

BY-LAWS

OF

SOUTHWESTERN MINIATURE HORSE CLUB, INC.

(PURSUANT TO ITS ARTICLES OF INCORPORATION UNDER THE LAWS OF THE STATE OF TEXAS, THE NAME OF THIS ORGANIZATION SHALL BE THE SOUTHWESTERN MINIATURE HORSE CLUB, INC., AND SHALL BE A NON-PROFIT CORPORATION)

(AS ADOPTED BY THE INITIAL BOARD OF DIRECTORS)
AMENDED BY THE MEMBERSHIP JUNE 29, 2003.

ARTICLE I

OFFICES

Section 1.1. **Principal Office.** The principal office of this Corporation shall be at the home address of the current elected President .

Section 1.2. **Registered Agent.** The name of the registering agent was Sandra Erwin and her address is 13530 Inwood Road, Dallas, Texas 75234.

Corporation shall be referred to as the Club from this point forward.

ARTICLE II

Section 2.1. **Class of Members.** The Club shall have one class of members. The designation of such class and the qualification and rights of the members of such class shall be as set forth in the Articles of Incorporation here after referred to as The By-Laws or as other wise specifically required or provided by law.

Section 2.2 **Fraternal members .** Members that have contributed to the clubs success may be awarded fraternal membership with the recommendation of the current President and approval of the membership.

Section 2.3. **Termination of Membership.** The Executive Board may terminate a member who shall be in default in the payment of dues or violation of the By-Laws. There must be a hearing at a meeting and vote by secret ballot.

Section 2.4. **Resignation.** Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member of the obligation to pay any dues or other charges theretofore accrued and unpaid.

Section 2.5. **Reinstatement.** Upon written request signed by a former member and filed with the Secretary, the Elected Officials chaired by the President may, by the affirmative vote of 2/3 of the members of the Board, reinstate such former member to membership on such terms as the Officers may deem appropriate. The elected officers will be referred to as the Executive Board.

Section 2.6. **Transfer of Membership.** Membership in this club is not transferable.

Section 2.7 **By-Laws Copy.** All new members shall be given a copy of the By-Laws when they join the Club and pay their dues.

ARTICLE III

MEETINGS OF MEMBERS

Section 3.1. **Place of Meetings.** Meetings of the members shall be held at a place designated by the Executive Board, within the State of Texas and shall be stated in the notice of the meeting.

Section 3.2. **Annual Meetings.** An annual meeting of members shall be held no later than 45 days after the first of January. Awards will be awarded and Officers will be elected at this meeting.

Section 3.3. Special Meetings. Special meetings of the members may be called by the President or by members having not less than one tenth (1/10) of the votes entitled to be cast at the meeting so called. The notice of such meeting must state the business to be transacted and all votes taken shall be confined to such business as so stated in the notice of such meeting.

Section 3.4. Notice of Meetings. Written or printed notice stating the place, day and hour of the meeting, 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) not more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the officer or person or persons calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Postal Service addressed to the member at his address as it appears on the records of the Club with postage thereon prepaid.

Section 3.5. Quorum/Majority Vote. The members present holding a majority of the votes, shall constitute a quorum at that meeting of the members for the transaction of all business. The members present at a duly organized meeting may continue to transact business as authorized by law, the Articles of Incorporation or these By-Laws until adjournment, notwithstanding the withdrawal of enough members to leave less than quorum.

Section 3.6. Method of Voting. Each member shall be entitled to one (1) vote on each matter submitted to a vote of the members, except to the extent that the voting rights of members enlarged or denied by these By-Laws. A member may vote either in person, or by proxy executed in writing by the member, which shall be valid only for the item specified in writing in the proxy. Voting for officers shall be in accordance with the provision of these By-Laws.

Section 3.7. Oral and Written Voting. Voting on any question and on all matters of agenda and procedure shall be determined in the sole discretion of the presiding officer except where otherwise required by law or these By-Laws.

Section 3.8. Action Without Meeting. The minutes of any action taken without a meeting of the members must be presented to the membership.

ARTICLE IV

DUES

Section 4.1. **Annual Dues.** The Executive Board may determine from time to time the amount of initiation fee, if any, and the annual dues payable to the Club by members. Any change in fees or dues must be approved by the Membership at the annual meeting.

Section 4.2. **Payment of Dues.** Annual dues shall not be prorated and shall be for the calendar year. Renewal of annual membership fees are due January 1st of each year and if not paid prior to March 1st, the member shall be automatically dropped from membership in the club. Membership for spouses of a member shall be allowed by the payment of the members single fee, but not more than two memberships per fee shall be allowed.

ARTICLE V

OFFICERS

Section 5.1. **Qualifications.** A person must be a member in good standing to run for office.

Section 5.2. **Term.** Officers shall be elected by the members to hold office for a term of two (2) years. Officers can hold the same office for only two (2) consecutive terms. After two consecutive terms in one office they can hold a different office or appointment. All records must be turned over to the newly elected officers no later than thirty (30) days after the election (or be in violation of the By-laws).

Section 5.3. **Removal.** Any Officer may be removed from his position for violating the By-laws or dialect of duty, by a majority vote of the members present at any special or regular meeting of the members at which a quorum is present, if notice of intention to act upon the question of removing such Officer shall have been stated as one of the purposes for the calling of such meeting.

Section 5.4. **Vacancy.** Any vacancy occurring in the Executive Board caused by death, resignation, refusal of a person elected to assent to serve, removal or otherwise, shall be filled at the meeting of the Executive Board concurrent with or next following the occurrence of such vacancy. Such vacancy shall be filled by the

affirmative vote of a majority of the remaining Executive Board though less than a quorum. An Officer elected to fill a vacancy shall be elected to fill the unexpired term of his predecessor in such leadership.

Section 5.5. Election of Officers. Every member entitled to vote at such election shall have the right to vote, in person or by proxy, for as many persons as there are Officers to be elected. No member shall be entitled to cumulate his votes for the election of any Officer.

Section 5.6. Number of Officers. The Executive Board shall consist of seven members.

Section 5.7. Quorum. A majority of the number of 4 Officers then elected and serving shall constitute a quorum for the transaction of business. The act of the majority of the Officers present at a meeting at which a quorum is present shall be the act of the Executive Board unless the vote of a greater percentage is otherwise specifically required or provided by law, or these By-Laws. The Officers present at a duly organized meeting may continue to transact business until adjournment.

Section 5.8. Meetings. All meetings of the Executive Board shall be held in strict conformity with this By-Law.

(a) **First Meeting.** The first meeting of each newly elected Executive Board shall be held without other notice than this By-Law immediately following the meeting of that members at which such Officers were elected, unless by unanimous consent of the Officers then elected and serving, such time or place shall be changed.

(b) **Special meetings.** Special meeting of the Executive Board may be called by or at the request of the President or any Officer , or may be provided by law or the By-Laws. Notice of the call of the Special Meeting may be oral or in writing and delivered to each Officer not later than during the third day immediately preceding the day for which the meeting is called.

(c) **Regular meeting.** By resolution of the Executive Board may establish regular or periodic meetings which may then be held as determined by the Officers between first meetings of each newly elected Executive Board . Such resolution shall establish the day, time and place of such meeting which

may be held without further or additional call or notice other than said resolution.

Section 5.9. **Interested Directors / Officers or Members.** Any contract or other transaction on the behalf of the Club and any of its Officers or members must be approved by the Executive Board and the President.

Section 5.10. **Chairman.** The President shall chair all meetings unless he/she relinquishes the chair to someone else. If the meeting is being called about charges to the President the Vice-President will chair the meeting.

Section 5.11. **Compensation.** Officers as such shall not receive any stated salaries for their services, Expenses can only be reimbursed with the Presidents approval. The membership must be informed of all reimbursements in the Club publication (The Mini Whinney)

Section 5.12. **Committees.** The President may appoint Committees from among its members which, in each case, shall have such duties, authority, rights, and powers as the President may determine, or otherwise provide in these By-Laws. If not appointed as a member of any such committee, the President shall be an ex officio member of each committee. The President may so appoint:

Section 5.13. **Committee Procedures.** A majority of the members of each Committee shall fix and prescribe the rules for its procedure which shall not be inconsistent with the law or these By-Laws. Each Committee shall keep full and complete minutes of all its meetings and the presiding member thereof shall report all actions taken to the. The President may modify, alter, revise, and/or approve any actions taken by any Committee; provided that no rights or acts of third parties shall be affected by any such modification, alteration or revision. The term of each member of all shall expire on the day of the next annual meeting of the Club following such committee member's appointment.

Section 5.14. **Advisory Directors.** The President may appoint individuals who need not be officers or employees of the Club to serve as Advisory Directors. The Advisory Directors as such shall not receive any stated salaries for their services, But nothing herein shall be construed to preclude any Advisory Director from serving the Club in any other capacity and receiving compensation therefor. Such Advisory Directors shall be ex officio members of the Executive

Board without vote. The duties of such Advisory Directors shall be to meet with and advise the Executive Board, but only when so requested by the President, with respect to all or any part of the business, affairs, policies, and/or operations of the Club. Advisory Directors shall not be considered official members of the Executive Board for the purposes of notice, quorum, voting requirements or liability. The term of office of each Advisory Director shall be at the pleasure of the President but shall always expire on the day of the Annual Meeting of the Members following the appointment of such Advisory Director.

ARTICLE VI

OFFICERS

Section 6.1 **Number :** The officers of the Club shall be a President, one or more Vice Presidents, a Treasurer, and a Secretary.

Section 6.2 **Election and Term of Office .** The officers of the Club shall be elected by the Membership for a term of two (2) years. Each officer shall hold office during his term and thereafter until his successor shall have been duly elected and qualified, unless he theretofore dies, resigns or is removed in the manner herein provided.

Section 6.3. **Removal.** Any officer or agent elected or appointed may be removed by the Membership with cause, in which event the officer or agent shall be entitled to notice five (5) days in advance of such Membership meeting, but such removal shall be in accordance with these by-laws and the laws of the State of Texas, and such removal shall be without prejudice to the contract rights, if any, of the person so removed. Notice of intention to act upon the question of removing any such officer or agent shall not be required if such matter is raised at a regular meeting of the membership. Election or appointment of any officer or agent shall not of itself create contract rights.

Section 6.4. **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the President.

Section 6.5. **President.** The President shall be the principal executive officer of the Club and shall in general, supervise and control all of the business and affairs of the Club .

(a) Preside. The President, at his discretion, shall call all meetings of the officers of the Club at such time and place and with such notice as he determines. He shall preside at all meetings.

(b) Signature Required. He shall sign, with the Treasurer, any deed, mortgage, bond, checks, contract or other instrument which the Membership shall authorize to be executed except in cases where the signing and execution thereof shall be required by law to be otherwise signed or executed.

(c) General. In general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Membership from time to time.

Section 6.6. Vice-Presidents. In the absence of the President or in the event of his inability or refusal to act, the Vice-President (or in the event that there be more than one Vice-President, the Vice-President in the order designated or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice-President shall perform such other duties as from time to time may be assigned him by the President or by the Executive Board .

Section 6.7. Treasurer. If required by the Membership, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Executive Board shall determine. The Treasurer shall have the following authority and duties;

(a) Club Funds. They shall have charge and custody of and be responsible for all funds and securities of the Club, receive and give receipts for monies due and payable to the Club from any source whatsoever.

(b) Deposits. They shall deposit all such monies in a timely manner, in the name of the Club in such banks, trust companies or other depositories as shall be selected by the Executive Board .

(c) General. They shall, in general, perform all the duties incident to the office of the Treasurer and such other duties as from time to time may be assigned to them by the President or Executive Board.

(d) Annual Statements. Shall present at each annual meeting of the members a full and clear statement of the business and condition of the Club, including a detail balance sheet and income statement.

Section 6.8 Secretaries. The Secretary shall have all the duties and responsibilities as given by the laws of the State of Texas and the President or Executive Board, and shall have such other duties, responsibilities and authority as set out herein:

(a) Minutes. The Secretary shall keep the minutes of the members' and Advisory Directors' meetings in one or more books provided for that purpose.

(b) Notices. The secretary shall see that all notices are duly given in accordance with the provisions of these By-Laws or otherwise as required by law.

(c) Voting List. The Secretary shall make, at least ten (10) days before each meeting of members, a complete list of the members entitled to vote at such meeting shall be kept on file at the registered office of the Club and shall be subject to inspection by any member at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of such meeting. The original membership books shall be prima facie evidence as to who are the members entitled to examine such list or membership books and to vote at any meeting of the members as may be required by law or provided in the By-Laws.

(d) Club Records. The Secretary shall be custodian of the Club Records and of the seal of the Club if any, and see that the seal of the Club is affixed to all documents, the execution of which on the behalf of the Club under its seal is duly authorized in accordance with the provisions of these By-Laws or directed by the Membership . A copy of all records must be presented to the President on CD or computer disk and updated monthly.

(e) Address of Members. The Secretary shall keep a register of the post office address of each member.

(f) Membership Books. The Secretary shall have general charge of the membership books of the Club.

(g) General. In general, the Secretary shall perform all the duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 6.12. Audit. Newly elected Officers are required to have an outside audit performed by an independent auditor. Any violation of this By-laws or misappropriation of Club funds will be brought to the attention of the membership through the Club Publication or by mail.

ARTICLE VII

NOTICE

Section 7.1. Method. Whenever, under the provisions of law, the Articles of Incorporation or these By-Laws, notice is required to be delivered to any Director, **Officer**, or member, and no provision is made as to how such notice shall be delivered, it shall not be construed to mean personal notice, but any such notice may be given in writing, by mail, postage prepaid, addressed to such Director, Officer, or member at such address as appears in the records of the Club or such notice required or permitted to be delivered by mail shall be deemed to be delivered at the time when the same shall be deposited, with correct postage affixed in the United States Postal Service.

Section 7.2. Waiver. Whenever any notice is required to be given to any member or Director of the Club under the provisions of law, the Articles of Incorporation or these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, shall be equivalent to the giving of such notice. Attendance of a member or Director at a meeting shall constitute a waiver of notice of such meeting except when a member or Director attends for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

ARTICLE VIII

ACCOUNTING YEAR

Section 8.1. **Term.** The Corporation shall operate for all purposes on an accounting year basis, **January 1st thru December 31st same year.**

ARTICLE IX

AMENDMENTS

Section 9.1. **Method .** These By-Laws may be amended, altered or repealed by the Membership as provided herein except as may be required by law or the Articles of Incorporation, as follows:

(a) **Regular meeting.** At any regular annual meeting of the Members at which a quorum is present and notice of the proposed amendment has been given. Bylaw proposed changes must be submitted in writing to the Secretary before December 31st to be considered at the annual meeting. After the Executive Board has reviewed the proposed changes and found them proper the proposed changes must be sent to each member prior to the annual meeting, so the members will have time to study them.

ARTICLE X

GENERAL PROVISIONS

Section 10.1 **Indemnification.** Upon written application for indemnification made to the Club, a special meeting of the Executive Board shall be called within ten (10) days after the receipt of such application to determine if the Club shall indemnify the person so applying, and if so, to determine the amount to be so paid. No person requesting such indemnification, or who is a named defendant or respondent in such a proceeding, if then a Officer of the Club, shall take part in any such meeting. If the Executive Board cannot obtain such a quorum for such meeting, then the matter will be referred to the membership for a decision.

Section 10.2. **Loans.** No loans shall be contracted on behalf of the Club and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Membership. Such authority may be general or confined to specific instances.

Section 10.3. Checks, Drafts. Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Club, shall be signed by the President and the Secretary .

Section 10.4. Deposits. All funds of the Club not otherwise employed shall be deposited in a timely manner to the credit of the Club in such depositories as the Executive Board , by resolution may select.

Section 10.5. Books and Records. The Club shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the members and Executive Board and shall keep at the Presidents and Secretary's address a record giving the names and addresses of all members entitled to vote. This record of members can not be used for personal gain.

Section 10.7. Resignation. Any Director, Officer or agent may resign by giving written notice to the President or the Secretary. Such resignation shall take effect at the time specified therein, or immediately, if no time is specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 10.8. Invalid Provisions. If any part of these By-Laws shall be held or inoperative for any reason, then, so far as possible and reasonable, the remaining part shall and operative, and effect shall be given so far as possible to the intent manifested by the part held invalid or inoperative.

