

**BYLAWS**  
**OF**  
**AMERICAN HANOVERIAN SOCIETY FOUNDATION, INC.**

The name of the organization is American Hanoverian Society Foundation, Inc. The organization is organized in accordance with the Kentucky Revised Statutes, Title XXIII, Chapter 273, as amended. The organization has not been formed for the making of any profit, or personal financial gain. The assets and income of the organization shall not be distributable to, or benefit the trustees, directors, or officers or other individuals. The assets and income shall only be used to promote corporate purposes as described below. Nothing contained herein, however, shall be deemed to prohibit the payment of reasonable compensation to employees and independent contractors for services provided for the benefit of the organization. This organization shall not carry on any other activities not permitted to be carried on by an organization exempt from federal income tax. The organization shall not endorse, contribute to, work for, or otherwise support (or oppose) a candidate for public office. The purpose of the organization is the following:

To cultivate and provide educational programs and financial support for the advancement of the breeding, management, and training of sport horses, in general, and the Hanoverian and Rhineland horses, in particular, across the United States

The organization is organized exclusively for purposes pursuant to section 501(c)(3) of the Internal Revenue Code.

**ARTICLE I – MEETINGS**

**Section 1. Annual Meeting.** An annual meeting shall be held once each calendar year for the purpose of electing officers and for the transaction of such other business as may properly come before the meeting. The annual meeting shall be held at the time and place designated by the Board of Directors from time to time.

**Section 2. Special Meetings.** Special meetings may be requested by the Chairman or the Board of Directors. A special meeting of Board of Directors is not required to be held at a geographic location if the meeting is held by means of the internet or other electronic communications technology in a manner pursuant to which the members have the opportunity to read or hear the proceedings substantially concurrent with the occurrence of the proceedings, note on matters submitted to the members, pose questions, and make comments.

**Section 3. Notice.** Written notice of all meetings shall be provided under this section or as otherwise required by law. The Notice shall state the place, date, and hour of meeting, and if for a special meeting, the purpose of the meeting. Such notice shall be delivered, electronically or

otherwise, to all directors of record at the address shown on the corporate books, at least 3 days prior to the meeting. Such notice shall be deemed effective when sent.

**Section 4. Place of Meeting.** Meetings shall be held at the organization's principal place of business unless otherwise stated in the notice. Unless the articles of incorporation or bylaws provide otherwise, the board of directors may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during this meeting. A director participating in a meeting by this means shall be deemed to be present in person at the meeting.

**Section 5. Quorum.** A majority of the directors shall constitute a quorum at a meeting. In the absence of a quorum, a majority of the directors may adjourn the meeting to another time without further notice. If a quorum is represented at an adjourned meeting, any business may be transacted that might have been transacted at the meeting as originally scheduled. The directors present at a meeting represented by a quorum may continue to transact business until adjournment, even if the withdrawal of some directors results in representation of less than a quorum.

**Section 6. Informal Action.** Any action required to be taken, or which may be taken, at a meeting, may be taken without a meeting and without prior notice if a consent in writing, setting forth the action so taken, is signed by the directors with respect to the subject matter of the vote.

## ARTICLE II – DIRECTORS

**Section 1. Number of Directors.** The organization shall be managed by a Board of Directors consisting of a minimum of 5 and a maximum of 9 directors that are appointed by the American Hanoverian Society's Board of Directors.

**Section 2. Appointment and Term of Office.** The directors shall be appointed at the first meeting of the year by the American Hanoverian Society's Board of Directors. For the initial seating of the Foundation's Board, the director seats will be divided with half serving a term of 2 years and the remaining directors serving a term of 4 years. Thereafter, each director shall serve a term of 4 years, or until a successor has been elected and qualified.

**Section 3. Quorum.** A majority of directors shall constitute a quorum.

**Section 4. Adverse Interest.** In the determination of a quorum of the directors, or in voting, the disclosed adverse interest of a director shall not disqualify the director or invalidate his or her vote.

**Section 5. Regular Meeting.** The Foundation's Board of Directors shall meet immediately after the appointment for the purpose of electing its new officers, appointing new committee chairpersons, and for transacting such other business as may be deemed appropriate. The Board

of Directors may provide, by resolution, for additional regular meetings without notice other than the notice provided by the resolution.

**Section 6. Special Meeting.** Special meetings may be requested by the Chairman or any two directors by providing five days' written notice, electronically or otherwise, effective when sent. Minutes of the meeting shall be sent to the Board of Directors within two weeks after the meeting. A special meeting is not required to be held at a geographic location if the meeting is held by means of the internet or other electronic communications technology in a manner pursuant to which the members have the opportunity to read or hear the proceedings substantially concurrent with the occurrence of the proceedings, note on matters submitted to the members, pose questions, and make comments.

**Section 7. Procedures.** The vote of a majority of the directors present at a properly called meeting at which a quorum is present shall be the act of the Board of Directors, unless the vote of a greater number is required by law or by these by-laws for a particular resolution. A director of the organization who is present at a meeting of the Board of Directors 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 the meeting. The Board shall keep written minutes of its proceedings in its permanent records.

**Section 8. Informal Action.** Any action required to be taken at a meeting of directors, or any action which may be taken at a meeting of directors or of a committee of directors, may be taken without a meeting if a consent in writing setting forth the action so taken, is signed by all of the directors or all of the members of the committee of directors, as the case may be.

**Section 9. Removal / Vacancies.** A director shall be subject to removal by either the Foundation's Board of Directors or by the American Hanoverian Society's Board of Directors, with or without cause, at a meeting called for that purpose. Any vacancy that occurs on the Board of Directors, whether by death, resignation, removal or any other cause, may be filled by the American Hanoverian Society Board of Directors. A director appointed to fill a vacancy shall serve the remaining term of his or her predecessor.

**Section 10. Committees.** To the extent permitted by law, the Board of Directors may appoint a committee or committees, temporary or permanent, and designate the duties, powers and authorities of such committees.

### ARTICLE III – OFFICERS

**Section 1. Number of Officers.** The officers of the organization shall be a Chairman, a CFO, and a Secretary. Two or more offices may be held by one person. The Chairman may not concurrently serve as Vice Chairman.

**Chairman.** The Chairman shall be the chief executive officer and shall preside at all meetings of the Board of Directors.

**Vice Chairman.** The Vice Chairman shall fulfill all duties of the Chairman in the absence of the Chairman.

**Secretary.** The Secretary shall give notice of all meetings of the Board of Directors, shall keep an accurate list of the directors, and shall have the authority to certify any records, or copies of records, as the official records of the organization. The Secretary shall maintain the minutes of the Board of Directors' meetings and all committee meetings.

**CFO.** The CFO shall be responsible for conducting the financial affairs of the organization as directed and authorized by the Board of Directors, and shall make reports of corporate finances as required, but no less often than at each meeting of the Board of Directors.

**Section 2. Election and Term of Office.** The officers shall be elected every two years by the Board of Directors at the first meeting of the Board of Directors, immediately following the annual meeting. Each officer shall serve a two year term or until a successor has been elected and qualified.

**Section 3. Removal or Vacancy.** The Board of Directors shall have the power to remove an officer or agent of the organization. Any vacancy that occurs for any reason may be filled by the American Hanoverian Society Board of Directors. The Foundation Board of Directors would elect the replacement for any open officer position.

#### **ARTICLE IV – CORPORATE SEAL, EXECUTION OF INSTRUMENTS**

The organization shall not have a corporate seal. All instruments that are executed on behalf of the organization which are acknowledged and which affect an interest in real estate shall be executed by the Chairman or CFO. All other instruments executed by the organization, including a release of mortgage or lien, may be executed by the Chairman. Notwithstanding the preceding provisions of this section, any written instrument may be executed by any officer(s) or agent(s) that are specifically designated by resolution of the Board of Directors.

#### **ARTICLE V – AMENDMENT TO BYLAWS**

The bylaws may be amended, altered, or repealed by the Board of Directors by a two-thirds majority of a quorum vote at any regular or special meeting. The text of the proposed change shall be distributed to all board members at least ten (10) days before the meeting.

## **ARTICLE VI – INDEMNIFICATION**

Any director or officer who is involved in litigation by reason of his or her position as a director or officer of this organization shall be indemnified and held harmless by the organization to the fullest extent authorized by law as it now exists or may subsequently be amended (but, in the case of any such amendment, only to the extent that such amendment permits the organization to provide broader indemnification rights).

## **ARTICLE VII – DISSOLUTION**

The organization may be dissolved only with authorization of its Board of Directors given at a special meeting called for that purpose, and with the subsequent approval by no less than three-fifths (3/5) vote of the Board of Directors. In the event of the dissolution of the organization, the assets shall be applied and distributed as follows:

All liabilities and obligations shall be paid, satisfied and discharged, or adequate provision shall be made therefore. Assets not held upon a condition requiring return, transfer, or conveyance to any other organization or individual shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.