

By-Laws

ARTICLE I—NAME, PURPOSE & LOCATION

SECTION I. Name. This organization shall be called the Minnesota North Star Paint Horse Club, Inc. The official abbreviation shall be MNSPHC.

SECTION II. Purpose. The club shall at times be operated and conducted as a non-profit organization in accordance with the laws of Minnesota providing for such organization and by which it shall acquire all such rights granted to organizations of its kind. The purpose of this club shall be to promote and stimulate interest in the Paint Horse by encouraging Paint Horse classes in all shows; halter, pleasure, trail riding, racing, and all activities of the same nature in every way possible; by promoting good horsemanship and good sportsmanship; and by educating the public about the qualities of the Paint Horse and the American Paint Horse Association.

SECTION III. Location. The club shall cover the northern area of the state of Minnesota but its members may be residents of any state, territory or country. The area shall include these Minnesota northern counties; Aitkin, Becker, Beltrami, Benton, Cass, Carlton, Clay, Clearwater, Chisago, Cook, Crow Wing, Douglas, Grant, Hubbard, Isanti, Itasca, Kanabec, Kittson, Koochiching, Lake, Lake Of The Woods, Mahnomen, Marshall, Mille Lacs, Morrison, Norman, Otter Tail, Pennington, Pine Polk, Pope, Red Lake, Roseau, Saint Louis, Sherburne, Stearns, Todd, Traverse, Wadena, Wilkin. The principal place of business shall be the address of the current duly elected Secretary, but business may be carried out at any place convenient to such members or officers as may be participating.

ARTICLE II—MEMBERS

SECTION I. Members of the club shall be admitted and expelled in accordance with such rules and regulations as the Board of Directors may, from time to time, adopt. Membership may be rejected by the Board of Directors for cause detrimental to the interest of the Club. By applying for membership, the applicant automatically agrees to be bound and to abide by the rules, regulations and policies of the Club.

SECTION II. There shall be no shares of stock and only one class of members and membership shall be open to all persons who subscribe to the aims of the Club, abide by the rules and regulations, and assist in the furthering of purposes and objectives.

SECTION III. Membership categories include Individual, Youth, Household, and Corporation/Ranch Names. Household memberships will include partners and children age 18 and under as of January 1. Each household membership will have two adult voting rights. The person authorized to cast the vote in the family and corporate memberships shall be designated in the application for membership. Youth members and children included in family membership are non-voting members.

SECTION IV. All member while in good standing shall have equal rights, interest and responsibilities with respect to the Club and its property. Each regular membership shall be entitled to one vote.

SECTION V. Membership in this Club shall be on a twelve month calendar year from January 1 through December 31.

ARTICLE III—DIRECTORS

SECTION I. All persons nominated for, elected to, and serving in a position as MNSPHC Board of Directors shall be a current paid member in good standing of the Club for at least one (1) year and during the term of their office. The business and property of the Club shall be managed and controlled by the Board of Directors as the Executive Committee hereinafter created and empowered. Members of the Board of Directors may succeed themselves in office but each person must be elected and re-elected individually. The Board of Directors shall consist of nine (9) members; four (4) officers and five (5) other directors from the general membership and will serve two (2) year terms. The president shall be elected from the Board. The president and all Board members shall be entitled to vote on official business of the Club. The past president shall stay on board for one (1) year unless they have been re-elected for a consecutive term.

SECTION II. If a Director misses four (4) meetings per calendar year or four (4) consecutive meetings, he or she will automatically be dropped from the Board of Directors and replaced at the next meeting of the Board. If the vacancy occurs on the Board of Directors, The Board of Directors will appoint a successor to fill the vacancy until the next scheduled fourth quarterly meeting of the general membership to fill the unexpired portion of that term.

SECTION III. The Board of Directors shall have the power and authority to make, amend, repeal, and enforce such rules and regulations not contrary to law or the Certificate of Incorporation or these by-laws, as they may deem expedient concerning the conduct, management, and activities of the Club, the administration, classification, qualification, suspension and expulsion and removal, the fixing, and collecting of dues and fees, the expenditure of money, the auditing of books, and records, the awarding of championships, the conducting of shows, contests, exhibitions, races, sales and social functions and other details relating to the general purposes of the Club, all however, subject to the revision of amendment by two-thirds (2/3) majority vote of the members present at any regular or special meeting of the members, provided written notice of intention by any member to move the revision or specified amendment of any rules or regulation shall have been mailed to all the Board of Directors and the secretary at least thirty (30) days in advance of the meeting.

SECTION IV. The Board of Directors shall have the power and authority to go into closed executive session by a majority vote of the Directors, however, all resolutions of the Board must be made and voted upon in open session.

ARTICLE IV—OFFICERS AND DUTIES

SECTION I. The officers of the Club shall consist of President, Vice President, Secretary and Treasurer.

SECTION II. The President shall be elected from the Board having previously served at least one (1) year on the Board and having at least one (1) year remaining in his or her present term of service on said Board. The President may serve unlimited terms if properly a member of the Board and shall be an ex-official member on all committees.

SECTION III. The Vice President shall be elected from the Board and shall act in the absence of the President and shall perform such duties as may be assigned by the President and Board.

SECTION IV. The Secretary shall be appointed by the Board and/or may be elected from the general membership. The Secretary shall be responsible for keeping corporate records, conducting correspondence and maintaining the current membership. The Secretary shall serve a two (2) year term.

SECTION V. The Treasurer shall be appointed by the Board and /or may be elected from the general membership. The Treasurer shall have general charge of the finances and budget of the Club. The accounts shall be audited annually by the Board of such persons it may designate. The annual financial report is to be distributed to all Club members. The Treasurer shall serve a two (2) year term.

SECTION VI. The written contracts of the Club shall be executed in behalf of the Club by the President or Vice President and attested by the Secretary.

ARTICLE V—COMMITTEES

SECTION I. The Board shall appoint such standing committees as it deems proper. Members who serve on any committee shall be members in good standing.

SECTION II. The Board of Directors from time to time may create and empower other committees, general or special. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees which to the extent provided in such resolution in the Articles of Incorporation or in the by-laws, shall have and exercise the authority of the Board of Directors in the Management of the corporation.

SECTION III. General or special committees shall consist of three (3) or more persons. The chairperson shall be approved by the Board of Directors; the remainder of the committee members may be chosen by the chairperson and need not be directors. No person that is a member in good standing shall be denied the opportunity to serve on a committee.

SECTION IV. The committee may act, without convening in meeting, by written resolution signed by all members of the committee and duly entered in the Club's records. At all meetings of the committee, those present constitute a quorum.

SECTION V. All committee recommendations must be approved by the Board prior to implementation. Committees may not authorize financial disbursement without prior approval of the Board of Directors.

ARTICLE VI—GENERAL ELECTION

SECTION I. All Directors shall be nominated and voted upon by written ballot.

SECTION II. Thirty (30) days written notice of the date, time, and place of the fourth quarterly meeting of the Board of Directors shall be given to all members of the Club. At said meeting, the general membership shall elect members to the Board of Directors. Election of the members shall be made by a simple majority vote of eligible voters represented, and casting a ballot.

SECTION III. A three (3) person nomination committee, appointed by the President and approved by the Board, shall be appointed the third calendar quarter and shall nominate three (3) candidates for election to the Board of Directors; said candidates shall have given their consent to the nomination. The names of the three (3) nominees selected by the nomination committee, or its designees, shall accept nominations from the floor, not to exceed six (6) at said quarterly meeting so long as the nominees give consent to the nomination. The nominating committee shall be responsible for written ballot and the tally thereof.

ARTICLE VII—MEETINGS

SECTION I. Prior to the first and fourth quarterly meetings, the Secretary or his/her designee, shall notify the general membership of the date, time and the place of the meeting and the Board's agenda. Said notice must be mailed to the general membership at least fifteen (15) days prior to the said meetings and shall state that in addition to the published Board's agenda, discussion will be entertained from the floor. At any meeting of the members held in accordance with the provisions, the members attending such meeting shall constitute a quorum of the members for all purposes unless the representation of a large number shall be required by law. In that case, the representation so required shall constitute a quorum. Absentee or vote by proxy is not allowed in the annual membership or any special membership meeting.

SECTION II. Special meeting of the members may be held at such time and place as may be designated in the notice, whenever called in writing by the President or by a majority of the Board of Directors, or by a notice signed by not less than twenty percent (20%) of the members in good standing. Notice of each special meeting indicating briefly the object or objects thereof shall be given in the same manner as provided with respect to the notice of annual meeting. Only business listed on the agenda may be voted upon at this special meeting.

SECTION III. Any meeting of the members held in accordance with the foregoing provisions as to notice, the members attending such meetings, present in person, shall constitute a quorum of the members for all purposes.

SECTION IV. Any officer of the Club may call the meeting of the members to order and act as chairperson of such meeting, precedence being given as follows: President, Vice President, or other Directors. The Secretary of the Club shall act as the Secretary of all meetings of the members but in his or her absence, the Directors may appoint any person to act as Secretary of the meeting.

SECTION V. The Board of Directors shall meet at least once each calendar quarter and at such times as deemed appropriate by the President or the majority of the Board.

SECTION VI. At meetings of the Board of Directors, business shall be transacted in such order as the Board may determine. a two-thirds (2/3) majority of the members of the Board shall constitute a quorum.

ARTICLE VIII—AMENDMENTS

SECTION I. Upon approval by the Board of Directors, the by-laws of the Club may be amended by the general membership at the fourth quarterly meeting. In any event, thirty (30) day written notice

consisting of any proposed amendments, the date, time, place and the manner of voting shall be given to the membership. A simple majority of the votes received shall be sufficient to amend the by-laws of the Club.

SECTION II. Any proposed amendment shall be approved by a two-thirds (2/3) vote of the membership present and voting.

ARTICLE IX—RULES

SECTION I. The Board of Directors is responsible for establishing the rules consistent with and supplementary to the Articles of Incorporation and the by-laws for the general administration of the business of the Club. The rules should be published and distributed to the members, with revisions published when sufficient changes of the rules warrant a new publication. The Board of Directors must conduct an annual review of the rules with a view toward updating.

ARTICLE X—INDEMNIFICATION

SECTION I. Each director and officer of said Club shall be indemnified by the Club against all cost, legal fees, expenses and liabilities reasonably incurred by him or her in connection with/or resulting from any action suit or proceeding to which he or she may be made a party to by reason of his or her being or having been a director or an officer of the Club, except in relation to matter which shall have been occasioned by the willful misconduct or dishonesty of such officer or director. The foregoing right of indemnification shall cover amounts paid in settlement of such action, suit or proceeding when such settlement appears to be in the interest of the Club. The foregoing rights shall be in addition to any other rights of which such Director or Officer may be entitled to as a matter of law.

SECTION II. It is a condition of this Club that members agree to work within the organization of the Minnesota North Star Paint Horse Club, Inc. to resolve disputes relating to the operation of the Club. In the event a member or former member of the Club resorts to legal action against the Club, director, officer or member, the parties pursuing the action shall post a bond sufficient to pay all the attorney's fees, cost, and the expense of the action, and shall pay said legal costs and expenses to the Club unless a court order in the Judgment and Decree of the case relieves the party of the obligation. The obligation to pay attorney's fees, cost and expenses, include those attorney's fees costs, and expenses of directors, officers, and member of the Club names in the suit pursuant to the indemnification provision in Section I of Article X.

ARTICLE XI—DISSOLUTION

SECTION I. Upon the dissolution of the Club, the Board of Directors shall, after paying or making provision for payment of all liabilities of the Club, dispose of all assets of the Club exclusively for the purpose of the Club in such a manner, or to such organization organized and operated exclusively for agricultural purposes as shall at the time qualify as exceptions or organizations under Section 501.C(5) of the Internal Revenue Service Code 1954 (or the corresponding provisions of any future United States IRS Law), as the Board of Directors shall determine. The American Paint Horse Association, Fort Worth, Texas, is given first consideration.

ARTICLE XII—DISCIPLINE

SECTION I. The Club, through it's Board of Directors, may impose fines or penalties upon any member who violates its rules, regulations, or by-laws. The Board of Directors shall use the APHA Rule book as a guide, but all disciplinary actions are at the sole discretion of the Board of Directors. A member may be suspended for a period or expelled for a violation of any of the by-laws, regulations, or rules of the Club, or for conduct prejudicial to the best interest of the Club or the Paint Horse breed. Suspension or expulsion shall be by a two-thirds (2/3) vote of the membership of the Board of Directors, provided that a statement of the charges have been mailed by registered mail to the member under charges at his last recorded address at least fifteen (15) days before final action is taken thereon. Such statement shall be accompanied by a notice of the time, when and place where the Board of Directors is to take action on the matter. The member shall be given an opportunity to present a defense at the time and place in such notice.

SECTION II. Anyone suspended by APHA is automatically suspended from the Club.

ARTICLE XIII—RULES OF ORDER

SECTION I. All meetings of the Board and committees appointed by the Board shall be governed by the Roberts Rules of Order unless said rules are contrary to the Articles of Inc., or the by-laws of this Club in which case the Articles of Inc. or the by-laws shall govern.

Revised 2/09 Board of Directors (plf)