

Arabian Horse Association of Arizona By-Laws

Article I - Offices

Section 1.01 Principal Office - The principal office of the Arabian Horse Association of Arizona, hereafter known as the "Corporation," shall be located in Maricopa County, Arizona, unless otherwise established by a unanimous vote of the board of directors.

Section 1.02 Other Offices - The Corporation also may have offices at other locations.

Article II - General

Section 2.01 General - The Corporation shall consist of different classes of membership, having the rights, duties and benefits as set forth herein and paying such dues as the Board of Directors shall determine from time to time.

(a) There shall be a class of voting members (the "Voting Members") entitled to vote on all matters on which members are entitled to vote, including but not limited to the election of officers and directors. To be a voting member, a person must be a member in good standing of the Corporation. These memberships shall include a competition or an adult (non-competition) voting membership of the Corporation.

(b) There shall be a class of Club Members (the "Club Members") not entitled to vote who shall have paid Club Member dues as prescribed by the Board of Directors.

(c) There shall be youth memberships (the "Youth Members") that shall consist of persons less than eighteen (18) years of age. Youth Members shall have no voting rights whatsoever, but shall be entitled to attend meetings and participate in the Corporation's activities when appropriate.

(d) The term "Member" or "Members" as used in these bylaws shall mean collectively Voting Members, Club Members and Youth Members except when referring to the power to vote in which case it shall refer only to Voting Members and shall exclude Associate Members and Youth Members. All matters affecting membership shall be subject to rules and regulations promulgated by the Corporation.

Section 2.02 Qualifications - Membership in the Corporation shall be confined to those persons who fill the qualifications for membership as shall be prescribed by the Board of Directors. Applications for membership shall be in writing and shall be accompanied by the written recommendation for membership of a Member of the Corporation who is in good standing, together with any and all required fees for the cost of initiation and any current or past dues that might be owing. The application shall be referred to the Membership Committee for proper evaluation. The Membership Committee shall thereafter investigate the applicant within sixty (60) days of the submission of the application. Following the approval of the Membership Committee and, providing that the applicant has attended at least one function of the membership prior to confirmation of admission to membership, the Board of Directors, at the next duly held regular or special meeting shall either approve or disapprove the application. In the event of a recommendation from the Membership Committee for disapproval of the application, the applicant may be approved by the Board of Directors upon the affirmative vote of three-quarters (3/4) of the members of the Board of Directors. Memberships are non-transferable.

Section 2.03 Additional Requirements - Consistent with the Articles of Incorporation and these Bylaws, the Board of Directors shall have the power from time to time to prescribe additional requirements for membership and additional classes of membership, and to determine causes justifying suspension or expulsion of Members and procedures to be followed in considering suspension and expulsion.

Section 2.04 Admission - Members shall be admitted to membership upon payment of dues required for membership status and approval as provided in Section 2.02 hereof.

Section 2.05 Rights of Members - The right of a Member to vote and all of his or her rights, authority and control concerning the Corporation or its property shall cease automatically upon the termination of membership in the Corporation by expiration, resignation, cancellation, expulsion or otherwise.

Section 2.06 Dues and Fees - The Board of Directors may determine dues for the general membership for each fiscal year. The Board of Directors may, in its sole discretion, determine what, if any, assessments are to be levied against Members. Nonpayment of dues or assessments shall be grounds for suspension of voting and membership rights or termination of membership, as determined by the Board of Directors, in its sole discretion. Dues are due and payable prior to expiration of membership. Failure to pay dues shall result in immediate and automatic revocation of a Member's right to vote at any

Membership meeting and shall require that the delinquent Member make application to the Board of Directors for reinstatement.

Section 2.07 Membership Period - New members joining the Corporation may join at any time upon payment of the membership dues and fulfillment of requirements set forth herein. The membership shall be granted for the period commences on the date the board approves membership application and shall expire on December 31 of that calendar year.

Section 2.08 Membership Certificates - The Corporation may issue a card or other certificate of membership to each Member in a form to be determined by the Board of Directors, which form shall specifically state that the Corporation has not been organized for profit.

Section 2.09 Termination of Membership - Members shall be terminated whenever such Members ceases to possess the qualifications for membership or for cause as determined by the Board of Directors in its sole discretion, or upon the death, resignation, or expiration of membership. Prior to the termination of any membership for cause, the Board of Directors shall notify such Member in writing and the Member shall have the right to request a hearing by the Board. Upon the Member's failure to request a hearing, his or her membership shall terminate within ten (10) days after the notice of intention to terminate the membership by the Board of Directors. In the event of a hearing, the membership shall only be terminated upon a vote of three-quarters (3/4) of the Board of Directors.

Article III - Meetings of Members

Section 3.01 Annual Meeting - Annual meetings of Members shall, unless otherwise provided by the Board of Directors, be held on the first Tuesday in April of each year. If that day is a legal holiday, the meeting shall be held on the next succeeding day, which is not a legal holiday. At the annual meeting, the Members entitled to vote shall elect people who will fill the vacant positions of the Officers and Directors, and transact business as may be properly brought before the annual meeting. If the annual meeting is not held within any thirteen (13) month period, an order for a meeting to be held may be applied to the maximum extent allowed by applicable law.

Section 3.02 Special Meetings - Special meetings of the Members of the Corporation may be called at any time by the President, a majority of the Board of Directors, or not fewer than one quarter (25%) of the Membership entitled to vote.

Section 3.03 Notice and Purpose of Meetings; Waiver-

(a) Notice stating the place, day and hour of meetings, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally, electronically or by mail, by an officer of the Corporation at the direction of the person or persons calling meeting, to each Member of record entitled to vote at such meeting. If mailed or sent electronically such notice shall be deemed to be delivered when mailed to the member at the Member's address as it appears on the record books of the Corporation.

(b) A Member may waive the notice of meeting by attendance at the meeting either in person or by proxy or by so stating in writing, either before or after such meeting. Attendance at a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened shall not constitute a waiver of notice.

Section 3.04 Quorum, Manner of Acting and Adjournment-

(a) Unless otherwise provided by law or the Articles of Incorporation, ten percent (10%) of the Voting Members, represented in person or by proxy, if, and only if, the proxy specifically sets forth the issues to be voted on, shall constitute a quorum at the meeting of Members. Business may be conducted once a quorum is present and may continue until adjournment of the meeting, notwithstanding the withdrawal or temporary absence of sufficient Voting Members to reduce the number present to less than a quorum.

(b) Unless the vote of a greater number is required by statute, the Articles of Incorporation, or these bylaws, the affirmative vote of the majority of the Members then present at the meeting and entitled to vote on the subject matter shall be the act of the Members.

(c) The affirmative vote of the majority of the Members then present and entitled to vote is sufficient in all cases to adjourn a meeting to another time and place. Notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business, which might have been transacted at the original meeting. If the adjournment is for more than thirty

(30) days, or if after the adjournment, a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting.

Section 3.05 Record Date-

(a) In order that the Corporation may determine the Members entitled to notice or to vote at any meeting of Members or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or allotment of rights, or for the purpose of any other lawful action, the Board of Directors shall fix, in advance, a record date. Unless otherwise set by the Board of Directors, the record date shall be the first Tuesday of March prior to the Annual Meeting.

(b) A determination of Members of record entitled to notice of or to vote at a meeting of Members, shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting and further provide that the adjournment or adjournments do not exceed thirty (30) days in the aggregate.

Section 3.06 Presiding Officer - Order of Business Meetings of the Members shall be presided over by the president, or if the president is not present, by a vice president, or if the vice president is not present, by a member of the executive board. The secretary of the Corporation, or, in the secretary's absence, an assistant secretary, shall act as secretary of every meeting, but if neither the secretary nor an assistant secretary is present, the presiding officer shall choose any person present to act as secretary of the meeting.

Section 3.07 Voting-

(a) Each Member of record shall have the right, at every Membership meeting, to one (1) vote subject, however, to any provisions, respecting voting rights as may be contained in the Articles of Incorporation or any amendments thereto. A Member shall be of record if such Member has paid his or her dues for the year and is otherwise in good standing.

(b) Every Member entitled to vote at a meeting of the Members or to express consent to corporate actions in writing without a meeting may submit a proxy to the Board of Directors, subject to the conditions of this Section 3.07. Proxies shall not be permitted except for the limited purpose of establishing a quorum at the meeting of the Members as permitted by A.R.S. 101016. By submitting a proxy for the foregoing purpose a Member is giving his or her consent to the actions taken by the Members present at the meeting. Submission of a proxy shall not prevent a Member from attending the meeting and casting his or her vote on any matters properly before the meeting.

(c) The Corporation shall establish procedures to ensure that (i) each Voting Member of record shall be given one and only one vote; (ii) an accurate tally be recorded and maintained of the vote of the Members of the Corporation for a period not less than five (5) years following each Annual Meeting; and (iii) any disputes relating to election procedures be resolved in a fair and impartial manner. All procedures required by this section shall be promulgated by the Board of Directors and approved by the Members at either the Annual Meeting or any Special Meeting.

Article IV - Board of Directors

Section 4.01 Powers - The "Board of Directors" shall consist of the Officers and the directors elected by the members (collectively, the "Directors") and shall have full power to conduct, manage and direct the business and affairs of the Corporation, except as specifically reserved or granted to the Members by statute, the Articles of Incorporation, or these bylaws.

Section 4.02 Number and Term of Office - The Board of Directors shall consist of not fewer than eleven (11) nor more than fifteen (15) individuals, including the Officers, as may be determined from time to time by resolution of the Board of Directors. Except as hereinafter provided, the dDirectors shall be elected at the Annual Meeting of the Members and each shall serve until the expiration of his or her respective term and until his or her successor has been elected and qualified, or until his earlier resignation or removal. Four Officers shall be elected by the Membership . Each of the Officers shall serve a term of two (2) years, with the president and vice president serving on the same two (2) year term and the treasurer and secretary serving on the same two (2) year term. The immediate past president shall also be a member of the Board of Directors. In addition to the Officers, at least seven (7) Members shall be elected by the Membership to serve as Directors. Six (6) of the Directors shall serve a term of two (2) years, with only three (3) directors subject to regular election in any given year. An additional Member will be elected as a Director for a one (1) year term and shall be elected each year. Nothing herein shall prevent the election of an additional Member as a Director, if necessary, to fill a vacancy. There is no limit to the number of cumulative terms a person may serve on the Board of Directors; provided, however, that no Member shall serve in the same position for more than four (4) consecutive years.

Section 4.03 Qualification and Elections-

(a) All Directors of the Corporation shall be natural persons of at least twenty-one (21) years of age who are Voting Members of the Corporation. Except in the case of vacancies, Directors shall be elected by the Members. Upon the demand of any Voting Member at any meeting of Members for the election of Directors, the chairman of the meeting shall call for and shall afford a reasonable opportunity for the making of nominations for any vacancy on the Board of Directors. Each class of Directors to be elected at the meeting shall be nominated and elected separately. Any Voting Member may nominate as many persons for the Board of Directors as there are positions to be filled. If nominations for the Board of Directors have been called for as herein provided, only candidates who have been nominated in accordance herewith shall be eligible for election. The Board of Directors at this time shall appoint additional Directors as they deem appropriate to fill the Director spot not filled.

(b) At each election, every Voting Member shall have the right to one (1) vote, in person, for each of the positions open for election. The same number of candidates as there are open positions receiving the highest number of votes shall be elected.

(c) Any Member who has ever been sentenced by the Ethical Practice Review Board (EPRB) of the Arabian Horse Association, including but not limited to suspension or probation may never serve as President, Vice-President, Secretary or Treasurer or Director of the Corporation.

(d) Any AHAA member convicted of Fraud, Theft, Forgery, or more than one (1) DUI may not ever serve in the capacity of President, Vice-President, Secretary or Treasurer or Director of the Corporation.

Section 4.04 Presiding Officer - Meetings of the Board of Directors shall be presided over by the president, or if the president is not present, by a vice president, in the order designated by the Board of Directors, or if the vice president is not present, by a chairman to be chosen by the majority of the Board of Directors at the meeting. The secretary of the Corporation, or, in the secretary's absence, an assistant secretary, shall act as secretary of every meeting, but if neither the secretary nor an assistant secretary is present, the chairman shall choose any person present to act as secretary of the meeting. Meetings of the Members shall be presided over by the president, or if the president is not present, by a vice president, or if the vice president is not present, by a member of the Board of Directors. The secretary of the Corporation, or, in the secretary's absence, an assistant secretary, shall act as secretary of every meeting, but if neither the secretary nor an assistant secretary is present, the presiding officer shall choose any person present to act as secretary of the meeting.

Section 4.05 Resignations - Any Director of the Corporation may resign at any time by giving notice to the president or the secretary or assistant secretary of the Corporation. Such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.06 Vacancies-

(a) Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of the majority of the remaining Directors though not less than a quorum. The director so elected shall continue in office until the next election of directors when such director's successor is elected and qualified.

(b) When one or more directors shall resign from the Board, effective at a future time, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective. Each director so chosen shall hold office until the next election of directors when such director's successor is elected and qualified.

Section 4.07 Removal-

(a) At a special meeting of Members called for this purpose may remove any Director or the entire Board of Directors, with or without cause, by a two-thirds (2/3) vote of the Members then entitled to vote at an election of Directors.

(b) Whenever the Members are entitled to elect one or more Directors by the provisions of the Articles of Incorporation, the provisions of Section 4.07(a) of these bylaws shall apply to the vote of the Members in respect to the removal of a Director.

(c) In case the Board of Directors or any Member of the Board of Directors is so removed, new Directors may be elected at the same meeting. If the Members fail to elect persons to fill the unexpired term or terms for the Director(s) removed, such unexpired terms shall be considered vacancies on the Board of Directors to be filled in accordance with Section 4.06(a) of these bylaws.

(d) If any Director is absent from four (4) or more scheduled meetings of the Board of Directors in the twelve (12) month period following the election of directors, that Director shall be deemed to have been removed from the Board of

Directors and the vacancy created thereby shall be filled by the remaining Directors in accordance with Section 4.06(a) of these bylaws.

(e) If any Director is absent from three (3) consecutive regularly scheduled meetings of the Board of Directors in the twelve (12) month period following the election of directors, that Director shall be deemed to have been removed from the Board of Directors and the vacancy created thereby shall be filled by the remaining Directors in accordance with Section 4.06(a) of these bylaws.

(f) If any Director fails to comply with Sections 4.03(c)-(d), or is no longer a member in good standing with the Corporation, that Director shall be deemed to have been removed from the Board of Directors and the vacancy created thereby shall be filled by the remaining Directors in accordance with Section 4.06(a) of these bylaws.

Section 4.08 Place of Meeting-

(a) The Board of Directors may hold its meeting at such place or places as the Board of Directors may from time to time appoint, or as may be designated in the notice calling the meeting.

(b) Meetings may be held by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in such a meeting shall constitute presence in person at such meeting.

Section 4.09 Organizational Meeting - Within thirty (30) days after each annual election of Directors or other meeting at which the entire Board of Directors is elected, the newly elected Board of Directors shall meet for the purpose of organization, and for the transaction of any other business. Notice of organizational meetings need not be given. Such organizational meetings may be held at any other time which shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors.

Section 4.10 Regular Meetings - Regular meetings of the Board of Directors shall be held at such time and place as shall be designated from time to time by resolution of the Board of Directors. If the date fixed for any regular meeting is a legal holiday under the laws of the place where such meeting is to be held, then the meeting shall be held on the next succeeding business day, not on a Saturday or Sunday, or at such other time as may be determined by resolution of the Board of Directors. At regular meetings, the directors shall transact such business as may properly be brought before the meeting. Notice of regular meetings need not be given. Members need not be notified of regular meetings nor admitted to such meetings.

Section 4.11 Special Meetings - Special meetings of the Board of Directors shall be held whenever called by the president or two or more Directors. Notice of such meeting shall be given to each director by telephone, electronically or in writing at least twenty-four (24) hours (in the case of notice by telephone) or forty-eight (48) hours (in the case of notice by e-mail) or three (3) days (in the case of notice by mail) before the time at which the meeting is to be held. Every such notice shall state the time and place of the meeting, but need not state the purpose of, or the business to be transacted at, such meeting. Members need not be notified of special meetings nor admitted to such meetings.

Section 4.12 Quorum, Manner of Acting and Adjournment - A majority of the Directors then serving shall constitute a quorum for the transaction of business. Except as otherwise specified in the Articles of Incorporation or these bylaws or provided by statute, the acts of the majority of the Directors present at meeting at which a quorum is present shall be the acts of the Board of Directors.

Section 4.13 Consent of Directs in Lieu of Meeting - The directors shall act only as a board and the individual directors shall have no power as such unless they also are officers; provided, however, that any action which may be taken at a meeting of the Board or of a committee may be taken without a meeting of all directors or committee members, as the case may be, consent thereto in writing.

Section 4.14 Compensation - Directors, and members of any committee of the Board of Directors, shall serve without compensation for their services as directors and members of any committee, but shall be entitled to reimbursement for any reasonable expenses incurred in attending such meetings at the discretion of the board.

Section 4.15 Minutes- The Corporation shall keep minutes of the proceedings of its Board of Directors and committees thereof. Such minutes shall be available for review by any Member upon reasonable request.

Section 4.16 Conflict of Interest -

(a) No contract or other transaction between the Corporation and one or more of its Directors or any other corporation, firm, association or entity in which one or more of its Directors are directors or officers or are financially interested, shall be either void or voidable because of such relationship or interest or because such Director, or Directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction or because his or their votes are counted for such purpose, if:

1. The fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested directors; or

2. The fact of such relationship or interest is disclosed or known to the Members entitled to vote and they authorize, approve or ratify such contract or transaction by vote or written consent; or

3. The contract or transaction is fair and reasonable to the Corporation at the time the contract or transaction is authorized, approved or ratified, in the light of circumstances known to those entitled to vote thereon at that time.

(b) Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes approves or ratifies such contract or transaction.

Article V - Notice - Waiver

Section 5.01 Notice - When written or electronic notice to any Member is required by the Articles of Incorporation, these bylaws, or statute, it may be given to such member either personally, electronically or by sending a copy thereof through the mail to his/her address appearing on the books of the Corporation, or supplied by him to the Corporation for the purpose of notice. If the notice is sent electronically or by mail, it shall be deemed to have been given to the Member entitled thereto when sent to email/address appearing on the books of the Corporation and/or deposited in United States Postal Service Receptacle.

Section 5.02 Waiver of Notice -

(a) Whenever any notice is required to be given to any member or director by the Articles of Incorporation, these bylaws, or statute, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

(b) Attendance of a person at any meeting shall constitute a waiver of notice of such meeting, except when a person attends a meeting for the purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Article VI - Officers

Section 6.01 Number, Qualifications and Designation - The "Officers" of the Corporation shall be a president, a vice president, a secretary, a treasurer and such other officers as may be elected in accordance with the provisions of Section 6.03 hereof. The president, vice president, secretary and treasurer shall also serve as Directors of the Corporation. The four (4) Officers are to be elected pursuant to Section 4.02 hereof. No two offices may be held by the same person. Officers must be members in good standing with the Corporation.

Section 6.02 Election and Term of Office - The Officers of the Corporation, except those elected by delegated authority pursuant to Section 6.05 hereof, shall be elected by the Members and each such officer shall hold office for two (2) years or until such officer's successor shall have been duly elected and qualified, or until such officer's death, resignation or removal. There is no limit to the cumulative number of terms a person may serve as president, vice president, secretary and treasurer; provided, however, that no person shall serve in the same position for more than four (4) consecutive years.

Section 6.03 Resignations - Any Officer or agent may resign at any time by giving written notice to the Board of Directors, or to the president or the secretary of the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Resignation shall be final.

Section 6.04 Removal -

(a) At a special meeting of Members called for the purpose of removing Officers, any Officer or all Officers may be removed, with or without cause, by a two-thirds (2/3) vote of the Members then entitled to vote at an election of Officers.

(b) Whenever the Members are entitled to elect one or more Officers by the provisions of the Articles of Incorporation, the provisions of Section 6.04(a) of these bylaws shall apply to the vote of the Members in respect to the removal of an Officer or officers so elected.

(c) In case an Officer or Officers are so removed, new officers may be elected at the same meeting. If the Members fail to elect persons to fill the unexpired term or terms for the Officer or Officers removed, such unexpired terms shall be considered vacancies on the office to be filled by the in accordance with Section 6.05 of these bylaws.

(d) If any Officer is absent from four (4) or more scheduled meetings of the Board of Directors in the twelve (12) month period following the election of Officers, that Officer shall be deemed to have been removed from the office and the vacancy created thereby shall be filled in accordance with Section 6.05 of these bylaws.

(e) If any Officer is absent from three (3) consecutive regularly scheduled meetings of the Board of Directors in the twelve (12) month period following the election of Officers, that Officer shall be deemed to have been removed from the office and the vacancy created thereby shall be filled in accordance with Section 6.05 of these bylaws.

(f) If any Officer fails to comply with Sections 4.03(c)-(d), or if such Officer is no longer a member in good standing with the Corporation, that Officer shall be deemed to have been removed from the office and the vacancy created thereby shall be filled in accordance with Section 6.05 of these bylaws.

Section 6.05 Vacancies - A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled by the Board of Directors at their discretion.

Section 6.06 General Powers - All officers and agents of the Corporation, as between themselves and the Corporation, shall have such authority and perform such duties in the management of the Corporation as may be provided in these bylaws, or as may be determined by resolution of the Board of Directors not inconsistent with these bylaws.

Section 6.07 The President - The President shall be the Chief Executive Officer of the Corporation and shall preside at all meetings of the Members and the Board of Directors. The President shall be a member, ex-officio, with the right to vote on all committees and shall have such other duties and authority as usually pertained to the office of the Chief Executive Officer as may be conferred upon him or her by the Board of Directors.

Section 6.08 The Vice President - The Vice President shall perform the duties of the President in his absence and shall have all other duties and authority as may be conferred upon him or her by the Board of Directors or by the President with the approval of the Board of Directors.

Section 6.09 The Secretary - The Secretary shall conduct the correspondence of the corporation, keep its records and have such duties and authority as usually pertained to the office of Secretary and as may be conferred on upon him or her by the Board of Directors or by the President with the approval of the Board of Directors.

Section 6.10 The Treasurer - The Treasurer shall keep accounts and have charge of the funds of the Corporation, subject to the authority of the Board of Directors. The Treasurer shall collect all dues and assessments and shall make payments as authorized by the Board of Directors. In addition, the Treasurer shall have such other duties and authority as usually pertained to the office of Treasurer and as may be conferred upon him or her by the Board of Directors or by the President with the approval of the Board of Directors. The Treasurer shall make an annual statement to to all Members at the annual general meeting.

Section 6.11 Compensation - The officers elected by the Board of Directors shall serve without compensation for their services as officers. All other officers, employees, and other agents shall serve without compensation in their elected or appointed position, however, they shall be entitled to reimbursement for any reasonable expenses incurred in the scope of their duties.

Article VII - Agents, Representatives and Contracts

Section 7.01 Contracts - The Board of Directors or executive board, except as in these bylaws otherwise provided, may authorize any officer or agent or enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and such authority may be general or confined to a specific instance; and unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit, or render it liable pecuniarily for any purpose or to any amount. In no event may an officer or committee enter into or bind the Corporation to a contract exceeding twelve (12) months in duration or

requiring expenditure of one thousand dollars (\$1,000) or more in the aggregate without a valid action of the Board of Directors.

Article VIII - Committees

Section 8.01 Advisory and Standing Committees - The Board of Directors may appoint one or more advisory or standing committees, and at any time may appoint additional members thereto for a term determined by the Board of Directors. Such committees shall advise and aid the officers of the Corporation in all matters designated by the Board of Directors. Each such committee may, subject to the approval of the Board of Directors, prescribe rules and regulations for the call and conduct of meetings of the committee and other matters relating to its procedures.

Section 8.02 Executive Committee - The Board of Directors shall appoint an Executive Committee which shall consist of the Officers. The members of any such committee shall serve during the term of the Board of Directors. The Executive Committee, if any, shall have full authority to act on behalf of the Board of Directors, except that it shall have no power to elect officers or to enter into any transactions or engage in activities, which it knows to be contrary to the wishes of the majority of the Board of Directors.

Section 8.03 Finance Committee - The Finance Committee shall meet on at least a quarterly basis with the Treasurer of the Corporation to review the Corporation's fiscal policy and practice. The Finance Committee shall be responsible for monitoring all expenses incurred the Corporation. The Board of Directors shall act as the Finance Committee unless the Board of Directors appoints Directors and Members to serve on the Finance Committee.

Section 8.04 Show Management Committee - The Show Management Committee shall develop and recommend to the Board of Directors plans for all public events and horse shows sponsored by the Corporation.

Section 8.05 Judges Selection Committee - The Judges Selection Committee shall be responsible for nominating qualified judges for all categories of compensation at horse shows conducted by the Corporation. The Board of Directors shall act as the Judges Selection Committee unless the Board of Directors appoints Directors and Members to serve on the Judges Selection Committee.

Section 8.06 Membership Committee - The Membership Committee shall develop policies and administrative procedures with respect to the recruiting and approval of new members. Such policies and administrative procedures shall be presented to the Board of Directors from time to time for adoption by the Board of Directors.

Section 8.07 Nominating Committee - The Nominating Committee shall be responsible for recruiting and nominating persons from among the Membership to be elected to the Board of Directors and as officers for the Corporation. The Nominating Committee shall nominate at least one person for each office subject to election.

Section 8.08 Audit Committee - The Audit Committee shall be made up of the Officers and one Member at large from among the general membership. The Audit Committee shall be formed at the last Board of Directors meeting prior to the close of the Corporation's fiscal year. The Audit Committee shall review the findings of the Corporation's accountants and within ninety-five (95) days of the completion of their review shall report to the Board of Directors and the general membership as to its findings.

Article IX - Prohibition Against Sharing in Corporate Earnings

Section 9.01 Corporate Earnings - No Director, Officer or employee of or member of a committee of or person connected with the Corporation, or any other private individual shall receive at any time any of the net earnings or pecuniary profit from the operation of the Corporation, provided that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Corporation in effecting any of its purposes as shall be fixed by the Board of Directors; and no such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Corporation. All Directors of the Corporation shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation, after all debts have been satisfied, then remaining in the hands of the Board of Directors shall be distributed, transferred, conveyed, delivered, and paid over, in such amounts as the Board of Directors may determine or as may be determined by a court of competent jurisdiction upon application of the Board of Directors, exclusively to charitable, religious, scientific, testing for public safety, literary, or educational organizations which would

then qualify under Section 501 (c) (5) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

Article X - Investments

Section 10.01 Corporate Investments - The Corporation shall have the right to retain all or any part of the securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgement of the Board of Directors, without being restricted to the class of investments which a director is or might hereafter be permitted by law to make or any similar restriction; provided, however, that no action shall be taken by or on behalf of the Corporation if such action is a prohibited transaction or would result in the denial of the tax exemption under Section 503 or Section 507 of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

Article XI - Exempt Activities

Section 11.01 Exemption - Notwithstanding any other provision of these bylaws, no director, officer, employee, committee member or representative of the Corporation shall take any action or carry any activity by or on behalf of this Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(5) of the Internal Revenue Code and its Regulations as they may hereafter be amended.

Article XII - Corporate Changes

Section 12.01 Mergers - The Board of Directors must submit in any proposed plan of merger or plan of consolidation for approval of the Members at any annual or special meeting of the Members, provided that notice of such meeting must specify the terms of the proposed plan or a summary thereof and must otherwise be in accordance with the terms of these bylaws. No plan of merger or consolidation submitted to the Members shall provide that the Corporation merge or consolidate with any corporation organized for profit, unless the surviving Corporation is a nonprofit corporation. The affirmative vote of at least two-thirds (2/3) of the outstanding votes entitled to be cast, represented in person, is required to approve any plan of merger or consolidation for such a plan to be adopted by the Corporation.

Section 12.02 Sale of Assets - The Board of Directors must submit any proposed sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the assets of the Corporation for approval by the Members of the Corporation at any annual or special meeting of the Members, provided that notice of such meeting must specify that a sale, lease, exchange, mortgage, pledge, or other disposition shall be submitted to the Members at such meeting and must otherwise be in accordance with the terms of these bylaws. The affirmative vote of at least two-thirds (2/3) of the outstanding votes entitled to be cast, represented in person, is required to authorize such sale, lease, exchange, mortgage, pledge or other disposition and, if such authorization is made, may fix or may authorize the Board of Directors to fix, any or all of the terms and conditions, including the consideration to be received by the Corporation, of such sale, lease, exchange, mortgage, pledge or other disposition.

Section 12.03 Dissolution - The Board of Directors must submit any plan of dissolution and distribution of the Corporation and its assets for approval by the members at any annual or special meeting of the Members, provided that the notice of such meeting must state that the advisability of dissolving the Corporation will be considered at such meeting and must set forth the proposed plan of distribution or a summary thereof and must otherwise be in accordance with the terms of these bylaws. Any proposed plan of distribution submitted to the Members must be consistent with the Articles of Incorporation and applicable law, including applicable federal and Arizona tax law. The affirmative vote of at least two-thirds (2/3) of the outstanding votes entitled to be cast, represented in person, is required to approve dissolution of the Corporation and a plan of distribution of assets of the Corporation for such approval to be effective.

Article XIII - Miscellaneous

Section 13.01 Corporate Seal - The Corporation may have a corporate seal in the form of a circle containing the name of the Corporation, the year of incorporation and such other details as may be approved by the Board of Directors. Nothing in these bylaws shall require the impression of a corporate seal to establish the validity of any document executed on behalf of the Corporation.

Section 13.02 Checks - All checks, notes, bills of exchange or other orders in writing shall be signed by such person or persons as the Board of Directors from time to time may designate.

Section 13.03 Deposits - All funds of the Corporation shall be deposited in a timely manner to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may approve or designate, and all such funds shall be withdrawn only upon checks signed by one or more officers or employees as the Board of Directors from time to time shall determine.

Section 13.04 Fiscal Year - The fiscal year of the Corporation shall be determined by resolution of the Board of Directors. Until further action by the Board of Directors, the fiscal year shall begin on July 1 and end on June 30.

Section 13.05 Reports - The Board of Directors shall present at the annual meeting of Members a report of the financial condition of the Corporation as of the closing date of the preceding fiscal year. Such report shall be in such form as shall be approved by the Board of Directors and shall be available for the inspection of Members at the annual meeting. Unless required by statute, the Board of Directors shall not be required to cause such report to be sent to the members. Unless required by statute, the Board of Directors, may, but shall not be required to, have such report prepared and verified by an independent certified public accountant or by a firm of practicing public accountants.

Section 13.06 Corporate Records-

(a) There shall be kept at the principal office of the Corporation (or some other location agreed to by the Board of Directors) an original or duplicate record of the proceedings of the Members and of the Directors, and the original or a copy of the bylaws including all amendments or alterations thereto to date, certified by the secretary of the Corporation. An original or duplicate member register also shall be kept at the registered office or principal place of business of the Corporation, or at the office of a registrar, giving the names of the members and their respective addresses. The Corporation also shall keep appropriate, complete and accurate books or records of account, which may be kept at the office of its statutory agent or at its principal place of business.

(b) Any person, who has been a member of record at least one (1) year immediately preceding a demand, upon written demand directed to the Corporation at its principal office or its statutory agent, shall have the right to examine, in person, or by agent or attorney, at any reasonable time or times, for any proper purpose of the Corporation's relevant books and records of accounts, minutes and record of members and to make copies of or extracts therefrom. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing, which authorizes the attorney or other agent to act on behalf of the member.

Section 13.07 Amendment of Bylaws Notice –

(a) A current copy of these bylaws, as amended and restated, must be approved by the Arabian Horse Association and a current copy kept on file with the Arabian Horse Association, for so long as the Corporation maintains its affiliation with that organization. The Members shall retain the power to amend these bylaws. Any amendment by the Members shall take place at the annual meeting and shall pass upon receiving the affirmative vote of two-thirds (2/3) of the Members present, if a quorum exists.

(b) Written notice stating the place, day and hour of a meetings at which a proposed bylaw amendment will be proposed, including the proposed bylaw amendment or amendments, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by an Officer of the Corporation at the direction of the person or persons requesting the bylaw amendment, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when mailed to the member at the Member's address as it appears on the record books of the Corporation.

Article XIV - Parliamentary Authority

Robert's Rules of Order Newly Revised shall be followed on the conduct of all meetings of the Corporation; unless to do so would conflict with these bylaws, or a decision on procedural issues made by the Board of Directors.

Amendment by the membership@ the Annual Meeting – April 7, 2015