

Officer and Director Code of Ethics and Conduct

Introduction: Besides providing leadership and strategic planning direction for the North Dakota Red Angus Association (NDRAA), this document also describes the expectation for a set of ethical standards and a code of conduct for all Board members in executing the duties of any given Board member position.

Preamble: The North Dakota Red Angus Association (NDRAA) is a not-for-profit, tax-exempt trade association formed to promote, develop, educate, and otherwise further the promotion of the Red Angus breed in North Dakota. NDRAA's principal membership class consists of corporations, individuals, and other entities engaged in raising and marketing Red Angus influenced cattle in the commercial and seedstock sectors of the cattle business. The business of the association is managed under the direction of the NDRAA Board of Directors. The Board's code of ethics serves as a code of conduct for association volunteers in their capacity as Board members. Code violations may result in sanctions imposed under the bylaws of the North Dakota Red Angus Association. The principles and requirements that comprise the code and procedures are based on and are designed to ensure full compliance by the NDRAA and its officers and directors, with the fiduciary duties imposed on such individuals by state corporate law, the federal tax code's prohibition on private inurement and private benefit, and other requirements of federal tax exemption, common law due process requirements, federal and state antitrust and unfair competition law, state tort law, and other legal precepts and prohibitions. At the same time, the code and procedures are not designed to supplant courts of law in the resolution of disputes within the cattle industry. Moreover, the checks and balances built into the code and procedures are designed to strike the proper balance between ensuring full compliance with the legal obligations described here and ensuring the integrity and efficacy of the code on the one hand and, on the other, the protection of Board members, through the use of reasonable due process procedures, against patently false, malicious, or groundless accusations that could result in significant business or personal harm if not properly handled. Members of the Board affirm their endorsement of the code and acknowledge their commitment to uphold its principles and obligations by accepting and retaining membership on the board.

Board of Directors Code of Ethics: Members of the Board (including ex officio members of the Board) shall at all times abide by and conform to the following code of conduct in their capacity as Board members:

1. Each member of the Board of Directors will abide in all respects by the rules and regulations of the association (including but not limited to the association's articles of incorporation and bylaws) and will ensure that their membership (or the membership of the entity for which they serve as officer or director, as the case may be) in the association remains in good standing at all times. Furthermore, each member of the Board of Directors will at all times obey all applicable federal, state and local laws and regulations and will

provide or cause to provide the full cooperation of the association when requested to do so by those institutions and their persons set in authority as are required to uphold the law.

2. Members of the Board of Directors will conduct the business affairs of the association in good faith and with honesty, integrity, due diligence, and reasonable competence.

3. Except as the Board of Directors may otherwise require or as otherwise required by law, no Board member shall share, copy, reproduce, transmit, divulge or otherwise disclose any confidential information related to the affairs of the association and each member of the Board will uphold the strict confidentiality of all meetings and other deliberations and communications of the board of directors.

4. Members of the Board of Directors will exercise proper authority and good judgment in their dealings with association members, suppliers, and the general public and will respond to the needs of the association's members in a responsible, respectful, and professional manner.

5. No member of the Board of Directors will use any information provided by the association or acquired as a consequence of the Board member's service to the association in any manner other than in furtherance of his or her Board duties. Further, no member of the Board of Directors will misuse association property or resources and will at all times keep the association's property secure and not allow any person not authorized by the Board of Directors to have or use such property.

6. Each member of the Board of Directors will use his or her best efforts to regularly participate in all business meetings scheduled and will perform his or her assigned duties in a professional and timely manner pursuant to the Board's direction and oversight.

7. Upon termination of service, a retiring Board member will promptly return to the association all documents, electronic and hard files, reference materials, and other property entrusted to the Board member for the purpose of fulfilling his or her job responsibilities. Such return will not abrogate the retiring Board member from his or her continuing obligations of confidentiality with respect to information acquired as a consequence of his or her tenure on the Board of Directors.

8. The Board of Directors dedicates itself to leading by example in serving the needs of the association and its members and also in representing the interests and ideals of the livestock industry at large.

9. No member of the Board of Directors shall persuade or attempt to persuade any member of the association to leave the association. Furthermore, no member of the Board of Directors shall persuade or attempt to persuade any member, exhibitor, advertiser, sponsor, subscriber, supplier, contractor, or any other person or entity with an actual or potential relationship to or with the association to terminate, curtail, or not enter into its relationship to or with the association, or to in any way reduce the monetary or other benefits to the association of such relationship.

10. The Board of Directors must act at all times in the best interests of the association and not for personal or third-party gain or financial enrichment. When encountering potential conflicts of interest, Board members will identify the conflict and, as required, remove themselves from all discussion and voting on the matter. Specifically, Board members shall follow these guidelines:

- Avoid placing (and avoid the appearance of placing) one's own self-interest or any third-party interest above that of the association; while the receipt of incidental personal or third-party benefit may necessarily flow from certain association activities, such benefit must be merely incidental to the primary benefit to the association and its purposes.
- Do not abuse Board membership by improperly using Board membership or the association's services, equipment, resources, or property for personal or third-party gain or pleasure; Board members shall not represent to third parties that their authority as a Board member extends any further than that which it actually extends.
- Do not engage in any outside business, professional or other activities that would directly or indirectly materially adversely affect the association.
- Do not engage in or facilitate any discriminatory or harassing behavior directed toward association members, officers, directors, meeting attendees, exhibitors, advertisers, sponsors, suppliers, contractors, or others in the context of activities relating to the association.
- Do not solicit or accept gifts, gratuities, free trips, honoraria, personal property, or any other item of value from any person or entity as a direct or indirect inducement to provide special treatment to such donor with respect to matters pertaining to the association without fully disclosing such items to the Board of Directors; and
- Provide goods or services to the association as a paid vendor to the association only after full disclosure to, and advance approval by, the Board, and pursuant to any related procedures adopted by the Board.

Approved by the North Dakota Red Angus Association Board of Directors on February 13, 2024.