

BY-LAWS
OF
ATLANTIC REINED COW HORSE ASSOCIATION, INC.,
A PENNSYLVANIA NONPROFIT CORPORATION

ARTICLE I - NAME

Section 1. The name by which the Corporation shall be known is "Atlantic Reined Cow Horse Association, Inc." and may be referred to in these By-Laws as "ARCHA" or the "Association". The Corporation has been formed under the Pennsylvania Nonprofit Corporation Act, 15 Pa.C.S.A. §5306. Articles of Incorporation were filed with the Pennsylvania Department of State on March 25, 2020, as Entity Number 7039486.

ARTICLE II – PURPOSES

Section 1. The Corporation shall be organized and operated for the following purposes:

- A. The Atlantic Reined Cow Horse Association, Inc., is organized exclusively for charitable, eleemosynary, educational, civic, benevolent, and public service purposes, including, and specifically limited to, such activities as are permitted organizations established in compliance with 26 U.S.C. Section 501(c)(3) or any amendment, recodification, or replacement thereof within the United States Internal Revenue Code. In furtherance of these purposes, Atlantic Reined Cow Horse Association, Inc., is specifically incorporated to:
- 1) To promote interest in and to preserve the traditions of the reined cow horse; and
 - 2) Solicit and receive funds from fund-raising activities and private donations from individuals, corporations, other charitable organizations, business organizations and other sources of support, so long as none of these receipts places it in jeopardy of not qualifying as a tax-exempt organization to which tax-deductible contributions may be made under the statutes and regulations of the United States and the Commonwealth of Pennsylvania; and
 - 3) Undertake any and all other activities consistent with its stated purposes.
- B. No part of any net earnings of Atlantic Reined Cow Horse Association, Inc., a Pennsylvania Nonprofit Corporation, shall inure to the benefit of, or be distributable, to, its members, directors, officers or other private persons, except that Atlantic Reined Cow Horse Association, Inc., a Pennsylvania Nonprofit Corporation, shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of 26 U.S.C. Section 501(c)(3) purposes. No substantial part of the activities of Atlantic Reined Cow Horse Association, Inc., a Pennsylvania Nonprofit Corporation, shall be the carrying on of propaganda, or otherwise attempting to influence legislation and Atlantic Reined Cow Horse Association, Inc., a Pennsylvania Nonprofit Corporation, shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.
- C. Notwithstanding any other provisions of these By-Laws or the Certificate of Incorporation, Atlantic Reined Cow Horse Association, Inc., a Pennsylvania Nonprofit Corporation, shall not carry on any other activities not permitted to be carried on
- 1) by a corporation/organization exempt from Federal income tax under Section 170(c)(2) of the Internal Revenue Code (or corresponding section of any future Federal tax code) or
 - 2) by a corporation/organization, contributions to which are deductible under Section

501(c)(3) of the Internal Revenue Code (or corresponding section of any future Federal tax code).

ARTICLE III – MEMBERSHIP

Section 1. Membership is open to any individual that has an interest in reined cow horses and the promotion of the reined cow horse. Membership classes are single and family and any other class the Board of Directors may approve.

Section 2. Members shall be admitted and retained in accordance with the rules and regulations of the Atlantic Reined Cow Horse Association.

Section 3. Each member of the Association shall pay annual membership dues to the Atlantic Reined Cow Horse Association. Said dues are due and payable by the close of the first show of the membership year. The membership year of this Association shall be November 16 of each year through November 15 of the following year, to mirror the NRCHA membership year. The amount payable as annual membership dues shall be determined by a 2/3 majority vote of the Board of Directors.

Section 4. Life membership is available for both Individual and Family Memberships and the amount shall be set by the Board of Directors.

Section 5. All money paid to the Association will be required to be in U.S. Funds.

Section 6. Any membership may be revoked, with or without cause, by a 2/3 majority vote of the Board of Directors after notice and an opportunity to be heard has been given to the member.

ARTICLE IV - ANNUAL AND SPECIAL MEETINGS

Section 1. Annual General Membership Meetings. An Annual Meeting of this Association shall be held as called by the Board of Directors. The Secretary shall mail, electronically or otherwise, written notice of the time and place of all annual meetings twenty (20) days before the date thereof to the members whose addresses are shown on the books of the Association. The notice may also be posted on the website.

Section 2. Quorum. Twenty (20) or more voting members of Atlantic Reined Cow Horse Association who are present shall constitute a quorum for General Membership meetings of the Association for the purpose of transacting Association business.

Section 3. Special Meetings. Special Meetings of the Association, other than those regulated by Statute, may be called at any time by the President or Vice-President or a majority of the Board of Directors. Twenty-five percent of the members of the Association may file a Petition stating the specific business to be brought before the Association and request a special meeting. Such meeting must thereupon be called by the Directors within 120 days (because of the time between horse shows). Notice of the special meetings, setting forth the time, date, and place of and a statement of the purpose thereof, shall be mailed or distributed electronically to the Board members twenty (20) days before the date. Notice of the meeting shall be mailed to the members whose addresses are shown on the books of the Association if the Special Meeting was called by the general membership. In lieu of mailing notices, the notice may be emailed, texted, or placed on the Association's website. No business other than that specified shall be transacted at any special meeting of the members of the Association.

Section 4. Voting. At all General Membership meetings of the Association, all questions, the manner of deciding which, not specifically regulated by Statute, shall be determined by a majority vote of the members present in person.

Section 5. Order Of Business. The order of business of all General Membership meetings shall be as determined by the President or the presiding officer of such meeting. All meetings of the Association shall be conducted pursuant to Roberts' Rules of Order.

ARTICLE V - DIRECTORS

Section 1. Number. The affairs and business of this Association shall be managed by a Board of Directors. The Board of Directors shall consist of at least five (5) and not to exceed nine (9) duly elected members of the Association. At each annual election, the persons duly nominated in accordance with the rules of the Association, receiving a plurality of votes, shall become Directors of the Association.

Section 2. Term of Office. The term of office of each of the Directors elected annually shall be two (2) years, commencing the day after the Annual Meeting and thereafter until their successor has been elected and qualified. There is no limit to the number of terms a director may serve. In addition, commencing in 2021, Director terms will be staggered so that each year a certain number of Directors will be elected. In order to establish a Board of Directors with staggered terms, the election cycle for 2021 shall provide that 5 Directors will be elected for a 2-year term, and 3 for a 1-year term. In subsequent years, either 5 or 6 positions will then be up for election each year, all for a 2-year term on an alternating basis.

NOTE: Having an odd number of Directors facilitates the ability for the Board to avoid tie votes.

Section 3. Duties of Directors. The Board of Directors shall have the control and general management of the affairs and business of the Association. Such Directors shall in all cases act as a Board, regularly convened, by a majority, and they may adopt such rules and regulations for the conduct of their meetings and the management of the Association as they may deem proper, not inconsistent with these By-Laws and the laws of the Commonwealth of Pennsylvania. The Board may establish and create Rules and Regulations for the conduct of ARCHA shows and develop other Rules and Regulations relative to the Association.

Section 4. Directors Meetings. Regular meetings of the Board of Directors shall be held during each calendar year. Special meetings of the Board of Directors may be called by the President or three (3) Directors. Regular or special Directors' meetings may be held at any convenient place.

Section 5. Notice of Meetings. Notices of Board of Directors' meetings shall be given by personally contacting each Director, either by mail, electronically, or by telephone, with at least seven (7) days advance notice, specifying the time and place of the meeting. At any meeting at which every member of the Board of Directors shall be present in person or participating by telephone or video means, although held without notice, any business may be transacted which might have transacted if the meeting had been duly called.

Section 6. Quorum. At any meeting of the Board of Directors, the presence of more than 50% of the Directors in person or participating by telephone or video means shall constitute a quorum for the transaction of business.

Section 7. Voting. At all meetings of the Board of Directors, each Director present and attending the meeting shall have one (1) vote.

Section 8. Vacancies. Whenever any vacancy shall occur in the Board of Directors by death, resignation, removal or otherwise, the same may be filled without undue delay by a majority vote of the remaining members of the Board at the next meeting or at a special meeting which shall be called for the purpose. The person so chosen shall hold office until the expiration of the term of the individual they replaced.

Section 9. Removal of Directors. Any one or more of the Directors may be removed with submittal of a petition signed by the majority of the members. Any Director who has unexcused absences from two (2) meetings of the Board of Directors duly and regularly called as provided by the By-laws during any calendar year shall automatically be removed from office upon the third unexcused absence.

Section 10. Director Emeritus. Members may be appointed for life or until removed by a majority of the then present Directors to the office known as Director Emeritus. This office shall be for any person who is a member of the Atlantic Reined Cow Horse Association who has served with dignity and honor for the benefit of the Association. A Director Emeritus shall have the privilege of attending and being heard at all meetings of the Board but shall not have a vote. There shall be no limitation on the number of persons appointed to said office, but it shall be at the discretion of the regular Directors of the Association.

Section 11. Compensation. No Director shall receive, directly or indirectly, any compensation for services in that capacity. The Board of Directors may authorize reimbursement of reasonable expenses incurred by Directors in connection with duties approved by the Board of Directors.

ARTICLE VI - OFFICERS

Section 1. Number. The officers of the Association shall be President, Vice-President, Secretary, and Treasurer. The offices of Secretary and Treasurer may be held by the same person.

Section 2. Election – Appointment. The Officers shall be members of the Board of Directors and elected by the members of the Board. The President shall hold office for two (2) years beginning the day after the Annual Meeting and until such time as he/she leaves the Board voluntarily or is reelected. Should one or more of the offices become vacant during a term, the Board will then elect new individuals to the required offices.

Section 3. Duties of Officers

PRESIDENT. The PRESIDENT shall preside at all meetings of the Board of Directors and of members. The PRESIDENT shall present at each annual meeting of the members and Directors a report of the condition of the business of the Association. The PRESIDENT shall call regular and special meetings of the members and Directors in accordance with these By-Laws. The PRESIDENT, subject to the consent, approval, and direction of the Board of Directors, shall appoint, supervise, employ, remove, discharge, and fix the compensation of Chairs of Committees, agents, and employees of the Association. The PRESIDENT, subject to the consent, approval, and direction of the Board of Directors, shall sign and make all contracts and agreements in the name of the Association, and see they are properly carried out. The PRESIDENT shall see that the books, reports, statements and certificates required by Pennsylvania and federal law are properly kept, made and filed according to law, and keep the

Board of Directors informed of the status of such. The PRESIDENT shall approve all certificates, notes, drafts, checks, bills of exchange, warrants or other orders for the payment of money duly drawn by the TREASURER. The PRESIDENT shall enforce these By-laws and perform all the duties incident to the petition and office, and which are required by law.

VICE-PRESIDENT. During the absence and inability of the PRESIDENT to render and perform the duties and exercise the power as set forth in these By-Laws or Statutes under which this Association is organized, the same shall be performed and exercised by the VICE-PRESIDENT; and when so acting, shall have all the powers and be subject to all the responsibilities hereby given to or imposed upon the PRESIDENT.

SECRETARY. The SECRETARY shall keep the minutes of the Board of Directors and of the members' meetings in appropriate books. The SECRETARY shall give and serve all notices of the Association. The SECRETARY shall be custodian of the records and of the Seal and affix the latter when required. The SECRETARY shall present to the Board of Directors at their stated meetings, all communications addressed to him/her officially by the President or any officer or member of the Association. The SECRETARY shall attend to all correspondence and perform all duties incident to the position of Secretary.

TREASURER. The TREASURER shall have the care and custody and be responsible for all the funds of the Atlantic Reined Cow Horse Association, and all other funds, accounts, and securities that may be established from time to time in such bank or banks, trust company or trust companies, or safe deposit vaults or stock agencies for purpose of establishing funds, as the Board of Directors may designate. The TREASURER shall prepare for the Association, all checks, drafts, warrants and orders for the payment of money and pay out and dispose of same and receipt therefore, under the direction of the PRESIDENT or the Board of Directors. The TREASURER shall exhibit at all reasonable times the books and accounts to any Director or member of the Association upon application within twenty (20) days of the request unless an alternative arrangement is agreed upon. The TREASURER shall render a statement of the condition of the finances of the Association at each regular meeting of the Board of Directors, and at such other times as shall be required and a full financial report, at the annual meeting of the members, in accordance with ARTICLE VIII, B. of the Bylaws. The TREASURER shall submit a Show Financial Statement following each show. Details are to be determined by the Board of Directors. The TREASURER shall keep current books of account of all its business and transactions and such other books of account as the Board of Directors may require. An annual financial report shall be submitted prepared by certified public accountants selected by the Directors, who may require a certified report if deemed necessary. The TREASURER shall be bonded in such sum as the Board of Directors shall require. The TREASURER shall do and perform all duties appertaining to the position of TREASURER.

ARTICLE VI – ELECTION OF DIRECTORS

Section 1. Nomination of Directors. All members in good standing shall be given an official call for nominations notice electronically no less than thirty (30) days in advance of the Annual Meeting. The Call for Nominations notice will include a list of Directors whose terms are up for re-election. Any member in good standing can nominate him or herself or another member as a candidate for the Board electronically in advance of that meeting as outlined in the call for nominee's notice sent by the Board of Directors in advance of the elections. All nominations will be reviewed by the nominations committee and the President and eligible nominations will be added to the official election ballot.

ARTICLE VII - COMMITTEES

All committees shall be required to report to the board of directors via a written update/report in advance of scheduled Board meetings so that the written Committee report may be included on the agenda for the next meeting and distributed in advance with the agenda and past meeting minutes to Board Members. All members of committees shall be members in good standing of the Association.

Section 1. Committee Formation.

The Board may create standing, ad hoc, or special committees as needed. All committees shall contain a minimum of 3 members unless otherwise specified.

Section 2. Executive/Finance Committee.

The Executive Committee shall consist of the President, Vice President (chairperson), Secretary, Treasurer, Show Committee chairperson and one (1) member of the Board of Directors who shall be appointed by the President.

The Executive Committee shall be responsible for the following:

- 1) The Committee will be responsible for overseeing the day-to-day operations, administration, and finances of the ARCHA as approved by the Board of Directors.
- 2) The Committee will carry out the directives and fiscal policies established by the Board of Directors.
- 3) The Committee shall make recommendations to the Board of Directors concerning the Association's policy in all administrative matters and make recommendations for implementation of operational policies and programs needed to efficiently run the ARCHA.
- 4) The Committee shall control, review and audit fiscal procedures, current accounts, including allocation of costs and revenues, and budgets for the past, present and future year. The ARCHA may choose to participate in a bi-annual review audit, which shall be supervised by this Committee and reported to the Board of Directors.
- 5) The committee shall also serve as the Finance Committee, the responsibilities of which shall include fact-finding for the Board of Directors on matters relating to the financial administration of the Corporation and preparation of the annual budget for presentation to the Board.

Section 3. Nominating Committee: Prior to February 1st of each year, the President will appoint a three (3) or more person Nominating Committee to solicit, review and report to the Board of Directors its findings on candidates seeking election to the Board of Directors. The Nominating Committee shall consist of three (3) or more members, appointed by the President, which shall review, recruit and then present nominations for Directors.

ARTICLE VIII - FUNDS AND RECORDS OF THE ASSOCIATION

The Association shall keep complete books and records of account and minutes of all proceedings of the Board of Directors. The funds of the corporations shall be deposited at such bank, trust company, and stock agencies as the Directors shall designate.

ARTICLE IX - INDEMNIFICATION.

The Association shall indemnify and hold harmless each of its Directors, Officers, employees, and committee members whether or not then in service as such, against all reasonable expenses actually and necessarily incurred by him or her in connection with the defense of any litigation to which the individual may have been a party because he or she was a director, officer, or employee

of the Association. The individual shall have no right to reimbursement, however, in relation to matters as to which he or she has been adjudged liable to the Association for negligence or misconduct, bad faith, gross negligence, or reckless disregard of the duties of his or her office or employment. The right to indemnify for expense shall also apply to expense of suits which are comprised or settled if the court having jurisdiction of this matter shall approve such settlement. The foregoing right of indemnification shall be an addition to, and not exclusive of, all other rights which such director, officer or employee may be entitled.

ARTICLE X - BY-LAWS AND AMENDMENTS

By-Laws and Amendments to the By-Laws may be repealed, modified, or amended by a vote of two-thirds (2/3) of the members present at the General Membership meeting in person. A written notice of proposed bylaw changes shall be sent to each qualified member of record at the last known post-office address or electronically at least twenty (20) days before the date of the meeting. Only such changes as have been submitted by the Board shall be made. In the event a General Membership Meeting is not a timely option, the Board of Directors may send an electronic voting notice to all members in good standing of the proposed changes which the Board of Directors has approved and such changes shall go into effect before the first show of the next season (if published after the first show has been held, then the changes will take effect at the conclusion of the current show year), unless within fifteen (15) days of the approved changes being published electronically to the membership, the ARCHA receives objections in writing by at least twenty (20) members in good standing in addressing all or any portion of the said changes.

ARTICLE XI - FURTHER POWERS OF THE ASSOCIATION

The Association shall have such further powers as are given or granted to nonprofit corporations organized under the Laws of the Commonwealth of Pennsylvania, as they may be amended, and the Association shall be conducted and governed in accordance with the specific provisions of said Laws and Amendments and these By-laws.

ARTICLE XII – ADDITIONAL GUIDING DOCUMENTS

The Board may create additional guiding documents, as needed. These may include but are not limited to a Handbook of Rules & Regulations for Show and Awards, a Policy Manual, and a Procedures Manual.

Section 1. Handbook of Rules & Regulations for Show and Awards

The Board of Directors shall develop a Handbook of Rules and Regulations for Show and Awards. In addition, the Board of Directors has the responsibility and authority to revise and update this handbook in order to comply with NRCHA guidelines for sanctioned classes and to improve the showing experience for all members. Approved changes will go in effect beginning with the following show year.

Section 2. Policy Manual

The Board of Directors shall develop a Policy Manual. The Policy Manual archives the board-approved policies.

Section 3. Procedures Manual

The Board of Directors may develop a Procedures Manual. The Procedures Manual documents the steps involved, and processes employed for completing specific functions of the association.

ARTICLE XIII - DISSOLUTION

Upon the dissolution of Atlantic Reined Cow Horse Association, Inc., a Pennsylvania Nonprofit Corporation, any remaining assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future Federal tax code, to any other qualifying organizations having goals and philosophies compatible with those of Atlantic Reined Cow Horse Association, Inc., a Pennsylvania Nonprofit Corporation, or shall be distributed to the Federal government, or to a state or local government, for a public purpose.

ARTICLE XIV - FISCAL YEAR

Section 1. Fiscal Year. The Fiscal Year of the Corporation shall begin on January 1 of each year.

ARTICLE XV - CONFLICTS OF INTEREST

Section 1. Purpose. The purpose of the conflict-of-interest policy is to protect this tax-exempt organizations interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of ARCHA or that might result in a possible excess benefit transaction. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions:

- A.** Interested Person: Any Director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- B.** Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
- 6) An ownership or investment interest in any entity with which ARCHA has a transaction or arrangement,
 - 7) A compensation arrangement with ARCHA or with any entity or individual with which ARCHA has a transaction or arrangement, or
 - 8) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which ARCHA is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Procedures

- A. Duty to Disclose:** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

- B. **Determining Whether a Conflict of Interest Exists:** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.
- C. **Procedures for Addressing the Conflict of Interest:** An interested person may make a presentation at the Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the Board or committee shall determine whether ARCHA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in ARCHA's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
- D. **Violations of the Conflicts of Interest Policy:** If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the members response and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.
- E. **Records of Proceedings:** The minutes of the Board and all committees with board delegated powers shall contain:
- 1) the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Boards or committees' decision as to whether a conflict of interest in fact existed; and,
 - 2) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement; and a record of any votes taken in connection with the proceedings.
- F. **Compensation:**
- 1) A voting member of the Board who receives compensation, directly or indirectly, from ARCHA for services is precluded from voting on matters pertaining to that member's compensation or financial interest.
 - 2) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from ARCHA for services is precluded from voting on matters pertaining to that member's compensation or financial interest.
 - 3) No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from ARCHA, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

- G. **Annual Statements:** Each Director, principal officer, and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:
- 1) has received a copy of the conflicts of interest policy; and
 - 2) has read and understands the policy; and
 - 3) has agreed to comply with the policy, and
 - 4) understands that ARCHAs is charitable and, to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
- H. **Periodic Reviews.** To ensure ARCHAs operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
- 1) whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining; and
 - 2) whether partnerships, joint ventures, and arrangements with management organizations conform to ARCHAs's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.
- I. **Use of Outside Experts.** When conducting the periodic reviews as provided for in ARTICLE XV, Section 3, Item H., ARCHAs may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the board of its responsibility for ensuring periodic reviews are conducted.

The By-Laws of Atlantic Reined Cow Horse Association, Inc. were adopted by the Board of Directors at the organizational meeting on 3/5/2022, 20 .

DIRECTORS:

Matt Lipka

Lia Savas

Mark Sigler

Jennifer Black

Desiree Hoyt

Frank Prisco

Jeff Gettys

Meg Purcel
