

Adopted as of _____

BLUEGRASS MINIATURE HORSE ASSOCIATION, INC. CORPORATION BYLAWS

ARTICLE I

NAME

The name of the organization shall be the BLUEGRASS MINIATURE HORSE ASSOCIATION, INC.

ARTICLE II

PURPOSES AND POWERS

The particular purposes of the corporation are as follows:

1. Promote participation and cooperation among Kentucky miniature horse breeders in the improvement of the miniature horse industry and profitability of Kentucky miniature horse producers.
2. Plan and implement educational programs to benefit its members;
3. Improve the production and marketing skills, efficiencies, and opportunities of/for the members;
4. Develop or support any other educational or research program or event that the corporation deems beneficial to the members and the community; and
5. Raise fund through dues, donations, and other fundraising means to support the corporation's sponsored activities and civic and charitable contributions in the community.

ARTICLE III

FISCAL YEAR

The fiscal year of the corporation shall be the calendar year.

ARTICLE IV

WAIVER OF NOTICE

Whenever any notice, that may be required to be given under the provisions of these bylaws, or under the provisions of the articles of incorporation, or under the provisions of the corporation laws of the Commonwealth of Kentucky, waiver thereof in writing, signed by the person, or persons, entitled to such notice, whether before or after the item stated herein, shall be deemed equivalent to the giving of such notice.

ARTICLE V

RULES

The Roberts Rules of Order as amended and revised shall govern the conduct of any and all meetings.

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ARTICLE VI **MEMBERS**

(A) Membership

The membership of the corporation shall be composed of individuals and businesses. However, the Board of Directors shall determine who is eligible for membership in each classification, the amount of annual dues, and the criteria to be included in the applications.

The membership application process will be as follows:

1. Membership applications shall be submitted to the Secretary;
2. The Secretary will review each application;
3. At the next regular Board meeting, the Secretary will submit the newly received, completed membership applications and dues to the Board for approval;
4. The membership applications must be approved by majority of the Directors present; and then
5. The Secretary will add the approved members to the membership roll, and send each new member the most recent newsletter with receipt of dues, membership card, and a copy of the current bylaws.

(B) Membership Classifications and Dues

1. Active members:

Any individual or entity, which is actively engaged in miniature horse breeding, training, and/or showing, may become an active member upon application, approval, and payment of appropriate dues per year. Active members are eligible to vote, serve as Directors, hold office, receive membership benefits, and participate in activities and events as determined by the Board.

- Annual Dues
 - *Family membership (father and/or mother, dependent or guardian children 17 yrs or younger) - \$20.00*
 - *Single membership (single person 18 yrs or older) - \$15.00*
 - *Farm membership (three adults, unlimited children) - \$30.00*
 - *Youth membership (single youth 17 yrs & under) - \$5.00*

2. Dues

During a regular Board meeting during the third quarter of the fiscal year, the current Board will set the amount of the Annual Dues of the membership that will be effective for the next fiscal year. A Membership Application for the next year will be mailed to the membership with the notice of the Annual Meeting.

Payment of dues made after June 30 will be one-half the yearly rate and will provide full membership privileges to the individual(s).

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3. Voting

Only members who have been approved by the Board (“current members”), including Directors, attending a membership or Board meeting have the right to vote on any matter of business according to these bylaws and amendments.

- *Youth: Youth members are entitled to vote only on youth related committee activities;*
- *Family: A family membership entitles up to two adults to one vote each; and*
- *Farm: Entitles up to three adults to one vote each.*

Only those members in good standing shall have a vote.

4. Quorum

A quorum shall be the current members present at any meeting of the membership, provided proper notice was given.

5. Annual Meeting

An Annual Meeting of the membership will be held during the fourth quarter of the fiscal year for the election of Directors by the active members and other corporation business (i.e. financial reports approval, and amendments to Articles, and Bylaws).

6. Special Meetings

Special Meetings of the membership may be called at any time by the President or a majority of the Board of Directors. Active members may request a Special Membership Meeting through the President or a majority of the Board.

7. Notice of Meetings

Notice of the date, time, place and agenda of every Annual Meeting and Special Meeting of the membership shall be mailed to the entire recorded current membership at least twenty (20) days prior to the meeting. In addition, a notice of the date, time, and place of the Annual Meeting will be published in the monthly newsletter.

8. Suspension or Removal from Membership

Members, whose public actions are not in the best interest of the corporation, may be suspended from the membership by action of the majority vote of at least five (5) Directors present at a special emergency meeting of the Directors present, called without any required notice to the membership or Board. The suspended member will be reinstated to full membership rights or terminated from the membership and not allowed to continue in activity eligible to members by a two-thirds vote of the full Board provided that statement of the charges and a notice of the date, time, and place that Board meetings are mailed to the suspended member’s last recorded membership address fifteen

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(15) days prior to this meeting. Reinstatement or termination of the suspended member must occur within ninety (90) days of the date of suspension.

ARTICLE VII ***DIRECTORS***

(A) General Powers

The business and affairs of the corporation shall be managed by its Board of Directors.

(B) Qualifications

Directors must be current active members. At the Initial Annual Meeting, any current active member may be nominated and elected. At all Annual Meetings thereafter, Director nominees must not have an immediate family member (spouse, parent, sibling, or child) or member of the same household already serving on the Board, even if the two family or household members have paid individual memberships.

(C) Number

The number of Directors of the corporation shall be NINE (9), but may be increased or decreased by amendment of the Bylaws.

(D) Term

The Initial Directors will serve until the first Annual Meeting of the membership. The Organizational Directors, who were elected by the organizing members, will serve terms of two years or one year as designated below. All other Directors will serve terms of two years. A Director may only serve two full successive terms, being appointed and/or elected to fill an incomplete term - will not be counted as a full term. A past Director may be nominated after not serving for one year.

(E) Election at the Initial Annual Meeting.

The procedure for the election of four Directors at the Initial Annual Meeting will be as follows:

1. The Organizational Directors will meet and approve the membership roll of eligible voting members as submitted by the Acting Membership Secretary.
2. The Acting President will ask for nominations from the active membership present to elect three active members as Election Assistants, to assist in conducting the Election of Directors. The active members will vote on those nominees by a show of hands. The duties of these elected members will be to distribute, collect, and count the Director Election Voting Ballots. If any of these elected Election Assistants are nominated for Director, the nominated Election Assistant must be replaced by the same process stated in this section.
3. The Acting President will present the nominees that are nominated and approved by the Organizational Board.
4. The Acting President will call for any nominations for Director positions from the eligible voting members present. Each nomination must be seconded by a voting member. After nominations cease, the Acting President will direct the Election Assistants to place these nominees on the Director Election Voting Ballots with the nominees approved by the Organizational Board.

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5. The Acting President will ask each nominee to make a short (1-2 minute speech) presentation about themselves to the voting members.
6. The Acting President will ask the Election Assistants to distribute the Director Election Voting Ballots to all voting members as listed on the approved membership roll.
7. The Acting President and Election Assistants will make sure that all eligible voters received a ballot, had sufficient time to mark the ballot for four of the nominees, and that each ballot was collected.
8. The Acting President will direct the Election Assistants to take the marked ballots to another room and count the ballots. The ballots must be counted twice. The three Election Assistants must sign the vote tally indicating the number of votes received by each nominee.
9. The Acting President will receive all of the ballots and the certified vote tally from the Election Assistants.
10. The Acting President will announce the nine nominees with the highest number of votes as the elected Directors, but the announcement must be in a random order and NOT announce the number of votes received by each nominee. The ballots and vote tally will be kept by the Membership Secretary for record purposes. The results will be given to a defeated nominee, after a vote of the Board in response to a written request by that defeated nominee.

(F) Directors and Initial Board

Directors elected at the Initial Annual Meeting will join the Initial Board as follows:

1. Four Directors, elected by procedure above, for terms of two years. Names will be drawn from elected Directors for these terms.
2. Five Directors, elected by procedure above, for term of one year.

In addition to the Directors' terms above, the Directors may serve the partial year during the year of organization.

(G) Nomination of Directors

Prior to Annual Meetings thereafter, the nominees for the Director's positions will be selected by the Nominating Committee and approved by the Board according to the process stated in Article IX (A).

(H) Election at Annual Meeting

At Annual Meetings thereafter, the eligible voting members will elect NINE (9) Directors for terms of TWO (2) years on a rotational schedule, by a majority of the eligible voting members present from a slate of nominees of current active members submitted by the Nominating Committee and approved by the Board.

Incomplete Terms: Additional Directors may be elected to Director positions after a Director's resignation or termination. The Director positions elected to complete a term will be filled by the nominee receiving the next highest votes after the full term nine (9) Director positions have been designated from the certified vote tally.

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Director positions are to be designated from the certified vote tally in the following order by the nominees with highest votes received:

1. Two year terms (up to 5 directors)
1. One year terms (directors need to fill a vacancy due to resignation or removal)

(I) New Board Meeting to Elect Officers

Immediately after the Annual Meeting, the New Board will meet to conduct the following business:

1. Election of Officers as stated in Article VIII;
2. Select and contract with a professional enrolled agent, accountant or attorney to audit the financial records of the corporation and prepare the annual income tax returns for the corporation; and
3. Set dates, times, and places for the transfer of the corporation's files, records, accounts, and assets from the old officers and committee chairpersons to the new members holding these positions.

(J) New Directors' and Officers' Term

The term of the new Directors will begin at the conclusion of the Annual Meeting. The term of the new Officers will begin during the New Board Meeting.

(K) Absences from board meetings

Any Director that is absent from three consecutive board meetings, without having his or her absences excused by the quorum of the Board, may be removed from the Board by a majority vote of the remaining directors.

(L) Removal

Any Director elected or appointed by the Board may be removed from office by a majority of the full Board, with or without cause, whenever in its judgment the best interest of the corporation would be served, thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of a Director or agent shall not of itself create contract rights.

(M) Vacancies

Should a vacancy occur on the Board before completion of a term, such vacancy may be filled by the affirmative vote of a majority of the remaining Board of Directors, even if less than a quorum. The Director filling the vacancy shall serve until the next Annual Meeting, where a Director will be elected to complete the term of this Director's position.

(N) Board Meetings

The Board of Directors will hold regular scheduled meetings, at least quarterly; to address any business as may properly come before the Board. The Board will provide the date, time, and place for the holding of regular Board meetings to the membership in a manner determined by the Board to give the membership sufficient notice to encourage attendance by the members. All Board meetings are open to all members of any class.

(O) Notice of Board Meetings

Notice of the date, time, place, and agenda of any regular Board meeting shall be given at least ten days prior thereto by written notice delivered personally or mailed or electronically to each Director at his/her recorded member address. If mailed, such

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notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with first class postage thereon prepaid. If notice is given electronically, such notice shall be deemed to be delivered when the message is sent. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

(P) Special Meetings

Special meetings of the Board may be called by or at the request of the President, or by a majority of the Directors in office. The person or persons authorized to call special meetings of the Board of Directors may fix any place as the place for holding any special meeting of the Board of Directors called by them.

(Q) Notice of Special Meetings

Notice of the date, time, place, and agenda of any special meeting shall be given at least five days prior thereto by written notice delivered personally or mailed or electronically to each Director at his/her recorded member address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with first class postage thereon prepaid. If notice should be given electronically, such notice shall be deemed to be delivered when the message is sent. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

(R) Quorum

A majority of the full Board of Directors (5) must be present at the call to order by the President to constitute a quorum for the transaction of business at any meeting of the Board of Directors; provided that if less than a majority of the Directors are present during said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

(S) Manner of Acting

The act of the majority of the Directors present (at least 3) at a meeting at which a quorum is present shall be the act of the Board of Directors.

(T) Compensation

No Director shall receive compensation for his/her services as Director; however, any expenses incurred by any Director by reason of his/her duties or responsibilities as such may be paid by the corporation; provided, that nothing contained herein shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefore.

(U) Committees

The Board of Directors shall have authority to establish such committees, as it may consider necessary or convenient for the conduct of its business. The Board of Directors may establish an executive committee in accordance with and subject to the restrictions set out in the statutes of the Commonwealth of Kentucky.

(V) Informal Action

Any action required or permitted to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the Board of Directors or of a committee,

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may be taken without a meeting if consent, in writing, setting forth the action so taken shall be signed by all of the Directors, or all members of the committee, as the case may be, and included in minutes or filed with the corporate records. Such consent shall have the same effect as a unanimous vote.

ARTICLE VIII ***OFFICERS***

(A) Offices

The officers of the corporation shall be a President, a Vice-President, Secretary, Treasurer, and such other officers whose duties may be fixed from time to time by the Board of Directors and who are to be elected in accordance with the provisions of this article.

(B) Election and Term of Office

Each officer shall hold office until his/her successor shall have been duly elected and shall have qualified or until his/her death or until he/she shall resign or shall have been removed in the manner hereinafter provided. After the initial election of Directors at the corporation's organizational meeting, the officers of the corporation shall be elected every year by a majority of the Directors present at the New Board meeting immediately following the Annual Meeting. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as shall be convenient. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors.

(C) Removal

Any officer elected or appointed by the Board may be removed from office by a majority of the full Board, with or without cause, whenever in its judgment the best interest of the corporation would be served thereby, but such removal shall be written without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

(D) Vacancies

A vacancy in any office because of death, resignation, removal, disqualification, or otherwise may be filled by a majority vote of the Board of Directors for the unexpired portion of the term.

(E) Compensation

The officers may receive such salary or compensation for their services as the Board determines.

(F) President

The President, a current active member who is also a member of the Board of Directors in the second year of his first term or in the first or second year of his or her second term, shall be the chief executive officer of the corporation and shall in general supervise and control all of the day-to-day business and affairs of the corporation. The President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

(G) Vice-President

The Vice-President will be a current active member who is also a member of the Board of Directors. The Vice-President will be elected by the Board to represent, coordinate, and report activities, implement programs, and other duties prescribed by the Board. In the absence of the President or in the event of his/her inability or refusal to act, the Vice-

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President shall have all of the powers and be subject to all of the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors.

(H) Secretary

The Secretary, a current active member who is a Director, shall (1) keep and distribute in a timely manner the minutes of the members' and the Board of Directors' meetings in one or more books provided for that purpose; (2) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (3) be custodian of the corporate records; shall (4) keep and distribute in a timely manner the current roll of the membership in one or more books provided for that purpose; (5) mail out membership applications upon request in accordance with the provisions of these bylaws; (6) be custodian of the membership records; and (7) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

(I) Treasurer

The Treasurer will be a current active member who is a Director. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties, as the Board of Directors shall determine. The Treasurer shall (1) have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever and deposit all such moneys in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these bylaws; and (2) in general, perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors. Each year in sufficient time prior to the end of the fiscal year, the Treasurer will submit the corporation financial books and records to an enrolled agent, accountant or attorney, chosen by the Board of Directors, who will audit this information and report his/her findings and recommendations to the Board.

ARTICLE IX COMMITTEES

(A) Nominating Committee

The purpose of the Nominating Committee is to submit a slate of current active members ready, willing, and able to serve the membership as Directors in such a manner as to represent the best interests of the members.

1. Selection of the Nominating Committee members:

- a. During the first quarter of the year, the President shall ask the entire current membership that any current member willing to serve on the Nominating Committee submit their name to him/her prior to the second quarter Board Meeting. These names will be submitted to the Board for consideration for appointment to the Nominating Committee.
- b. During the second quarter of the year, the Board will appoint a committee consisting of three (3) members that are not Directors and two (2) Directors that are serving the third year of their term. These committee members should be selected in an effort to represent varying geographic regions and industry

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interests. One of the non-director members will be elected by the committee members to serve as chairperson.

2. Duties:

- a. Identify, contact, interview, and select current active members as nominees, who are ready, willing, and able to actively serve the membership as Directors for a three year term, if elected.
- b. These nominees should be selected in a strong effort to represent varying geographic regions and industry interests.

3. Process:

- a. The Nominating Committee will review and discuss the names of potential nominees.
- b. A list of finalist nominees will be selected to be contacted and interviewed by two or more committee members.
- c. A slate of nominees to be submitted to the Board for approval will have at least two (2) more nominees than Directors positions to be elected at the Annual Meeting.
- d. The nominees shall be selected by a two-thirds majority of the full Nominating Committee (3 committee members).
- e. The list of selected nominees and a short biographical sketch describing each selected nominee shall be submitted to the Corresponding Secretary to be mailed to the Board of Directors at least ten (10) days prior to a regular Board meeting during the third quarter for the Board's approval.
- f. The Board shall approve at least two (2) more nominees than Directors positions to be elected at the Annual Meeting
- g. At the Annual Meeting, the Chairperson will describe the nomination process, the work of the Nominating Committee, and present the Board approved nominees to the membership for election.

(B) Standing Committees

The Corporation will have the following Standing Committees in addition to the Nominating Committee:

1. Membership
2. Communication (Newsletter, website, etc.)
3. Fundraising/Budget
4. Education & Research
5. Bylaws

(C) Other Special Committees

The Board of Directors shall have authority to establish such committees, as it may consider necessary or convenient for the conduct of its business. The Board of Directors may establish an executive committee in accordance with and subject to the restrictions set out in the statutes of the Commonwealth of Kentucky.

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(D) Committee Membership

As soon as possible after the Annual Meeting, the President will nominate committee member nominees to the Board from any classification of membership, unless specified otherwise in the Bylaws. These nominees should be selected in a strong effort to represent varying geographic regions and industry interests and provide for continuity of programs and activities. The Board of Directors shall elect committee members from the nominees for terms that will end at the next Annual Meeting.

(E) Other Committee Chairs

As soon as possible after the Annual Meeting, the President will nominate committee chairperson nominees to the Board from the Directors, unless specified otherwise in the Bylaws. The Board of Directors shall elect committee chairpersons from the nominees for terms that will end at the next Annual Meeting.

(F) Committee Quorum

A majority of any committee as appointed shall constitute a quorum for the transaction of business.

(G) Committee Member Removal

Any committee member appointed by the Board may be removed from a committee by the Board, with or without cause, whenever in its judgment the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

(H) Committee Vacancies

The Board will fill vacancies on any committee at the request of the Chairperson or on the Board's own motion.

(I) Committee Action

Any action taken by a committee must be approved by the Board unless authority has been granted by the Board to the committee or the Chairperson that would validate a particular action of the committee.

(J) Sub-Committees

The Chairpersons have the authority to create sub-committees and fill these positions, upon the approval of the majority of the members of that respective committee. Anyone, member or non-member, can serve as a member of a sub-committee. The duties of each sub-committee will be determined by the committee. The action of any sub-committee must be presented to committee for approval.

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ARTICLE X CONTRACTS, LOANS, CHECKS, AND DEPOSITS

(A) Contracts

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

(B) Loans

No loans shall be contracted on behalf of the corporation, 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.

(C) Checks, drafts, orders, etc.

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

(D) Deposits

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

(E) Gifts

Any director or officer may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes of or for any special purpose of the corporation.

No officer shall make charitable contributions in the name of, from the funds of, or on behalf of the corporation without prior authorization by the Board of Directors.

ARTICLE XI BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members and Board of Directors, and shall keep at the principal office a record giving the names and addresses of the Directors entitled to vote. All books and records of the corporation may be inspected by any director, or his agent or attorney, for any proper purpose at any reasonable time.

ARTICLE XII AMENDMENT OF BYLAWS

These Bylaws may be amended, altered, changed, added to, or repealed by the affirmative vote of a full majority of the Board of Directors (9); if notice of the proposed amendment, alteration, change, addition, or repeal be contained in the notice of the meeting to

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the Board of Directors and mailed to the membership thirty (30) days prior to the meeting in which the vote would be taken. Notwithstanding the above, the members may amend, alter, change, add to, or repeal these bylaws at any time, subject to the same notice requirement, by a majority of the full paid membership present.

DATE: April _____, 2006

Majorie Vickery, President

Lee Hand, Vice President

Elvera Leonard, Secretary

Lavonne Reardon, Treasurer

Linda Crouse, Director

Kelly Robinson, Director

Charlotte Chowning, Director

STATE OF KENTUCKY

COUNTY OF _____

I, _____, Notary Public, Kentucky State at Large, do certify that on April _____, 2006, the foregoing instrument was produced to me in my county by the above-signed persons, and was signed by them, acknowledged and delivered as their act and deed.

Notary Public
My Commission expires: _____

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This instrument prepared by:

Keith Jeffries Law Office, PLLC
Keith A. Jeffries, Attorney
P. O. Box 478
New Castle, KY 40050

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