

TQHA Bylaws

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ANNOTATION OF AMENDMENTS

(incorporated into the document)

Article 6.1 February 9, 2013

Article 3 September 24, 2014

Article 3.1 January 10, 2015

General Rules & Regulations/Procedure for Nomination of Directors

Standing Committees #5 January 10, 2015

AMENDED BYLAWS
OF
THE TEXAS QUARTER HORSE ASSOCIATION

Effective February 11, 2011

Revisions as identified

Effective January 1, 2017

ARTICLE 1

TITLE, OBJECTS, LOCATION, CORPORATE SEAL

1.1 This Association shall be known as THE TEXAS QUARTER HORSE ASSOCIATION, and shall at all times be operated as a non-profit association in accordance with the laws of the State of Texas providing for such organizations and by which it shall acquire such rights as granted to associations of this kind. In addition, this association shall abide by the Internal Revenue Code and the applicable regulations relating to treatment as non-profit organization of the United States.

1.2 The purpose of the corporation is to promote and to encourage the popularity of the American Quarter Horse in the state of Texas, including but not restricted to individual, corporate, and other members interested in the breeding, training, and exhibiting of Quarter Horses. The membership is to include members interested in halter and performance, racing, cutting, and any other activities normally associated with the breed. The association may accumulate, compile, and disseminate information relating to the Quarter Horse breed in each of the activities mentioned above, as well as promote and conduct shows, conventions, exhibits, races, and other activities related to Quarter Horses. It is the official registry of the Accredited Texas Bred Program relating to racing activities in the State of Texas, and the organization serving as the registry relating to Quarter Horses qualifying for Texas Bred programs, the Texas Classic, and other programs. The association is the parent organization of the Texas Quarter Horse Youth Association.

1.3 The principal place of business of the association shall be designated by the Board of Directors of the corporation, and shall be in a place convenient to the participating members. Additional satellite offices may be operated in locations different from the principal place of business, as the need is determined by the Executive Committee.

1.4 The corporate seal of the Association shall be in the charge of the President or his assigned designee and shall be in the form impressed hereon immediately below.

ARTICLE 2
MEMBERS

2.1 Members of the Association shall be admitted, retained, and expelled in accordance with the rules and regulations which the Board of Directors from time to time, adopt. In all matters governed by the vote of the members, each member in good standing shall be entitled to one vote. A member will be considered in good standing if their dues are current and they have not been suspended or expelled for disciplinary or other reasons.

2.2 The annual meeting of the members shall be held at such time and place as may be fixed by resolution of the Board of Directors for the purpose of electing directors and for the transaction of any other business of the Association that may be brought before the meeting.

Notice of the annual meeting shall be given by mailing (or emailing) written notice stating time and place of such meeting to each member's last known address (or email address) as it appears on the Association's records not less than fourteen days prior to the date of such meeting.

Notice may be given by notification in publications of the Association mailed to all members. Such notification shall be in a conspicuous place in the issue which immediately precedes the annual meeting. Such notice will be deemed to be delivered when it or the publication containing such notice is deposited in the United States mail addressed to the member at his address as it appears on the records of the Association, with postage pre-paid or sent via email.

If at any time from time to time as this corporation has more than 1,000 members at the time the annual meeting is scheduled or called, notice of such meeting of members may be given by publication in any newspaper of general circulation in the community in which the principal office of the Corporation is located.

2.3 Special meetings of the members may be held at such time and place as may be designated in the notice, whenever called in writing by the direction of the President or by a majority of the Board of Directors, or by notice signed by not less than fifty-one percent of the members in good standing.

Notice of such special meeting indicating briefly the object or objects thereof shall be given in the same manner as provided with respect to notice of the annual meeting, including the same time period of notice.

2.4 At any meeting of the members held in accordance with the foregoing provisions as to notice, the members attending such meeting shall constitute a quorum for all purposes unless the representation of a larger number should be required by law. To exercise voting privileges a member must be physically present at the meeting, which privilege cannot be delegated by proxy.

2.5 Any officer of the association may call the meeting of the members to order and may act as chairman of such meeting, precedence being given as follows: President, Vice-President, Second Vice-President and the Secretary-Treasurer. In the absence of all such officers, members present may elect a chairman.

The Secretary-Treasurer of the Association shall act as Secretary of all meetings of the members but in his absence the Directors may appoint any person to act as Secretary of the meeting.

2.6 Whenever in these Bylaws the term member or members shall be used, unless otherwise specified, it shall mean a member or members having the right to vote.

ARTICLE 3 DIRECTORS

3.1 The business and property of the Association shall be managed and controlled by the Board of Directors. The Board of Directors shall consist of the President, Vice-President, Second Vice-President, Secretary-Treasurer, the Past Presidents of the Association, the other members of the Executive Committee, and a minimum of fifteen (15) members nominated by the Nominating Committee and elected by the membership annually. **(Amended – January 10, 2015)**

Each Director elected shall be domiciled in Texas by actual residence therein, having the intent to make it his permanent home. To be eligible for election to and serve on the Board of Directors, an individual must be a member in good standing of the Association.

Any person who has been suspended by the American Quarter Horse Association (AQHA) or the Texas Racing Commission for rule violations or fraudulent practices that results in a suspension of any kind must notify the Texas Quarter Horse Association Executive Committee in writing within 3 days of the notification of the suspension from AQHA or the date of final adjudication of the suspension once all rights to appeal have been exhausted (in the case of a suspension from the Texas Racing Commission). A

Disciplinary Committee comprised of the 3 immediate past presidents of TQHA shall review the suspension and determine the appropriate adjudication. If the person receiving the suspension fails to notify the Executive Committee of the suspension, the Discipline Committee can recommend punishment ranging from a minimum of a one year suspension up to a lifetime suspension.

Any Director who is absent for three (3) consecutive meetings of the Board of Directors may be removed as a Director without further action. Absences shall be evidenced by roll call at meetings of the Board and reflected in its minutes. (Amended – September 24, 2014)

No salaried employee of the Association can serve as a member of the Board of Directors or Executive Committee.

3.2 In case of any vacancy in the Board of Directors by death, resignation, disqualification, or other cause, the remaining Directors by affirmative vote of a majority thereof may elect a successor.

3.3 The board will meet a minimum of two times per year, one of which will be at the Annual Meeting and the other as scheduled by the Executive Committee with giving a minimum of fourteen (14) days written notice via email. The remaining meetings will be scheduled by the Executive Committee with a minimum of fourteen (14) days written notice via email of such meetings to be furnished to the Directors. The Board of Directors, by rule, may provide for other regular meetings at stated times and places, of which fourteen 14 days notice via email shall be required.

3.4 Special meetings of the Board of Directors shall be held whenever called by the direction of the President or by two-thirds of the directors for the time being in the office.

The executive director of the TQHA or the Secretary-Treasurer shall give notice of each special meeting by emailing the same to each Director at least fourteen (14) days before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

Any meeting at which every director may be present, even though without any notice, any business may be transacted.

3.5 Eleven Directors shall constitute a quorum for the transaction of business, but if at any meeting of the Board there may be less than a quorum present, a majority of those present may adjourn the meeting

from time to time until a quorum shall be present. Any Director that teleconferences in for a meeting shall be deemed present.

3.6 At meetings of the Board of Directors, business may be transacted in such order as the Board of Directors may determine.

3.7 At the meeting of the Board of Directors, which coincides with the annual membership meeting (Annual Meeting@), the Board shall elect officers of the Association.

3.8 The Board of Directors shall have the power and the authority to make, amend, repeal and enforce such rules and regulations, not contrary to the law or the Certificate of Incorporation or these Bylaws, as they may deem expedient concerning the conduct, management, and activities of the association, the admission, classification, qualifications, suspension and expulsion of members or any member of the Board of Directors, removal of officers, the rules and regulations governing the procedure of each suspension and expulsion and removal, the fixing and collection of dues and fees, the expenditures 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 Association, all, however, subject to revision or amendment by a majority of the members 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 rule or regulation shall have been mailed to all members at least thirty (30) days in advance of the meeting.

3.9 The Board of Directors, from time to time, may create and empower other committees, general or special.

ARTICLE 4

EXECUTIVE COMMITTEE

4.1 There is hereby created an Executive Committee consisting of five officers, President, 1st VP, 2ndVP, Sec/Treas and Parliamentarian, plus the immediate Past President for a total of six members.

4.2 The President shall fill all vacancies in the Executive Committee between meetings. In filling such vacancy, the President shall use his best efforts to assure such appointed person represents the similar interests within the Association, and other similar organizations. If the vacancy occurs because of the death, dismissal, resignation, or any other reason, of an immediate Past President, such vacancy shall not be filled.

4.3 The Executive Committee shall meet at least quarterly and whenever and wherever called by direction of the President or two members of the Executive Committee acting jointly, of which the executive director of the TQHA or the Secretary-Treasurer shall give fourteen (14) days written notice via email, but such notice may be waived by any member.

4.4 The Committee may act, without convening in meeting, by written resolution signed by all members thereof and duly entered in the Association's records. A quorum of four is required.

4.5 The Executive Committee has full authority to act on behalf of the Board of Directors in the absence of a Board of Directors meeting, including, but not limited to, "Upon discovery that any member of the Board of Directors is ineligible to serve on the Board of Directors according to the terms set forth in these Bylaws, the Executive Committee shall offer said member an opportunity to resign their position. If said member refuses to resign, the Executive Committee may remove the member from the Board of Directors by majority vote of the members of the Executive Committee."

4.6 The Executive Committee has the authority and responsibility for managing the staff of the Association, including the hiring, evaluating, termination, and other decisions affecting personnel, assigning titles to various individual employees of the Association, appointing additional officers of the Association on an as needed basis, managing the fiscal affairs of the association, including installing internal controls over funds, determining the need for independent audits and fidelity bonds, executing leases for office space and facilities, and other matters normally associated with managing such an organization. Certain duties and responsibilities may be delegated from time to time by the Executive Committee to employees of the association. The terms of office of appointed officers of the Association shall be for not more than one consecutive year. Appointments may be renewed by the Executive Committee for successive one year period.

4.7 An Executive Committee member may not serve more than three consecutive years, other than as an elected officer or Past President.

ARTICLE 5
NOMINATING COMMITTEE

5.1 There is hereby created a Nominating Committee consisting of the active Past Presidents of the Association (as defined in Section 5.3, below).

5.2 The immediate Past President of the Association shall be the chairman, and a voting member, of the Nominating Committee. The function of the committee is to nominate the Officers, Executive Committee members, and members of the Board of Directors of the Association. "The Nominating Committee shall not nominate any person as an Officer, Executive Committee member, or member of the Board of Directors who has been suspended by the TQHA Disciplinary Committee as a result being suspended by the AQHA or the Texas Racing Commission. Said nomination prohibition shall remain in effect for the duration of the suspension from TQHA."

5.3 If it is necessary to determine the active status of a Past President, such determination shall be made by a vote of the active Past Presidents of the prior year, excluding the Past President whose status is in question. If a tie-breaker vote is necessary such vote shall be made by the immediate Past President. While attendance at committee meetings, Executive Committee meetings, and Board of Director meetings is important in determining the active status, consideration should also be given to a Past President's total activity in the quarter horse business, including activities of the American Quarter Horse Association, and other similar organizations.

ARTICLE 6
ELECTIVE OFFICERS AND DUTIES

6.1 Officers: The officers of the Association shall be the President, Vice-President, Second Vice-President, Secretary/Treasurer, and Parliamentarian. Such officers shall hold office for the period of one (1) year, until their successors are qualified and nominated by the Nominating Committee and elected by the Board of Directors. The elected officers shall hold the same office in the Association and on the Executive Committee. Normally, at the discretion of the Nominating Committee, the Vice-President will succeed the President, and the Second Vice-President the Vice President. In making such determination, the Nominating Committee shall take into account all facts and circumstances, including activity of the individual in the Association, status in the industry and community, etc. Any person who has been suspended by the TQHA Disciplinary Committee as a result of a suspension by the

AQHA or the Texas Racing Commission shall be ineligible to serve as an Elective Officer of the TQHA until the suspension from AQHA of the Texas Racing Commission has been completed.

(Amended- February 9, 2013)

6.2 President: The President shall be the chief executive officer of the Association and shall preside at all meetings of the Board of Directors and of the Executive Committee. He shall see that the Bylaws, rules and regulations of the Association are enforced and shall perform all other duties that may be prescribed from time to time by the Board of Directors and the Executive committee. He shall be an ex-officio member of all committees.

6.3 Vice-Presidents: In the absence of the President, the Vice-President, and in his absence, the Second Vice-President shall have the powers and shall perform their duties of the President and other such duties as may be prescribed by the Board of Directors and by the Executive Committee.

6.4 Secretary/Treasurer: The Secretary/Treasurer shall see that notice is given of all annual and special meetings of the Board of Directors and the Treasurer shall keep and attest true records of all proceedings at all meetings of the Board. The Secretary shall have charge of the corporate seal and shall have authority to attest any and all instruments of writing to which the same may be affixed. The Secretary shall keep and account for all books, documents, papers and records of the Corporation, except those for which some other officer or agent is properly accountable. The Secretary shall generally perform all duties usually appertaining to the office of secretary of a corporation. In the absence or disability of the Secretary, the duties of such office shall be performed and the powers may be exercised by the President or the Board of Directors.

6.5 Parliamentarian: The Parliamentarian shall serve as an advisor and consultant to the President and members on procedural matters. The Parliamentarian shall keep in their possession a copy of Robert's Rules of Order, our Constitution and By-Laws. It is the Parliamentarian's duty to see that parliamentary procedure is carried on efficiently. It is the Parliamentarian's obligation to know and share information about parliamentary law and assist members in proper meeting procedure and etiquette so that the Association can accomplish the business of the Association. The Parliamentarian assures that every member will be heard and that the majority will prevail.

6.6 Past President: An active Past President is an individual that has served as a duly elected President of the Association, and has remained active in the affairs of the Association since his

administration. Such Past Presidents shall be members of the Board of Directors and the Nominating Committee as long as such Past President remains active in the Association. Such determination as to active status will be made in accordance with Section 5.3 above.

6.7 Honorary Vice-President: The office of Honorary Vice-President is for the purpose of recognizing such person or persons as may merit such honor by reason of distinguished service to the association. Honorary Vice-Presidents shall have the privilege of attending all meetings of the Board of Directors of the Association, take part in the discussions and vote.

ARTICLE 7 AMENDMENTS

7.1 The Board of Directors shall have power to make, amend and repeal the Bylaws of the Association by the vote of the majority of the Directors at any regular or special meeting of the Board, subject to the right of the members to rescind or amend any such Bylaws in the same manner as provided in Section 3.9, above, for the revision or the amendment or rules and regulations.

GENERAL RULES AND REGULATIONS

OF

TEXAS QUARTER HORSE ASSOCIATION

PROCEDURE FOR NOMINATION OF DIRECTORS

1. Before an individual is eligible to be nominated for Director from the floor of the membership meeting, his name and membership credentials shall first be presented to the Nominating Committee in writing at least fourteen (14) days prior to the Association's Annual Meeting. The Nominating Committee shall meet and deliberate (whether by teleconference or otherwise) prior to the Association's Annual Meeting to consider the credentials of those individuals whose names have been submitted for nomination for election to the Board of Directors from the floor at the Annual Membership Meeting.

At the General Membership Business Meeting, the chairman of the Nominating Committee shall present the committee's slate of nominations for Directors, and thereafter, nominations from the floor will be received by the Presidents, upon verification from the chairman that the individual being nominated from the floor has been previously presented to the Nominating Committee for consideration. Nominations from the floor will be received in opposition to a particular individual nominated on the Committee's slate, and not in opposition to the entire slate.

STANDING COMMITTEES

2. The standing committees of the Association are:

Halter & Performance Committee

Race Committee

Youth Committee

Long-Range Planning Committee

Nominating Committee

Finance Committee

3. Each standing committee will consist of not less than seven (7) members.
4. Standing committee members, with the exception of the Long-Range Planning Committee, shall be appointed by the President with the advice and consent of the Executive Committee.
5. The Long-Range Planning Committee shall consist of six (6) members of the organization plus the current President. The members shall be appointed by the President for a two year term. The terms shall be staggered with at least two members being replaced each year. A member may be reappointed by the President when his term has expired. It is recommended the Committee be comprised of a combination of Past Presidents, older members, younger members and a representation from a cross section of interests in Quarter Horse activities. (Amended – January 10, 2015)
6. Each standing committee shall be headed by a chairman, assisted by a vice-chairman, appointed by the President. The chairman shall vote only in the case of a tie vote concerning committee action. The vice-chairman shall only vote as a tie-breaker as described above.
7. The President shall appoint a disciplinary Committee as required. Such committee should normally consist of three or more members and should include representation from the membership to include expertise or experience relating to the complaint.
8. The Executive Committee of the Association shall serve as the Finance Committee with the President serving as chairman.

MEMBERSHIP

9. Membership shall consist of four categories: Founding, Life, 3 year and Annual Memberships. Membership shall not be limited to natural persons, but may include corporations, firms, institutions of learning, executors, administrators, and trustees. Adequate evidence of membership and proper receipts shall be issued upon acceptance of fees.
10. Membership in the Association is a privilege, not a right; application for which shall be made on forms and by fees and procedures prescribed from time to time by the Association. Membership, or application therefore, may be terminated or rejected by the Executive Committee or Board of Directors for cause detrimental to the interest of the harmonious relationships of its members as determined by the

Executive Committee or Board. Termination or application rejection proceedings under this paragraph shall be conducted under the Association's disciplinary procedure for notice or rejection shall be denial or the privileges of the Association as set forth in Association disciplinary procedures.

11. The name under which a membership may be obtained will be limited to 30 characters, (letters, spaces, and marks of punctuation).

12. The application for membership should indicate clearly the name in which the membership is to be recorded.

13. The name of a female member may be changed in the membership records of the Association to reflect her current marital status. Such change shall be made upon request of said member.

14. General privileges and responsibilities of members and non-members are as follows:

A. While in good standing, all members shall have equal rights, interests, and responsibilities with respect to the Association and its property; shall obey and be bound by a bylaws, rules and regulations of the association and decisions or actions of the Board of Directors or Executive Committee; shall have the right to vote by personal attendance at membership meetings; and shall have the right to hold office and committee assignments, except as otherwise limited.

B. In regard to individuals who are non-members but participate in Association approved events, by such actions and in regard to such transactions do thereby agree to be bound by all bylaws, rules and regulations of the Association and decisions and actions of the Board of Directors or Executive Committee.

C. Although the right or privilege of a member or non-member to seek judicial review of previous Association decisions or actions is recognized, that member by joining the association, or non-member participating in Association events, does thereby agree, if unsuccessful in the attempt to overturn Association decisions, actions, rules or regulations, to reimburse the Association for its reasonable attorney's fees, court costs, and other expenses in defense of such suit.

15. A Founder's donation of Five Thousand Dollars (\$5000) is required for founding Membership, but no annual fees are required. A Life Member donation of \$500 is required, but no annual fees are required.

16. Neither a Founding Membership nor a Life Membership is transferable, but may be carried in the joint names of husband and wife, and the survivor of them through death or divorce shall be entitled to amend the membership's name to correctly reflect the survivor's status by filing with the Association copy of judicial decree, written evidence of death, or written instrument of consent signed by the terminating spouse.

ANNUAL MEMBERSHIP

17. The membership fees shall be set by the Executive Committee. Any change in the fee will be published in the Texas Quarter Horse Association Newsletter 60 days prior to the effective date. The fee for each renewable membership is due and payable on the first day of the month following the month of expiration and shall be considered delinquent if not paid within thirty (30) days thereafter. Notice to the members of fees payable shall be sent to members at their last known address not less than thirty (30) days prior to the month of expiration. The amount of such fees may be amended from time to time by the Executive Committee. A portion of the Annual Membership fee will be used to produce and mail the Texas Quarter Horse Association newsletter. Every paid member will receive each copy of the Texas Quarter Horse Association newsletter.

18. When an Annual Membership becomes delinquent, the membership can be reinstated by simply paying the current year's dues. There is no penalty for reinstatement.

19. An Annual Membership is not transferable.

VIOLATIONS

20. No member shall refuse, on reasonable request, to assist the Association, its officers, committees, or agents, in locating, identifying and inspecting, or assuring the health and well-being of an animal, to answer promptly and truthfully any inquiry concerning an animal or ancestor thereof in his ownership and control. Violation of this rule may be grounds for disciplinary action.

21. Any member may be suspended and denied privileges of the association and any non-member may be denied the privileges of the Association for the failure to pay when due any obligation owing to the Association, or for giving a worthless check for entry fee, stall fees, office charges, stock charges, or any other fees or charges connected with the exhibition of horses, provided, however, that fifteen (15)

days before action by the Association, written notice of the account due and the intention to suspend or withhold privileges of the Association shall be delivered to such member or non-member. When any person continues to remain suspended under this rule for a period or at least ninety (90) days, their name may be published in any publication of the Association. Any suspension and denial of privileges under this section shall terminate upon full payment of the obligation due the Association.

22. A member or non-member shall not conspire with any other person or persons to intentionally violate the rules of the Association, or to knowingly contribute or cooperate with another person or persons, either by affirmative action or inaction, to violate the rules of the Association. Violation of this rule shall subject such member or non-member to disciplinary action, whether or not such member or non-member has actually signed reports filed with the Association asserted to be true and correct.

FRAUDULENT PRACTICES

23. All information furnished the Association as a basis for any action by the Association or any of its officers or representatives with respect to an animal must be true and correct to the best of the information and belief of the informant.

24. Any member may be disciplined, suspended, or expelled from the Association and any member or non-member may be denied any and all privileges of the Association whenever it shall have been established by satisfactory evidence that such member or non-member has violated any pertinent rule of the Association.

A. Association rules pertaining to prohibition of forbidden drugs provide for absolute responsibility for a horse's condition by an exhibitor or participant, whether or not he was actually instrumental or had knowledge of, the administration of such drug, thereby making the exhibitor or participant eligible for possible disciplinary action upon proof of the presence of such drug by laboratory analysis. This rule of procedure for disciplinary action pertains to suspensions or other sanctions, but burden of proof and presumptions as contained in said drug rules specifically govern such drug cases.

B. Responsibility for the health and welfare of an animal rests with an exhibitor, owner or other participant, whether or not he was actually instrumental or had knowledge or inhumane treatment of an animal. Such exhibitor owner or other participant will be eligible for possible disciplinary action in the manner described below.

C. Whenever anyone shall be accused of any violation, he shall be given not less than fifteen (15) days notice of a time and place for hearing such accusation by the Executive Committee or by the Disciplinary Committee appointed by the President. At the hearing he shall have an opportunity, in his own behalf and to hear and refute evidence offered against him.

D. The decision and action of such Committee shall be final and binding on all parties.

E. Pending final hearing by the Executive Committee or such other appropriate committee, the President may, by giving written notice of his action, temporarily suspend such member, the effect of which shall be to deny him further Association privileges until the executive Committee can hear the matter and take appropriate disciplinary action.

F. When a member is disciplined, suspended or expelled, or a non- member is denied membership privileges, or when a member or non-member is temporarily suspended by the President pending hearing, the name and address of such member or non-member may be published in any publication of the Association.

G. The Executive Committee has the authority to impose a fine not to exceed \$2500 to anyone violating Texas Quarter Horse Association rules. Violators will be suspended until any fine is paid.

GENERAL NOTICE PROCEDURE

25. Every notice required by these rules and regulations may be served by delivering a copy of the notice to the person to be served, or his attorney, either in person or by mail, postage prepaid, to his last known address as it appears on the Association's records, and upon mailing, such notice shall be deemed received by such person when it is deposited in the United States mail.

26. The Rules and Regulations may be amended at any time by change, addition, or repeal by majority vote of the Executive Committee, but only after proposal of specific amendment shall have been submitted to an appropriate committee for study and report, or by a unanimous vote of the Executive Committee without such committee reference.

27. All TQHA programs and all future programs (be they race or show related) shall be financially self sufficient and shall be responsible for a prorata portion of the general operating expenses of the TQHA.

28. The percentage of general operating costs will be determined by the size and maintenance needs of each program. **The Youth Program will be financially supported by all facets of the TQHA and will not be required to be self-sufficient.** The confirmation of fiscal soundness shall be conducted by the Executive committee during the budgeting process each fiscal year and during financial review periods of each year.