

BYLAWS
of
CORNERSTONE MORGAN HORSE, INC.

ARTICLE I – NAME AND FORMATION

SECTION 1. Formal Name. The name of the Corporation is **Cornerstone Morgan Horse, Inc.** (hereinafter referred to as “Corporation” and “Cornerstone” interchangeably).

SECTION 2. Organization. The Corporation is a non-profit, non-stock corporation as organized under the laws of Maryland and in compliance with §2-104 of the Corporations and Associations Annotated Code of Maryland. The Corporation shall seek tax-exempt status from the Internal Revenue Service and appropriate state agencies (as applicable). Upon granting of the tax-exempt status, the Corporation shall file all documentation as required to retain the tax-exempt status.

SECTION 3. Term. The Corporation began its existence upon the filing on December 15, 2015 of Articles of Incorporation and the acceptance by the Maryland State Department of Assessments and Taxation (hereinafter, “SDAT”) and shall continue until its existence is dissolved pursuant to Article XV of these Bylaws.

ARTICLE II – PURPOSES OF ORGANIZATION

SECTION 1. Purposes. The Corporation is organized exclusively for educational and charitable purposes under §501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code. The Corporation is formed for the following purposes which include, but is not limited to:

- A.** To promote, improve, and perpetuate the Foundation Morgan Horse and High Percent Foundation at the state and national level;
- B.** To encourage those who breed, own, or are interested in the Morgan Horse to advocate for the Foundation Morgan Horse and High Percent Foundation through fellowship, agricultural and equestrian activities, and educational activities;
- C.** To conduct youth and adult educational programs and skill development through sporting events, work, competitions, or breeding;
- D.** To educate members on animal welfare and good husbandry practices as it relates to the traditional uses of the Morgan horse;
- E.** To offer opportunities for grants and continuing education as it relates to the promotion and understanding of the Foundation and High Percent Foundation Morgan horse;
- F.** To preserve the genetic purity of the Foundation Morgan Horse and its original traits and characteristics; and
- G.** For any lawful act or activity for which tax-exempt, non-stock corporations may be organized in the State of Maryland.

Additionally, the Corporation encourages and fosters the fellowship among its members through activities, including but not limited to, Facebook™ communications, listserve (chat room) communications, participation at state and national equestrian events, expos, competitions, and conventions, and other programs to horses.

SECTION 2. Individuals Benefiting from Purposes. The Corporation is organized to serve individuals, adults and children, throughout the United States and internationally who are interesting in the preservation of the Foundation Morgan and High Percent Foundation breed (also referred to as the “traditional Morgan.”) The Corporation does not discriminate on the basis of race, color, gender, creed, nationality, or religious belief.

ARTICLE III – MANAGEMENT

SECTION 1. Principal Business Office. The principal business office is established by the Articles of Incorporation and may change locations from time to time, but shall remain in the State of Maryland. If the principal business office is relocated from the address on record, the Directors shall notify SDAT of the relocation. Should the principal business office be relocated outside the State of Maryland, the Corporation shall register its location with the appropriate State agency as a “foreign corporation.”

SECTION 2. Scope and Location of Activities. The Corporation conducts programs and events that fosters, promotes, preserves, and honors the history, image, and progeny of the Foundation Morgan Horse. Members of the organization will participate in events state-wide and nationally.

SECTION 3. Management. The Corporation shall be managed by the Board of Directors as provided by these Bylaws. Except as otherwise provided in these Bylaws or Articles of Incorporation, no Director or Officer shall have the right to act for and/or bind the Corporation in the ordinary course of business.

SECTION 4. Staff. The Board of Directors is authorized, but not required, to employ such staff members as deemed necessary to manage the operations and fulfill the purposes of the Corporation. The Corporation is authorized to offer positions as a volunteer, a paid or unpaid intern, contractual or independent contractor, or permanent or casual employees in accordance with Corporation guidelines and policies. The Corporation is responsible for all employer withholding taxes and workers compensation fees as may be applicable.

ARTICLE IV – MEMBERS

SECTION 1. Incorporating Member. The incorporating Member of the Corporation, as designated in the Articles of Incorporation, is Megan M. Vogel, a Maryland resident and Treasurer of the Corporation.

SECTION 2. Classification and Qualifications of Membership. Membership is open to anyone who breeds, owns, or admires Foundation bred and high-percentage Foundation bred Morgan horses. Membership in the American Morgan Horse Association is not required, and members do not need to own a Morgan horse. Without regard to race, color, gender, creed, nationality, or religious belief, the membership shall be composed of the following classifications:

- A. Individual:** Open to anyone eighteen (18) years of age or older.
- B. Family:** Open to any household composed of any combination of adult and child(ren).
- C. Youth:** Open to anyone under the age of eighteen (18) years of age.

SECTION 3. Term of Membership. Membership shall coincide with the fiscal year of the Corporation (January 1 through December 31). Renewal notices will be sent by electronic mail. Renewals must be received no later than February 1 of each calendar year.

SECTION 4. Annual Dues. All members are required to pay dues. Under no circumstances will dues be pro-rated if a member joins mid-year. Dues are non-refundable.

- A. **Individual:** Twenty-five dollars (\$25.00) annually.
- B. **Family:** Thirty-five dollars (\$35.00) annually.
- C. **Youth:** Ten dollars (\$10.00) annually.

SECTION 5. Membership Benefits.

- A. **Programs & Activities:** Every member is entitled to fully participate in the programs and activities offered by Cornerstone, including but not limited to:
 - a. Members-only chat lists (list-serve)
 - b. Quarterly newsletter
 - c. Discounted group advertising opportunities
 - d. Network with like-minded individuals
 - e. Opportunity to learn more about and promote Foundation and High Percentage Foundation Morgan horses
- B. **Voting:** Members must be over the age of eighteen (18) years to cast a vote. Members are entitled to vote at the General Membership Meeting for the election of Directors and Officers and approval of year-end reports. Voting rights for each category follows:
 - a. **Individual:** one vote
 - b. **Family:** one vote
 - c. **Youth:** no vote
- C. **Holding Office:** Adult members who are in good standing (i.e. have paid their membership dues, are in compliance with all rules and regulations, and owe no money to Cornerstone) may be elected to the boards of directors.

ARTICLE V – BOARD OF DIRECTORS

SECTION 1. Number of Directors. The number of directors of the Corporation shall be no less than three (3), but limited to nine (9), unless increased or decreased through amending these Bylaws. The individuals who shall act until the first meeting or until their successors are duly chosen and qualified are: Kathleen Fisher, Wendy LeGate, Helga Loncosky, Pam McDermott, Susan Suber, Henry Tarryk, Megan Vogel, and Cheryl Yelle.

SECTION 2. Composition of Board. The Board of Directors, elected from the membership of Members at the Annual Meeting, shall be comprised of the following positions:

- A. **Officers:** President, Vice President, Secretary, and Treasurer.
- B. **At-Large Directors:** five positions (including Past President).

SECTION 3. Term of Directors. Terms of directors shall be staggered so that approximately half of the directors are eligible for election one year, and the other half are eligible for election the following year. The initial staggering of elections shall elect half the board for a one year term, and the other half for a two year term.

Term Ending 12/31/17	Term Ending 12/31/16
Pam McDermott	Cheryl Yelle
Helga Loncosky	Wendy LeGate
Kathleen Fisher	Susan Suber
Megal Vogel	Henry Tarryk

The following election year (2016), the one-year term directors will be eligible, if nominated, to be elected for a two-year term, establishing the staggered years of elections. Directors shall serve in their elected capacity until such time they vacate their position, choose not to accept an additional nomination for election to the board, or not elected by the membership to serve on the board. There are no pre-determined term limits.

SECTION 4. Vacancies. Upon the death, dismissal, removal, voluntary resignation or any other cause of disqualification of any Director, the remaining Directors may appoint a qualified successor to serve until a Director can be duly elected at the next General Membership meeting. If there are no remaining Directors, the Corporation shall dissolve and the procedure for terminating the Corporation and winding up business of the Corporation shall be in accordance with Article XV, "Termination of Corporation," of these Bylaws.

SECTION 5. Attendance. Directors are required to attend all business meetings of the Corporation unless circumstances warrant otherwise. A Director who misses three (3) or more meetings within a fiscal year, which are unexcused, shall be dismissed and replaced by the Board of Directors.

Section 6. Dismissal of a Director. The President, upon the approval of the Executive Committee, shall have the authority to remove a member from the Board based upon a demonstrated failure to contribute adequately to the purpose or activities of the Corporation whether by poor attendance or for any other reason, and request that the Board nominate and approve a member to complete the unexpired term of the removed Director.

SECTION 7. Compensation of Directors. Directors shall serve without compensation, except that a reasonable fee may be paid to directors for attending regular and special meetings of the Board, if so approved by the entire Board. Any payments to Directors shall be approved in advance in accordance with the Corporation's "Conflict of Interest" policy, as set forth in these Bylaws.

SECTION 8. Compensation Arrangements. Compensation must be approved in writing and in advance of any payment by the Board of Directors. A record of compensation disbursement and the source of information upon which the compensation is based shall be retained in the corporate records of the Corporation. The Corporation shall endeavor to obtain information about compensation paid by similarly situated tax-exempt organizations for similar services or other reliable information prior to approval of compensation. It is the responsibility of each Director to report such compensation to the appropriate taxing authorities.

SECTION 9. Conduct of Directors/"Conflict of Interest" Policy. The Directors of the Corporation shall conduct themselves in accordance with Article VI, "Rights and Duties of Directors," of these Bylaws. A "Conflict of Interest" policy shall be adopted by resolution by the Directors of the Corporation. The policy shall provide the procedures by which the Corporation shall assure that the setting of compensation,

management of business affairs, and contract negotiations shall not compromise the purposes for which the Corporation has been formed or the manner in which the business operations of the Corporation are conducted.

ARTICLE VI – RIGHTS AND DUTIES OF DIRECTORS

SECTION 1. Standard of Conduct. At all times, the Directors of the Corporation and all persons serving in the capacity as a Director, Advisor, Agent, or Representative of the Corporation (referred to here in this Article as “Director”) are to conduct their activities and themselves by the corporate standards of the duties of care and loyalty; to act in good faith, perform their duties with diligence and honesty, and share in the responsibility to act in the best interests of the Corporation.

SECTION 2. Duty of Care. The Duty of Care requires a Director to exercise independent judgment, to be informed, to delegate responsibly when working with Cornerstone directors, representatives, volunteers, employees, and other agents of the Corporation, and to adopt policies and procedures to ensure the management of the Corporation fulfills its purposes and obligations as a non-profit organization.

A. Rights – The Director has the right to be informed, and to the extent that the Directors manage the affairs of the Corporation, should, whenever possible, obtain additional information from professional and independent resources in performing the task of decision-making.

B. Responsibilities – The Director has the responsibility to be informed. The Director is required **(1)** to attend all meetings of the Corporation, **(2)** to communicate openly with the other Directors of the Corporation, **(3)** to supervise such duties as are appropriate of employees, volunteers, and other agents of the Corporation, and **(4)** to adopt policies and procedures that serve the Corporation’s best interest.

SECTION 3. Duty of Loyalty. The Duty of Loyalty requires a Director to exercise his/her powers in good faith and solely for the best interests of the Corporation. A Director is prohibited from using their corporate position for individual personal advantage.

A. Rights – The Director has the right to **(1)** access management, **(2)** review corporate books, records and minutes of all meetings, **(3)** receive notice of meetings, and **(4)** to express dissent.

B. Responsibilities – The Director has the responsibility to **(1)** maintain the confidentiality of the Corporation’s affairs, **(2)** avoid conflicts of interest, and **(3)** fully disclose to the Corporation material facts regarding any transactions that may result in a breach of the Director’s duty of loyalty.

SECTION 4. Duty of Confidentiality. The Duty of Confidentiality requires any person directly or indirectly involved in the management of the Corporation to refrain from disclosing matters which may be considered privileged, proprietary, and/or a private matter of the Corporation. As it relates to the Duty of Care and Loyalty, the Duty of Confidentiality requires that a Director refrain from “gossiping” or disseminating information that reflects poorly upon the Corporation or any of its individual Members. However, this does not prevent an individual from reporting a violation of fiduciary trust, a failure to act, or an act of fraud which would be considered contradictory to corporate responsibility or which could potentially be harmful to a person or persons’ physical, mental, or emotional wellbeing.

ARTICLE VII – OFFICERS DUTIES AND RESPONSIBILITIES

SECTION 1. Term of Office. All offices, except for that of Past President, shall be for a term of two (2). A Director may hold a position of Officer until such time another Director is elected to fill that position. The duly elected Board of Governors shall select their Officers immediately following the Annual Meeting of Members.

SECTION 2. President – Duties and Responsibilities. The President shall be the Chief Executive Officer of the Corporation and Chairman of the Board of Directors. Furthermore,

- a) The President shall conduct the affairs of the Corporation in accordance with these Bylaws and the policies promulgated by the Board of the Corporation using best business practices.
- b) The President shall serve as one of the two moderators for the list-serve (chats), or so delegate this responsibility to another Director of the Board.
- c) Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he/she shall, in the name of the Corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.
- d) The President shall preside over all meetings of the Corporation; in his/her absence, the Vice President shall preside over the meeting.
- e) The President shall prepare an agenda for each meeting, consulting with all committee chairpersons and other personnel to ensure matters of Cornerstone concerns are discussed and acted upon.
- f) The President shall solicit reports from the Treasurer and other committee chairpersons for distribution to the Board of Directors prior to each meeting. Such materials shall be given to the Secretary for distribution.
- g) The President shall approve all bills before payment is made by the Treasurer, and may also serve as a back-up signatory to checks issued by the Corporation.
- h) The President shall serve as an ex-officio member of all committees, except the Nominating Committee.
- i) The President shall prepare an Annual Report of Corporation business for the Annual Membership Meeting.
- j) In general, perform all duties incident to the office of President and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him/her from time to time by the Board of Directors.

SECTION 3. Past President – Duties and Responsibilities.

- a) The outgoing President shall serve as the Past President of the Board, if re-elected to the Board, but not as an Officer. The Past President shall be a voting member of the Board if re-elected as a Board Director. However, if not re-elected as a Board Director, the Past President shall serve in an advisory position without voting privileges.
- b) The Past President will assist the Corporation with the transfer of historic and institutional knowledge to the current President.
- c) The Past President shall lend their expertise as to the operations of the Board in accordance with these Bylaws and the policies promulgated by the Board of Directors.

SECTION 4. Vice President – Duties and Responsibilities.

- a) The Vice President shall assume the duties of the President in the event of his/her absence.
- b) In the event of a vacancy occurring in the office of the President, the Vice President shall serve as the President until the next Annual Membership Meeting.
- c) The Vice President may also serve as a back-up signatory to checks issued by the Corporation, if so delegated by the President.
- d) The Vice President shall serve as one of the two moderators for the list-serve (chats).
- e) The Vice President shall perform such duties as assigned by the President as needed.

SECTION 5. Secretary – Duties and Responsibilities. The Secretary shall be the custodian of all records, documents, and other corporate property of the Corporation. The Secretary shall:

- a) Serve as the Liaison with the American Morgan Horse Association (AMHA).
- b) Certify and archive the original, or a copy, of these Bylaws as amended or otherwise altered to date.
- c) Archive and keep at the principal office of the Corporation or at such other place as the Board may determine, minutes of all meetings of the Board of Directors, and, if applicable, meetings of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.
- d) Ensure that the minutes of meetings of the Corporation, any written consents approving action taken without a meeting, and any supporting documents pertaining to meetings, minutes, and consents shall be contemporaneously recorded in the corporate records of this corporation. "Contemporaneously" in this context means that the minutes, consents, and supporting documents shall be recorded in the records of this corporation by the later of **(1)** the next meeting of the Board or committee for which the minutes, consents, or supporting documents are being recorded, or **(2)** sixty (60) days after the date of the meeting or written consent.
- e) See that all notices of meetings are provided to the Directors no less than five (5) business days prior to the meeting date; providing all meeting materials to the Directors with such notice.
- f) See that all notices of the Annual Membership Meeting are provided to the members no more than sixty (60) days, but no less than twenty (20) days prior to the meeting giving notification of the date, location and time of said meeting and how such meeting shall be held (electronically or otherwise).
- g) Exhibit at all reasonable times to any Director of the Corporation, or to his or her agent or attorney, on request therefore, the Bylaws and the minutes of the proceedings of the Directors of the Corporation.
- h) Provide acknowledgement letters to donors for donations received by and for the Corporation.
- i) In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him/her from time to time by the Board of Directors.
- j) Upon expiration of his/her term of office, the Secretary shall deliver all records, documents, and other Corporation property to his/her successor via electronic archiving as established by Cornerstone.

SECTION 6. Treasurer – Duties and Responsibilities. The Corporation may enlist the services of outside professionals, such as a bookkeeper, tax accountant or certified public accountant, to assist the Treasurer in his/her duties. The Treasurer shall be the Chief Financial Officer of the Corporation. The Treasurer shall:

- a) Have charge and custody of, and be responsible for, all funds and securities of the Corporation, and deposit all such funds in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.
- b) Receive, and give receipt for, monies due and payable to the Corporation from any source whatsoever.
- c) Disburse, or cause to be disbursed, the funds of the Corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.
- d) Be the primary signatory of all checks or negotiable instruments on behalf of the Corporation. All checks covering disbursements of the Corporation shall be signed by the Treasurer and/or President.
- e) Keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.
- f) Exhibit at all reasonable times the books of account and financial records to any Director of the Corporation, or to his or her agent or attorney, on request therefor.
- g) Render to the President and Directors, whenever requested, an account of any or all of his/her transactions as Treasurer and of the financial condition of the Corporation.
- h) Prepare, or cause to be prepared, to certify or cause to be certified, the financial statements to be included in any required reports, such as those for tax returns or informational returns as required by the State or Federal governments or other taxing or regulatory agencies, such as SDAT.
- i) Prepare financial reports for meetings of the Board of Directors. Financial reports should be provided to the Secretary in a timely manner for distribution prior to each meeting. Financial reports for the Annual Meeting shall be duly audited under the direction of the designated accountant or by other acceptable means of standard accounting procedures.
- j) Serve as Chair of the Budget Committee.
- k) Be responsible for annual financial reviews of the Budget Committee; and in the event the accounts of Cornerstone exceed \$25,000.00 arrange for an audit of the financial records of the Corporation by a certified public accountant.
- l) In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him/her from time to time by the Board of Directors.

ARTICLE VIII – COMMITTEES

SECTION 1. Committees. The Board of Directors shall operate through a committee process through standing and special committees as agreed upon by the Board. These committees are working committees and operate to further the purposes of the Corporation. All committees shall be appointed by the Board of Directors for a period of one year, or less if sooner terminated by the action of the Board of Directors.

A. Committee Chairperson. The President shall designate the committee chairperson, except for the Budget Committee. Only Board members may act as chair of any committee. The Committee Chairperson shall be responsible for the management of its committee meetings and dissemination of information to the full Board.

B. Executive Committee. There shall be an Executive Committee consisting of the President, Vice President, Secretary and Treasurer. During the intervals between the meetings of the Corporation, the Executive Committee shall be authorized to act for the Corporation unless otherwise stated in these Bylaws. The Executive Committee shall have the authority to act on business matters of an emergency nature. All members must be present for meetings and there shall be no proxy or substitutes on this committee. Responsibilities of the Executive Committee shall include, but are not limited to:

- 1) Exercise control and management over the activities and funds of the Corporation;
- 2) Evaluate program activities for consistency with the mission of the Corporation;
- 3) Create the policies and procedures of the Corporation; and
- 4) Periodically review Bylaws and other policies and practices of the Corporation.

C. Composition of Committees. Members of a committee shall consist of Directors of the Corporation and may include, as permitted by these Bylaws, individuals from the general membership who desire to assist the Corporation in the development of its programs and activities.

D. Committee Activities. All activities of any committee shall be validated by a vote of the Board of Directors. No committee has the authority to act for or bind the Corporation in the conduct of its ordinary course of business.

SECTION 2. Standing Committees. A standing committee is a permanent committee appointed to deal with a specific subject matter. The President shall serve as an *ad hoc* ("non-voting") member on all committees.

- A. Budget Committee.** No more than three Board members shall serve on this committee. The Treasurer of the Board shall serve as the Chairperson of this committee. Only members of the Board shall be appointed to this committee. The committee shall be responsible for developing an annual operating budget that accounts for routine operating expenses to execute planned program activities and functions to be approved by the full Board of Directors. The committee will evaluate Cornerstone's budget, upcoming financial needs and overall financial health on a quarterly basis, or more often if necessary. The committee will make recommendations to the Board in reference to financial planning and fiscal management. The committee will review all bids for goods and services per the policy and procedures established by the Board of Directors. The Committee shall also be responsible for soliciting external audits of the Corporation's finances, in keeping with acceptable standards of accounting for tax-exempt (educational & charitable) organizations.
- B. Membership Committee.** The Membership Director shall chair this committee. The chair shall solicit up to three (3) additional members for this committee, including one (1) non-board member. This committee is charged with the mission to promote and increase membership in Cornerstone and evaluate and/or enhance membership benefits. All membership activities shall be conducted pursuant to the policy and procedures established by the Board of Directors.
- C. Program Committee (events, programs, promotion, and advertising).** This committee shall solicit ideas from the membership for mutually beneficial events and programs. Such programs shall be educational in nature promoting the history of the Foundation Morgan Horse. Additionally, the Committee shall disseminate information through in-person seminars, webinars, or written documents on the traits and characteristics of the breed, as well as, animal welfare issues and

good husbandry practices for the horse. The Committee shall conduct no less than one (1) program annually that is available to both members and non-members.

- D. Grants Committee.** The Grants Committee is responsible for developing, disseminating, and recommending disbursement of grant funds based on the policies of the Corporation. Monetary grants are available to adult and youth Cornerstone members seeking assistance for participation in exhibiting a Foundation Morgan horse, or in the promotion or education of others on the history, attributes and uses of Foundation Morgan horses, or in skill development of horsemanship, or in animal welfare education.
- E. Communications Committee (newsletter).** The Communications Committee is responsible for soliciting, collecting, and publishing articles relevant to the mission and purpose of the Corporation in a quarterly newsletter (digital and/or hard copy) for the benefit of the Members. The Committee is also responsible for soliciting and procuring paid advertisement to cover the publication expenses.

SECTION 3. Special Committees. Committees for short-term purposes may be established by the Board of Directors upon the recommendation of the President. No more than three (3) Board members shall serve on a special committee.

A. Nominating Committee. No less than three and no more than five members shall serve on this committee. The President shall not be a member of this committee; however, the Past may be a member of this committee. The purpose of the committee is to bring forward for nomination **(1)** the names of members to serve on the Board of Directors, and **(2)** the names of (Board) members to serve as Officers of the Board.

The committee should solicit members of the Board (or those members they are soliciting to serve on the Board of Directors) to voluntarily serve in the leadership roles of President, Vice President, Secretary, and Treasurer. The committee shall endeavor to identify those leadership skills and attributes desirable in a leader prior to soliciting individuals to serve in a leadership position.

The Committee, along with the Executive Committee, shall establish the nomination period whereby members may submit their names or the names of other members for consideration for a position on the Board of Directors. The membership shall be notified of the opening and deadline dates for the nomination period, no less than two (2) weeks prior to the opening date of the nomination period.

No less than two (2) weeks prior to the deadline of the nomination period, the Chair shall forward the slate of nominees for Directors and Officers as selected by the Nomination Committee to the current Board of Directors.

ARTICLE IX – MEETINGS

SECTION 1. Annual Meeting

- A. Notice of the Annual Meeting.** Notice of the Annual Meeting may be provided in a written format sent through the U.S. Mail or through electronic communication. Notice of the meeting shall provide the date, time, location and purpose of the meeting (election of Directors and Officers and approval of year-end reports). The Annual Meeting date and time shall also be posted to the Corporation's website viewable to all members and the general public.

- B. Annual Meeting.** The Annual Meeting shall be held no later than the third Saturday in the month of December. Members must be “present” for the Annual Meeting, no proxies or substitutes. The Secretary shall be responsible for confirming those present at the Annual Meeting are members in good standing and eligible to participate.
- C. Election of Board of Directors.** No less than two (2) weeks prior to the Annual Meeting, the Secretary shall forward the slate of nominees for Directors and Officers as selected by the Nomination Committee. Nominations from the meeting floor shall also be considered. The general membership shall vote on the slate as presented, with any additions from the floor.
- D. Special Meetings.** Special meetings of the membership may be held throughout the year for the purpose of managing the affairs of the Corporation. The Secretary shall notify the general membership via telephone, fax, email, or text indicating the time, location and subject of the meeting. Notification by US Mail shall be acceptable providing the notice is mailed no less than ten (10) days in advance of a special meeting.
- E. Conduct, Quorum, and Voting.** All meetings of the general membership shall be conducted under general order of business using an agenda. A quorum of no less than two-thirds (2/3) of current members in good standing *and present at the Annual Meeting* is required for the purpose of voting on matters of corporate affairs. The Secretary shall be responsible for noting the method and outcome of all voting. Elections may be held by voice affirmation, paper ballot, or electronic ballot (either a polling method such as “Doodle Poll” or email communication).

SECTION 2. Board of Director Meetings

- A. Notice of Meetings.** Notice of a meeting may be provided in a written format sent through the U.S. Mail or through electronic communication. Notice may also be given orally upon the consent of all Directors. Notice of a meeting shall provide the date, time, location and purpose of the meeting.
- B. Regular Meeting.** Regular meetings of the Board of Directors shall be held monthly unless otherwise postponed, delayed, or rescheduled at a previous meeting and approved by the Directors. The purpose of these meetings shall be to review financial records and other transactions and to discuss those matters properly brought before the Board. Meetings of the Board of Directors are open to the general membership unless matters of confidentiality are presented for discussion. Any closed sessions conducted for purposes of confidential matters shall be held in accordance with those policies as set forth by the Board of Directors. All actions taken by the Board of Directors shall be made in an open meeting. Directors will be notified electronically with monthly updates of business affairs, including but not limited to, a monthly financial statement.
- C. Special Meetings.** Special meetings of the Board of Directors may be called by the President or by written request of two or more Directors. Directors are to receive as much advance notice as possible as to the subject matter, location, date, and time of such meetings.
- D. Conduct and Quorum.** All meetings of the Board of Directors shall be conducted under general order of business using an agenda. A quorum of no less than two-thirds (2/3) of Directors is required for the purpose of conducting meetings and for voting on matters of corporate affairs.

- E. Voting.** Voting may be made by (1) show of hands, (2) voice, (3) paper ballot, or (4) electronic communication. The Secretary shall be responsible for noting the method and outcome of all voting.

ARTICLE X - FINANCES

SECTION 1. Fiscal Year. The fiscal year of the Corporation shall begin January 1 and end December 31 of each year.

SECTION 2. Funding. The Corporation shall solicit, raise, receive and manage funds as required to conduct such programs and activities in accordance with the Corporation's mission, purposes, and applicable laws. Any and all unrelated business income shall be duly reported in accordance with IRS regulations and/or other State laws. "Unrelated business income" is recognized as income from a trade or business, regularly carried on, that is not substantially related to the charitable purpose that is the basis of the Corporation's tax-exempt status.

SECTION 3. Audits. The records and finances of the Corporation shall be audited as directed by the Board of Directors any year the gross receipts exceed \$25,000. Results of audits shall be made available to the Members at the Annual Meeting of the Corporation.

SECTION 4. Accounts. Funds of the organization will be:

- a) Deposited in a bank or similar institution designated by the Board of Directors.
- b) Separated into accounts as directed by the Board of Directors.
- c) Expended by the President and/or Treasurer, without further authorization from the Board of Directors, in accordance with the approved annual operating budget.

SECTION 5. Transactions. "Ordinary course of business" means that which is normally done in managing and operating a business in the same or similar industry, included but not limited to, the power to execute for and on behalf of the Corporation any and all documents and instruments. Bills, claims, and expenditures of the Corporation of \$999.99 or less shall be considered transactions within the ordinary course of business and shall be approved and paid by using checks or electronic means by the President without further authorization from the Board of Directors. Under no circumstances will any transaction involving amounts greater than \$1,000.00 be considered within the ordinary course of business. Such transactions shall be approved by a majority vote of the Board of Directors prior to payment made by the President or Treasurer by check or electronic means.

SECTION 6. Contracts. Contracts entered into by and for the benefit of the Corporation shall be approved by a majority vote of the Board of Directors and attested to by the Secretary.

ARTICLE XI – LIABILITY AND INDEMNIFICATION

SECTION 1. Liability. The Directors shall not be held personally liable for the debts, liabilities, or other obligations of the Corporation.

SECTION 2. Indemnification of Directors. The Corporation shall indemnify (reimburse) each Director for any act or omission the Director performs or omits with respect to Corporation matters, unless the act or

omission involves fraud, gross negligence, or an intentional breach of the Bylaws and Policies of the Corporation. Indemnification may be funded by a separate corporate account designated for the express purpose of indemnifying officers and directors, or by purchase of Directors & Officers Insurance with an independent insurance carrier.

The Board of Directors shall authorize indemnification of a Director or Officer for losses or advancement of defense costs in the event an insured suffer such a loss as a result of a legal action brought for alleged wrongful acts in their capacity as a director or officer. Such coverage may not extend for fraud, gross negligence or intentional illegal acts.

ARTICLE XII – FUNDRAISING ACTIVITIES

SECTION 1. Purpose. All fundraising activities of the Corporation shall be solely and exclusively for generating revenues for the operation of the Corporation in fulfilling its purposes in accordance with these Bylaws and the Articles of Incorporation.

SECTION 2. Methods. Methods in which fundraising activities may be conducted include, but are not limited to, **(a)** direct mailings (online or via postal services), **(b)** email or other electronic solicitations, restricted to authorized email addresses only, **(c)** personal solicitations, **(d)** phone solicitations, and **(e)** acceptance of donations directly or via the Corporation’s website. Unsolicited donations may also be accepted from individuals and organizations wishing to assist the Corporation in its work. Donations may be monetary or in-kind. Acknowledgement of donations shall be made by letter, providing the donor with the Corporation’s EIN for tax-deduction purposes.

SECTION 3. Limitations. The Corporation shall not engage in fundraising activities for other organizations. The Corporation also shall not engage the services of professional solicitors or organizations for the purposes of raising funds for the Corporation.

ARTICLE XIII – POLITICAL ACTIVITIES

SECTION 1. Authorized Activities. Pursuant to §501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, the Corporation is limited in those activities which promotes public policy issues. The Corporation shall limit any activities which are political or legislative in nature to the following activities:

- A.** The Corporation may conduct educational meetings in a neutral and unbiased manner regarding public policy issues which would be considered important to those individuals interested in the activities of the Corporation;
- B.** The Corporation may conduct candidate educational meetings only if all candidates running for office are invited to attend such a meeting for the purpose of engaging in a balanced informational forum; and
- C.** Directors may assist in local voter registration drives in a neutral and unobtrusive manner.

SECTION 2. Unauthorized Activities. Pursuant to §501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, the Corporation shall not engage in the following political or legislative activities:

- A.** Any activity that directly or indirectly attempts to influence pending or proposed legislation in any federal, state, or local jurisdiction;

- B. Any activity that is or may be perceived as lobbying of any federal, state, or local government official; and
- C. Any activity that is directly or indirectly organized and operated for the purpose of contributing funding to any legislative or judiciary candidate or incumbent.

ARTICLE XIV – AMENDMENTS

SECTION 1. Amending Bylaws. The Board of Directors shall have the power and authority to amend, alter, or repeal these Bylaws or any provision as deemed necessary from time to time, so long as it does not materially alter Article 2 of these Bylaws. A vote by the general membership is not required for amending these Bylaws.

ARTICLE XV – TERMINATION OF CORPORATION

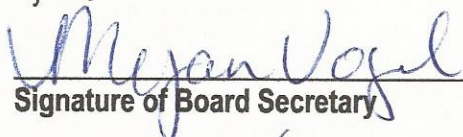
SECTION 1. Events of Dissolution. The Corporation may be dissolved upon (1) the unanimous written agreement of the Directors, (2) involuntarily due to insolvency or bankruptcy of the Corporation, or (3) upon the death of the sole remaining Director of the Corporation.

SECTION 2. Procedure for Winding up and Dissolution.

- A. **Winding Up.** If the Corporation is dissolved, the remaining Directors shall wind up its affairs. On winding up of the Corporation affairs, the assets of the Corporation shall be distributed, first, to creditors of the Corporation, remaining assets to be distributed pursuant to the tax-exempt nature of the Corporation.
- B. **Disbursement of Assets.** The Corporation may pre-determine to which organization or organizations, similarly organized and operating exclusively for such purposes as the Corporation, the remaining assets shall be distributed. If the Corporation does not designate an organization or organizations which qualify within the meaning of §501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, the remaining assets of the Corporation shall be distributed of the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

SECTION 3. Filing of Articles of Dissolution. If the Corporation is dissolved, the Directors shall promptly file the Articles of Dissolution with SDAT. If there are no remaining Directors, the Articles shall be filed by the last Person to be a member; if there are no remaining Directors or Persons who last were Directors, the legal or personal representative of the Person who last was a Member shall file the Articles.

RESOLVED and APPROVED by the Board of Directors this 1st day of June, 2016 witnessed by the Secretary of the Board of Directors that these Bylaws replace any previous versions of Bylaws:



Signature of Board Secretary

Megan Vogel

(printed name)

(printed name)