

BYLAWS OF THE MORGAN HORSE ASSOCIATION OF OREGON

ARTICLE 1 (GENERAL)

Section 1.1 Name:

This corporation shall be known as the Morgan Horse Association of Oregon (hereinafter referred to as "MHAO" or the "corporation"). This corporation shall have perpetual duration.

Section 1.2 Purposes:

- A To encourage and promote understanding and appreciation of the Morgan horse and to encourage breeding, use, and exhibiting of registered Morgan horses as versatile pleasure horses, and to foster interest in the Morgan horse among horse lovers.
- B To receive and administer funds for charitable, scientific, and educational purposes consistent with and supportive of the other purposes of this corporation.
- C To do and perform such acts as may be necessary or appropriate for carrying out the foregoing purposes of the corporation and in connection therewith to exercise any of the powers granted to nonprofit corporations by the Oregon Public Nonprofit Corporation Law.
- D The corporation shall be restricted to activities of a nature consistent with the purposes of the corporation within the meaning of Section 501(c)(5) of the Internal Revenue Code of 1954. However, no part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its officers, directors, employees, or agents or any other private person or organization, 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 set forth above in this Article 1, no substantial part of the activities of the corporation shall be to carry on propaganda or otherwise attempting to influence legislation, the corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office, and the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(5) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue law except as permitted by Section 501(c)(5).

ARTICLE 2 (MEMBERSHIP)

Section 2.1 Membership:

Individual membership: Any person upon acceptance of written application and one year's dues shall become a member of the corporation.

Family membership: Up to two adults and all children under 21 years of age living in the same household, upon acceptance of written application and one year's dues shall become a "family" member of the corporation.

An individual member in good standing is entitled to one (1) vote and a family to two (2) votes.

Dues for members shall be set by the membership at any general membership meeting

Section 2.2 Termination of Membership:

The Board of Directors, by unanimous vote, may reject or terminate for cause the membership of any member. In the event of such termination the person so affected has thirty (30) days to demand a vote on their termination by the general membership. Such member also has the right to demand a hearing to state their side to the general membership. Such vote will be by secret ballot at such time and place as determined by the Board of Directors after reasonable notice is given to membership and the person so affected. A simple majority of those casting ballots shall determine the outcome.

ARTICLE 3 (OFFICES)

Section 3.1 Offices:

The principal office of the corporation is:

Shelley K. Edling~ Attorney at Law
P.O. Box 728
Hillsboro, OR 97123

Said office may be changed by the Board, and the corporation may have such additional offices as the Board may designate, or as the activities of the corporation may require.

Section 3.2 Registered Office:

The registered office of the corporation required by Oregon Nonprofit Corporation Law to be maintained in the State of Oregon may be, or may not be, identical with the principal office in the State of Oregon, and the address of the registered office may be changed by the Board and by giving notice to the Oregon Secretary of the State.

Section 3.3 Registered Agent:

The registered agent of the corporation, The Morgan Horse Association of Oregon, as required by the Oregon Nonprofit Corporation Law, shall be Attorney, Shelley K. Edling, The registered agent of the corporation may be changed by the Board.

ARTICLE 4 (BOARD OF THE CORPORATION)

Section 4.1 Structure and Number:

- A The Board shall consist of at least nine (9) Board positions. These positions shall be filled by knowledgeable and interested persons called directors who are elected and appointed to fill specific board positions. This number of Board positions may be increased or decreased by amendment to these Bylaws but shall not violate any provision of these Bylaws.
- B One Board Position will be reserved for a Youth Member 21 years or under as of December 1st who may be chosen in one of three (3) ways:
 - 1) Youth members in good standing of the Association shall recommend to the Board of Directors at the annual business meeting, the names of one (1) or two (2) Youth members “21 or under as of December 1”, one of whom may be named by the Board as the Youth Director.
(Preferred method)
 - 2) May run for election by the Association Membership via ballot through the annual business meeting.
 - 3) Via appointment by the Board of Directors or the Association President.

The Youth Board Member will serve a term of one (1) year and have full voting privileges on the Board.

Section 4.2 Term of Office:

- A The term of office of Directors shall be two (2) years. Positions shall be staggered so at least two (2) directors shall be selected each year. Prematurely vacant positions remain so until filled by appointment.
- B Newly elected Board members may be appointed to:
 - (1) A position vacant because of the resignation, death, or deposition of the incumbent, and when an appointment is made in this situation, the term of service shall be for the unexpired time period of the term of the position.
 - (2) An unfilled position at the time of election, and when appointment is made in this situation, the term of service shall be for two years.

Section 4.3 Nomination, Election and Term:

Sixty (60) days prior to the annual meeting in November, the Board of Directors shall make known to the membership, by notice in the corporate publication, positions to be vacated in the coming year, and request candidates for such positions. The Board shall prepare a ballot, setting forth one (1) or more candidates for each position to be vacated, along with space for write-in candidates. Such ballot, bearing a number in the lower left-hand corner, shall be mailed together with a self-addressed envelope, numbered corresponding to the ballot, by the Secretary to each member of the corporation eligible to vote, thirty days (30) prior to the annual business meeting in November. Nominations may be made from the-floor at the annual meeting. Such -numbered ballots may be submitted by mail to the Secretary or in person at the meeting. A ballot mailed previous to the meeting may be retrieved before the annual meeting is called to order.

Ballots shall be opened and counted by the Secretary and appointed tellers at the annual business meeting.

Section 4.4 Resignation:

Any director of the corporation may resign at any time, either by oral tender of resignation at any meeting of the Board or by giving written notice to the Secretary of the corporation. Such resignation shall take effect at time specified. The acceptance of such resignation shall not be necessary to make it effective.

Section 4.5 Vacancies:

Any vacancy of Board positions shall be filled by nomination and election by a quorum of Directors at a regular or special meeting. Directors appointed to fill vacancies occurring on the Board by reason of an increase in the number of directors shall be divided into the two groups of staggered terms so that the two groups of staggered terms remain as nearly equal in number as possible.

Section 4.6 General Powers:

The business and affairs of the corporation shall be managed and controlled by the Board. Subject to the provisions of the Oregon Nonprofit Corporation Law, the articles of incorporation and Bylaws of this Corporation, the Board shall act necessarily, expediently, or advisably to carry out the purposes of this corporation.

Section 4.7 Annual and General Meeting:

The annual meeting of the membership shall be held in November for the purpose of electing officers and directors and for the transaction of such other business as may come before the meeting. The annual meeting shall be in the place and at the time specified in the notice of said meeting. All members of the corporation shall be invited to the annual meeting. A general membership meeting shall be held before the thirtieth (30th) of April each year.

Section 4.8 Regular Meetings:

The Board shall meet at least bimonthly unless the meeting is cancelled by action of the Board. In no case may the Board cancel more than two regular meetings in succession.

Section 4.9 Special Meetings:

Special meetings of the Board may be called at the request of the Board, the President, or any one of the officers. A special meeting of the membership may be called at the request of the Board, the President, any officer, or twenty per cent (20%) of the members in good standing with thirty (30) days first class mail notification. These meetings shall be held at such place and time as the person or persons calling such meeting shall specify.

Section 4.10 Notice of Board Meeting:

Notices of the annual, general, and regular Board meetings shall be given to all members of the corporation in good standing by publishing the notice in the monthly newsletter (*MHAO Stable Sheet*) or by individual letter mailed to members prior to said meeting.

Section 4.11 Quorum:

A simple majority of directors in office shall constitute a quorum for the transaction of business at any meeting of the Board. If less than such majority is present at the meeting, a majority of the Directors present may adjourn and reconvene the meeting at an agreed upon time and place without further formal notice.

Section 4.12 Manner of Acting and Voting:

The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by the provisions of the Oregon Nonprofit Corporation Law, the Articles of Incorporation, or as otherwise provided in these Bylaws. Each member of the Board, including the President or presiding alternate, shall be entitled to one (1) vote. All business conducted by the corporation not covered by these Bylaws shall be governed by Robert's Rules of Order.

Discussions and votes taken by conference call or electronic means (email, etc.) are considered the same as an in-person meeting. All Board Members must be given the opportunity to participate.

Section 4.13 Action by Unanimous Formal Written Consent:

Any action which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by all Directors of the corporation.

Section 4.14 Presumption of Assent:

A Director of the corporation who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless their dissent shall be entered in the minutes of meeting, or unless they shall file their written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted favor of such action.

Section 4.15 Compensation and Expenses:

Directors shall serve without salary. Expenses incurred in connection with performance of their official duties may be reimbursed to Directors upon approval of the Board.

ARTICLE 5 (OFFICERS)

Section 5.1 Officers:

The officers of the corporation shall be the President, Vice-President, Secretary, and Treasurer, and such other officers as may be designated by the Board. No Person shall hold more one office. The above named officers of the corporation shall also be directors of the corporation.

Section 5.2 Election and Term of Office:

The officers of the corporation shall be elected annually by the general membership at the annual meeting. Each officer shall hold office for one (1) year following the annual meeting, or until their successor is duly elected and has accepted office, or until their death, or until they shall resign or shall have been removed in the manner herewith provided.

Section 5.3 Salary:

No officer shall receive a salary or other compensation with the exception of reimbursement for expenses.

Section 5.4 Vacancies:

If a vacancy occurs in the office of the President, the Vice-President shall succeed for the remainder of the unexpired term. Any other vacancies shall be by election by the Board for the remainder of the unexpired term.

Section 5.5 Duties of Officers:

- A President: The President shall be the chief elective officer of the corporation and its official spokesperson. Besides presiding at all meetings of the Board, the President shall perform such other duties as the Board may require, including the execution of power of signature, exercising a general supervisory control of the affairs of the corporation, and making such reports to the members of all committees, as required by the Board. The President shall appoint the Chair and members of all committees as well as being an ex officio member of all such committees.
- B Vice-President: In the absence of the President or in the event of death, inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all of the powers of, and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time may be prescribed by the Board.
- C Secretary: The Secretary shall be responsible to the board for keeping the minutes of the meetings of the Board and seeing that all notices are duly given in accordance with the provisions of these Bylaws, the Articles of Incorporation, or as required by law; be custodian of the corporation's records, the Seal, if any, and general perform all duties incident to the office of Secretary and such other duties as from time to time may be prescribed by the Board.
- D Treasurer: The Treasurer shall be responsible to the Board for the conduct of the corporation's financial affairs and shall be responsible for such records as may be necessary to show the condition of the corporation at all times. The Treasurer shall also:
- (1) arrange for an annual review of financial records when deemed necessary by the Board. This review, when done, is to be incorporated into the Annual Report of the Corporation;
 - (2) disperse the funds of the corporation as may be ordered by the Board, taking proper vouchers for such disbursements;
 - (3) render to the President and Board, whenever requested by them, an account of all transactions as Treasurer, and of the financial conditions of the corporation;
 - (4) be an ex officio member of a committee of the corporation empowered to disperse or commit funds of the corporation;
 - (5) if requested by the Board, the treasurer become bonded at the expense of the corporation.
- E Presiding Officer: During the absence or incapacity of the President, the following shall be the order among the other officers in presiding at meetings: Vice-President, Secretary, and Treasurer.

Section 5.6 Removal:

Where not inconsistent with the provisions of these Bylaws, any officer or director may be removed from office by the affirmative vote of a majority of the members of the Board at any regular meeting or at any special meeting called specifically for the purpose of removing the officer. Any officer or director of the Board missing three (3) consecutive meetings shall be subject to removal as determined by the Board of Directors.

ARTICLE 6 (COMMITTEES)

Section 6.1 Appointment:

The President shall choose and appoint committees as deemed appropriate by the Board. These committees, through their own Chair, shall report to and are directly responsible to the President. The designation and appointment of any committees and the delegation thereto of authority shall not operate to relieve the Board or any individual director of any responsibility imposed upon it or the individual director by law. The President shall have the power to fill vacancies in, to change the size or membership of, and to discharge committees, subject to the approval of the Board.

All committees consist of at least one director and may include such non-directors as may be appointed thereto by the President.

Section 6.2 Removal of Members:

The authority which appointed the committee may remove at any time, with or without cause, a member or members of that committee.

Section 6.3 Meetings:

Members of committees shall meet with the call by their Chair at a designated time after reasonable notice has been given to each committee member. Each committee shall keep minutes of its proceedings and report all actions to the Board within a reasonable time. The Board shall ratify all actions of any committee.

ARTICLE 7 (INDEMNIFICATION)

Each officer, director, employee, or agent of the corporation now and hereafter in office and person's heirs, executors, and administrators shall be indemnified by corporation against liabilities, costs, expenses, and amounts, including attorney fees, reasonably incurred by or imposed upon that person in connection with or resulting from any action, suit, proceeding, or claim to which that person may be made a party, or in which that person may be or become involved by reason of that person's acts or omissions, or alleged acts or omissions, as such officer, director, employee, or agent at their time of incurring such liabilities, costs, expenses, or amounts, provided that such indemnification shall not apply to liabilities incurred with respect to any matter in which such officer, director, employee, or agent shall be finally adjudged in such

action, suit, or proceeding to have been individually guilty of willful misfeasance or malfeasance in the performance of any duty as such officer, director, employee, or agent, and provided further, that the indemnification provided herein shall, with respect to any settlement of any such suit, action, proceeding, or claim include reimbursement of any amounts paid and expenses reasonably incurred in settling such suit, action, proceeding, or claim when, in the judgment of the Board of the corporation, such settlement and reimbursement appear to be for the best interest of the corporation. Indemnification pursuant to the Article shall be reduced by the amount of any other indemnification or reimbursement of such officer, director, employee, or agent of the liability and expense to which indemnification is claimed. The foregoing right of indemnification shall be in addition to and exclusive of any and all other rights to which any such officer, director, employee, or agent may be entitled under any statute, bylaw, agreement, or otherwise. Expenses incurred with respect to any claim, action, suit, or other proceeding of the character described in this Article may be advanced by the corporation prior to the final disposition thereof upon receipt of any undertaking by or on behalf of the recipient to repay such amount, unless it shall ultimately be determined that the officer, director employee, or agent is entitled to indemnification under this Article.

ARTICLE 8 (CONTRACT AND BANKING)

Section 8.1 Contracts:

The Board may authorize any officer, employee or agents to enter into and contract or execute or deliver any instrument the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Any such authorization, however, should be based on formal Board action.

Section 8.2 Deposits:

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

Section 8.3 Financial Instruments:

All financial instruments of asset or indebtedness including checks, drafts, or other orders for the payment of money and notes or other evidences of indebtedness issued in the name of corporation shall be signed by one of following officers: Treasurer, President, Show Committee Chair; or, if the MHAO Futurity has a separate account, the Futurity Committee Chair on the Futurity Account.

Section 8.4 Loans:

No loan shall be made by this corporation and no evidences of indebtedness shall be issued to this name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances: provided, however, no loans shall be made by the corporation to its directors or members.

ARTICLE 9 (GIFTS)

Section 9.1 Acceptance of Gifts:

The Board may accept on behalf of the corporation any gift, grant, bequest or device for the general purposes or for any special purpose of the corporation. The Board may authorize other agents or employees of the corporation to accept gifts on behalf of the corporation, except that the Board shall accept or reject gifts in the following circumstances:

- A. When the gift is for a specific purpose and is less than the amount required to finance the capital facility and equipment cost necessary to carry out such a purpose; or
- B. When there is a question as to whether the purpose or timeliness of the gift is incompatible with the ideals, objectives, and programs of this corporation. Unless the terms expressly provide otherwise, all gifts, grants, bequest, and devises shall be deemed irrevocable.

Section 9.2 Conditions and Limitations:

Any person who shall give, bequeath, or devise any property to the corporation may make such gift subject to such conditions and limitations as to the use of the principal or income as that person may desire, provided such conditions, limitations, specifications and provisions are consistent with the general purposes of the corporation.

Section 9.3 Funds and Accounts:

All such property received and accepted by the corporation shall become a part of the corporation property and, subject to any limitations, conditions, or requirements imposed upon such gift of property, may be commingled with other assets of the corporation. Such property may be placed, however, in separate and distinct funds or accounts, or several such funds or accounts, whenever conditions, limitations, or instruction of the gift, grant, bequest, or devise require a separate fund or account, or whenever the Board determines that such property should be placed in a separate and distinct fund or account.

ARTICLE 10 (FISCAL YEAR)

The fiscal year of the corporation shall be a period of twelve (12) consecutive months commencing with the first day of November each year.

ARTICLE 11 (ACCOUNTING YEAR AND AUDIT)

Section 11.1 Accounting Year:

The accounting year of the corporation shall be the same as the fiscal year and shall begin on the first day of November and end on the last day of October in each year.

Section 11.2 Audit Committee:

Each year the President shall appoint three (3) members to a committee to review the accounting records. Such committee shall be comprised of one (1) Board member and two (2) general members. They shall report their findings to the Board.

Section 11.3 Audit:

From time to time, as directed by the Board, the situation, or by funding requirements, the Board may authorize a full audit of the corporation for a time period dictated by the need by a Certified Public Accountant selected by the Board.

ARTICLE 12 (PROHIBITION, ON CORPORATE EARNINGS)

No member, director, officer; or employee of or member of a committee or person connected with the corporation, or any other private individual, shall receive at any time any of the net earnings or pecuniary profits from the operations of the corporation, provided that this shall not prevent the payment of any such person of such reasonable compensation for services rendered to or for the corporation in effecting any of its purposes as shall be fixed by the Board, and no such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the corporation.

ARTICLE 13 (INVESTMENTS)

Except as otherwise provided in the Articles of Incorporation or in these bylaws, the corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner and to invest and reinvest any funds held by it, according to the judgment of the Board, without being restricted to the Class of investments which the Board or a Board member of a corporation may hereinafter be permitted by law to make, or by any similar restrictions except that such investment must be insured.

ARTICLE 14 (EXEMPT ACTIVITIES)

Notwithstanding any other provisions of these Bylaws, no member, director, officer, employee or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation, not permitted to be taken or carried on without penalty by an organization exempt from taxation, or by an organization contributions to which are deductible under federal income tax laws as they now exist or as they may hereafter be amended.

ARTICLE 15 (AMENDMENTS)

Except as otherwise provided by law, the members at a membership meeting shall have the power to make, alter, amend and repeal the Bylaws of the corporation by a two-thirds majority vote of those members present.

ARTICLE 16 (GENERAL PROVISIONS)

Section 16.1 Notices:

Any notices to members or directors may be given by posting the same in the United States Mail, by first class mail with postage prepaid, by e-mail, facsimile or by special letter to the persons entitled to the notice at the address as it appears on the books and records of the corporation or at such other address as shall have been specified by the addressee a written form required and filed with the Secretary of corporation.

Section 16.2 Waiver of Notice:

A waiver of notice required to be given, filed by the person or persons entitled to such notice, whether before or after the time stated therein for the meeting, shall be equivalent to the giving of such notice.

Section 16.3 Captions:

Captions by Articles, sections and paragraphs, and the divisions of these Bylaws into Articles, sections, and paragraphs, is for convenience only, and such captions and divisions and subdivisions shall not affect the meaning or interpretation of these Bylaws or any part thereof.

Section 16.4 Conflicts of Interest:

It shall be the responsibility of each Board member to declare a conflict of interest or the possibility of the same in any matter under discussion by the Board. The Secretary shall record the same. The Board shall formally act upon the ability of conflicted member to vote. Failure to so act may void any affected action upon discovery of the conflict, no matter how much time may have passed.

ARTICLE 17 (DISTRIBUTION AFTER DISSOLUTION)

Section 17.1 Assets:

Upon dissolution or final liquidation of the corporation, the assets of the corporation shall be first applied to pay and discharge all liabilities and obligations of the corporation and assets held by the corporation upon condition requiring return, transfer, or conveyance, which conditions occurs by reason of the dissolution, shall be returned, transferred, or conveyed in accordance with such requirement. All remaining assets shall be distributed in accordance with a plan of liquidation to the American Morgan Horse Association or if refused, then to another tax exempt organization or organizations engaged in activities substantially similar to those of this corporation. No assets, however, shall be distributed to any organization where the net earnings of the organization inure to the benefit of any private person or organization, or where a substantial part of the activities of the organization is carrying on propaganda or otherwise attempting to influence legislation. No money shall go to any organization that would benefit an individual in the dissolving corporation.