

BY-LAWS OF  
HUNGARIAN HORSE ASSOCIATION OF AMERICA, INC.

ARTICLE I

Offices

The principal office of the corporation in the State of Nebraska shall be located at HC 71, Box 108, Village of Anselmo, County of Custer. The corporation may have such other offices as the Board of Directors may determine or as the affairs of the corporation may require from time to time.

The corporation shall have and continuously maintain in the State of Nebraska a registered office, and a registered agent whose office is identical with such registered office, as required by the Nebraska Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office in the State of Nebraska, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II

Purpose

The Articles of Incorporation provide that the specific and primary purpose for which this corporation is formed is to record the lineage of Hungarian horses, govern such infusion of other genetic material as needed and approved by the Association, encourage further improvement of the breed, and promote the interests of the breed. To this purpose should be added, to record the lineage of pre-WWII Kisber-type horses.

ARTICLE III

Members

Section 1. Any person may become a member of the corporation by contributing to the corporation the sum of one dollar (\$1.00) or more, and the corporation shall then issue a certificate to the member evidencing membership in the corporation. To keep the membership current the member must pay \$\_\_\_\_\_ annually on or before January 2nd of each year.

Section 2. Each current member shall have only one vote in all elections or on all propositions submitted to the members of the corporation.

Section 3. The private property of the members of the corporation shall not be subject to the payment of the corporate debts.

Section 4. Transfer of Membership. Membership in this corporation is not transferable or assignable.

Section 5. Revocation of Membership and Registration Rights. The specific reasons for revocation of membership and rights of active members or inactive members to use the registration facilities of the association are as follows:

- (1) Conviction of a felony.
- (2) Deliberately and knowingly falsifying ancestors on registration applications or pedigrees.
- (3) Deliberately and knowingly falsifying sire or dam on breeding certificate.
- (4) Forging the name of the owner of a stallion or mare on any papers, including breeding certificates, transfers, and other documents.
- (5) Refusing to return papers on horses which have been voided by the Breeders Board.
- (6) Attempting to re-register a horse in an effort to change the name or for any other purpose.

Also, pending the procedure for the revocation of membership and rights to use the registration facilities of this association, the president is hereby authorized by the board of directors to suspend membership and rights of members and non-members to use the facilities of this association when he has knowledge of the violation of any of the foregoing specific infractions.

#### ARTICLE IV

##### Meetings of Members

Section 1. Annual Meeting. An annual meeting of the voting members shall be held at such time and place as shall be designated by the board of directors. Each year the board of directors shall set a time and place for the annual meeting of the voting members of the corporation.

Section 2. Special Meetings. Special meetings of the members may be called by the President, the Board of Directors, or not less

than one-tenth of the members having voting rights.

Section 3. Place of Meeting. The Board of Directors may designate the Corporation's registered office or any other place as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the Corporation's registered office; but if all of the members shall meet at any time and place and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section 4. Notice of Meetings. Except as hereinafter provided, written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten nor more than fifty days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these by-laws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid.

Section 5. Informal Action by Members. Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

Section 6. Quorum. Ten percent (10%) of the members shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

Section 7. Proxies. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

## ARTICLE V

### Board of Directors

Section 1. General Powers. The affairs of the corporation shall be managed by its Board of Directors. Directors shall be

members who are current in payment of dues for their membership.

Section 2. Number, Tenure and Qualifications. The number of Directors shall be nine who are elected to hold office for a term of six years and until their successors have been elected and qualified. Provided, however, that the terms for the board of directors succeeding the initial board of directors shall be staggered terms of two, four and six years as determined at the time of their election. Election of board members shall occur at the annual meetings of the corporation or by ballots circulated to the members.

In addition, two lifetime members of the board of directors are hereby created who shall be Wanda Cooksley and Ivan Van Cooksley. At the expiration of their terms, there shall be no more lifetime terms.

Section 3. Regular Meetings. A regular annual meeting of the Board of Directors shall be held without other notice than this bylaw, immediately after, and at the same place as, the annual meeting of members.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place, or at the Corporation's registered office, as the place for holding any special meeting of the Board called by them.

Section 5. Notice. Notice of any special meeting of the Board of Directors shall be given at least two days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

Section 6. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than a majority of the Directors

are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these by-laws.

Section 8. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

Section 9. Vacancies. Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of Directors, shall be filled by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 10. Informal Action by Directors. Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

Conference calls between members of the board shall have the same force and effect as if a meeting in person of the board were held.

## ARTICLE VI

### Indemnification of Directors

Each director, whether or not then in office, shall be indemnified by the corporation against all costs and expenses reasonably incurred by or imposed upon him or her in connection with or resulting from any civil or criminal action, suit or proceeding to which he or she may be made a part by reason of his or her being or having been a director of the corporation except in relation to matters in which he or she has been finally adjudged in such action, suit or proceeding to have been derelict in the performance of his or her duties as such director. The foregoing right to indemnification shall include a right to reimbursement of the amount paid and expenses incurred in settling, compromising or otherwise adjusting any such action, suit or proceeding, when such disposition thereof appears to be in the best interests of the corporation, and shall not be exclusive of other rights to which

such director may be entitled as a matter of law.

## ARTICLE VII

### Officers

Section 1. Officers. The officers of the corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary and except the offices of President and Vice President.

Section 2. Election and Term of Office. The officers of the corporation shall be elected for a term of two years by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the members and of the Board of Directors. He may sign, with the Secretary or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly

delegated by the Board of Directors or by these by-laws or by statute to some other office or agent of the corporation; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the absence of the President or in the event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article X of these by-laws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these by-laws; keep a register of the post-office address of each member which shall be furnished to the Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 9. Assistant Treasurers and Assistant Secretaries. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by

the Treasurer or the Secretary or by the President or the Board of Directors.

Section 10. Registrar.

ARTICLE VIII

Breeders Board

There is hereby created a Breeders Board which shall consist of five members as follows: (1) president, (2) registrar and (3) three at large members appointed by the president to serve staggered six year terms.

At large members will be selected from a list of breeders that meet one or more of the following criteria:

- (1) Have registered 10 Felver or Sportlo foals with the corporation over the last five years.
- (2) Have actively stood a Felver or Sportlo stallion for the last five years from which Felver or Sportlo foals have been registered with the corporation.
- (3) Whose name has been placed on the list by a three-fourths majority vote of the board of directors of the corporation.

The duties of the breeders board are as follows:

- (1) Final authority on all rules regarding the registry (excluding fees)
- (2) Determine which book outside bloodlines are placed and how their offspring may be registered
- (3) In general - be the caretakers of the genetic pool which makes up the horses registered with the corporation.

Articles, releases, new items and similar publications shall not be disseminated or published without prior approval of the breeders board.

ARTICLE IX



## Committees

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation; provided, however, that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the by-laws; electing, appointing and removing any member of any such committee or any Director or officer of the corporation; amending the articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director of any responsibility imposed upon it or him by law.

Section 2. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the corporation may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the corporation, and the President of the corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

Section 3. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 4. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as

provided in the case of the original appointments.

Section 6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules. Each committee may adopt rules for its own government not inconsistent with these by-laws or with rules adopted by the Board of Directors.

## ARTICLE X

### Contracts, Checks, Deposits and Funds

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the corporation.

Section 3. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may elect.

Section 4. Gifts. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

## ARTICLE XI

### Certificates of Membership

The Board of Directors shall provide for the issuance of certificates evidencing membership in the corporation, which shall

be in such form as may be determined by the Board. Such certificates shall be signed by the President or a Vice President and by the Secretary or an Assistant Secretary and shall be sealed with the seal of the corporation. Certificates shall be issued initially on the payment of the membership fee and thereafter annually on the payment of the annual membership fee.

## ARTICLE XII

### Books and Records

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

## ARTICLE XIII

### Fiscal Year

The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

## ARTICLE XIV

### Seal

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal Nebraska."

## ARTICLE XV

### Waiver of Notice

Whenever any notice is required to be given under the provisions of the Nebraska Non-Profit Corporation Act or under the provisions of the articles of incorporation or the by-laws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XVI

Amendments to By-Laws

These by-laws may be altered, amended or repealed and new by-laws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least two days' written notice is given of intention to alter, amend or repeal or to adopt new by-laws at such meeting.

Adopted by the Board of Directors on \_\_\_\_\_.