and Representation

- A. All acts binding the association shall be signed by the President of the Executive Committee, within the limits of their powers and as per the decision of the Board of Directors. The President may assign in writing the authority to sign on their behalf to any other member of the Board of Directors. The President of the Executive Committee may delegate authority within an approved expenditure limit to the Executive Director or similar responsible individual/body as the President sees fit.

V. ADMINISTRATIVE STAFF

Article 17 - Appointment and Organization

- A. The Executive Director of the Administrative Staff serves at the pleasure of the Board of Directors. All other members of the Administrative Staff are appointed by the Executive Director and report to the Executive Director.
- B. The Executive Director reports to the President of the Board of Directors.

Article 18 - Tasks

- A. The Administrative Staff shall be in charge of the operational management of GRSB with its responsibilities delegated to it by the Executive Committee and the Board of Directors.

VI. AUDITORS

Article 19 - Accounting Year

- A. The accounting year corresponds to the calendar year.
- B. Accounts will be managed according to U.S. Generally Accepted Accounting Principles (GAAP).
- C. The annual accounts are issued as per December 31.

Article 20 - Annual Accounts

- A. The auditors shall carry out an annual audit. They shall examine the annual accounts and provide to the General Assembly a written report and assessment of the financial statements.
- B. Once every five years, a full and comprehensive audit will be performed.

Article 21 - Independence

- A. The General Assembly approves the auditor(s). The auditor(s) must be independent.
- B. Neither the Board of Directors members, nor companies directly affiliated with the Board of Directors or General Assembly members may act as auditors.

VII. FINANCES

Article 22 - Assets

- A. The assets of GRSB are:
 - a. membership fees;

- b. real property;
- c. intellectual property;
- d. donations, and legacies, and
- e. other contributions.

Article 23 - Membership fees

- A. All Members of GRSB will pay an annual membership fee.
- B. The Board of Directors determines the amount of the membership fees and all other dues of the Members, as well as the method of payment and submits them to the approval of the General Assembly at the General Assembly meeting.

Article 24 - Liability

- A. For any claims whatsoever, GRSB's liability is limited to its assets. No member or Administrative Staff employee is personally liable for any liabilities of GRSB.
- B. GRSB indemnifies its Board of Directors members and Administrative Staff employees if they are a party to any suit when they are acting in good faith.

Article 25 - Member Interests in the Assets of GRSB

- A. Membership fees are not reimbursed. All interests of each Member in the funds, investments and other assets belonging to GRSB shall immediately cease and terminate in the event that the membership of such Member in GRSB shall terminate, for any reason whatsoever.
- B. In the event of Member termination, such Member shall have no claim on account of the other Members, or their representatives, or any of them, with regard to the assets of GRSB.

VIII. DOCUMENTATION

Article 26 - Publicly Available Documents

- A. The minutes of the meetings of the General Assembly and the Board of Directors will be publicly available on the GRSB website within 10 days. Hard copies will be available on request, at the expense of the requestor.

IX. DISSOLUTION OF THE ASSOCIATION

Article 27 - Dissolution of the Association

- A. The dissolution of the association requires a quorum of three-quarters of all Participating Members. The decision must be adopted by a three-quarter majority vote.
- B. Upon the dissolution or winding up of the corporation, any assets remaining after payment of, or provision for payment of, all debts and liabilities shall be distributed to a governmental entity described in Section 170(b)(1) (A)(v) of the Internal Revenue Code, or to a nonprofit fund, foundation, or corporation which is organized and operated

exclusively for charitable purposes, which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code, and which is qualified to receive "qualified conservation contributions" within the meaning of Section 170(h) of said Code, or the corresponding provisions of any future statute of the United States.

IN WITNESS WHEREOF, the undersigned, being the Incorporators of Global Roundtable for Sustainable Beef and the initial directors named in these Articles of Incorporation on January 9, 2013.

INCORPORATORS

Cameron Bruett, Incorporator

Bryan Weech, Incorporator

Roger Cady, Incorporator

John Carter, Incorporator

Robert Fields, Incorporator

DIRECTORS

Cameron Bruett, Director

Bryan Weech, Director

Roger Cady, Director

John Carter, Director

Robert Fields, Director

Cameron Bruett, Incorporator

Bryan Weech, Incorporator

Roger Cady, Director

John Carter, Director

Robert Fields, Director