



**SOUTHERN COTTON ASSOCIATION**  
**BY-LAWS & TRADE RULES**

**Southern Cotton Association**  
(Arkansas, Missouri,  
Tennessee, Mississippi and Louisiana)

88 Union, Suite 1204  
Memphis, TN 38103

May 30, 2025



**BY-LAWS  
of the  
SOUTHERN COTTON ASSOCIATION**

**ARTICLE 1**

**Name and Domicile:**

Section 1. The name of this Association is and shall be known as the  
  
SOUTHERN COTTON ASSOCIATION

Section 2. The domicile of the Association shall be in the City of Memphis,  
Tennessee.

**ARTICLE 2**

**Who May Become Members:**

Section 1. Any firm, corporation, partnership, or individual of good character and standing who is engaged in the business of buying and/or selling cotton in the states of Arkansas, Missouri, Tennessee, Mississippi, and Louisiana is eligible for membership in the Association, provided they shall have first filed with the Secretary-Treasurer application for membership signed by the entity or person seeking membership There shall be three (3) classes of membership:

**Merchant:**

(a) Individual, partnership, joint venture, company, corporation, or cooperative purchasing cotton on their own behalf, taking title thereto, and offering such cotton for sale to other parties.

**Merchant Representative/  
Mill Service Agent:**

(b) Individual, partnership, joint venture, company, corporation, or cooperative when not acting on its own behalf, acts in facilitating the purchase or sale of cotton to other parties.

**Associate:**

(c) Individual, partnership, joint venture, company, corporation, or cooperative not involved in the purchase or sale of cotton, but having a relationship to such activity in transportation, insurance, banking futures trading, communications, or

other businesses.

Associate Members shall have no right to vote, nor shall they acquire title to any property of the Association.

### **Applications for Membership:**

Section 2. Written application as provided in Article 2, Section 1-(a), pledging the applicant, if elected, to abide by and be subject to the Constitution, By-Laws, Rules and Regulations of the Association, in force or to be thereafter adopted, may be filed with the Secretary-Treasurer. The Secretary-Treasurer shall forward such application to the Board of Directors, who may vote on same at any meeting of the Board, or in writing addressed to the Secretary-Treasurer, and such applicants as shall receive the approval of not less than two-thirds of the Board of Directors shall be declared elected to membership.

### **Rejected Applicants:**

Section 3. Any applicant failing to receive the approval of two-thirds of the Board of Directors within six (6) months of their application having been forwarded to the Board shall not again, within six (6) months thereafter, be entitled to consideration for membership, without the unanimous consent of the Board.

### **Evidence of Membership:**

Section 4. Each Member shall own at least one (1) membership of record on the books of the Association and is thereby obligated to abide by and be subject to the Constitution and By-Laws, whether such pledge has been given otherwise or not.

### **Suspension and Termination of Membership:**

Section 5. Any Member may be suspended or terminated from membership for a failure to pay any dues, fees, and/or assessments owed by them for more than sixty (60) days after the deadline for such payment; for a willful violation of the Constitution, By-Laws, Rules or Regulations of the Association, or for an action or omission inconsistent with just and equitable principals of trade, or other misconduct, as determined by the Board of Directors, including but not necessarily limited to a willful refusal to abide by a final arbitration award.

## **ARTICLE 3**

### **Dues, Fees, and Assessments:**

Section 1. On every membership, the owner thereof, of record on the books of the Association, shall be required to pay annual dues in advance in accordance with the By-Laws, Rules and Regulations, and in such amounts as determined by the Board of Directors for, the year for which such annual dues apply. Every Member shall also pay any fees and other assessments determined, fixed, or levied by the Board, payment for which shall be due by a reasonable deadline as determined by Board; provided, written notice of the amount(s) of such fees and assessments and the reasonable deadline for payment thereof is provided in advance to the membership by the President or by the President's designee.

### **Non-Payment of Dues and Delinquency:**

Section 2. A Member that has failed to pay any dues, fees or assessments owed by them for more than thirty (30) days shall receive a written notice of such delinquency, with a copy of such written notice also provided to the Board of Directors.

### **Liens on Membership:**

Section 3. All debts due the Association by any Member thereof for assessments, dues or otherwise, shall be a charge and lien upon memberships standing in the name of such person on the books of the Association; and failure to pay any of such indebtedness shall terminate the membership, but will not release any of such indebtedness.

## **ARTICLE 4**

### **Meeting of Members Annual:**

Section 1.(a) There shall be an annual meeting of the Members held at a time that does not conflict with a meeting of the federated members of the American Cotton Shippers Association ("ACSA") at a location and time to be determined by the President with the approval of the Board of Directors.

(b) At the annual meeting of the Members, any Executive Business Session shall be attended by voting Members only.

### **Special Meetings:**

Section 2. Special meetings of Members may be called by the President, at the President's discretion, and it shall be the President's duty to call such meetings, giving ten (10) days' notice thereof, upon written request by any ten (10) Members. Such meetings may be held at any time or place, but no business shall be transacted at a special meeting other than that stated in the call as the object thereof.

### **Quorum:**

Section 3. The presence of no less than one-quarter of the Members described in Section 4 of this Article, four (4) of whom shall be Directors, shall constitute a quorum, for the transaction of business, at any meeting, whether annual or special.

### **Who Entitled to Vote:**

Section 4. Any Member owning one (1) or more memberships of record on the books of the Association, on which all dues, assessments, and other charges have been previously paid, shall be entitled to vote at any meeting of Members, but no Member shall be entitled to more than one (1) vote.

## **ARTICLE 5**

### **President, Election of:**

Section 1.(a) The President shall be elected by ballot at the annual meeting of Members of the year in which the two (2) year term of the President-elect's predecessor is expiring, and shall immediately after adjournment thereof enter upon their duties, and continue in office for two (2) years, or until their successor is elected and qualifies. The President shall not be eligible for re-election to succeed him or herself and shall receive no remuneration for their services.

### **Board of Directors, Election of:**

(b) Upon the election of the President, the newly-elected President and the Immediate Past President shall first be declared Directors for the ensuing two (2) years and then eight (8) other Members shall be elected by ballot to constitute the Board.

Of the eight (8) Directors to be elected, at least three (3) shall have served on the Board the previous two (2) year term.

The newly-elected Board, consisting of the President, the Past President and eight (8) Directors, shall enter upon its duties immediately after adjournment of the annual meeting, and continue in office for two (2) years or until their successors are elected and qualify, and any vacancy that may occur in the Board, at any time, may be filled by the remaining Members thereof.

#### **Nominating Committee:**

(c) The retiring President, and the four (4) immediate Past Presidents of the Association, shall serve as a Nominating Committee for the office of President and eight (8) Members of the Association for Directors to serve during the ensuing two (2) years.

#### **Duties and Powers of Board of Directors & Election of Officers:**

Section 2. The Board of Directors, on the date of their election, or at their first meeting thereafter: shall by ballot elect from their number a Vice President of the Association who shall serve a term of two (2) years; may appoint any Standing Committees they deem necessary, the Members of which shall also serve a term of two years; shall be responsible for general oversight of the affairs of the Association; shall appoint a Secretary-Treasurer, who may be a person who is not a Member of the Association, and may, at their discretion, employ a manager and retain the services of ACSA or another entity to manage the affairs of the Association and to perform such other duties as may be delegated to them by the Board of Directors, including the retainer of such other agents and clerks and require such service and bonds, that are not inconsistent with the Constitution and these By-Laws, and allow such compensation therefore, as may be deemed proper; shall adopt such Rules and Regulations, provide and furnish such buildings or rooms, determine, fix and levy such dues, fees and assessments in such amounts and according to such formulae, and do and perform such other acts, not inconsistent with the Constitution and By-Laws, as, in their judgement, may be required to best accomplish the purpose of the Association.

Section 3. The Directors and Officers of the Association shall also be the Directors and Officers of the Corporation.

#### **Rules and Regulations Binding:**

Section 4. All Rules and Regulations adopted by the Board of Directors shall be in force and binding upon the Members of the Association and shall govern all cases, to which they may be applicable, after notice of them has been given.

**Unauthorized Debts  
Not to be Contracted:**

Section 5. No officer or Member of the Association or Board of Directors, or their designee, shall contract any debts on behalf of the Association, or in any manner or to any extent render the Corporation liable for the payment of any sum, without the sanction of the Board of Directors.

**Liability of Members  
for Debts of Association:**

Section 6. No Member of the Association shall be liable for debts of the Corporation beyond the value of their membership therein.

**ARTICLE 6**

**Meetings:**

Section 1. The Board of Directors shall meet on the date of their selection as such, or as soon thereafter as may be practicable, and shall hold not less than two (2) meetings during the year, at such times and places as may be determined by them or the President.

**Quorum:**

Section 2. Any number not less than five (5) Directors shall constitute a quorum and shall be competent to transact any business of the Association at any meeting of the Board.

**ARTICLE 7**

**President:**

Section 1. The President shall have immediate supervision and direction, subject to the direction and approval of the Board of Directors, of the affairs and employees of the Association and of such manager or entity described in Article 5, Section 2, that has been retained to manage the affairs of the Association; shall call all meetings of Members and of the Board of Directors, and when present, shall preside at same; may appoint any committee or committees not otherwise provided, and shall be Chairman ex-officio of all committees, and shall do and perform all other duties incident to the office.

**Vice-President:**

Section 2. In case of the absence of the President, or of their inability from any



cause to act, the Vice President shall, when present, perform the duties of the President; and in case of the absence of the President and the Vice President, then the Board of Directors shall appoint one (1) of their number to perform such duties for the time being.

#### **Secretary-Treasurer:**

Section 3. The Secretary-Treasurer, or such person or entity described in Article 5, Section 2, that has been retained to manage the affairs of the Association, shall receive on behalf of the Association all funds belonging or payable to the Association and deposit same in bank in the name of the Southern Cotton Association. The Secretary-Treasurer or such officer, person, or entity that has been so retained shall: pay all bills and accounts against the Association; keep an account of all receipts and disbursements in a book kept for that purpose, which, together with all vouchers and other records, shall be at all times subject to the examination of the Board of Directors; render a report at each meeting of the Board and prepare a general report at the close of each fiscal year; be responsible for the proper accounting for all receipts and disbursements, such that they may deliver to their successor all funds, books, papers and other property of the Association in their possession at such time as is necessary to ensure the proper and continued maintenance of such information and property. The Secretary-Treasurer

Section 4. It shall be within the discretion of the Board of Directors to combine duties of any two officers of the Association.

### **ARTICLE 8**

#### **Committees:**

Section 1. The President, subject to the approval of the Board, may at any time establish and appoint Members to a committee or committees for such purposes the President deems necessary to support the interests of the Association.

### **ARTICLE 9**

#### **Amendment or**

#### **Suspension of By-Laws:**

Section 1. The By-Laws may be amended or suspended only by a two-thirds vote of the Members present and eligible to vote at any annual meeting or by a two-thirds vote of all Members of the Board of Directors. A vote of the Board of Directors to amend or suspend the By-Laws may be taken at any meeting of the Board.

## **ARTICLE 10**

### **Directors for ACSA:**

Section 1. The one (1) Member of this Association who shall serve as Director of ACSA shall consist of the President. The Vice President shall serve as an alternate to the President

### **Voting Delegates at Convention of ACSA:**

Section 2. The Board of Directors shall select five Members who shall attend the Convention of ACSA for the purpose of casting the five ballots allotted to this Association whenever any measure is put to vote by the affiliated associations. In the absence of action by the Board of Directors in naming these delegates, the ranking officer of this Association present at the Convention of ACSA shall have the authority of appointing any five Members of the Southern Cotton Association to act as voting delegates.

## **ARTICLE 11**

### **Dissolution:**

Upon the time of dissolution of the Corporation, assets shall be distributed by the Board of Directors, after paying or making provisions for the payment of all debts, obligations, liabilities, costs and expenses of the Corporation, for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

## **ARTICLE 12**

### **Electronic Meetings:**

Any meeting or vote held pursuant to or under the auspices of the By-laws, Rules, and/or Regulations of the Southern Cotton Association may be held by electronic means, including but not limited to video conference, telephonic conference, email, or other electronic means. Participation by electronic means shall constitute being present at the meeting. Any notice required the By-laws, Rules, and/or Regulations of the Southern Cotton Association may be given electronically, including but not

limited to email notice, text notice, telephone notice, and/or other electronic means. This By-law shall be effective when adopted, shall be effective to validate the meeting or vote held to adopt this By-law, and shall be retroactively effective to validate any electronic meeting held in the past.

## **The Southern Cotton Association Rules**

### **Rule A - Membership Dues**

Membership dues for all classes of membership, as provided for in Article 3, Section 1, shall be \$50.00 per annum, payable at the time of issuance of certificate of membership, and payable in advance on each August 1 thereafter. The Southern Cotton Association shall also collect the applicable membership dues for the American Cotton Shippers Association

### **Rule B - Fees**

Clause 1. In addition to the annual membership dues as provided in Rule A, each ACTIVE member of the Association shall: pay such per bale fees for the account of the Southern Cotton Association on each bale of cotton handled by them or their representative (unless bale fees for a particular area are paid to another federated association), as maybe assessed or levied by the members in annual meeting or by the Board of Directors between annual meetings.

Clause 2. In addition to the per bale fees provided for above, each ACTIVE member of the Association shall pay such per bale fees for the account of the American Cotton Shippers Association on all cotton handled by them, irrespective of location, as may be assessed or levied by the members in annual meeting or by the Board of Directors between annual meetings.

(a) No member shall pay per bale fees on cotton handled by them on which per bale fees have been paid by them to one of the affiliated associations of the American Cotton Shippers Association.

(b) Owners of subsidiary firms shall register the names of their subsidiary firms and shall be responsible to the association for their per bale fees.

Clause 3. Per bale fees shall be due and payable in installments on January 1, April 1, July 1, and October 1 of each year.

### **Rule C**

To every member becoming indebted to the Association for any amount, due notice thereof shall be mailed by the Secretary-Treasurer. If, at the expiration of thirty (30) days from date of mailing, the amount remains unpaid, another notice shall be sent by registered mail to such member together with a copy of this rule. At the time of mailing of such second notice, the name of such member shall be placed on the list of delinquents. If, at the expiration of ten (10) days thereafter, the said indebtedness and any other subsequently accrued shall not have been fully paid, the membership of such member shall automatically be terminated, subject to ratification by action of the Board of Directors. A member

terminated pursuant to this section shall be entitled to reinstatement only upon submission of a new application for membership, not earlier than one (1) year from such termination date, pursuant to procedures in effect at the date of such application.