

# BYLAWS OF AMERICAN SADDLEBRED HORSE ASSOCIATION, INC.

*Effective July 8, 2014*

## ARTICLE I OFFICES

The principal office of the American Saddlebred Horse Association, Inc. (herein called the "Association" or the "ASHA"), shall be located in Lexington, Kentucky. The Association may have such other offices, either within or without the Commonwealth of Kentucky, as the Board of Directors may designate or as the business of the Association may require from time to time.

## ARTICLE II MEMBERSHIP

### Part 1. Individual Members.

**Section 1.** The Association shall have seven (7) classes of Individual Members, which may be held under the name of an individual. The designation of such and the qualification and right of the members of each class shall be as follows:

(a) Lifetime Members. Upon payment of the fee prescribed by the Board of Directors, an individual may become a member for life with no additional amount due to maintain membership during his/her lifetime. A lifetime member under age 18 shall have the rights of a special junior member and at age 18 all the rights of a senior member. A Lifetime Member shall receive a custom-made 1OK gold pin and an embossed certificate of membership.

(b) Contributing Members. Contributing Members are Senior Members that have agreed to pay an additional amount that shall be treated as a charitable donation to the ASHA. They shall have all the rights and privileges of a Senior Member and shall receive an embossed certificate of membership.

(c) Senior Members. Senior Members are those individuals who have reached their 18th birthday and pay the annual dues prescribed by the Board of Directors.

(d) Charter Club Affiliate Members. Affiliate Members are those individuals who have reached their 18th birthday and who are members of one of the official ASHA Charter Clubs. They shall have all the rights and privileges of a Senior Member. Their annual dues shall be prescribed by the Board of Directors.

(e) Junior Members. Junior Members are those individuals who are age 17 and under. They shall be eligible to attend all meetings of the membership and take part in all junior programs developed by the Association but shall have no voting power. Their annual dues shall be prescribed by the Board of Directors.

(f) Special Junior Members. Special Junior Members are those individuals who are age 17 and under. They shall be eligible to attend all meetings of the membership and take part in all junior programs developed by the Association. They shall have all the rights and privileges of a

Senior Member but shall have no voting power. Their annual dues shall be prescribed by the Board of Directors.

(g) Youth Club Affiliate Members. Youth Club Affiliate Members are those individuals who are age 17 and under and who are members of one of the official ASHA Youth Clubs. They shall be eligible to attend all meetings of the membership and take part in all junior programs developed by the Association. They shall have all the rights and privileges of a Senior Member but shall have no voting power. Their annual dues shall be prescribed by the Board of Directors.

**Section 2.** Members of the Association shall be admitted, retained and expelled in accordance with procedures set forth in these Bylaws. Each member entitled to vote shall be entitled to one vote either in person or by proxy on each matter submitted to a vote of members.

**Section 3.** The annual meeting of members shall be held for the purpose of transacting such business as may be properly brought before the meeting at such place, either within or without the Commonwealth of Kentucky, on such date and at such place as the Board of Directors or the Executive Committee may determine.

**Section 4.** Special meetings of the members may be called by the President or Board of Directors and shall be called by the President at the request of one-fifth (1/5) of members then in good standing. Special meetings of members may be held at such time and place, either within or without the Commonwealth of Kentucky, as may be designated in the notice thereof.

**Section 5.** Written notice stating the place, day and hour of meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given by public notice and by mailing such notice not less than thirty-five (35) days before the date of the meeting to each member at his or her last known address as it appears in the Association's records, who was in good standing on the sixtieth (60th) day preceding the date of such meeting for which such notice is being given.

**Section 6.** Except as otherwise provided in this paragraph, five percent (5%) of the members entitled to vote, represented in person or by proxy, shall constitute a quorum at meetings of the members. The acts of a majority of the members present in person or by proxy at a meeting at which a quorum is present shall be the acts of the members, except that it shall require the affirmative vote of two-thirds (2/3rds) of such members at such meeting (i) to amend the articles of incorporation, (ii) to adopt a plan of merger or consolidation with another corporation, (iii) to authorize the sale, lease, or mortgage of substantially all of the assets or property of the Association, (iv) to authorize a voluntary dissolution of the Association or revoke a proceeding thereof, or (v) to adopt a plan for the distribution of the assets of the Association. One percent (1%) of the members represented in person or by proxy shall constitute the quorum at the annual meeting of members for the purpose of electing two members of the Nominating Committee for Directors as provided in Article III, Part II, Section 1. In the event there is not a quorum of one percent (1%) represented in person or by proxy at the annual meeting of members, then the Board of Directors may select the two members of the Nominating Committee who are to be elected at the annual membership meeting.

**Section 7.** Members entitled to vote at a meeting of members shall include all Lifetime Members, Contributing Members, Senior Members, and Charter Club Affiliate Members who are in good standing at the time of such meeting.

**Section 8.** Membership in the Association is a privilege and not a right and is open to any natural person who has indicated his or her interest in furthering the purposes of the Association.

**Section 9.** Application for membership in the Association shall be made on a form acceptable to the Association and sent to the Association office with a check for the annual membership fee made payable to the American Saddlebred Horse Association, Inc. The applicant shall then become a member of the Association and shall be issued a membership card.

**Section 10.** Except as otherwise limited by the Articles of Incorporation or these Bylaws, all members in good standing shall (i) obey and be bound by these Bylaws, and all rules and regulations of the Association and decisions or actions of the Board of Directors or Executive Committee, and (ii) have the right to hold office and committee assignments. The Board of Directors shall have the right to adopt and revise membership rules from time to time, which shall apply to, and be binding upon, all members of the Association.

**Section 11.** Term of membership is from the date the membership application, and fees are received in the ASHA office or online and expires on November 30th of that calendar year. Membership renewals are effective December 1, provided the fees are received in the ASHA office or online by December 1.

**Section 12.** A member not in violation of the rules and regulations of the Association can be reinstated to good standing by simply paying the membership fee for the current year. There is no penalty for such reinstatement.

**Section 13.** Application for membership will be considered at any time during the calendar year, but no applicant, regardless of when his or her application is submitted, may become a member without paying the full annual membership fee due for the entire year in which he or she becomes a member.

**Section 14.** Membership shall terminate upon the occurrence of any one of the following: (i) resignation in writing delivered to the Association, (ii) death, or (iii) failure to pay the annual membership fee on or before the annual expiration date.

## **Part II. Charter Members.**

**Section 1.** The Association shall have Charter Members consisting of associations or clubs of twenty (20) or more members whose primary interest is in promoting the American Saddlebred horse.

**Section 2.** A minimum of 25% of the membership of the association or club must be members of the Association.

**Section 3.** Each Charter Member must be incorporated under the laws of its state.

**Section 4.** Application to become a Charter Member must be completed and submitted to the Association, together with payment of the annual fee prescribed by the Board of the Directors of the Association.

**Section 5.** Each Charter Member is responsible for producing a minimum of two (2) annual events, such as a horse show, clinic, mall promotion, horse fair, or trail ride.

**Section 6.** The Bylaws of each Charter Member must state a deadline for reporting club elections to its members.

**Section 7.** Only Association members in good standing shall be eligible to serve as an officer of a Charter Member.

**Section 8.** Bylaws of each Charter Member must contain a provision requiring an annual meeting and notice thereof, in keeping with the laws of its state.

**Section 9.** The treasurer of each Charter Member must make an annual report to the members of such Charter Member. An annual budget must be prepared and adopted by each Charter Member, and each Charter Member shall include procedures for appropriate financial oversight of its financial affairs.

### **Part III. Inspection of Records.**

A Director shall be entitled to inspect during regular business hours at the Association's main office any of the books, records, and other documents of the Association, provided that the Director gives the Association written notice at least five (5) business days before the date on which the director wishes to inspect such books and records.

A Director may copy any such books, records and documents, but except with the approval of the Board of Directors may not disseminate such copies to anyone other than his/her attorney, accountant, or other expert advisor whose opinion the Director deems necessary to assist him/her in the discharge of his/her fiduciary obligations as a Director.

In addition to the inspection and copying of the records of certain non-profit organizations permitted the public under the federal Internal Revenue Code and regulations, a member of the Association in good standing may be permitted to inspect the Articles of Incorporation, Bylaws, financial statements, minutes, the record of executive compensation, as disclosed on IRS form 990, and list of the names and addresses of members of the Association during regular business hours, upon at least five (5) business days prior written notice of his or her request stating the purpose of the inspection.

The Executive Committee of the Board of Directors may in its discretion permit copying of such documents at the expense of the individual requesting copies, which expense shall include copying charges and reimbursement to the Association for the time expended by the Association's staff in connection with the assembling and copying of such documents.

#### **Part IV. Litigation.**

No member of the Association or participant in its programs may invoke the aid of the courts of the United States or any state without first exhausting all remedies available under the procedures provided in these Bylaws.

Any such member or participant alleging to have been aggrieved by an act or omission of the Association shall petition the United States Equestrian Federation to hear a grievance against ASHA under procedures substantially similar to those outlined in USEF Bylaw 704 and related rules.

### **ARTICLE III BOARD OF DIRECTORS**

#### **Part I. Directors.**

**Section 1.** The Board of Directors shall consist of eighteen (18) members and shall exercise all of the powers of the Association subject only to the restrictions imposed by law, by the Association's Articles of Incorporation, as amended, or by these Bylaws. Any actions taken by the Board of Directors which are not in compliance with the provisions of these Bylaws shall be void unless approved by the unanimous consent of the entire Board of Directors. Directors must be Lifetime Members, Contributing Members, or Senior Members of the Association, in good standing.

**Section 2.** A majority of the number of Directors fixed by Section 1 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

**Section 3.** A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and in the same place as, the Annual Meeting of members. The Board of Directors may provide, by resolution, the time and place, either within or without the Commonwealth of Kentucky, for the holding of additional regular meetings without other notice than this resolution. Meetings of the Board of Directors shall be conducted according to Sturgis' Standard Code of Parliamentary Procedure, and all regular meetings of the Board of Directors shall include an "executive session" during which only Directors shall be present.

**Section 4.** Special meetings of the Board of Directors may be called at the request of the President or any five Directors. The person or persons authorized to call such special meetings of the Board of Directors may fix any place, within or without the Commonwealth of Kentucky, as the place for holding any special meeting of the Board of Directors called by them.

**Section 5.** Notice of any special meeting, stating the time, place and purposes thereof, shall be given at least ten (10) days previously thereto in person or by telephone or by written notice delivered personally or electronically, or telefaxed, mailed, or delivered by other reasonable means to each Director at his or her address as listed in the records of the Association.

**Section 6.** Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting if such Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

**Section 7.** A Director who is absent from two (2) meetings (either regularly schedule meetings, special meetings, or both) without approval of the Executive Committee will be considered to have resigned.

**Section 8.** Directors shall serve without compensation.

**Section 9.** Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if consent in writing setting forth the action taken is signed by at least two-thirds (2/3rds) of the Directors.

**Section 10.** All regular meetings of the Board of Directors shall be held in person, and telephonic participation in a regularly-scheduled meeting shall be permitted only in special circumstances and upon prior approval of the Executive Committee. Special meetings of the Board of Directors may be held either in person or by telephone conference or other means of communication whereby all Directors participating in the meeting are joining the meeting by telephone and can hear each other. Participation in a special meeting by telephone or other similar means (or participation in a regular meeting by telephone if approved by the Executive Committee as set forth above) shall constitute presence in person at such meeting.

**Section 11.** Minutes shall be kept of any and all meetings (regular or special) of the Board of Directors. The minutes shall be transcribed within forty-five (45) days after any meeting. Minutes may be approved by written consent of a majority of Directors. Such written consent may be delivered by hand, mailing, delivery service, fax or electronically. A copy of the minutes shall be published by the Association electronically, after approval by the Board of Directors. Notice of availability of minutes which have been approved by the Board of Directors shall be published electronically and made available to any member in good standing within seven (7) days upon request.

**Section 12.** Directors must vote in person and shall not be permitted to vote by proxy.

## **Part II. Election of Directors.**

**Section 1.** Directors shall be elected annually by either electronic ballot or by mail ballot, as determined by the Board of Directors. If the Board of Directors permits voting and submission of ballots by either electronic submission or by paper ballots, the electronic ballot of a member shall control over a paper ballot submitted by a member of the Association. The Directors shall be divided into three (3) classes, each of which shall consist of six (6) Directors who shall be elected for a term of three (3) years and until their respective successors are elected and qualify. The terms of the three (3) classes shall be staggered so that only the Directors of one class shall be elected each year.

No Director shall serve more than two (2) consecutive three-year terms without a period of one (1) year intervening before his or her re-election. This restriction shall not apply to any

term of less than three (3) years. Notice of the annual election of Directors, together with a ballot containing a slate of candidates recommended by the Nominating Committee, shall be included in an electronic publication of the Association, or sent by direct mail to each member at his or her last known address as it appears in the Association's records.

The ballot shall contain a line for write-in candidates. Marked ballots must be received (either by mail or electronically) at the Association office no later than the date set by the Board of Directors for the receipt of marked ballots, which date will be established annually by the Board at the same meeting in which it approves the Nominating Committee for Directors' slate of nominees. Such date will be shown on the ballot. The ballots will be tabulated by the Executive Director and the Controller of the ASHA, and shall be confirmed by three (3) directors chosen by lot, excluding those directors standing for election. Those who received the six (6) highest vote totals shall be elected and shall take office at the annual meeting of the members next after their election.

All issues concerning the validity of a ballot shall be resolved by the Executive Committee. The names of the new Directors who are elected will be published by the ASHA.

The Nominating Committee shall consist of five members, two of whom shall be elected by the members of the ASHA at the annual meeting of the ASHA, two of whom shall be selected by the Board of Directors at its board meeting immediately following the annual meeting of the ASHA, and the remaining member who shall be appointed by the President as the Chair of the Nominating Committee. The members of the Nominating Committee for Directors shall serve until the next annual meeting. Any vacancies in the Nominating Committee shall be filled by the Board of Directors.

The Nominating Committee for Directors shall select a slate of nine (9) or more candidates for the Board of Directors from Lifetime Members, Contributing Members, and Senior Members of the Association who have been members for at least the three years preceding nomination, and for whom a nomination form has been submitted for the current year (nomination forms that have been submitted in prior years must be updated and resubmitted to be eligible). The Nominating Committee will include consideration of the following criteria in reviewing and selecting its recommended slate of nominees:

(1) The geographical representation on the Board of Directors in relationship to the concentration of members in a given geographical area.

(2) Membership in horse associations in addition to the Association, such as the United States Equestrian Federation, United Professional Horsemen's Association, ASHA Charter Club, or ASHA Futurity.

(3) The prospective nominee's level of participation in horse activities, such as whether the proposed nominee is an officer or director of a charter club or futurity; activity in Association committees, Grand National, youth clubs or futurities; activity in USEF committees; membership on horse show committees; ownership or operation of a breeding, training, or riding lesson program; current service as a USEF judge or steward; and current owner, breeder, or exhibitor of American Saddlebreds.

(4) The Nominating Committee for Directors should give special consideration to the following attributes:

- (a) Ten or more years' involvement in Saddlebred activities.
- (b) High level of expertise in financial, organizational and communication skills or other areas needed by the Association.
- (c) Experience in innovative programs for American Saddlebreds.
- (d) The financial ability, availability and desire to attend Board and Committee meetings.
- (e) Significant volunteer experience (in both Saddlebred and non-Saddlebred areas).

The Nominating Committee for Directors shall present its slate of nominees to the Executive Committee for consideration. The Executive Committee shall have the right of final approval of the slate of nominees, which slate will then be recommended for approval by the Executive Committee to the Board of Directors.

**Section 2.** Any vacancy occurring on the Board of Directors may be filled by the affirmative vote of the majority of the remaining Directors even if less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

## **ARTICLE IV OFFICERS**

**Section 1.** The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, each of whom shall be elected by the Board of Directors. Each officer must be a member of the Board of Directors.

**Section 2.** The Nominating Committee for Officers shall recommend to the Board of Directors a nominee for each office from the members of the Board. The Nominating Committee for Officers shall consist of three (3) members of the Board of Directors who shall be elected by the Board of Directors at its annual meeting held after each annual meeting of members, to serve until the regular meeting of the Board next after the annual meeting of members. The President shall designate one of the members of the Nominating Committee for Officers as Chairman. The Nominating Committee for Officers shall also recommend to the Board of Directors six (6) nominees to serve as directors of the American Saddlebred Registry, Inc. (the "Registry"), all of whom shall be current members of the Association's Board of Directors at the time of their election as a director of the Registry. The remaining seven (7) Directors of the Registry shall be elected by the Registry's Board of Directors, based on recommendations submitted by the Registry's Nominating Committee. The Directors of the Registry shall be divided into three (3) classes, two of which shall consist of four (4) Directors of the Registry and one of which shall consist of five (5) Directors of the Registry; all Directors of the Registry shall be elected for a term of three (3) years, and the terms of the three (3) classes shall be staggered so that only the



Directors of one class shall be elected each year. No Director of the Registry shall serve more than two (2) consecutive three-year terms without a period of one (1) year intervening before his or her re-election. The Nominating Committee for Officers shall make its recommendation to the Board at the regular meeting held immediately after the annual meeting of members.

**Section 3.** The officers of the Association shall be elected annually by the Board of Directors at its annual meeting held after each annual meeting of members.

Each officer shall hold office for a term of one year and until his or her successor shall have been duly elected and shall have accepted his or her election, unless such officer shall die, resign or be removed from office prior thereto. Directors of American Saddlebred Registry, Inc. shall be elected by the Board of Directors of the Association at the same meeting. Officers are elected and shall serve for one (1) year and until his or her successor shall have been duly elected and accepted his or her election. Each Director of American Saddlebred Registry, Inc. is elected and shall serve for three (3) years or until his or her successor shall have been duly elected and qualified.

**Section 4.** Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed. The election of an officer shall not itself create contract rights.

**Section 5.** A vacancy in any office of the Association may be filled by the Board of Directors for the unexpired portion of the term.

**Section 6.** The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general be responsible for enforcing observance of policies formulated by the Board of Directors. He or she shall preside at all meetings of the members and of the Board of Directors. He or she may sign, with the Secretary or any other proper officer of the Association thereunto authorized by the Board of Directors, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general shall perform such other duties as may be prescribed by the Board of Directors from time to time.

The immediate past president may elect to serve as a non-voting ex-officio member of the Board of Directors until the current president has left office.

**Section 7.** In the absence of the President or in the event of his or her death, inability, or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers and be subject to all of the restrictions imposed upon the President. The Vice President shall perform such duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

**Section 8.** The Secretary or his or her designee shall keep the minutes of the proceedings of the members and the Board of Directors in one or more books provided for that purpose. The

Secretary shall perform such other duties as from time to time may be assigned to him or her by the President or the Board of Directors.

**Section 9.** At the Annual Meeting, the Board of Directors may elect to appoint a Parliamentarian to advise the presiding officer with respect to points of order and procedure in the conduct of the meeting, which shall be conducted according to Sturgis' Standard Code of Parliamentary Procedure.

**Section 10.** The Treasurer shall (a) oversee policies and procedures pertaining to the books and records of accounts and all funds and securities of the Association, (b) provide a timely financial report and review of the statement of financial position and statement of the activities of the Association to the Executive Committee, (c) provide a financial report and review of the statement of financial position and statement of activities of the Association to the Board of Directors at each regularly-scheduled board meeting, (d) serve as Chair of the Finance Committee, and (e) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

**Section 11.** Officers shall not be compensated. The compensation of the Executive Director and other employees of the Association shall be fixed by the officer or officers so authorized by the Board of Directors. The Executive Director is not an officer or Director of the Association and shall not be entitled to vote on any matters.

## **ARTICLE V INDEMNIFICATION OF DIRECTORS AND OFFICERS**

**Section 1. Indemnification by the Association.** To the fullest extent permitted by law, and in accordance with the provisions of the Kentucky Nonprofit Corporation Acts and this Article V, the Association shall indemnify any person against "reasonable expenses" (as defined herein) incurred by him or her in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative ("Proceeding"), to which he or she is or is threatened to be made a party, because he or she is or was a director or officer of the Association, or is or was serving at the request of the Association as a Director, officer, partner, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, other enterprise or employee benefit plan if such person ("Person") was determined, in the manner prescribed by Section 4 of this Article V, to have acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and regarding any criminal Proceeding, had no reasonable cause to believe his or her conduct was unlawful ("Standard of Conduct"), except in relation to matters as to which he or she has been adjudged in the Proceeding to be liable for negligence or misconduct in the performance of duty to the Association.

**Section 2. Expenses Defined.** For the purposes of this Article V, the term "reasonable expenses" shall mean all costs actually incurred and disbursements made by a Person in connection with a Proceeding, including, without limitation, amounts paid as a result of a judgment, fine, tax or penalty, or in settlement of any Proceeding, and attorneys' fees and court costs incurred in connection therewith.

**Section 3. Reimbursement of Expenses.**

(a) The Association shall pay or reimburse reasonable attorneys' fees and reasonable costs actually incurred by a Person in connection with the defense of a Proceeding in advance of the final disposition of such Proceeding if both of the following conditions have been satisfied:

(i) There has been a determination in the manner prescribed by Section 4 (a) that the facts then known to those making the determination would not preclude indemnification under Section 1 of this Article V and the Kentucky Nonprofit Corporation Acts; and

(ii) The Board of Directors has received from the Person who is a party to the Proceeding a written agreement to repay all amounts paid or reimbursed by the Association if he or she is ultimately adjudged liable for negligence or misconduct in the performance of duty to the Association.

(b) The undertaking required by the Person under Section 3(a)(ii) of this Article V shall be an unlimited general obligation of that Person, with such security, if any, as the Board of Directors may reasonably require.

**Section 4. Determination of Standard of Conduct and Reasonableness of Expenses.** Determinations of whether the Standard of Conduct has been met and whether expenses are reasonable shall be made as follows:

(a) By the Board of Directors by a majority vote of a quorum consisting of Directors not at the time parties to the Proceeding;

(b) If such a quorum cannot be obtained, then by a majority vote of an ad-hoc committee of the Board of Directors, duly designated to act in the matter by a majority of the full Board of Directors (in which the Directors who are parties to the Proceeding may participate), consisting solely of two or more Directors not at the time parties to the Proceeding; or

(c) By special legal counsel selected either by the Board of Directors or a committee thereof by a vote in accordance with Subsections (a) or (b) of this Section 4, or if the requisite quorum of the full Board of Directors cannot be established, by a majority vote of the full Board of Directors (in which the Directors who are parties to a Proceeding may participate).

**Section 5. Purchase of Insurance.** The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Association or is or was serving at the request of the Association as a Director, officer, partner, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, other enterprise or employee benefit plan, against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, regardless of whether the Association would have had the power or be obligated to indemnify him or her against such liability under the provisions of this Article V or the Kentucky Nonprofit Corporation Acts.

**Section 6. Scope of Indemnification.** The indemnification for which this Article V provides shall not be deemed exclusive or a waiver of any other rights to which the Person may be entitled under any statute, provision of the Association's Articles of Incorporation, any other provision of these Bylaws or resolution of the Board of Directors and shall inure to the benefit of the heirs and personal representatives of a Person.

## **ARTICLE VI CONTRACTS, LOANS, CHECKS, AND DEPOSITS**

**Section 1.** The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

**Section 2.** No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

**Section 3.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

**Section 4.** All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

## **ARTICLE VII FISCAL YEAR**

The fiscal year of the Association shall be the calendar year, and shall begin on the first day of January and end on the last day of December of each year.

## **ARTICLE VIII EXECUTIVE COMMITTEE**

**Section 1.** The Board of Directors, by resolution adopted by a majority of the full board, shall authorize an Executive Committee. The Executive Committee shall consist of the President, Vice President, Secretary, and Treasurer, and three (3) additional Executive Committee members from members or former members of the Board of Directors. The designation of such Executive Committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

**Section 2.** The Executive Committee shall have and may exercise such authority as may be expressly authorized by the Board of Directors except to the extent, if any, that such authority shall be limited by resolution of the Board of Directors, and except also that the Executive Committee shall not have the authority of the Board of Directors in reference to (i) amending, altering or repealing the Bylaws, (ii) designating or removing any member of the Executive

Committee or any Director or officer of the Association, (iii) amending or restating the Articles of Incorporation of the Association, (iv) adopting a plan of merger or consolidation with another corporation, (v) authorizing the sale, lease or mortgage of substantially all of the property or assets of the Association, (vi) authorizing the voluntary dissolution of the Association or revoking proceedings therefor, (vii) adopting a plan for the distribution of the assets of the Association, or (viii) amending, altering or repealing any resolution of the Board of Directors.

**Section 3.** Each member of the Executive Committee shall hold office until the regular meeting of the Board of Directors next following the annual meeting of members and until his or her successor is designated a member of the Executive Committee and has accepted his or her designation.

**Section 4.** Regular meetings of the Executive Committee may be held at such time and place as the Executive Committee may fix from time to time by resolution. Special meetings of the Executive Committee may be called by any member thereof upon not less than five (5) days notice stating the place, date and hour of the meeting. Notice may be written or oral, (including telephonically) and if mailed, shall be deemed to be delivered when deposited in the United States mail addressed to the member of the Executive Committee at his or her business address. Written notice may also be given by telefax, electronically or by other reasonable means.

Any member of the Executive Committee may waive notice of any meeting, and no notice of any meeting need be given to any member thereof who attends in person.

The notice of a meeting of the Executive Committee need not state the business proposed to be transacted at the meeting. Notice of each regular or special meeting of the Executive Committee shall be delivered in the manner prescribed above to each member of the Board of Directors. Directors may attend (and are encouraged to do so) any meeting of the Executive Committee if he or she so desires, but without any right to vote.

**Section 5.** A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business at any meeting thereof, and action of the Executive Committee must be authorized by the affirmative vote of a majority of the members present at a meeting at which a quorum is present, provided, however, that meetings of the Executive Committee may be held by telephone.

**Section 6.** Any action required or permitted to be taken by the Executive Committee at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members of the Executive Committee.

**Section 7.** Any vacancy in the Executive Committee may be filled by a resolution adopted by a majority of the full Board of Directors.

**Section 8.** Any member of the Executive Committee may be removed at any time with or without cause by resolution adopted by a majority of the full Board of Directors.

Any member of the Executive Committee may resign from the Executive Committee at any time by giving written notice to the President or Secretary of the Association, and unless

otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 9.** The President shall serve as presiding officer of the Executive Committee. The Executive Committee may fix its own rules of procedure, which shall not be inconsistent with these Bylaws.

It shall keep regular minutes of its proceedings and report the same to the Board of Directors for its information at the meeting thereof held next after the proceedings shall have been taken.

**Section 10.** Minutes shall be kept of any and all meetings of the Executive Committee. The minutes shall be transcribed within forty-five (45) days after any meeting. A copy of the minutes shall be published electronically after approval by the Executive Committee. Minutes which have been approved by the Executive Committee shall be made available to any member in good standing within seven (7) days upon request.

## **ARTICLE IX HONORARY DIRECTORS**

The Board of Directors may elect Honorary Directors, each of whom must be a member of the Association. Honorary Directors shall be elected annually and shall have the right to (i) receive notice of, (ii) attend, and (iii) be heard at all meetings of the Board of Directors, but shall not have the right to vote.

## **ARTICLE X STOCK NONEXISTENT**

All shares of stock of the Association issued by it at any time in the past are deemed nonexistent, and no holder of any such shares shall have any rights with respect thereto.

## **ARTICLE XI COMMITTEES**

The President may appoint such standing and ad-hoc committees and the chairpersons thereof for such terms as the President deems necessary or appropriate to further the purposes of the Association, which committees will report to the Board of Directors. The President will report the name of each committee and the members thereof to the Board of Directors within fifteen (15) days of appointment. In addition to the (i) Executive Committee, (ii) the Nominating Committee for Directors as described in Article III, Part II, Section 1 of these Bylaws; and (iii) the Nominating Committee for Officers as described in Article IV, Section 2 of these Bylaws, the Standing Committees of the Association shall consist of the following:

- Human Resources/Compensation
- Finance
- Audit/Internal Controls
- Equine Welfare

- Charter Club Council
- Youth
- Pleasure Disciplines
- Marketing

The Human Resources/Compensation Committee shall include a minimum of one (1) member of such Committee who is a current director of the American Saddlebred Registry, Inc.

## **ARTICLE XII COMPLIANCE WITH LAWS**

The Board of Directors shall take such actions as may be required to cause the Association to be in full compliance with all laws, rules and regulations applicable to the Association, including, but not limited to, all provisions pertaining to 501(c)(3) entities under the Internal Revenue Code.

## **ARTICLE XIII AMENDMENTS**

The Board of Directors shall have the power to make Bylaws not inconsistent with law or the Articles of Incorporation of the Association and shall have the power to alter, amend or repeal the same. The Bylaws may be amended by the members at any meeting of the membership, provided written notice, including the text or proposed amendment, shall be given to all members at least thirty (30) days preceding said meeting.