

PENNSYLVANIA PALOMINO EXHIBITORS ASSOCIATION
CONSTITUTION AND BY-LAWS

As Adopted by the General Membership January 22, 2000 and Amended February 28, 2002, and December 13, 2004

These By-Laws shall supersede any others previously adopted by this organization

ARTICLE I - NAME, PURPOSE AND INCORPORATION

Section 1: This Association shall be known as the Pennsylvania Palomino Exhibitors Association ("PPEA") an Affiliate Palomino Association (APA) of the Palomino Horse Breeders of America ("PHBA") under whose Constitution and By-Laws we will be governed. It is and shall remain incorporated as a nonprofit organization in accordance with the laws of the State of Pennsylvania.

Section 2: This Association is organized for the purpose of promoting, exhibiting, and improving the Palomino Horse in Pennsylvania through cooperation and collaboration with the Palomino Horse Breeders of America, Inc. (PHBA).

A.) This corporation is organized exclusively for charitable, religious, educational, scientific, and/or agricultural purposes within the meaning of Section 501(c)(3) or 501(c)(5) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law.)

B.) Notwithstanding any other provision of these articles, this corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501(c)(3) or 501(c)(5) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law.)

C.) Upon dissolution or liquidation of this corporation, whether voluntary or involuntary, the net assets of the corporation shall be distributed to one or more educational, charitable, or agricultural organizations exempt from Federal Income Tax under Section 501(c)(3) or 501(c)(5) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law.) The Palomino Horse Breeders of America, Inc. Scholarship Fund, if then eligible, will be given first consideration.

D.) Membership shall be open to residents of all areas of Pennsylvania and other locations as provided in Article II. The primary area for PPEA activities shall be the Western and Central regions of Pennsylvania.

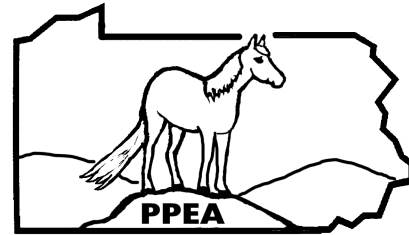
Section 3: The principal place of business of the Association shall be the home of the duly elected Secretary of the Association or at another destination offered by any of the officers.

Section 4: There shall be no capital stock, and in lieu of stock certificates, members shall be provided with a membership card or other written evidence of membership.

Section 5: The Corporate Seal of the Association shall have inscribed thereon the name of the Association and the words "Corporate Seal".

Section 6: The Fiscal year of this Association shall be January 1st to December 31st.

Section 7: The Logo of PPEA shall be as pictured at right and is described as an outline of the State of Pennsylvania enclosing a Palomino Horse standing upon native Pennsylvania hills, horse to be of no particular breed and to be facing the viewer's right in approximately three-quarter view, with the initials PPEA. The PPEA Logo may be rendered in outline form, in grayscale, or in color with the horse to be golden with white mane and tail and the hills to be green.



ARTICLE II - MEMBERSHIP

Section 1: There shall be three categories of PPEA membership: Regular, Youth, and Associate. Members "in good standing" in any of the categories shall be those who have submitted the appropriate membership application(s) and fees for the current year; have paid all monetary obligations owed to PPEA, PHBA, and all other affiliates thereof; and are not under any suspension or other disciplinary action of PPEA, PHBA, and/or any affiliate thereof. All memberships and privileges thereof will expire December 31, except for any Special or Temporary Associate Memberships which may be authorized with shorter terms by the Executive Board under Section (3)(d) .

A.) Applications for membership received on or after October 1 will be applied to the following calendar year.

Section 2: Regular or Youth Membership. All Regular and Youth members of PPEA must be members of PHBA, and shall have indicated PPEA as their primary Affiliate Palomino Association to PHBA. For membership in these categories, applicants shall reside in Pennsylvania, or may reside in another state where there is no other APA chartered by PHBA. Regular or Youth Membership may be obtained by first submitting an application to PHBA at the PHBA Office in Tulsa, Oklahoma. Applicants desiring a Regular or Youth Membership in PPEA shall indicate "PPEA" as their Affiliate Palomino Association on their PHBA application, and remit the annual membership fee imposed by PHBA in accordance with its Constitution and By-Laws.

A.) Regular Members of PPEA shall be over the age limit for PHBA Youth Membership. Regular Members in good standing shall have full rights and privileges of membership including, but not limited to, the right to vote, to hold office, and to participate in all club activities and programs.

B.) Youth members of PPEA must be 18 years of age and younger (based on their age as of December 31 of the previous year). Youth members in good standing shall have full rights and privileges as are granted all members except the right to vote and hold office; and Youth members cannot be counted in computing voting strength of Affiliated State Associations under Article III of the PHBA Constitution and By-Laws. Youth members shall also be members of any PPEA-Y Youth APA.

C.) APA Fee (“Club Dues”) for Regular or Youth Membership. In addition to the initial membership paid to PHBA by membership Applicants, PPEA reserves the right to assess an additional APA Fee (“Club Dues”) for full Regular Membership. The amount of said fee or dues shall not exceed that which is permitted by the PHBA Bylaws and/or the PHBA Standing Rules. The Club Dues and its amount shall be determined annually by PPEA and shall become part of the PPEA Standing Rules each year, and must be paid in full directly to PPEA before a Regular Membership is recognized. An applicant having met only the PHBA membership requirement will not be in good standing as a PPEA member until PPEA Club Dues is also paid.

Section 3: Associate Membership. Those adult or youth persons who are members in good standing of PHBA and another APA (designated as their primary APA), or who are non-members of PHBA but wish to support PPEA, shall be eligible for PPEA Associate Membership. To join PPEA as an Associate Member, applicants shall submit directly to PPEA a written application (including proof of membership in good standing in PHBA and another state Affiliate, if any) and remit their PPEA Associate Membership dues. Associate Members in good standing shall have the right and privilege to participate in all club activities and programs, with the following exceptions:

A.) Associate Members may not hold office in PPEA and shall not have the right to vote, or to make or second motions.

B.) Any non-PHBA member involved with PPEA agrees to be bound by the PHBA Constitution and Bylaws, by its Rules, and by decisions of the PHBA Executive Board and Board of Directors. Non-PHBA members may be excluded from participation in certain PHBA programs, including but not limited to PHBA approved horse shows.

C.) The Associate Membership Dues and its amount shall be determined annually by PPEA and shall become part of the PPEA Standing Rules each year, and must be paid in full before an Associate Membership is recognized by PPEA.

D.) The PPEA Executive Board may authorize Special, Temporary, or Honorary Associate Memberships.

ARTICLE III - MANAGEMENT

Section 1: The PPEA Executive Board shall manage the affairs of the Association. Voting members of the Executive Board shall be composed of the President acting as Chairman, the Vice-President(s), the Secretary, the Treasurer, the immediate Past-President, and three (3) Regional Representatives; who shall be elected by the general membership as provided in these By-Laws. Ex-officio non-voting members of the Executive Board shall be the Show Manager, Show Secretary, Adult Youth Advisor, and all duly appointed or elected Committee Chairs.

A.) At meetings of the Executive Board, only the voting members of the Executive Board may vote and make or second motions. Voting members only shall be counted to determine a quorum, majority, two-thirds, or unanimous decision of the Executive Board. However all members of the Executive Board shall otherwise have equal rights, privileges, and responsibilities regarding Executive Board meetings including but not limited to the right to debate and the duty to attend meetings and/or submit such reports as may be necessary to conduct the Association's business.

Section 2: No Officer or member of the Executive Board shall be personally liable for monetary damages for any action taken or for the failure to take any action, unless said member has breached or failed to perform the duties of his or her office as set forth in the Directors' Liability Act of 1986 (42 Pa. C.S.A. § 8361 et seq.) and such breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness.

Section 3: Attendance and Duties at Meetings. Officers and Executive Board members are expected to attend all duly called meetings, or to notify the Association President or Secretary if unable to do so. Officers and Executive Board members are expected to submit all reports and render all services necessary for the conduct of Association business as required by the position(s) they have accepted.

A.) Any Officer or Executive Board member who in a 12-month period is absent from two (2) or more duly called Membership and/or Executive Board meetings without prior notice and/or reasonable excuse, may be subject to dismissal from office with the vacancy being filled under Article VIII, Section 3.

B.) Any Officer or Executive Board member who fails to submit or make available any written report(s) for which they have responsibility at two (2) or more duly called Membership and/or Executive Board meetings in a 12-month period, or at any other reasonable request of the Officers or Executive Board, may be subject to dismissal from office with the vacancy being filled under Article VIII, Section 3.

Section 4: Finances. Checks and/or other financial documents shall require the co-signature of two (2) Major Officers. An audit committee of at least three (3) Regular members in good standing who do not sign checks, or a disinterested non-member

Accountant, shall be appointed to audit the Association's financial report at the close of each fiscal year.

ARTICLE IV - OFFICERS

Section 1: The major officers of PPEA shall consist of a President, a Vice President, a Secretary, and a Treasurer. The Secretary/Treasurer offices may be combined into one office, and/or the Vice President office may be expanded into First and Second Vice President offices, if duly voted on annually by the PPEA Executive Board or membership.

Section 2: The general membership shall also elect three (3) Regional Representatives; one to be elected from those eligible members residing in each of the Western Region, the Central Region, and the Eastern Region as defined in Section XIV of these By-Laws. No person may serve as a Regional Representative unless they are a bona fide resident of the region they represent. No person may serve as a Regional Representative and a Major Officer at the same time.

Section 3: PPEA also shall elect National Directors and Alternate National Directors (the number of which to be annually determined by PHBA dependent on the Association's membership) and a minimum of three (3) Inspectors. National Directors, Alternates, and Inspectors may simultaneously hold other offices in PPEA, unless otherwise prohibited by these By-Laws or by the PHBA Constitution and By-Laws.

Section 4: All Regular members of PPEA in good standing shall be eligible to serve as officers with the following exceptions/limitations:

A.) No person holding an office in any other PHBA-Chartered APA may hold office in PPEA at the same time. "Office" shall be defined as President, President-Elect, First or Second Vice President, Secretary, Treasurer, Board Member, National Director, or Alternate National Director.

B.) Under the PHBA Constitution and By-Laws a person may serve as a National Director or Alternate National Director for only one (1) APA.

ARTICLE V - DUTIES OF OFFICERS

Section 1: The President shall preside at all meetings of the general membership and the Executive Board. (S)he shall call all meetings through the club Secretary. The President shall have the authority to appoint committees and chairpersons thereof for any subject or reason as (s)he and/or the Executive Board considers necessary, and shall serve as an ex-officio member of all committees. The President may perform other duties from time to time as the membership or Executive Board may require.

Section 2: The Vice President(s) shall perform the duties of the President in his or her absence, illness, or other incapacity. In the the absence of the President and Vice President(s), the Secretary or Treasurer may preside and assume the duties of the President.

Section 3: The Secretary shall keep the membership roll and attest all membership certificates or cards, keep a permanent written record of the minutes of all meetings of the general membership and Executive Board, keep all other records of the Association including a record of all Association property and the location thereof, notify the members and/or Executive Board of all meetings, handle all correspondence pertaining to the Association's business, tally all mail and electronic votes, file all reports and keep all records required by PHBA, file all non-financial reports required by any governmental agency(s), and perform other duties from time to time as the membership or Executive Board may require.

Section 4: The Treasurer shall receive and safely keep all monies belonging to the Association; promptly pay all bills and invoices owed by the Association for its budgeted expenses and/or otherwise dispense Association funds under the direction of the Executive Board or membership, keep books or accounts, submit a written statement of accounts at all meetings, file all financial reports required by any governmental agency(s), render a written proposed budget for the coming year for approval at the Annual Meeting, and render a full written financial accounting for audit at the close of each fiscal year. The Treasurer shall attend all activities of the Association where funds may be collected and/or disbursed, including but not limited to PPEA horse shows; if unable to attend (s)he shall make prior arrangement for the collection and/or disbursement of funds at said activity(s). The Treasurer and/or any other persons handling Association funds may be bonded at the Association's discretion and expense.

Section 5: The Regional Representatives shall represent the interests of members residing in their region, and shall attend all Executive Board and other meetings and assist in the management of the Association.

Section 6. National Directors and/or Alternates, when approved and properly seated by PHBA as provided by the PHBA Constitution and By-Laws, shall represent PPEA on the PHBA Board of Directors at the national level; and may attend the PHBA National Convention, vote, and/or serve as member(s) of PHBA National Committees as provided by the PHBA Constitution and By-Laws and Standing Rules.

Section 7: Inspectors, when properly approved by PHBA, shall be available to inspect Palomino horses and/or perform any other duties as required by the PHBA Constitution and By-Laws and/or Standing Rules.

ARTICLE VII - MEETINGS AND ACTIVITIES

Section 1: PPEA shall have one (1) or more General Membership meeting(s) per year, open to all members in good standing. If one meeting is held it may be the Annual Meeting. Meetings shall be held in different sections of the state, if possible, or in a central location. All members in good standing shall receive notice of General Membership meetings by mail, or, except for the Annual Meeting, by telephone or other electronic means, by posting in a PPEA Newsletter sent to all members in good standing, and/or by posting on a publicly accessible web site maintained by the PPEA. Calls to meetings shall be given no less than 10 days prior to the meeting, except in the case of meetings called in emergency.

Section 2: The Annual Meeting shall be held each year in time for elected officers, directors, and inspectors to be reported to PHBA by the annual deadline date required by PHBA. This Annual Meeting shall be for the Election of Officers, Directors, and Inspectors; for the approval of a proposed Budget for the coming year; for the receiving of the annual reports from Officers, Directors, and Committees; and for other Association business. All members in good standing shall be sent written notice of the time, date, and place of the Annual Meeting by first class U.S. Mail to their last known address no less than 10 days and not more than 40 days prior to the meeting.

Section 3: The Executive Board may hold such meetings as deemed necessary for the conduct of the Association's business between General Meetings. Executive Board members shall receive notice of Executive Board meetings by mail, telephone, or other electronic means no less than 10 days prior to the meeting, except in the case of meetings called in emergency.

Section 4: Quorum. A quorum at a General Membership meeting shall consist of any six voting members in good standing and must include two of the Major Officers as defined in Article IV of these By-Laws, the majority of such quorum shall decide upon any question that shall come before the meeting, unless otherwise provided in these By-Laws. The majority of the voting members of the Executive Board shall constitute a quorum at any meeting, and a majority of such quorum shall decide upon any question that shall come before the meeting, unless otherwise provided in these By-Laws.

Section 5: Voting at Meetings. Regular members in good standing shall be voting members and each shall have one vote when deciding any question that shall come before a membership meeting. At meetings of the Executive Board, each voting Board member shall have one vote.

A.) The Executive Board may vote by mail, provided that each voting Board member shall receive a clear and concise statement, in duplicate, of the subject to be voted upon, and shall attest his or her vote by signing one copy of the statement and returning same to the PPEA Secretary, who shall tally the votes and report the result, with a majority of the voting members of the Executive Board deciding the question.

B.) In the event of an emergency matter (to be defined as a matter requiring a decision by an imminent deadline, or other urgent situation) the voting members of the Executive

Board may vote or be polled by telephone, facsimile, or other electronic means, with a majority of the voting members of the Executive Board deciding the question.

Section 6: The Order of Business at all meetings of PPEA shall be as follows unless otherwise ordered by a majority vote of the those members present:

1. Qualifying members present
2. Call to Order, Declaration of A Quorum
3. Reading of the Minutes of the Previous Meeting
4. Treasurer's Report
5. Notices and Correspondences
6. Report of Committees
7. Unfinished Business
8. New Business
9. Election of Officers (when required)
10. Adjournment

ARTICLE VIII - ELECTIONS

Section 1: At each Annual Meeting all officers, regional representatives, national directors and inspectors shall be nominated and elected for the upcoming year by the members present and reported to PHBA by the annual deadline date required by PHBA. The term of office shall begin January 1st and end December 31st .

Section 2: All voting for officers, regional representatives, national directors and inspectors shall be by secret ballot and a majority shall be required to elect. However, in the event a position is uncontested, a motion may be made, seconded, and duly voted upon by voice vote to elect the nominee by acclamation.

Section 3: In the event of a vacancy in any office, said vacancy shall be filled for the unexpired term by a two-thirds vote of the Executive Board at any meeting in person or by conference telephone call duly called and convened.

Section 4: Term of Office of National Directors, Alternate National Directors, and Inspectors shall begin January 1st and end December 31st or as directed by the PHBA Bylaws and Standing Rules.

ARTICLE IX - AMENDMENT

Section 1: These By-Laws may be amended at any General Membership meeting of the Association provided a quorum is present, by a two-thirds vote of the voting members present at such a meeting; also provided that the time, date, and place of the meeting and the proposed amendments have been presented in writing to all members in good standing of the Association sent by first class U.S. Mail to their last known address no less than 10 days and not more than 40 days prior to the meeting. Amendments shall take

effect immediately upon adoption unless provided otherwise. Amendments are not to conflict with the PHBA Constitution and By-Laws and/or Standing Rules.

ARTICLE X - RULES

Section 1. The Executive Board is responsible for issuing rules for PPEA, which are consistent with these By-Laws. The rules, if any, shall be published by printing in a PPEA Newsletter sent to all members in good standing, and/or by posting on a publicly accessible Internet site maintained by the Association. Bylaws and Rules shall be distributed in writing to any new or existing member upon his or her written request for same.

ARTICLE XI - PARLIAMENTARY AUTHORITY

Section 1: The Parliamentary Authority of the Organization shall be Robert's Rules of Order Newly Revised. Matters not specifically covered in these By-Laws will be governed under the Parliamentary Authority.

ARTICLE XII - SEVERABILITY

Section 1: If any section or part of these By-Laws is held invalid, or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other sections, parts, or applications of these By-Laws.

ARTICLE XIII - DISCIPLINING MEMBERS

Section 1 : Disciplinary procedure for PPEA members shall be carried out in compliance with the By-Laws and Standing Rules of the Palomino Horse Breeders of America (PHBA) and are incorporated into this document by reference. and These rules shall be the procedure used by PPEA for disciplining PPEA members; specifically Violations; Disciplinary Procedure; Suspension; General Notice Procedure; Attorney Fees; Litigation Agreement; except the name of PPEA will be in exchanged for PHBA and the city and county of PPEA's principal place of business shall be substituted for PHBA's office location.

Section 2: Any person who shall accept the privileges extended by PPEA, including participation in any activities, shall be deemed to have given his/her consent of the provisions relating to disciplinary procedures and all other provisions of these By-Laws.

Section 3: If, after due process proceedings before the PPEA Executive Board and/or membership, a PPEA member or non-member is found guilty of willful violation of the PPEA Constitution and Bylaws and/or Standing Rules; or of conduct injurious to PPEA

or its purposes; PPEA reserves the right to discipline, suspend, fine, deny any or all privileges of PPEA membership, and/or expel said member or non-member, and shall report such violations to PHBA.

A.) A member or non-member owing a monetary obligation to PPEA unpaid longer than 30 days, may automatically be suspended from PPEA and/or its activities, and may be denied any or all privileges of PPEA membership until said monetary obligation is paid in full, including the addition of any late fees, returned check charges, and/or other expenses charged to or by PPEA due to the unpaid obligation. This rule shall include as a monetary obligation, the safe return of any PPEA club property held by a member or non-member, or the full monetary value thereof.

B.) Any member or non-member who is suspended or expelled may be denied all privileges of membership or participation in PPEA club-level activities, however for purposes of this rule, such suspension shall not include participation privileges in PHBA-approved horse show classes sponsored by PPEA unless PHBA shall so direct.

Section 4: Any person(s), firms, partnerships, corporations and organizations suspended by PHBA is/are automatically suspended by PPEA, and will so remain until removal from suspension by PHBA.

ARTICLE XIV - REGIONS

Section 1: The following PPEA Regions will apply for the election of Regional Representatives and for other Association business and activities:

WESTERN: (counties) Allegheny, Armstrong, Beaver, Butler, Cambria, Clarion, Crawford, Erie, Fayette, Forest, Greene, Indiana, Jefferson, Lawrence, Mercer, Somerset, Venango, Warren, Washington, Westmoreland

CENTRAL: (counties) Adams, Bedford, Blair, Cameron, Centre, Clearfield, Clinton, Cumberland, Dauphin, Elk, Franklin, Fulton, Huntingdon, Juniata, Lycoming, McKean, Mifflin, Montour, Northumberland, Perry, Potter, Snyder, Union, York, Tioga

EASTERN: (counties) Berks, Bradford, Bucks, Carbon, Chester, Columbia, Delaware, Lackawanna, Lancaster, Lebanon, Lehigh, Luzerne, Monroe, Montgomery, Northampton, Philadelphia, Pike, Schuylkill, Sullivan, Susquehanna, Wayne, Wyoming

ARTICLE XV - YOUTH AND AMATEUR ASSOCIATIONS

Section 1: Any Youth Association (PPEA-Y) or Amateur Association (PPEA-A) organized from within the PPEA membership shall be subject to, and bound by, the Constitution and Bylaws of PHBA, the Constitution and Bylaws of PPEA, and by the Parliamentary Authority(s) of same.