



American Shagya Arabian Verband, Inc.



Bylaws of the American Shagya Arabian Verband, Inc.

ARTICLE I

Offices

Section 1. Principal Office The principal office of the corporation is located in Shelby County, State of Kentucky.

Section 2. Change of Address

The designation of the county or state of the corporation's principal office may be changed by amendment of these Bylaws. The Board of Directors may change the principal office from one location to another within the named state by noting the changed address, registering the information with the state of residence in the yearly corporate state forms and local county registering office. Effective date below, and such changes of address shall not be deemed, nor require, an amendment of these Bylaws:

New Address: 5750 Buckcreek Road, Finchville, Kentucky, 40022

Article II

Nonprofit Purposes

Section 1. IRS Section 501(c)(3) Purposes:

This corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.

Section 2. Specific Objectives and Purposes

The specific objectives and purposes of this corporation shall be:

A. The specific and primary purpose for which this corporation is formed is to record the lineage of Shagya Arabian horses, govern such infusion of Arabian horse genetic material as needed and approved by the corporation, within the ISG breed standard and, encourage further improvement of the breed. Promote the general interests of the Shagya Arabian breed of horse.

B. Establishment of a Shagya Registry for purebred Shagya Arabians and for partbred Shagya

Arabians. Also to govern and regulate the approval of breeding stock. Educate owners about the history and evolution of the breed.

C. Dissemination of educational information about the breed to the public. The establishment of awards system for performance achievement.

D. Promotional and coordination with Shagya breeders in the United States of America and throughout the world, and in particular with the Internationale Shagya-Araber Gesellschaft e.V. Purebred Shagya-Arab Society International, non-profit organization of Shagya-Arabian breeders throughout the world.

E. The Corporation shall possess and exercise all the powers and privileges contained in the Kentucky Non-Profit Corporation Act and shall have and exercise all powers necessary or convenient to affect the purpose for which the corporation is organization in the United States of America.

Article III

Directors

Section 1. Number:

The corporation shall have between 3 and 10 directors and collectively they shall be known as the Board of Directors.

Section 2. Qualifications:

Directors shall be of the age of majority in this state. Other qualifications for directors of this corporation shall be as follows:

The first board of directors shall consist of four founding members. There after the board of directors shall consist of such number as may be provided for in the by-laws, but in no event less than three nor more than ten.

The directors shall be members of the corporation. The initial four founding directors provided for herein shall be permanent members of the board of directors and hold office indefinitely until their resignation or death. At the expiration of their terms, there shall be no more permanent directors. The members will elect the remaining other positions from district areas, provided in the rules and regulations. There after the elected board positions shall be elected by the members of the corporation in the manner and for the terms provided for in the by-laws.

Section 3. District Areas, Elections and Terms of Board of Director Positions

Elected board of director positions shall be elected by the members who are current in their regular membership dues with the corporation as defined in the bylaws and have at least ownership as recognized on the registration of one registered and recorded horse with the American Shagya Arabian Verband, Inc. Their term shall be for three years. If a vacancy becomes available the board of directors shall name a member to represent that district and to fill the term until a new board position can be elected. The district voting areas shall be divided as follows in the rules and regulations. A temporary substitute for an elected director maybe named to the board of directors up to 7 days in advance by the elected official from that district for a meeting. The substitute must

own a horse in the ASVA registry and be a current member.

Section 4. Powers

Subject to the provisions of the laws of this state and any limitations in the Articles of Incorporation and these Bylaws relating to action required or permitted to be taken or approved by the members, if any, of this corporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

Section 5. Duties

It shall be the duty of the directors to:

Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation, corporation rules and regulations or by these Bylaws; Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation; Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly; Meet at such times and places as required by these Bylaws; Register their addresses with the Secretary of the corporation, and notices of meetings mailed, telegraphed or e-mailed to them at such addresses shall be valid notices thereof.

Serve on committees that help run the organization, along with representing their district areas membership at the board of directors meeting.

Perform services for the board of directors as needed on special projects.

Must state and notify to the board of directors immediately upon recognition any conflict of interest that may occur when discussing issues and/or voting on any motion that has come before the board of directors. Disclosure of conflict may determine voting disqualification to be determined by the board at such time.

If an elected director misses two regular meeting without representation than the board may appoint and fill position.

Report and communicate to the membership of their district.

Section 6. Compensation

Directors shall serve without compensation in a volunteer capacity. They maybe allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties as directed by the board of directors.

Section 7. Regular Meetings

At least two regular yearly meetings of the Board of Directors shall be held each year between the weeks of January and March, and between the weeks of September and November when it is most convenient for the majority of directors to meet.

Section 8. Place Of Meetings

Meetings shall be held at the principal office of the corporation unless otherwise provided by the board or at such other place as may be designated from time to time by the Board of Directors. The Board of Directors may from time to time have telephone conference calls at agreed upon times as provided for in the bylaws.

Section 9. Special Meetings

Special meetings of the Board of Directors may be called by the Chairperson of the Board, the President, the Vice President, the Secretary, by any three directors, or, if different, by the persons specifically authorized under the laws of this state to call special meetings of the board. Such meetings shall be held at the principal office of the corporation or, if different, at the place designated by the person or persons calling the special meeting.

Section 10. Notice of Meetings

Unless otherwise provided by the Articles of Incorporation, these Bylaws, or provisions of law, the following provisions shall govern the giving of notice for meetings of the Board of Directors: Regular Meetings. Notice to the directors needs be given of any regular meeting of the board of directors at least 14 days in advanced notice.

Special Meetings: The secretary of the corporation shall give at least one-week prior notice to each director of each special meeting of the board. Such notice may be oral or written, may be given personally, by first class mail, by telephone, by facsimile machine or e-mail, and shall state the place, date and time of the meeting and the matters proposed to be acted upon at the meeting. In the case of facsimile or e-mail notification, the director to be contacted shall acknowledge personal receipt of the facsimile notice by a return message or telephone call within twenty-four hours of the first facsimile or e-mail transmission.

Waiver of Notice: Whenever any notice of a meeting is required to be given to any director of this corporation under provisions of the Articles of Incorporation, these Bylaws or the law of this state, a waiver of notice in writing signed by 2/3 of the directors, whether before or after the time of the meeting, shall be equivalent to the giving of such notice. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where the board of directors attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 11. Quorum for Meetings

A quorum shall consist of two-thirds (2/3) of the members of the Board of Directors. Except as otherwise provided under the Articles of Incorporation, these Bylaws or provisions of law, no business shall be considered by the board at any meeting at which the required quorum is not present, only information pertinent to the corporation may be discussed and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.

Section 12. Majority Action as Board Action

Every act or decision done or made by a majority of the directors currently in office at which a

quorum is present is the act of the Board of Directors, unless the Articles of Incorporation, these Bylaws or provisions of law require a greater percentage

A two-thirds (2/3)-majority vote of the directors in office or 100% full quorum shall amend the operating documents of this corporation. Conference calls between members of the board and prior approval in writing of a motion shall have the same force and effect as if a meeting in person of the board were held.

Section 13. Conduct of Meetings

Meetings of the Board of Directors shall be presided over by the Chairperson of the Board, or, if no such person has been so designated or, in his or her absence, the President of the corporation or, in his or her absence, by the Vice President of the corporation or, in the absence of each of these persons, by a Chairperson chosen by a majority of the directors present at the meeting. The Secretary of the corporation shall act as secretary of all meetings of the board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be governed in a democratic manner, insofar as such rules are not inconsistent with or in conflict with the Articles of Incorporation, these Bylaws or with provisions of law.

Section 14. Vacancies

Vacancies on the Board of Directors shall be (1) on the death, resignation or removal of any director, and (2) whenever the number of authorized directors is increased. Any director may resign effective upon giving written notice to the Chairperson of the Board, the President, the Secretary or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No director may resign if the corporation would then be left without a duly elected director or directors in charge of its affairs, except upon notice to the Office of the Attorney General or other appropriate agency of this state.

Directors may be removed from office, with cause, as permitted by the bylaws and in accordance with the laws of this state. Unless otherwise prohibited by the Articles of Incorporation, these Bylaws or provisions of law, vacancies on the board may be filled by approval of the Board of Directors. If the number of directors then in office is less than a quorum, a vacancy on the board may be filled by approval of a majority of the directors then in office or by a sole remaining director. A person elected to fill a vacancy on the board shall hold office until the next election of the Board of Directors or until his or her death, resignation or removal from office.

Section 15. Nonliability of Directors Indemnification by Corporation of Directors and Officers

The directors shall not be personally liable for the debts, liabilities or other obligations of the corporation. The corporation to the fullest extent permissible shall indemnify the directors and officers of the corporation under the laws of this state.

Section 16. Insurance For Corporate Agents Except as may be otherwise provided under provisions of law, the Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer,

employee or other agent of the corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the Articles of Incorporation, these Bylaws or provisions of law.

Article IV

Officers

Section 1. Designation of Officers

The officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer. The corporation may also have a Chairperson of the Board, one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers and other such officers with such titles as may be determined from time to time by the Board of Directors.

Section 2. Qualifications

Any regular voting member as defined in the bylaws may serve as officer of this corporation.

Section 3. Election and Term of Office

Officers shall be elected by the Board of Directors, for a three year term or the remainder of an unfilled office, and each officer shall hold office until he or she resigns, is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

Section 4. Removal and Resignation

The Board of Directors may remove any officer, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract, which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

Section 5. Vacancies

Any vacancy caused by the death, resignation, removal, and disqualification or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the board may or may not be filled, as the board shall determine.

Section 6. Duties of President

The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of

the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation, these Bylaws, the rules and regulations or which may be prescribed from time to time by the Board of Directors in a written job description. Unless another person is specifically appointed as Chairperson of the Board of Directors, the President shall preside at all meetings of the Board of Directors and, if this corporation has members, at all meetings of the members. Except as otherwise expressly provided by law, by the Articles of Incorporation or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks or other instruments which may from time to time be authorized by the Board of Directors.

Section 7. Duties of Vice President

In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, by these Bylaws, rules and regulations or as may be prescribed by the Board of Directors in a written job description. Keep at the principal office of the corporation a membership book containing the name and address of each and any members, and, in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased. Work directly with the membership chairperson.

Section 8. Duties of Secretary

The Secretary shall: Certify and keep at the principal office of the corporation the original, or a copy, of these Bylaws as amended or otherwise altered to date and a copy of the rules and regulations. Keep at the principal office of the corporation or at such other place as the board may determine, a book of minutes of all meetings of the directors, and, if applicable, meetings of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented or the provisions of these Bylaws, to duly executed documents of the corporation. Exhibit at all reasonable times to any member, director of the corporation, or to his or her agent or attorney, on request therefore, the Bylaws, the membership book and the minutes of the proceedings of the directors of the corporation with 30 days written notice.

In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, by these Bylaws, rules and regulations or which may be assigned to him or her from time to time by the Board of Directors in a written job description.

Section 9. Duties of Treasurer

The Treasurer shall: Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies or other depositories as shall be selected by the Board of Directors.

Receive, and give receipt for, monies due and payable to the corporation from any source

whatsoever.

Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.

Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. Exhibit at all reasonable times the books of account and financial records to any member, or to his or her agent or attorney, on request with 30 days written notice.

Render to the President and directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the corporation.

Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the corporation, by these Bylaws, rules and regulations or which may be assigned to him or her from time to time by the Board of Directors in a written job description.

Section 10. Compensation

The salaries or compensation of the officers, if any, shall be fixed from time to time by resolution of the Board of Directors. In all cases, any salaries received by officers of this corporation shall be reasonable and given in return for services actually rendered to or for the corporation.

Article V

Committees

Section 1. Committees:

The Board of Directors may, by a majority vote of the board, designate a committee consisting of board members, members, non-members with certain expertise and may delegate to such committee the certain powers to make recommendation to the Board of Directors, execute their directives or manage certain affair of the corporation. All Committees shall keep regular minutes of its proceedings to be currently filed with the corporate records at the corporate office no more than 30 days after meeting date, report the same to the board from time to time and make reports at the national membership meetings as required, shall act only as an advisory capacity to the board.

Section 2. Meetings and Action of Committees

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

Article VI

Execution of Instruments, Deposits and Funds

Section 1. Execution of Instruments

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, 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 to render it liable monetarily for any purpose or in any amount.

Section 2. Checks and Notes

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money and other evidence of indebtedness of the corporation shall be signed by the Treasurer and countersigned by the President of the corporation or other authorized board member.

Section 3. Deposits

All funds of the corporation 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.

Section 4. Gifts

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the nonprofit purposes of this corporation.

Article VII

Corporate Records, Reports and Seal

Section 1. Maintenance of Corporate Records

The corporation shall keep at its principal office: Minutes of all meetings of directors, committees of the board and, if this corporation has members, of all meetings of members, indicating the date, time and place of holding such meetings, whether regular or special, how called, the notice given and the names of those present and the proceedings thereof; Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;

A record of its members, if any, indicating their names and addresses and, if applicable, the type of membership held by each member and the termination date of any membership; A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the members, if any, of the corporation at all reasonable times during office hours.

Section 2. Corporate Seal

The Board of Directors may adopt, use and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

Section 3. Directors' Inspection Rights

Every director shall have the right at any reasonable time with notice or corporate office hours to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation and shall have such other rights to inspect the books, records and properties of this corporation as may be required under the Articles of Incorporation, other provisions of these Bylaws, rules and regulations and provisions of law.

No director has the right to demand or disrupt the office staffs daily work schedules without ten (10) days prior notice. At no time under such inspection will the records of the corporation be allowed off the property, unless under provisions of the law or direction by resolution of the Board of Directors.

Section 4. Members' Inspection Rights

If this corporation has any members, then each and every member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a member: To inspect and copy the record of all member's names, addresses and voting rights, at reasonable times, upon written request of the Secretary of the corporation, which request shall state the purpose for which the inspection rights are requested. To obtain from the Secretary of the corporation, upon written request on, and payment of a reasonable charge to, the Secretary of the corporation, a list of the names, addresses and voting rights of those members entitled to vote for the election of directors as of the most recent record date for which the list has been compiled or as of the date specified by the member subsequent to the date of request. The request shall state the purpose for which the list is requested. The membership list shall be made available within a reasonable time after the demand is received by the Secretary of the corporation or after the date specified therein as of which the list is to be compiled.

To inspect at any reasonable time the books, records or minutes of proceedings of the members or of the board or committees of the board, upon written request on the Secretary of the corporation by the member, for a purpose reasonably related to such person's interests as a member. Members shall have such other rights to inspect the books and records of this corporation as may be required under the Articles of Incorporation, other provisions of these Bylaws and provisions of law. To receive a copy of the articles of incorporation, bylaws, breeding guidelines, corporation rules and regulations, registration information, and membership list as part of paid membership dues. Through request members are entitled to publications of the corporation at stated prices, if any, and use of informational library, if any during normal office hours or with reasonable notice.

Section 5. Periodic Report

The board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state or to the members, if any, of this corporation, to be so prepared and delivered within the time limits set by law.

Article VIII

IRC 501(c)(3) Tax Exemption Provisions

Section 1. Limitations on Activities

No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office. Notwithstanding any other provisions of these Bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 2. Prohibition Against Private Inurement

No part of the net earnings of this corporation shall inure to the benefit of, or be distributed to, its members, directors or trustees, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Section 3. Distribution of Assets

Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

Section 4. Private Foundation Requirements and Restrictions

In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation 1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; 2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; 3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; 4) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code; and 5) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

Article IX

Amendment of Bylaws

Section 1. Amendment

Subject to the power of this corporation to adopt, amend or repeal the Bylaws or Articles of

Incorporation of this corporation and except as may otherwise be specified under provisions of law, these Bylaws, or any of them, may be altered, amended or repealed and new Bylaws adopted by approval of the two-thirds (2/3) majority vote by the Board of Directors in office.

Article X

Construction and Terms

If there is any conflict between the provisions of these Bylaws and the Articles of Incorporation of this corporation, the provisions of the Articles of Incorporation shall govern. Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding.

All references in these Bylaws to the Articles of Incorporation shall be to the Articles of Incorporation, or other founding document of this corporation filed with an office of the state of Kentucky and used to establish the legal existence of this corporation.

All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

Article XI

Members

Section 1. Determination and Rights of Members

The corporation may have multi types of members. No member shall hold more than one membership in the corporation. Except as expressly provided in or authorized by the Articles of Incorporation, the Bylaws or Rules and Regulations of this corporation or provisions of law, all memberships shall have the same rights, privileges, restrictions and conditions.

Section 2. Qualifications of Members

The qualifications for membership in this corporation are listed in the Rules and Regulations of this corporation and maybe amended from time to time by the Board of Directors under the advisement of the membership committee.

Section 3. Admission of Members

Applicants shall be admitted to membership as stated in the corporation's Rule and Regulations.

Section 4. Fees and Dues

A fee shall be charged for making application for membership in the corporation as stated in the Bylaws or Rules and Regulations. The annual dues payable to the corporation by members shall be subject and listed in the rules and regulations of this corporation and maybe amended by the Board of Directors, through the advisement of the membership committee.

Different types of membership are subject to restrictions determined by ownership of registered horses in the studbooks, as defined in the bylaws and rules and regulations.

Regular members who are current in their regular membership dues with the corporation as defined in the bylaws and have at least ownership as recognized on the registration papers of one registered horse with the American Shagya Arabian Verband, Inc. are entitled to one vote per member and are further entitled to vote by direct ballot for the Elected Positions on the Board of Directors.

Other types of membership may or may not be entitled to vote as determined by law, these bylaws or rule and regulations of the corporation and amended from time to time by the Board of Directors. All membership dues are due on or before January 1st of the coming year. No late notice will be given other than what is written in the bylaws. Current membership is defined as paid in full by a postmark date of January 31st of the current year. This is a grace period. All memberships money excepted after that date will be considered not current and may determine each member's ability to vote. In case of late payments as stated in Art. 11, sec. 4, sub. F. All membership rights benefits are suspended until the corporation receives full payment. Reinstatement of membership rights and benefits does not include voting rights during that year.

Section 5. Number Of Members

There is no limit on the number of members the corporation may admit.

Section 6. Membership Book

The corporation shall keep a membership book containing the name and address of each member. Termination of the membership of any member shall be recorded in the book, together with the date of termination of such membership. Such book shall be kept at the corporation's principal office.

Section 7. Nonliability of Members

A member of this corporation is not, as such, personally liable for the debts, liabilities or obligations of the corporation.

Section 8. Nontransferability of Memberships

No member may transfer a membership or any right arising there from. All rights of membership cease upon the member's death.

Section 9. Termination of Membership

The membership of a member shall terminate upon the occurrence of any of the following events by the board of directors: Upon his or her written notice of such termination delivered to the President or Secretary of the corporation personally or by mail, such membership to terminate upon the date of delivery of the notice or date of deposit in the mail

After providing the member with reasonable written notice and an opportunity to be heard either orally or in writing, upon a determination by the Board of Directors that the member has engaged in conduct materially and seriously prejudicial to the interests or purposes of the corporation. Any person expelled from the corporation shall receive a refund of dues already paid for the current dues period.

All rights of a member in the corporation shall cease on termination of membership as herein

provided.

The specific reasons for revocation of membership and rights of active members, inactive members, or non members to use the registration facilities of the association are as follows:

Conviction of a felony.

Deliberately and knowingly falsifying ancestors on registration applications or pedigrees.

Deliberately and knowingly falsifying sire or dam on breeding certificate.

Forging the name of the owner of a stallion or mare on any papers, including breeding certificates, transfers, and other documents.

Refusing to return papers on horses, which have been voided by the Breeders Board.

Attempting to re-register a horse in an effort to change the name or for any other purpose.

Also, pending the procedure for the revocation of membership and rights to use the registration facilities of this association, the president and/or chairman of the board is hereby authorized by the board of directors to suspend membership and rights of members and non-members to use the facilities of this association when he has knowledge of the violation of any of the foregoing specific infractions.

Article XII

Meetings of Members

Section 1. Place of Meetings

Meetings of members shall be held at the principal office of the corporation or at such other place or places as may be designated from time to time by resolution of the Board of Directors.

Section 2. Regular Meetings

A regular meeting of members is to be held every three years, for the purpose of nominating the elected positions on the board of directors. Annual meetings may be held for the transacting other business as may come in advance of the meeting, and presenting educational seminars. Each voting member as determined by the bylaws or rules and regulations of the corporation shall cast one vote, with voting being by ballot only. The annual meeting of members for the purpose of nominating elected directors positions shall be deemed a regular meeting.

Section 3. Special Meetings of Members

The Board of Directors, the Chairperson of the Board or the President of the corporation or, one-third of the voting membership shall call special meetings of the members. All special meetings will be held at the corporate office or place deemed by the Board of Directors by demand of 25% of the voting members and special meeting has to be held within four months.

Section 4. Notice of Meetings

Unless otherwise provided by the Articles of Incorporation, these Bylaws, Rules and Regulations or provisions of law, notice stating the place, day and hour of the meeting and, in the 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 sixty (60) days posted on the website (if any) before the date of the meeting, either personally, by mail or membership publications, by or at the direction of the President, or the Secretary, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the corporation, with postage prepaid. Personal notification includes notification by telephone, by facsimile machine or e-mail, provided however, in the case of facsimile and e-mail notification, the member to be contacted shall acknowledge personal receipt of the facsimile or e-mail notice by a return message or telephone call within twenty-four hours of the first facsimile transmission. The notice of any meeting of members at which directors are to be elected shall also state the names of all those who are nominees or candidates for election to the board at the time notice is given. Whenever any notice of a meeting is required to be given to any member of this corporation under provisions of the Articles of Incorporation, these Bylaws, Corporate Rules and Regulations or the law of this state, a waiver of notice in writing signed by the member, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

Section 5. Quorum for Meetings

A quorum shall consist of one-third of the voting members of the corporation. Except as otherwise provided under the Articles of Incorporation, these Bylaws or provisions of law, no business shall be considered.

All thought issues may be discussed by the members at any meeting at which the required quorum is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.

Section 6. Majority Action as Membership Action

Every act or decision done or made by a majority of voting members present in person or by proxy at a duly held meeting or by membership ballot is the act of the members, unless the Articles of Incorporation, these Bylaws, Rules and Regulations or provisions of law require a greater number.

Section 7. Voting Rights

Each member is entitled to one vote on each matter submitted to and approved by the Board of Directors at such meeting. Voting at duly held meetings should be by voice vote. Election of Directors, however, shall be by written ballot. Members lose voting right for current year if membership dues are not paid in full post-marked date of January 31st. Only the Board of Directors has the right to amend the Articles of Incorporation, these bylaws or Rules and Regulations.

Section 8. Action by Written Ballot

Except as otherwise provided under the Articles of Incorporation, these Bylaws, Corporation Rules and Regulations or provisions of law, any action which may be taken at any regular or special meeting of members may be taken without a meeting if the corporation distributes a written

ballot to each member entitled to vote on the matter. The ballot shall: Set forth the proposed action; Provide an opportunity to specify approval or disapproval of each proposal; Indicate the number of responses needed to meet the quorum requirement and, except for ballots soliciting votes for the election of directors, state the percentage of approvals necessary to pass the measure submitted; and Shall specify the date by which the ballot must be received by the corporation in order to be counted. The date set shall afford members a reasonable time within which to return the ballots to the corporation. Ballots shall be mailed or delivered in the manner required for giving notice of membership meetings as specified in these bylaws. Approval of action by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the action at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Directors must be elected by written ballot. Such ballots for the election of directors shall list the persons nominated at the time the ballots are mailed or delivered, and elected by the majority of votes cast in their district area

Section 9. Conduct of Meetings

Meetings of members shall be presided over by the Chairperson of the Board, or, if there is no Chairperson or, in his or her absence, by the President of the corporation or, in his or her absence, by the Vice President of the corporation or, in the absence of all of these persons, The Secretary of the corporation shall act as Secretary of all meetings of members, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting. Meetings shall be governed by, insofar as such rules are not inconsistent with or in conflict with the Articles of Incorporation, these Bylaws, Corporate Rules and Regulations or with provisions of law.

Adoption of Bylaws

We, the undersigned, are all of the initial directors or incorporators of this corporation, and we consent to, and hereby do, adopt the foregoing Bylaws, consisting of eighteen preceding pages, as the Bylaws of this corporation.

Dated: December 13th, 2002

Mathias Everling _____

Linda Ruldolphi _____

Daunna Sellers _____

Darlene Steven-Hagey _____

1st Amendment: To amend Art. 11, sect. 4, sub.7 and Art. 12, Sect 7, 4th sentence do not apply in the year 2003. The Board of Directors is empowered to appoint temporary officers in that period of 2003. Amended December 13th, 2002.