

Dear AOA Members,

The AOA Board of Directors has voted to postpone the member vote on the proposed Percentage Registry amendments to the AOA Bylaws. Before any member vote moves forward, a task force of vetted members will review the proposals and develop recommendations for the Board to refine or rescind the proposed amendments.

The information below reflects the proposed bylaws amendments and supporting materials that were prepared for member review prior to the Board's decision to postpone the vote.

WHAT YOU ARE VOTING ON

This vote is on a Bylaw change only.

If the Bylaw change passes, it would authorize the Board of Directors to establish and maintain a separate registry (a "Percentage Registry") for alpacas not currently registered in the closed AOA Registry. The specific rules, fees, and policies would be developed by the Board if and when the Bylaw change is approved.

If the Bylaw change does not pass, no Percentage Registry will be created.

PROPOSED BYLAWS AMENDMENTS

The four proposed amendments update AOA's Bylaws to:

- Revise AOA's Statement of Purpose to authorize AOA to maintain a separate percentage registry system for alpacas which are not DNA validated, alongside the existing DNA-validated genealogical registry.
- Add a new Section 12.2.6 authorizing AOA to maintain a Percentage Registry for alpacas that are not Pedigreed Alpacas, with registration categories ("Listed Alpaca" and "Percentage Alpaca") and all requirements to be determined by the AOA Board.
- Expand other sections as necessary to allow for the Percentage Registry.

The full language of the proposed Bylaws amendments, with proposed additions underlined and deletions in strikethrough, is as follows:

BYLAWS AMENDMENT #1

1.1 STATEMENT OF PURPOSE. The purposes of Alpaca Owners Association, Inc. (the "Association") shall be the following:

- 1.1.1 To promote awareness of alpacas and alpaca products;
- 1.1.2 To maintain an official DNA validated genealogical registry system **and a separate percentage registry system for alpacas which are not DNA validated;**
- 1.1.3 To administer an alpaca show system;
- 1.1.4 To provide education to the Association's members and to the public about the operation of sustainable alpaca businesses;
- 1.1.5 To market alpacas and the use of alpaca products;
- 1.1.6 To promote scientific research to benefit the alpaca industry; and
- 1.1.7 To do any and all things necessary or incidental to achieve the purposes specified above.

BYLAWS AMENDMENT #2

- 12.2.3 **Except as provided in Section 12.2.6, t**~~F~~he approval of two-thirds of members with voting rights actually voting on the measure shall be required for any amendment to the Association's policies and procedures or any other action which would (i) reopen the Association to the registration of alpacas which are not Pedigreed Alpacas, (ii) allow the Association to enter into an inter-registry exchange protocol or similar agreement with a foreign registry or association, or (iii) eliminate the requirement for scientific testing as validation of the parentage of an alpaca to be registered in the Association. For purposes of this Section 12.2, a "Pedigreed Alpaca" shall mean an alpaca that is the offspring of two parents that are both registered with the Association. The approval of two-thirds of members with voting rights actually voting on the measure shall also be required for any amendment of this Section 12.2.3.

BYLAWS AMENDMENT #3

Current Bylaw with Proposed Amendments:

- 12.2.5 **Except as provided in Section 12.2.6, t**~~F~~he approval of a majority of members with voting rights actually voting on the measure shall be required for any amendment to the Association's policies and procedures or any other action which would include any registration standard in the policies and procedures which is inconsistent with scientific testing as validation of the parentage or is in addition to the requirement that the alpaca be a Pedigreed Alpaca, as defined in this Section 12.2. The approval of a majority of members with voting rights actually voting on the measure shall also be required for any amendment of this Section 12.2.5.

BYLAWS AMENDMENT #4

New Bylaw Proposed:

12.2.6 The Association will establish and maintain a registry (the “Percentage Registry”), separate from the DNA validated genealogical registry maintained by the Association, for the registration of alpacas which are not Pedigreed Alpacas. An alpaca may be registered in the Percentage Registry as either a “Listed Alpaca” or a “Percentage Alpaca”, with requirements and criteria for these registrations as specified by the Board of Directors in the Association’s policies and procedures.

ABOUT THE ATTACHED PRESENTATION

Also attached is a presentation prepared by the AOA Task Force that developed the Percentage Registry proposal. It is intended to help members understand how a Percentage Registry could work in practice.

Because the specific policies and procedures would be set by the Board after any Bylaw passage, some details in the presentation —such as show participation rules and advancement criteria —represent only the Task Force's thinking and are illustrative, not final. The membership vote is only about amending the Bylaws to allow for the Percentage Registry.

PRO AND CON STATEMENTS

Please see the attached “Pro” and “Con” statements. The Pro statement was written by the Board members who voted in favor of proposing the Percentage Registry to the membership. The Con statement was written by the Board members who voted against proposing the Percentage Registry to the membership.

It is important that you review ALL items being provided to you by the Board:

- The full proposed Bylaw changes
- The full Pro and Con statements
- The Task Force’s presentation, which is an illustration of how AOA’s Percentage Registry might be set up

You will have the opportunity to ask questions and engage in dialog during forthcoming online roundtable discussions, with dates to be determined.

As we move forward together, we encourage every member to stay informed, engaged, and respectful of the many perspectives within our community. Whether you support this proposed Bylaw change, oppose it, or are still considering your position, your voice and participation are valued.

Open dialogue and thoughtful discussion are signs of a strong and healthy organization. While we may not always agree, we share a common commitment to the success and future of the alpaca industry.

Thank you for your thoughtful participation in this important vote.