

To Be Approved January 16, 2010

**BYLAWS OF
MINNESOTA HORSE COUNCIL**

**ARTICLE I.
Membership**

SECTION 1.1 Eligibility. Membership in the Minnesota Horse Council (the “Corporation”) shall be open to all persons, corporations, associations, partnerships and other entities that subscribe to and support the activities and purposes of the Corporation. Membership in the Corporation shall commence upon completion of any application form required by the Board of Directors, acceptance of the applicant by the Board, and payment of initial dues.

SECTION 1.2 Dues Schedule. A dues schedule shall be adopted by the Board of Directors and revised from time to time as the Directors, in their sole discretion, may determine.

SECTION 1.3 Membership Roster. A membership roster shall be maintained by the Secretary and shall be released to third parties only upon approval of the Board of Directors.

SECTION 1.4 Transfer or Termination. A Member may not transfer its membership in the Corporation, or any portion thereof or interest therein. Membership in the Corporation shall terminate upon a member’s death, resignation, failure to pay dues, or pursuant to Section 1.5 below.

SECTION 1.5 Suspension and Termination of Members. A Member’s membership in the Corporation may be suspended for a period or terminated for cause, upon the affirmative vote of two-thirds (2/3) vote of the entire Board of Directors. For this purpose, “cause” shall include a violation of these Bylaws or other rules of the Corporation, or conduct prejudicial to the best interests of the Corporation. A Member shall be given due notice of any proposed suspension or termination of membership, including a written statement of the reasons for the proposed action, by certified mail mailed to the Member at the Member’s last recorded address at least twenty (20) days before final action is taken by the Board thereon. The written statement shall be accompanied by a notice of the time and place of the meeting at which the Board of Directors will take action in the matter. The Member shall be given an opportunity to be heard and to present a defense at the Board meeting.

ARTICLE II.
Membership Meetings

SECTION 2.1 Time and Place. Meetings of the Members shall be held at times and places designated by the Board of Directors.

SECTION 2.2 Annual Meeting. An annual meeting of the Members shall be held as the first meeting of the calendar year for the purpose of electing new Directors and transacting such other business as may come before the meeting.

SECTION 2.3 Special Meetings. Special meetings of Members for any purpose may be called by the President (or in the President's absence, by the First Vice President or Second Vice President, in order), a majority of the Board of Directors, or by written request of a least twenty-five (25%) of the Members.

SECTION 2.4 Notice of Meetings. Notice of each meeting of the Members, stating the date, time and place thereof and, in the case of a special meeting, the purpose thereof, shall be communicated by telephone or mail, postage prepaid, at least ten (10) days prior to such meeting to each Member at the Member's address as it appears upon the membership roster.

SECTION 2.5 Voting. Each Member (or officially designated representative of a Member organization) shall be entitled to one vote. Members may cast their votes in person or by written proxy filed with the Secretary of the Corporation at or before the meeting, or by mail ballot when determined by the Board of Directors. All actions taken by the Members shall require the affirmative vote of a majority all votes cast at a meeting at which a quorum is present. There shall be no cumulative voting.

SECTION 2.6 Quorum. Twenty-five percent (25%) of the Members present in person or represented by mail ballot or written proxy, shall constitute a quorum for the transaction of business.

SECTION 2.7 Voting by Mail. When determined by the Board of Directors, voting on questions decided by the Members may be conducted by mail in the following manner:

- a. The Secretary shall mail to the Members a ballot of the questions or questions to be voted upon and, if applicable, a list of nominees for directorships, together with a notice of the meeting. Said notices shall be mailed to each member at least twenty (20) days prior to the date of the intended vote.

- b. The mail votes cast by the Members shall be counted together with those cast at the meeting only if such mail votes are received by the Secretary by the time of the meeting. Mail ballots shall not be opened or counted until balloting occurs at the meeting.

SECTION 2.8 Action Without Meeting. Any action which may be taken by the Members at a meeting of the Members may be taken solely by mail ballot as herein provided.

ARTICLE III.
Board of Directors

SECTION 3.1 Management. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors, who shall have charge, control and management of the property, affairs and funds of the Corporation, and who shall have the power and authority to do and perform all acts and functions not inconsistent with these Bylaws. The Board of Directors may from time to time delegate such authority and responsibility as it may determine to one or more committees or Officers. Without limiting the foregoing, the policy making powers of the Corporation shall be vested in the Board of Directors, including the power and authority to perform all acts or functions normally afforded to the board of directors of a Minnesota nonprofit corporation, consistent with the rights of the Members and not inconsistent with these Bylaws or the Corporation's Articles of Incorporation or any applicable laws and regulations.

SECTION 3.2 Number and Election. The Board of Directors shall consist of not fewer than five (5) nor more than seventeen (17) Directors. Directors shall be elected to a term of three (3) years unless elected to complete an unexpired term, or until their successors are elected, qualified and have accepted. If the office of any Director becomes vacant for any reason, a majority of the remaining Directors, although less than a quorum, may choose a successor who shall hold office until the next annual meeting of the Members or until his or her successor is elected, qualified and has accepted. Newly created directorships resulting from an increase in the authorized number of Directors may be filled by action of the Board of Directors by a two-thirds (2/3) vote of the Directors serving at the time of such increase; and each Director so elected shall be an individual dues-paying Member of the Corporation. No more than two (2) individuals from any one dues-paying Member organization shall serve as Directors of the Corporation at any time.

SECTION 3.3 Annual Meetings. An annual meeting of the Board of Directors shall be held immediately following the adjournment of the annual meeting of Members or at

the first regularly-scheduled Board meeting following the annual meeting of Members. At the annual meeting of the Board, the Board shall elect officers for the following year.

SECTION 3.4 Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places as shall be determined by the Board. Board meetings shall be open to Members, other than any meeting or portion thereof designated as an executive session.

SECTION 3.5 Special Meetings. Special meetings of the Board of Directors may be called either by the President or, in the President's absence, by the First Vice President or Second Vice President, in order, on twenty-four (24) hours' notice to each Director, either personally, by mail, or by telephone. Special meetings may be called by the President or Secretary in like manner and on like notice upon the written or oral request of any three (3) Directors.

SECTION 3.6 Action Without Meetings. Any action which may be taken at a meeting of the Board of Directors or Executive Committee may be taken without a meeting if authorized by a majority of the Directors or by all members of such Committee, as the case may be.

SECTION 3.7 Quorum. At all meetings of the Board of Directors, a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business.

SECTION 3.8 Executive Committee. The officers of the Board of Directors shall constitute an Executive Committee which shall have and exercise the authority of the Board in the management of the business of the Corporation. The Executive Committee shall act only in the intervals between meetings of the Board and shall be subject at all time to the control and direction of the Board.

SECTION 3.9 Standard of Conduct. Each Director shall discharge his or her duties as a director in good faith, in a manner which the Director reasonably believes to be in the best interests of the Corporation, and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances.

SECTION 3.9 Removal of Directors. Any Director may be removed, either with or without cause, by a two-thirds (2/3) vote of all Directors at any annual or regular meeting or special meeting called for that purpose. Such purpose shall be stated in the notice or waiver of notice of such meeting unless all the Directors shall be present thereat. Any Director who fails without cause to attend four consecutive regular meetings of the Board may be relieved of his or her duties by a two-thirds (2/3) vote of the Board at the fourth consecutive regular meeting without prior notice being given to said Director. That

Director's absence without cause for said period shall constitute a waiver of notice of such meeting for the purpose of said vote.

ARTICLE IV.

Officers

SECTION 4.1 Designation and Election. The officers of the Corporation shall consist of a President, First Vice President, Second Vice President, Secretary and Treasurer. Any two offices, except President and Vice President, may be held by the same person. The officers shall be selected by the Board of Directors and each officer shall be a Director of the corporation. The President may serve no more than two consecutive one-year terms.

SECTION 4.2 Election. The officers shall be elected at the annual meeting of the Board of Directors to serve until the next annual meeting of the Board or until their successors are duly elected, qualified and have accepted. If any vacancy shall occur among the officers, it shall be filled by the Board.

SECTION 4.3 President. The President shall be the chief executive officer of the Corporation. The President shall have general charge, supervision and control of the business of the Corporation, subject to the control of the Board of Directors. The President shall preside at all meetings of the Members and the Board of Directors. With the approval of the Board of Directors, the President shall appoint chairs of committees and shall serve as an ex-officio member on all such committees. The President shall report at least annually to the Members respecting the business and condition of the Corporation.

SECTION 4.4 Vice Presidents. In the absence of the President, the First or Second Vice President, in order, shall preside at meetings of the Members and Board of Directors and shall perform the duties and exercise the powers of the President. In cases of the resignation or disability of the President, the First Vice President shall assume the office of President. In cases of resignation or disability of the First Vice President, the Second Vice President shall assume the office of President. The Vice Presidents shall perform such other duties as may be prescribed by the Board of Directors or by the President.

SECTION 4.5 Secretary. The Secretary shall attend all meetings of the Members and Board of Directors; record all votes; keep minutes of all proceedings; and shall record the same in the corporate minute book. The Secretary shall give notice of all meetings. The Secretary shall be responsible for the custody of all records of the Corporation and shall receive and count all mailed ballots, if any. An acting Secretary may be appointed by the President to perform the duties of the Secretary in the Secretary's absence. The Secretary shall perform such other duties and shall have such other powers as may be prescribed from time to time by the Board of Directors or the President.

SECTION 4.6 Treasurer. The Treasurer shall have custody of all corporate funds; shall receive and disburse on authority from the Board of Directors; shall keep full and accurate account of the receipts and disbursements of the Corporation; and shall deposit all moneys in the name and to the credit of the Corporation in such bank accounts as may be designated by the Board of Directors. The Treasurer shall maintain records of the financial status of the Corporation and shall report same at all meetings of the Members and the Board of Directors. The Treasurer shall disburse payments only upon itemized demands, and upon order of the President or resolution of the Board of Directors. The Treasurer shall give a complete financial report to the Board of Directors following the end of each fiscal year of the Corporation. An acting Treasurer may be appointed by the President to perform the duties of the Treasurer in the Treasurer's absence. The Treasurer shall perform such other duties and shall have such other powers as may be prescribed from time to time by the Board of Directors or the President. The Treasurer shall be bonded as determined by the Board of Directors.

SECTION 4.7 Other Officers. The Board of Directors may elect or appoint such other officers or agents for the Corporation as it so chooses by a resolution approved by the Board of Directors. If the Board of Directors elects or appoints any such other officer or agent, the Board shall specify that person's powers, rights, duties, responsibilities, and term in office in the resolution.

SECTION 4.8 Special Powers. Any officer may be vested by the Board of Directors with any power or charged with any duty not inconsistent with the Articles of Incorporation or these Bylaws.

SECTION 4.9 Removal of Officers. Any officer may be removed, either with or without cause, by a two-thirds (2/3) vote of all Directors at any annual or regular meeting or special meeting called for that purpose. Such purpose shall be stated in the notice or waiver of notice of such meeting unless all the Directors shall be present thereat.

ARTICLE V.
Indemnification

SECTION 5.1 Indemnification. The Corporation shall indemnify persons acting in an official capacity on behalf of the Corporation in the manner and to the extent set forth in the Minnesota Nonprofit Corporation Act (Minn. Stat. § 317A.521). However, if two or more persons seek indemnification with respect to one or more proceedings that arise from a single transaction or occurrence, or closely related transactions or occurrences, the Board may condition indemnification, in whole or in part, upon agreement of those persons to joint representation by legal counsel (who may be counsel for the Corporation), except: (1) as to matters with respect to which legal counsel concludes joint

representation is impermissible under applicable Rules of Professional Conduct or would materially prejudice the ability of a jointly represented person to assert a defense that in good faith is available to that person or to assert a mandatory counterclaim; or (2) if a court determines that joint representation by legal counsel is unreasonable under the circumstances. In addition, the Corporation may, in the sole discretion of the Board of Directors, indemnify such persons or any other person under such circumstances or different circumstances as the Board of Directors shall deem appropriate as long as the Board reasonably believes such indemnification to be in the best interests of the Corporation.

SECTION 5.2 Advances. If a person acting in his or her official capacity on behalf of the Corporation is made or threatened to be made a party to a legal proceeding, the person is entitled, upon written request to the Corporation, to payment or reimbursement by the Corporation of reasonable expenses, including attorneys' fees and disbursements, incurred by the person in advance of the final disposition of the proceeding, (a) on receipt by the Corporation of a written affirmation by the person of a good faith belief that the criteria for indemnification described in Section 5.1 have been satisfied, and a written undertaking by the person to repay all amounts so paid or reimbursed by the Corporation, if it is ultimately determined that the criteria for indemnification have not been satisfied, and (b) after a determination that the facts then known to those making the determination would not preclude indemnification. The written undertaking that is made a precondition to advances under this Section 5.2 shall be an unlimited general obligation of the person making it, but need not be secured and shall be accepted without reference of financial ability of the maker to make the payment.

SECTION 5.3 Rights Not Exclusive. Nothing contained in this Article V shall affect any rights to indemnification to which the Corporation's personnel may be entitled by contract or otherwise under law.

SECTION 5.4 Insurance. The Corporation may purchase and maintain insurance on behalf of a person in that person's official capacity against any liability asserted against or incurred by the person in or arising from that capacity, regardless of whether the Corporation would have been required to indemnify the person against the liability.

ARTICLE VI. Miscellaneous

SECTION 6.1 Fiscal Year. The fiscal year of the Corporation shall be the calendar year unless changed by action of the Board of Directors.

SECTION 6.1 Audit. The Board of Directors shall cause the books of account of the Corporation to be audited at such times as it may deem necessary or appropriate or in accordance with federal and state law.

SECTION 6.2 Bank Account. The Corporation shall maintain a bank account or accounts in such bank or banks as may be determined by the Board of Directors, and all funds of the corporation shall be administered in one or more such accounts. All checks or demands for money shall be drawn on the Corporation account or accounts for corporate purposes only and shall be signed by such officers or agents as shall be designated by the Board of Directors.

SECTION 6.3 Records. Records of meetings of the Members and Board of Directors shall be maintained at all times. Every Member shall have the right to personally examine at any reasonable time, for any proper purpose, and at the place or places where maintained, the Articles of Incorporation, Bylaws, membership roster, records of the meetings of the Members and Board of Directors, and corporate books of accounts, and to make extracts therefrom. All corporate records in the possession of an outgoing officer or Director shall be transferred to the incoming officer or Director within one month of termination of office.

SECTION 6.4 Amendment of Bylaws. These Bylaws may be amended, upon proper notice, by a majority vote of the Members present and voting at an annual or special meeting of the Members, or by a two-thirds (2/3) vote of all Directors, subject to ratification by a majority vote of the Members present and voting at the next meeting of the Members.

SECTION 6.5 Rules of Order. “Robert’s Rules of Order” shall govern all meetings of the Corporation except when they may conflict with these Bylaws.