

**BYLAWS  
OF FLORIDA HORSEMEN'S  
BENEVOLENT & PROTECTIVE ASSOCIATION, INC.**

**ARTICLE I  
NAME, DEFINITIONS & PURPOSES**

**Section 1. Name:**

This Association (the "Association") shall be known as THE FLORIDA HORSEMEN'S BENEVOLENT & PROTECTIVE ASSOCIATION, INC., a corporation, not-for-profit, organized and existing under and pursuant to the laws of the State of Florida.

**Section 2. Definitions:**

As used in these Bylaws the following terms shall have the definitions set forth herein, to wit:

(A) "National Association" shall mean The National Horsemen's Benevolent & Protective Association, Inc.

(B) "Board of Directors" and "Board" shall mean the Board of Directors of the Association.<sup>1</sup>

(C) "Horse" shall mean a thoroughbred racehorse two (2) years of age or older (under the laws of Florida [Ch. 550 Fla. Stats.] and the rules of racing [ch. 61D, Florida Administrative Code]) in training by a trainer licenced by the State of Florida, Department of Business and Professional Regulation, Division of Pari-mutuel Wagering (the "Division"), which is not retired from racing and is not retired to breeding, either as a brood mare or stallion.<sup>2</sup>

(D) In these Bylaws, where applicable, the singular shall be deemed to include the plural and the masculine shall be deemed to include the feminine, and vice versa, as the context may require.

**Section 3. Purposes:<sup>3</sup>**

The purposes of the Association are as follows:

(A) to advance, foster and promote generally the sport of Horse racing in the State of Florida;

(B) to foster, promote and otherwise encourage a higher level of public awareness and acceptance of the Horse racing industry in the State of Florida and better relations among its participants;

(C) to foster, promote, and improve business conditions generally of the Horse racing industry and those persons engaged therein;

(D) to establish standards for racetrack conditions and equine care, safety, health, treatment, and well-being;

(E) to protect the safety of members, their stable personnel and horses; to work with race track management to develop appropriate training and stable area conditions, proper emergency preparedness

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<sup>1</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>2</sup> Revised by Resolution of the Board on January 16, 1997, October 31, 2000 & September 25, 2007.

<sup>3</sup> Section 3 substantially revised by Resolution of the Board on September 25, 2007.

and procedures, responsible vanning service and reasonable stabling arrangements, accommodations and schedules;

(F) to foster professional integrity among horsemen and the horse racing industry;

(G) to cooperate with equine and humane organizations and public and private agencies, regulatory authorities, racing associations, racing commissions and other organizations located in Florida, including, for example, the Division and its departments and sub-divisions, and the public<sup>4</sup> in formulating fair and appropriate laws, rules, regulations and conditions that affect in any manner parimutuel wagering and awards, and are deemed to be in the best interests of horsemen, their employees, backstretch personnel and the horse racing industry in general, and to ensure the enforcement of such rules is fair and equitable;

(H) to disseminate information and exchange ideas among its members and other industry associations and advise its members with regard to developments and trends in the horse racing industry;

(I) to represent the interests and property rights of its members in any matters concerning racing associations, jockey's organizations or any other Horse racing industry related organization regarding, but not limited to purse structure and distribution, off-track betting, simulcasting of races, television rights, interest generated on members' monies, jockey's fees and any contracts involving the interests of horsemen'.

(J) to represent the interests of its members before any local, state or federal administrative, legislative and judicial fora including, but not limited to the Division and with regard to all matters affecting horsemen and the horse racing industry.<sup>5</sup>

(K) to inform and educate its members, horsemen generally, the horse racing industry and the public with regard to all aspects of the horse racing industry in the State of Florida and to foster a better understanding of the horse racing industry via publications, seminars, training programs, research and other activities and services.<sup>6</sup>

(L) to secure available group benefits and discounts and to establish such other benefits and privileges for members in good standing as may be determined by the Board, including, but not limited to, providing benevolence to persons in need.<sup>7</sup>

(M) in general, to assist its members in all matters affecting their interests in Horse racing and the Horse racing industry in the State of Florida; and<sup>8</sup>

(N) to perform any other act or do any other thing permitted by law not inconsistent with the purposes of the Association as stated herein.

## **ARTICLE II** **OFFICES**

### **Section 1. Principal Office:**

The principal office of the Association, in the State of Florida, shall be located at Calder

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<sup>4</sup> Revised by Resolution of the Board on January 16, 1997 & October 31, 2000.

<sup>5</sup> Revised by Resolution of the Board on January 16, 1997 & October 31, 2000

<sup>6</sup> Revised by Resolution of the Board on January 16, 1997.

<sup>7</sup> Revised by Resolution of the Board on October 31, 2000.

<sup>8</sup> Renumbered by Resolution of the Board on January 16, 1997.

Race Course in Miami-Dade County, Florida or at any other place or places as the Board may designate.<sup>9</sup>

***Section 2. Additional Offices:***

The Association may have an additional office at each Florida thoroughbred race track which shall remain open during each racing meet, for the conduct of the business of the Association.<sup>10</sup>

***ARTICLE III***  
***MEMBERSHIP***

***Section 1. Eligibility:***

Any owner or trainer of a Horse who is currently licensed as such by the Division, and any partnership, corporation or other association which is so licensed, shall be eligible for membership in the Association provided that each such owner, trainer, partnership, corporation or other association meets and complies with the requirements of Article III, Sections 5 and 6 below.<sup>11</sup>

***Section 2. Membership:***

Any person or entity eligible for membership in the Association in accordance with the provisions of Article III, Section 1 above, shall automatically become a member at such time as such person, or the entity through which eligibility for membership is established, shall receive a license as an owner or trainer of Horses from the Division, and shall be counted on the membership roles of the Association unless, within thirty (30) calendar days of the date of issuance of such license, written notice has been received by the Association that such person or entity declines membership.<sup>12</sup>

***Section 3. Honorary Membership:***

Any person who has performed some distinguished service to the sport of thoroughbred racing and who is not already a member of this Association may be elected as an honorary member of this Association. Such election shall take place only at a meeting of the Board.<sup>13</sup> An honorary member shall pay no dues or contributions to the Association and shall be entitled to all privileges of the Association except those of voting and holding office.

***Section 4. Membership Privileges:***

Membership in the Association shall entitle all members in good standing to the right to attend and participate in all general and special meetings of the Association and the right to one (1) vote in

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<sup>9</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>10</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>11</sup> Revised by Resolution of the Board on January 16, 1997, October 31, 2000 and September 25, 2007.

<sup>12</sup> Revised by Resolution of the Board on January 16, 1997 & October 31, 2000 and September 25, 2007.

<sup>13</sup> Revised by Resolution of the Board on September 25, 2007.

any Association election, pursuant to the voting eligibility criteria set forth in Article IV, Section 4, Sub-section (B), hereinbelow.<sup>14</sup>

***Section 5. Duties of Membership:***

(A) It shall be the duty of every member of the Association to conduct himself at all times in such manner as to merit the respect of the public and to act at all times in the best interests of the Association.

(B) Every member of the Association shall abide by the Bylaws of the Association.<sup>15</sup>

(C) Purse Pool Deductions: The Association shall represent all Horse owners (each a "Horse Owner") and trainers (each a "Horse Trainer") in Florida in contract negotiations with thoroughbred Horserace Permitholders in Miami-Dade County and Broward County, Florida, and may, through contracts with thoroughbred Horserace Permitholders conducting Horse racing meetings in Miami-Dade County and Broward County, Florida, deduct, or cause to be deducted, from the purse pool, a sum of money that is up to, but not greater than, two (2%) percent<sup>16</sup> of all purses earned by horses competing in Horse racing meetings in Miami-Dade County, and Broward County, Florida which money shall be remitted directly by the Horsemen's Bookkeeper to the Association.<sup>17</sup>

***Section 6. Standing and Membership Rights :<sup>18</sup>***

To qualify as a member in good standing and be eligible for benefits and privileges as a member of the Association, the following criteria are required:

(A) Horse Owner members (or their spouse licensed by the Division) shall:

i. have continuously complied with the provisions of Article III, Section 5 above;  
and,

ii. have started a Horse (as a horse owner only and not as a horse trainer) at a thoroughbred race track licensed by the Division in Miami-Dade County or Broward County, Florida not less than five (5) times during the twelve (12) months preceding the exercise of membership privileges and any application for a Benevolence Award from the Association; and,

iii. have a signed, un-revoked and non-cancelled, membership card on file with the Association.

(B) Horse Trainer members (or their spouse licensed by the Division) shall:

i. have the majority of horses occupying their stall allotment owned by Horse Owner members who have complied with the provisions of Article III, Sections 5 & 6(A) above during the twelve (12) months preceding the exercise of membership privileges and any application for benevolence; and,

ii. have started a Horse at a thoroughbred race track licensed by the Division in

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<sup>14</sup> Revised by Resolution of the Board on January 16, 1997; October 31, 2000 and September 25, 2007.

<sup>15</sup> Revised by Resolution of the Board on January 16, 1997.

<sup>16</sup> Revised by Resolution of the Board on September 2, 2010.

<sup>17</sup> Revised by Resolution of the Board on January 16, 1997 and September 25, 2007.

<sup>18</sup> Revised by Resolution of the Board on October 31, 2000; Section 6 substantially revised by Resolution of the Board on September 25, 2007.

Miami-Dade County or Broward County, Florida not less than five (5) times during the twelve (12) months preceding the exercise of membership privileges and any application for a Benevolence Award from the Association; and,

iii. have a signed, un-revoked and non-cancelled, membership card on file with the Association.

(C) Horse Owner and Horse Trainer Members may apply for Benevolence Awards to assist the indigent current or previous licensees, or for other charitable purposes, to the Board of the Association, or the committee appointed by the Board of the Association (the “Benevolence Committee”) pursuant to Article V, Section 7(C) , who may, in their discretion, by majority vote, on a case by case basis, grant or decline such requests for Benevolence Awards. Notwithstanding the foregoing, the Board, in its sole and absolute discretion, by not less than a majority vote of a quorum of the Board, may waive the aforesaid eligibility criteria and grant Benevolence Awards to assist the indigent or for other charitable purposes to current licensees or previous licensees. The preceding sentence is discretionary only and does not create a right to receive a Benevolence Award and the Board, in its sole discretion, refuse any request for a Benevolence Award. Members requesting a Benevolence Award may be required to show proof of need.<sup>19</sup>

(D) A Horse Owner member who starts a Horse as a trainer, or otherwise acts in the capacity of a Horse trainer, shall, for all purposes under these By-Laws, until twelve (12) months have elapsed since the last occurrence of such horse training or trainer related activities, be recognized and treated as a Horse Trainer member.<sup>20</sup>

***Section 7. Suspension and Expulsion:***

(A) A member of the Association may be suspended or expelled from membership in the Association by the affirmative vote of ten (10) members of the Board following a hearing for cause for violation of any provision of the Bylaws, or for illegal, unethical or unsportsmanlike conduct, or for failure to remain in good standing in accordance with the rules or racing adopted in the State of Florida.<sup>21</sup> The member shall be given reasonable notice (ten (10) days) of such hearing. The member shall have the right to be heard in person or by counsel and to introduce evidence on behalf of such member. While a member is suspended by the Association, no benefits of membership will be provided to such person by the Association. A member of the Association who has been suspended or expelled shall not be eligible to run for elected office in the Association until one (1) year has elapsed following the reinstatement of such member to good standing in the Association by the majority vote of the Board.<sup>22</sup>

(B) Any officer or director of the Association may be suspended or removed from office in the Association by the affirmative vote of ten (10) members of the Board following a hearing for violation of any provision of the Bylaws or for any other cause or reason deemed detrimental to the best interests or the Association. A member of the Board who has been removed from the Board shall not be eligible to run for elected office in the Association until one (1) year has elapsed following the removal of such member

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<sup>19</sup> Revised by Resolution of the Board on January 16, 1997, December 12, 2001 and September 25, 2007.

<sup>20</sup> Added by Resolution of the Board on September 25, 2007.

<sup>21</sup> Revised by Resolution of the Board on December 12, 2001.

<sup>22</sup> Revised by Resolution of the Board on September 25, 2007.

of the Board.<sup>23</sup>

***ARTICLE IV***  
***ELECTIONS AND VOTING***

***Section 1. Supervision of Elections:***

All Association elections shall be under the supervision of the Board. An election committee of three (3) members, and three (3) alternate members, shall be appointed by the President of the Association with the advice and consent of the Association's Board not less than ten (10) days prior to the nominating meeting. No member of the election committee shall be a candidate in the ensuing election. The three members appointed to the Election Committee shall be responsible for seeing that the election is run in accordance with these Bylaws. The Election Committee shall attend to the transportation of ballot boxes and the opening and counting of the ballots; ballots shall be counted and accounted for by an independent party appointed by the Board (who is not running for office in the then transpiring election and is not employed by or related to any person running for office in the then transpiring election) and no one else shall have the right to attend the counting of ballots.<sup>24</sup>

***Section 2. Elections:***

**(A) Election and Terms of Office:**

- i.** The affairs of the Association shall be managed and supervised by a board of fifteen (15) directors, who shall be divided into three (3) groups of five (5) directors each, to be known as "Group 1," "Group 2" and "Group 3." Group 1 shall be composed of those directors whose term expired in 1993. Group 2 shall be composed of those directors whose term expired in 1994. Group 3 shall be composed of those directors whose term expired in 1995. The Association shall have a president appointed by the Board from among the members of the Board, who shall serve for a term of one (1) year. Elections shall be held annually, and all Director terms of office shall be for three (3) years.<sup>25</sup>
- ii.** Directors shall be elected from the membership of the Association.
- iii.** Seats for each Group of director candidates for election to the Board in each year shall consist of two (2) seats reserved for horse owners ("Owner Seat"), two (2) seats reserved for horse trainers ("Trainer Seat") and one (1) seat for a candidate who is either a horse owner or horse trainer ("Open Seat"). In the event of a race for a seat reserved for either a horse owner or horse trainer in which there are not at least two (2) horse owner or horse trainer candidates for such seat, as the case may be, then, in that event, the seat shall be considered an open seat for that election only (to be restored to its prior reserved status if possible in the next ensuing election for that seat), and any member who is either a horse

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<sup>23</sup> Revised by Resolution of the Board on January 16, 1997, October 31, 2000, December 12, 2001 and on September 25, 2007.

<sup>24</sup> Revised by Resolution of the Board on October 31, 2000 and September 25, 2007.

<sup>25</sup> Revised by Resolution of the Board on January 16, 1997 and September 25, 2007.

owner or horse trainer may run for election for such seat on the Board.<sup>26</sup>

**iv.** There shall be three (3) alternate members of the Board who shall be selected as follows: The candidates in each category (Owner Seat, Trainer Seat and Open Seat) in each election who are not elected, but who receives the next highest number of votes cast in the category in which he/she ran for office, shall be alternate directors who shall serve a term of one (1) year (the "Alternate Directors").<sup>27</sup>

**v.**<sup>28</sup>

**(B)** An election shall be held each year by the Board to appoint a president and annually by the membership to elect Directors and Alternate Directors, who shall hold office during their term and until their successors are elected.<sup>29</sup>

**(C)** At least thirty (30) days before the general nominating meeting called for the purpose of receiving nominations for Directors, the President, with the advice and consent of the Association's Board, shall appoint a Nominating Committee consisting of not less than three (3) members for the purpose of making nominations, receiving suggestions and nominations from the membership. The Nominating Committee will, as a matter of courtesy, invite incumbents to run for office. The Nominating Committee shall hold one or more meetings of the Nominating Committee, one of which must be before the general nominating meeting. The Nominating Committee shall hold a general nominating meeting to receive nominations from the floor, nominating petitions and to announce its nominations, which shall be deemed the date of each candidate's nomination. The Nominating Committee shall neither make nor accept any nomination after adjournment of the general nominating meeting.

There shall be one (1) general nominating meeting at a race track which is then conducting a racing meeting. There must be at least thirty-five (35) members of the Association present at said meeting to constitute a quorum. Those members present shall sign a list evidencing their presence. Nominations by the Nominating Committee shall not require seconds. A nomination from the floor will be accepted if it receives the endorsement of not less than three (3) members present at the meeting, including the nominator and two (2) seconds, or is accompanied by a petition signed by no fewer than forty (40) members or the Association.

Notice of the general nominating meeting shall be given, starting not less than thirty (30) days prior to the general nominating meeting, by one or more of the following means and methods:

**i.** Announcement over the race track stable area public address system at least once each week for the four (4) weeks preceding the general nominating meeting.

**ii.** Announcement over the race public address system during racing hours at least once each week for the four (4) weeks preceding the general nominating meeting.

**iii.** Advertisement in the Daily Racing Form which is a national publication of general circulation amongst participants in the Horse racing industry.

**iv.** Notice on the race track "overnight" at least once each week for the four (4) weeks preceding the general nominating meeting.

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<sup>26</sup> Revised by Resolution of the Board on January 16, 1997, October 31, 2000 and September 25, 2007.

<sup>27</sup> Revised by Resolution of the Board on October 31, 2000 and September 25, 2007.

<sup>28</sup> Revised by Resolution of the Board on October 31, 2000; Repealed by Resolution of the Board on December 12, 2001.

<sup>29</sup> Revised by Resolution of the Board on September 25, 2007.

v. General Notice posted in each office of the Association, at the stable gate/track security office of each operating and/or open race track in South Florida, and office where entries are taken at each race track in South Florida with a then operating racing meeting in progress.

vi. Publication of notice in the Association newsletter, the Horsemen's Journal or another publication of general circulation in the equine community in the State of Florida in the issue immediately preceding the general nominating meeting.

Such notice shall inform the members of their right to nominate, the methods of doing so, the date, time and place of the general nominating meeting and all other information necessary to fully inform each member about the elective process.<sup>30</sup>

(D)<sup>31</sup>

### ***Section 3. Candidates and Electioneering:***

The chairman of the Election Committee shall notify each candidate of his nomination by hand delivery, overnight courier or certified mail as soon after the nominating meeting as possible.<sup>32</sup>

Within fifteen (15) days of the mailing date of each candidates notice of his nomination for office said candidate shall complete and mail to the Association Office an Affidavit furnished by the Association that:

(A) The candidate fulfills the requirements for eligibility for office as provided in these Bylaws, or will fulfill the requirements for eligibility for office as provided in these Bylaws on or before, but not later than, December 31 of the year preceding the date of such election, and the failure of any candidate to qualify as of December 31 of the year preceding the date of such election shall automatically result in the removal of each candidate not qualifying by such December 31 date from the ballot in the next ensuing election. The Board may, however, in its sole and absolute discretion, by not less than a three-fourths (¾) affirmative vote of the Board, waive the candidate eligibility criteria set forth in these By-laws, and may do so on a case-by-case basis.<sup>33</sup>

(B) The candidate has read the requirements of these Bylaws respecting elections and candidates, agrees to be bound by them, and any decision of the Board in regard thereto.<sup>34</sup>

(C) The candidate will run for office, serve if elected and remain eligible for any office to which elected.

A candidate for office may also mail to the Association Office with his affidavit a biographical and policy statement of reasonable length. The statement shall be issued as the candidate's official statement by the Association.<sup>35</sup>

A protest to a candidate or an election must be in writing and sent by certified mail to the Association Office. No protest of a candidate or an election may be postmarked after the expiration of seven

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<sup>30</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>31</sup> Repealed by Resolution of the Board on December 12, 2001.

<sup>32</sup> Revised by Resolution of the Board on October 31, 2000 and September 2, 2010.

<sup>33</sup> Revised by Resolution of the Board on October 31, 2000, September 25, 2007 and September 2, 2010.

<sup>34</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>35</sup> Revised by Resolution of the Board on January 16, 1997 and September 25, 2007.

(7) days following an election. Protests against the continued eligibility of elected Officers or Directors to serve must be in writing, postmarked and mailed to the Association Office within seven (7) days following the discovery of facts supporting said protest. The burden shall be upon the protestant to prove that his/her protest is timely. Each protest shall contain a complete and definite statement of the acts which constitute the alleged violation. The maker must be prepared to substantiate the protest by personal testimony at a hearing or by a sworn testimony, witnesses or other evidence. Upon the timely receipt of a protest the President of the Association shall appoint a special committee to investigate the protest. The special committee will conduct a hearing within ten (10) days of the date the protest was received. The special committee shall report its findings and recommendations to the Board who shall, by majority vote, at the next regular meeting of the Board, resolve the protest, which resolution shall be final and shall not be subject to appeal or further review.<sup>36</sup>

All expenses of any kind whatsoever incurred by protestants or those persons accused of violating any election rules shall be assumed and paid personally by said persons. No expenses of any kind will be assumed or paid by the Association on behalf of any candidate for office or protestant.

An elected candidate shall take office seven (7) calendar days after his/her election. The lodging of a protest to an election, a candidate or eligibility of an officer or director, shall not affect the status of an elected Officer or Director until a hearing has been held in accordance with these Bylaws.<sup>37</sup>

#### ***Section 4. Manner of Voting:***

**(A)** Voting shall be by secret ballot. The Board may, in its discretion, engage an independent qualified accountant to oversee balloting and to deliver and receive ballots.<sup>38</sup>

**(B)** The general election of the Association shall be held and ballots will be counted on the fifteenth (15<sup>th</sup>) day of March (or if such day falls on a Sunday or State holiday or National holiday on the next business day thereafter) in each year. Each owner and trainer member of the Association shall be entitled to cast one (1) vote in each general election of the Association.<sup>39</sup>

**(C) Voting:** To be entitled to vote, each member eligible to vote must have a current license issued by the Division as an owner or trainer of Horses and be qualified as set forth in Article III hereinabove. The Election Committee shall, not less than thirty (30) days nor more than forty-five (45) days prior to each election, in an envelope bearing the return address of the Association, send to each member by United States Mail, addressed to the last known address of each member, the following:<sup>40</sup>

- i.** A ballot.
- ii.** An envelope which shall have a space in the upper left-hand corner for the signature and the typed or printed name of the member and which shall have the word "Ballot" appearing on its face.
- iii.** The approved biographical and policy statement of each candidate.
- iv.** A return envelope addressed to the Election Committee. Each such return envelope shall be returned by the addressee to the Election Committee by United States Mail, postage paid,

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<sup>36</sup> Revised by Resolution of the Board on October 31, 2000 and September 25, 2007.

<sup>37</sup> Revised by Resolution of the Board on October 31, 2000 and December 12, 2001.

<sup>38</sup> Revised by Resolution of the Board on December 12, 2001 and September 25, 2007.

<sup>39</sup> Revised by Resolution of the Board on December 12, 2001.

<sup>40</sup> Revised by Resolution of the Board on December 12, 2001.

or, shall be marked to indicate that postage will be paid by the addressee.<sup>41</sup>

**(D)** A member shall vote by marking his/her ballot, enclosing and sealing it in the envelope referred to in Section 4(C)(ii) immediately above, printing and signing his/her name in the upper left-hand corner of the envelope and mailing the envelope, together with its contents in the return envelope provided pursuant to Section 4(C)(iv) immediately above. No envelope may contain more than one ballot.<sup>42</sup>

**(E)** The Election Committee or other Association representative authorized by the Board shall mail the same material referred to in Section 4(C)(i) - (iv) to any member who requests the same and confirms that he or she has not received it by mail.<sup>43</sup>

**(F)** <sup>44</sup>

All Ballots must be postmarked on or before, but not later than, March 10<sup>th</sup> and received by the Election Committee not later than March 15<sup>th</sup> (or the next business day if March 15<sup>th</sup> is a Sunday or holiday on which United States Mail is not delivered). All Ballots which are either (i) not postmarked on or before March 10<sup>th</sup> or (ii) not received by the Election Committee by March 15<sup>th</sup> (or the next business day if March 15<sup>th</sup> is a Sunday or holiday on which United States Mail is not delivered), shall be void and shall not be counted. All Ballots shall be mailed to the Election Committee c/o the Association post office box or as otherwise directed by the Board. The Election Committee shall not open the Ballots until after the delivery of the United States Mail on March 15<sup>th</sup> (or the next business day if March 15<sup>th</sup> is a Sunday or holiday on which United States Mail is not delivered). Ballots shall be counted by the Election Committee or as otherwise directed by the Board.<sup>45</sup>

**(G)** Ballot Envelopes shall be checked against the list of eligible voters of the Association and shall be counted by the Election Committee or as otherwise directed by the Board prior to being opened to ensure that no person has cast more than one vote. After being counted, all ballot envelopes shall be opened and separated from the envelopes and ballots shall thereupon be counted and votes tallied. All ballots, list of persons who cast a vote, envelopes and tally sheets shall be sealed and retained in the custody of the Association for a period of not less than thirty (30) days or, in the event of a protest, until the final determination of the protest. Thereafter, the Association need only retain the results of each election. In the event of duplicate voting, neither such vote shall be counted. No sealed envelope received by the Association shall contain more than one ballot and if more than one ballot is contained therein, the entire contents of the envelope shall be voided.<sup>46</sup>

**(H)** The results of each election shall be tabulated, counted and certified as follows:<sup>47</sup>

**i.** The seats reserved for a horse owner shall be filled by the two (2) horse owner candidates receiving the two highest number of votes cast for horse owner seats on the Board in the subject election.

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<sup>41</sup> Revised by Resolution of the Board on December 12, 2001.

<sup>42</sup> Revised by Resolution of the Board on December 12, 2001.

<sup>43</sup> Revised by Resolution of the Board on December 12, 2001 and September 25, 2007.

<sup>44</sup> Repealed by Resolution of the Board on December 12, 2001.

<sup>45</sup> Revised by Resolution of the Board on December 12, 2001 and September 25, 2007.

<sup>46</sup> Revised by Resolution of the Board on October 31, 2000, December 12, 2001 and September 25, 2007.

<sup>47</sup> Added by resolution of Board dated October 5, 1995; Revised by Resolution of the Board on January 16, 1997, October 31, 2000 and September 25, 2007.

**ii.** The seats reserved for a horse trainer shall be filled by the two (2) horse trainer candidates receiving the two highest number of votes cast for horse trainer seats on the Board in the subject election.

**iii.** The open unreserved seat shall be filled by the horse owner or horse trainer candidate who receives the next highest number of votes cast after filling the seats in subsections (H)(i) and (H)(ii) immediately above.

**iv.** The Chairperson of the Election Committee shall promptly report and certify, by letter to the Association, the results of each election and that the election was conducted in conformity with Article IV hereof.

**(I)** In the event of a tie in any race for any seat on the Board in an election, the Board, as composed with the newly elected Directors (except those in the tying race), shall resolve the tie by majority vote of a quorum of the Board.<sup>48</sup>

***Section 5. Other Organizations - Conflicts of Interest:***

No person who is or whose spouse is an officer or director of, or employed by a Racing Association, supervisory entity, rival racing or other organization involving a conflict of interest shall be put on the ballot as or be a candidate for Director of the Association, provided that this prohibition may be waived by vote of two-thirds ( $\frac{2}{3}$ <sup>rd</sup>s) vote of the elected members of this Association's Board and any such waiver is in the best interest of the Association. Notwithstanding the foregoing, such a candidate may make himself eligible without first obtaining the approval of the Board by resigning his/her or having his/her spouse resign his/her position with any such other association prior to being placed on the ballot upon providing satisfactory proof of such resignation to the Board. No person who is elected a Director may become nor may his/her spouse become a member of any of the organizations referred to above during the member's term of office without the prior express consent as evidenced by a two-thirds ( $\frac{2}{3}$ <sup>rd</sup>s) vote of the elected members of the Board of the Association. To the extent any such conflicts of interest exist and are waived by the Association's Board, then the member affected by the conflict of interest shall not have the right nor be empowered to vote or otherwise take any action in his capacity as a Director with respect to any action or activity relating to the organization which created the conflict of interest.<sup>49</sup>

***Section 6. Election of Directors:***<sup>50</sup>

The Board of Directors shall be elected by the Association members. Three (3) alternate directors shall be elected, who shall serve in the absence of duly elected directors.<sup>51</sup>

No person shall be eligible for nomination or to serve as a Director unless:

**(A)** He/She has been a member in good standing as defined in Article III, Section 6 above, on the date of his/her nomination and remains eligible as such at all times throughout his/her term of office.<sup>52</sup>

**(B)** He/She is principally stabled in Florida (meaning that He/She was physically present

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<sup>48</sup> Revised by Resolution of the Board on December 12, 2001 and September 25, 2007.

<sup>49</sup> Revised by Resolution of the Board on January 16, 1997 and September 25, 2007.

<sup>50</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>51</sup> Revised by Resolution of the Board on December 12, 2001.

<sup>52</sup> Revised by Resolution of the Board on October 31, 2000.

and racing Horses in Miami-Dade County or Broward County, Florida, as an owner or trainer for at least one-half (½) of the year immediately preceding His/Her nomination for office.<sup>53</sup>

(C) He/She also fulfills the following eligibility criteria:<sup>54</sup>

i. Owner Candidates: Shall have started a Horse compliant with the provisions of Article III, Section 6 above at a thoroughbred race track licensed by the Division in Miami-Dade County or Broward County, Florida not less than five (5) times during the year preceding His/Her nomination.

ii. Trainer Candidates: The majority of the Horses that occupy the trainers stall allotment shall be owned by Horse Owner members who have started a Horse compliant with the provisions of Article III, Section 6 above at a thoroughbred race track licensed by the Division in Miami-Dade County or Broward County, Florida not less than five (5) times during the year preceding His/Her nomination.

iii. All Candidates: Shall have a signed membership card on file with the Association which has not been cancelled or revoked.

(D) The term "year immediately preceding" shall mean the three hundred sixty five (365) days immediately preceding the date of his/her nomination.<sup>55</sup>

(E)<sup>56</sup> Vacancies on the Board other than President shall be filled as follows:

i. A vacancy on the Board for an Owner seat shall be filled by appointment to the Board of the horse owner Alternate Director who, in the election immediately preceding such vacancy, received the next largest number of votes cast for such director seat, who shall then complete the term of the regularly elected director whose seat he/she replaced. If no such successor is available, then a majority of the Board may appoint a owner member of the Association to complete the term of any such regularly elected director whose seat is vacant.

ii. A vacancy on the Board for a Trainer Seat shall be filled by appointment to the Board of the horse trainer Alternate Director who, in the election immediately preceding such vacancy, received the next largest number of votes cast for such director seat, who shall then complete the term of the regularly elected director whose seat he/she replaced. If no such successor is available, then a majority of the Board may appoint a trainer member of the Association to complete the term of any such regularly elected director whose seat is vacant.

iii. A vacancy on the Board for an Open Seat shall be filled by appointment to the Board of a horse trainer or horse owner Alternate Director (to match the trainer or owner status of the director who last occupied the Open Seat) who, in the election immediately preceding such vacancy, received the next largest number of votes cast, who shall then complete the term of the regularly elected director whose seat he/she replaced. If no such successor is available, then a majority of the Board may appoint a member of the Association to complete the term of any such regularly elected director whose seat is vacant.

## **ARTICLE V**

### **ASSOCIATION OFFICERS, DIRECTORS AND EMPLOYEES**

#### ***Section 1. Board of Directors:***

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<sup>53</sup> Revised by Resolution of the Board on October 31, 2000.

<sup>54</sup> Revised by Resolution of the Board on October 31, 2000 and September 25, 2007.

<sup>55</sup> Revised by Resolution of the Board on October 31, 2000 and September 25, 2007.

<sup>56</sup> Amended by Resolution of the Board on October 5, 1995; Revised by Resolution of the Board on October 31, 2000 and September 25, 2007.

**(A) Composition:** The Association shall have a Board of Directors composed of the President (who shall also be a director) and fourteen (14) members of the Association. Members of the Board shall serve for three (3) year terms and until their successors have been duly elected and seated.

If any member of the Board has died, or is absent at five (5) regularly noticed meetings of the Board during any twelve (12) month period measured from March 1 through February 28/29 of any year without having been excused in advance in writing by the President (or, in his/her absence the Vice President), his/her position on the Board shall automatically deemed vacant by the Board. If there is no available alternate, the vacancy shall be filled by the majority vote of the Board.<sup>57</sup>

**(B) Meetings; Quorum:** Except as otherwise specifically provided in these Bylaws,<sup>58</sup> nine (9) members of the Board (including alternates) who are physically present at a meeting constitute a quorum for the conduct of business, but a lesser number may adjourn a meeting from time to time pending attendance of a quorum. No person shall be permitted to attend meetings of the Board by telephone. The President shall be entitled to vote as a member of the Board. Proxies shall not be permitted or accepted. The President shall have the authority to exclude any person, including members of the Board, from meetings of the Board if such person's conduct is determined by the President to be unruly or disruptive.

Each alternate shall be invited to attend each meeting of the Board. If a member of the Board is absent, the first alternate shall sit as a member of the Board, and if more than one member of the Board is absent, then in order of seniority (determined by number of votes cast) alternates shall sit as members of the Board, and be entitled to vote.

The Board may hold at least one (1) meeting per month, and such additional meetings as the welfare of the Association may require.<sup>59</sup>

**(C) Responsibilities:** The Board shall supervise all affairs of the Association subject to the Articles of Incorporation and Bylaws of the Association.<sup>60</sup>

**(D) Liaison and Membership:** The Board shall, by means of a newsletter, or other appropriate means, maintain close liaison with the membership of the Association and keep the membership fully informed concerning all Association business, its own deliberations, and all other matters of interest to horsemen.<sup>61</sup>

**(E)<sup>62</sup> Chairperson Emeritus:** The Board, by majority vote, may appoint any past president of the Association to the honorary position of Chairperson Emeritus.

**(E) Rules of Order:** The order and conduct of meetings of the Board shall be administered pursuant to Roberts Rules of Order, as amended and revised from time to time, except as otherwise provided

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<sup>57</sup> Revised by Resolution of the Board on December 12, 2001, September 25, 2007 and September 2, 2010.

<sup>58</sup> Added by Resolution of the Board on September 2, 2010.

<sup>59</sup> Revised by Resolution of the Board on October 31, 2000 and September 25, 2007.

<sup>60</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>61</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>62</sup> Revised by Resolution of the Board on October 31, 2000; Repealed by Resolution of the Board on December 12, 2001; Added by Resolution of the Board on September 25, 2007.

herein.<sup>63</sup>

**(F) Medical and Benevolence Matters:** Notwithstanding any provision of these Bylaws or Roberts Rules of Order to the contrary, all meetings of the Board at which medical or benevolence matters are discussed or considered shall be held in executive session (meaning that only Members of the Board, counsel and staff may be present), and all matters discussed at or during all such executive sessions shall be maintained in strict confidence.<sup>64</sup>

***Section 2. President:***

The President shall serve a one (1) year term, and shall be elected annually by the Board from amongst the members of the Board who are physically present at such meeting.

The President shall be the principal executive officer of the Association. The President shall speak for and represent the Association for the conduct of all business of the Association, including, but not limited to, meetings, conventions and conferences. The President shall preside at meetings of the Membership and of the Board, and shall be ex-officio a member of all committees that may, from time to time, be constituted by the Board. The President shall execute any deed, mortgage, bond, contract or other instrument which the Board has authorized to be executed, except in cases where the execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Association or shall be required by law to be otherwise executed; and in general shall perform all duties as may be prescribed by the Board from time to time.

The President shall call one (1) general meeting per year which shall also be the nominating meeting and may call one (1) meeting of the Board per month (but not less than nine (9) meetings of the Board per calendar year) and such additional meetings as the welfare of the Association may require. The President shall, upon written petition of three (3) or more members of the Board, call a meeting of the Board within six (6) days if a race meet is in progress and within twenty-one (21) days if no race meet is in progress. The President shall, upon written petition of fifty (50) or more members of the Association, call a general meeting of the Association within twenty-one (21) days. A petition for a general meeting must state the primary purposes or issues for which the meeting is called. The meeting shall be held at the Offices of the Association, or at such other location as the President shall designate. This shall not prevent the consideration of other issues at the meeting. Decisions, recommendations and resolutions passed at general meetings are advisory in nature.<sup>65</sup>

The President shall appoint the Secretary and Treasurer, or Secretary/Treasurer if the office is combined, and all other employees of the Association with the advice and consent of the Board.<sup>66</sup>

The President of the Association shall have the authority, acting alone, to make an award or money for any purpose to any one (1) individual at one (1) time of up to One Thousand (\$1,000.00) United States Dollars.<sup>67</sup>

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<sup>63</sup> Added by Resolution of the Board on December 12, 2001; Revised by Resolution of the Board on September 25, 2007.

<sup>64</sup> Added by Resolution of the Board on September 2, 2010.

<sup>65</sup> Revised by Resolution of the Board on October 31, 2000 and September 25, 2007.

<sup>66</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>67</sup> Added by Resolution of the Board on September 25, 2007. Section 2 substantially revised by Resolution of the Board on September 25, 2007.

***Section 3. Vice-President(s):***

The Board may, in its discretion, elect one or more Vice Presidents from among its owners, trainers or owner/trainers members of the Board. The Board shall designate the number of Vice Presidents and the order of precedence. In case of the resignation, disability or death of the President, the Vice President (if there is only one) or the first Vice President (if there are more than one) automatically becomes the President for the unexpired term. The next Vice President then becomes First Vice President, and succession to office shall continue in such order.<sup>68</sup>

In the absence of the President, or in the event of a vacancy in such office, the Vice-President (or in the event there is more than one Vice-President, the Vice-Presidents in the order designated at the time of their election or, in the absence of any designation, then 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; and, shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board. The Board may designate one or more Vice-Presidents as a Vice-President for particular areas of responsibility.<sup>69</sup>

***Section 4. Secretary:***

The Board, upon the recommendation of the President, shall appoint a secretary who shall:<sup>70</sup>

(A) Keep the minutes of the proceedings of the Members, the Board and committees of the Board in one or more books provided for that purpose.<sup>71</sup>

(B) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

(C) Be the custodian of the Association records and of the seal of the Association.

(D) Maintain and keep current a register of the post office address of each member.

(E) In general, perform such other duties as from time to time may be assigned to the Secretary by the President or by the Board. One person may hold the office of Secretary/Treasurer.

***Section 5. Treasurer:***

The Board, upon the recommendation of the President, shall appoint a treasurer who shall have the custody of the Association funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board.<sup>72</sup>

The Treasurer shall disburse the funds of the Association as may be ordered by the Board,

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<sup>68</sup> Formerly Article IV, Section 8. Revised by Resolution of the Board on January 16, 1997, October 31, 2000 and September 25, 2007.

<sup>69</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>70</sup> Revised by Resolution of the Board on January 16, 1997 and September 25, 2007.

<sup>71</sup> Revised by Resolution of the Board on January 16, 1997 and September 25, 2007.

<sup>72</sup> Revised by Resolution of the Board on January 16, 1997 and September 25, 2007.

taking proper vouchers for such disbursements, and shall render to the President and Board, at the regular meetings of the Board or whenever the Board may otherwise require it, an account of all transactions and of the financial condition of the Association.<sup>73</sup>

If required by the Board, the Treasurer shall give the Association a bond in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of his/her office and for the restoration to the Association in case of his/her death, resignation, retirement or removal from office, all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Association.<sup>74</sup>

***Section 6. Executive Director:***

The Board may employ an Executive Director, who shall not be a member of the Board, and who shall perform all duties incident to the office of Executive Director and such other duties as may be prescribed by the Board from time to time.<sup>75</sup>

***Section 7. Employees:*** The employment of any person employed by the Association may only be terminated by the Board, at a meeting of the Board, and then only upon the affirmative vote of a majority a quorum. Notwithstanding the provisions of Article V, Section 1(B), of these Bylaws, for the purposes of this Article V, Section 7, only, not less than twelve (12) members of the Board must be present at a meeting of the Board to constitute a quorum at any meeting where employment termination will be considered by the Board.<sup>76</sup>

***Section 8. Committees:***

There shall be standing committees as follows:

(A) There shall be an Election Committee as provided hereinabove.<sup>77</sup>

(B) The president shall appoint a Backstretch Committee with the advice and consent of the Board. It shall be responsible for the improvement of backstretch conditions and facilities which shall include living quarters, sanitation, restaurants or kitchens and recreational facilities.<sup>78</sup>

(C) The Board shall appoint a Benevolence Committee. The Benevolence Committee shall review all applications for dispensation of the Association's funds for charitable purposes (each a "Benevolence Award") and make decisions regarding same in its discretion within limits delegated to it by the Board. Benevolence Awards of any kind shall not, in the aggregate, exceed Four Thousand (\$4,000.00) United States Dollars to any individual during any calendar year. The Benevolence Committee shall not, in

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<sup>73</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>74</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>75</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>76</sup> Added by Resolution of the Board on September 2, 2010.

<sup>77</sup> Formerly Sub-Section (C). Renumbered by resolution of the Board on January 16, 1997. Former Sub-Sections (A) & (B) were deleted by resolution of the Board on January 16, 1997.

<sup>78</sup> Formerly Sub-Section (E). Renumbered by resolution of the Board on January 16, 1997. Former Sub-Section (D) was deleted by resolution of the Board on January 16, 1997. Revised by Resolution of the Board on September 25, 2007.

the aggregate, award more than One Thousand Five Hundred (\$1,500.00) United States Dollars to any individual in any calendar year without the approval of a majority of the Board at a vote taken at a meeting of the Board. The Chairman of the Benevolence Committee shall have the authority, acting alone, to make a Benevolence Award to any one (1) individual at one (1) time of up to Seven Hundred Fifty (\$750.00) United States Dollars. Adjustments to the monetary limits of Benevolence Awards stated above to compensate for inflation and cost of living may be adjusted, from time to time, by the Board or Directors by resolution without the necessity to amend this Article V, Section 7(C) of these By-laws. In all cases in which an application for a Benevolence Award exceeds the limit of authority delegated to the Benevolence Committee by the Board, the Benevolence Committee shall refer all such matters to the Board with an advisory recommendation for the resolution of each such matter.<sup>79</sup>

(D) The president shall appoint, with the advice and consent of the Board, such additional standing or special committees as the needs of the Association may dictate and the Board may create, and the chairs of such committees.<sup>80</sup>

***Section 9. Annual Report:***

The president or other executive officer of the Association or other person or organization authorized by the Board shall prepare or cause to be prepared semi-annually or more often a full and correct statement of the affairs of the Association, including a balance sheet and a statement of the results of operations for the period covered by the report at an office of the Association any time during normal business hours. A summary of such report shall be made available for review by each Member annually.<sup>81</sup>

***Section 10. Business With Third Parties:***<sup>82</sup>

In the absence of the President at a meeting, convention or conference as referred to in Section 2 of this Article V above, or any other meeting, convention or conference, in advance of such meeting, convention or conference, the President may designate the Executive Director or any Officer of the Association to speak for and represent the Association and the interests of the Association at such meeting, convention or conference.

***ARTICLE VI***  
**GENERAL MEETING/NOMINATING MEETING**

There shall be one (1) general meeting per year of the Association, which shall also be the Nominating Meeting, and such additional meetings as the welfare of the Association may require.

Thirty-five (35) members shall constitute a quorum for the transaction of all business at general meetings of the Association called by the President, but a lesser number may adjourn a meeting from

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<sup>79</sup> Formerly Sub-Section (F). Former Sub-Section (F) was deleted by resolution of the Board on January 16, 1997. Replaced by resolution of the Board on January 16, 1997. Revised by Resolution of the Board on September 25, 2007.

<sup>80</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>81</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>82</sup> Added by Resolution of the Board on September 25, 2007.

time to time pending attendance of a quorum.<sup>83</sup>

***ARTICLE VII***  
***CONTRACTS, LOANS, CHECKS AND DEPOSITS***

***Section 1. Contracts:***

Except as specifically provided herein, all contracts to which the Association is a party shall be reviewed by the Board prior to execution thereof and no such contract shall be executed unless approved by the majority vote of the Board. The Board may authorize the President or Executive Director to enter into any contract (except purchase contracts which must bear the signature of the President) or to execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances. Notwithstanding the foregoing, a committee (by majority vote of the members of such committee) may, within the scope of the business delegated by the Board to that committee, enter into one or more contracts, provided that no such contract may exceed \$7,500.00 for any calendar year.<sup>84</sup>

***Section 2. Checks and Drafts:***

The Board shall appoint five (5) persons (who shall be either officers or directors of the Association) who may execute all checks, drafts or other order(s) for the payment of money. All promissory notes or other evidence of indebtedness (other than checks, drafts and order for the payment of money) issued in the name of the Association must be approved by a majority of the Board. All checks, drafts or other order(s) for the payment of money, and all notes or other evidence of indebtedness issued in the name of the Association, to be effective, must bear at least two (2) signatures of the five (5) persons appointed as aforesaid by the Board. The Board may, by majority vote, direct that a check, draft, note or other instrument of payment be executed which shall require no further approval or requisition. All checks, drafts or other orders for the payment of money, not previously approved by the Board, shall be issued only upon the written requisition for same signed by at least one (1) member of the Board or the Executive Director, which such Board Member may not also execute the check, draft or other order(s) for the payment of money of the Association.<sup>85</sup>

***Section 3. Deposits:***

All funds of the Association not otherwise employed in the ordinary course of business shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may designate. The moneys of the Association shall be deposited in interest bearing accounts or savings certificates at such banks or depositories as may from time to time be designated by the Board or invested in such bonds, securities or investments as may be authorized by the vote of a majority of the Directors attending any meeting of which a quorum of directors is present and shall be subject to check as designated by the Board. Such income may be deposited, pending disposition, in such checking accounts as the Board may authorize from time to time. Disposition of the principal amount of such deposits

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<sup>83</sup> Revised by Resolution of the Board on January 16, 1997 & October 31, 2000.

<sup>84</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>85</sup> Revised by Resolution of the Board on September 25, 2007.

or investments may be authorized only by the affirmative vote of a majority of the directors at a meeting where a quorum is present. No funds of the Association may be distributed except for the purposes, and subject to the restrictions, set forth in the charter.<sup>86</sup>

***ARTICLE VIII***  
***MEMBERSHIP LEDGER***

The Association shall maintain at its principal office and such other office as the Board<sup>87</sup> may designate, an original or duplicate membership ledger containing the name and address of each member.

***ARTICLE IX***  
***FISCAL YEAR***

The Board<sup>88</sup> shall have the power, from time to time, to fix the fiscal year of the Association by a duly adopted resolution.

***ARTICLE X***  
***SEAL***

***Section 1. Seal:***

The Association seal shall have inscribed thereon the name of the Association, the year of its organization and the words "Corporate Seal" and "Florida." The Board<sup>89</sup> may authorize one or more duplicate seals and provide for the custody thereof.

***Section 2. Affixing Seal:***

Whenever the Association is required to place its seal to a document, it shall be sufficient to meet the requirements of any law, rule or regulation relating to a seal to place the word "SEAL" adjacent to the signature of the person authorized to execute the document on behalf of the Association.

***ARTICLE XI***  
***WAIVER OF NOTICE***

Whenever any notice is required to be given pursuant to the Articles of Incorporation or Bylaws of the Association pursuant to applicable law, 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. Neither the business to be transacted at nor the purpose of any meeting need be set forth in the waiver of notice, unless specifically required by statute. The attendance of any person at any meeting shall constitute a waiver of notice of such meeting, except where such person attends a meeting

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<sup>86</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>87</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>88</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>89</sup> Revised by Resolution of the Board on September 25, 2007.

for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

***ARTICLE XII***  
***AMENDMENT OF BYLAWS***

The Board may, by the affirmative vote of ten (10) Board Members, alter, modify, amend or repeal any Bylaw(s) of the Association or make new Bylaw(s), at a meeting called for that purpose, upon ten (10) days written notification to each member of the Board specifying the contemplated amendment(s). All votes to alter, modify, amend or repeal any Bylaw(s) shall be in writing.<sup>90</sup>

***ARTICLE XIII***  
***NATIONAL ORGANIZATION***

The Board may, annually, by appropriate resolution, elect to be affiliated with a national organization.<sup>91</sup>

***ARTICLE XIV<sup>92</sup>***  
***COMPENSATION AND CONFLICTS OF INTEREST***

***Section 1. Compensation:***

No director or committee member shall receive compensation for acting in such capacity. A director or committee member may be reimbursed, to the extent authorized by the Board or Directors, for reasonable expenses.

***Section 2. Contracts with Directors and Officers:***

No director or officer shall be financially involved, directly or indirectly, in any contract relating to the operations conducted by the Association, nor in any contract for furnishing services or supplies to the Association, unless such contract shall be authorized by the Board, and unless the fact of such involvement first shall have been disclosed fully to the Board.

***Section 3. Limitation:***

No part of the net earnings of the Association shall inure to the benefit of, or be distributable to, its members, officers, directors, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the Association.

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<sup>90</sup> Revised by Resolution of the Board on September 25, 2007.

<sup>91</sup> Revised by Resolution of the Board on January 16, 1997 and September 25, 2007.

<sup>92</sup> Added by Resolution of the Board on September 25, 2007.

**ARTICLE XV<sup>93</sup>**  
**INDEMNIFICATION**

***Section 1. Indemnification In Actions Other Than By or In the Right of the Association:***

The Association shall indemnify, to the fullest extent permitted by law, each director, each officer and each representative who is made or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association), by reason of the fact that he or she is or was a director, officer or representative (or is or was serving at the request of the Association as a director, officer or representative of another entity) against expenses (including, but not limited to, attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, in and of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Association, or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

***Section 2. Indemnification in Actions by or In the Right of the Association:***

The Association shall indemnify, to the fullest extent permitted by law, each director, each officer and each representative who is made a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer or representative of the Association (or is or was serving at the request of the Association as a director, officer or representative of another entity) against expenses (including, but not limited to, attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association. However, no indemnification shall be made in respect of any claim, issue or matter as to which such director, officer or representative shall have been found liable for negligence or misconduct in the performance of his or her duty to the Association unless, and only to the extent, the court in which such action or suit was brought shall determine that in view of all the circumstances of the case, such director or officer is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

***Section 3. Indemnification in Actions by or In the Right of the Association as a Fiduciary:***

The Association shall indemnify, to the fullest extent allowed by law, each director, each officer, employee or representative who is held to be a fiduciary under any employee pension or welfare plan or trust of the Association or any of its divisions and who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was such a fiduciary and was serving as such at the request of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred

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<sup>93</sup> Added by Resolution of the Board on September 25, 2007.

by him or her in connection with such action, suit or proceeding for any breach of any of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 and any amendments thereto, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of such plan or trust, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, in and of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interest of such plan or trust, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. The provisions of all the following paragraphs of this Article relating to directors, officers, employees, agents or representatives shall apply also to directors, officers or employees deemed to be or acting as fiduciaries, specifically including the power of the Association to purchase and maintain insurance on behalf of such fiduciaries.

***Section 4. Determination of Conduct:***

Any indemnification under Sections 1, 2 and 3 of this Article (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, agent or representative is proper in the circumstances because such person has met the applicable standard of conduct set forth in Sections 1, 2 and 3. Such determination shall be made (a) by the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or, even if obtainable but a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

***Section 5. Indemnification Not Exclusive:***

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a director, officer, employee, agent or representative seeking indemnification may be entitled under any statute, provision in the articles of incorporation, bylaws, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, agent or representative and shall inure to the benefit of the heirs, executors and administrators of such a person.

***Section 6. Insurance:***

The Board shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, agent, representative, fiduciary (or is or was serving at the request of the Association as a director, etc. of another entity) against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such.

***ARTICLE XVI<sup>94</sup>***  
***ANTITRUST PROHIBITIONS***

***Section 1. Restrictions:***

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<sup>94</sup> Added by Resolution of the Board on September 25, 2007.

All policies and activities of the Association shall be consistent with applicable federal, state, and local antitrust laws and regulations. Any activities of the Association or related actions of its staff, officers, directors, or members which violate such laws and regulations shall be contrary to Association policy. All Association activities or discussions shall be avoided which might be construed as tending to: a) raise, lower, or stabilize prices; b) regulate production; c) allocate markets; d) encourage boycotts; e) foster unfair trade practices; f) assist in monopolization; or g) in any way violate federal, state, or local trade regulation and antitrust laws.

***Section 2. Disciplinary Action:***

Association members, officers, directors or employees who participate in conduct which the Board, by a two-thirds majority vote, determines to be contrary to the Association's antitrust compliance policy shall be subject to disciplinary action including, but not limited to, expulsion or termination.