

RESTATED BYLAWS
OF
TEXAS ARABIAN BREEDERS ASSOCIATION

Article I

Names and Offices

1.1 The name of the corporation is TEXAS ARABIAN BREEDERS ASSOCIATION incorporated under the Texas Non-Profit Corporation Act. The corporation is also referred to herein as the Association.

1.2 The Association shall maintain a registered office as required by law. The registered office of the Association shall also be its principal office unless otherwise provided by its Board of Directors (herein "Board").

Article II

Board of Directors

2.1 Management of the affairs of the Association is vested in its Board.

2.2 The Board shall consist of twelve (12) directors with an additional one (1) directorship available, if needed, for the Immediate Past President, ex-officio. Each director must be a member in good standing of the Association and must (possess a current) have or have had an owner or trainer license issued by the Texas Racing Commission in the past five (5) years.

2.3 The President, with the consent of the Board, shall select at least three (3) persons from the membership of the Association to serve as the Nominating Committee. The Nominating Committee shall, at least thirty (30) days prior to the annual meeting of members, present to the Board a list of recommended nominees, for election to the Board at such meeting or by mail ballot prior thereto.

2.4 Four (4) directors shall be elected by the members at the annual meeting of members for a term of three (3) years or until the director's successor shall have been elected. Should any vote for a particular directorship end in a tie, a vacancy as to such position shall be created. Vacancies that may occur at any time shall be filled for the unexpired term by action of the Board. A decrease in the number of directors shall not have the effect of shortening the term of any incumbent director. Removal of a director shall be in accordance with the provisions of the Texas Non-Profit Corporation Act or by a court of competent jurisdiction. Grounds for removal by action of the Board may include, but are not limited to: failure to attend, without extenuating circumstances communicated to the President prior to a meeting, two (2) consecutive Board meetings or three (3) Board meetings within a calendar year; failure to maintain current status of dues and other obligations to the Association. A director may be removed at any annual meeting of members of the Association if a written petition for removal signed by at least

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one-third (1/3) of the members is filed with the Board at least thirty-one (31) days prior to the meeting; notice of the petition must be included in any notice of the meeting of members.

2.5 The annual meeting of the Board shall be held each year in conjunction with the annual meeting of members. The President shall call regular Board meetings approximately every twelve (12) weeks. Special meetings of the Board may be called by the President or any two (2) directors for purposes to be specified in the notice of meeting; the notice shall be effected by telephone if shorter than seven (7) days and may otherwise be effected by mail. Meetings of the Board may be conducted through telephone conference call or other electronic means in which all participants can speak and hear each other. The President shall preside at all meetings of the Board and members and conduct same in accordance with the latest edition of *Roberts Rules of Order*.

Article III

Officers

3.1 The officers of the corporation shall consist of the President, the Vice President, the Secretary, and the Treasurer and such other officers as may be designated by the Board. The officers shall have such powers and duties as generally pertain to their respective offices and such other powers and duties as may be from time to time conferred by the Board. In the absence or disability of the President, the Vice President shall execute the duties of the President.

3.2 The Board may engage an Executive Secretary who shall serve at the pleasure of the Board in the capacity of a general manager of the Association. Subject to approval and review by the President and the Board, the Executive Secretary may appoint, supervise, and discharge employees and agents of the Association and may make and execute contracts (except for borrowing money) in the name of and on behalf of the association. Subject to the direction of the President and the Board, the Executive Secretary shall have general management and control of, and responsibility for, the business affairs of the Association and the administration of the Accredited Texas-bred program. In the absence of an Executive Secretary the President shall serve as the Executive Secretary.

3.3 At the annual meeting of the Board, the newly elected Board shall elect officers for a term to expire at the next annual meeting of the Board. Each officer shall hold office until a successor has been elected or until resignation, removal, or death.

Article IV

Members

4.1 The Association may have categories of members and dues as determined by the Board.

4.2 Any person or business entity desiring membership in the Association must be a completed application form at the Association's principal office, accompanied by tender of appropriate dues. Membership shall be voluntary. The Executive Secretary shall notify the Board of each application, and unless objection showing sufficient cause for rejection is made by a director within thirty (30) days of the notification, the application shall be approved and the applicant's name entered of record as a member. A membership is not transferable.

4.3 Members shall support the principles and policies of the Association and shall promptly pay all dues, assessments, and other obligations to the Association. Termination of membership for any reason shall not relieve the member of the obligation to pay dues, assessments, or other obligations therefore accrued.

4.4 Each members shall be entitled to one(1) vote on any matter submitted to a vote of the members. A member may vote in person or by proxy executed in writing by the member or the member's duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and in no event shall it remain irrevocable for more than eleven (11) months.

4.5 An annual meeting of members shall be held each year during the month of January at a time, date, and place in Texas designated by the Board, for the purpose of electing directors or confirming directors elected by mail ballot and for the transaction of such other business as may come before the meeting. The election may be conducted by mail or by vote taken at the meeting or a combination of the two.

4.6 Special meetings of members may be called by the President, the Board or by members having not less than one-tenth (1/10th) of the votes entitled to be cast at such meeting.

4.7 Written or printed notice stating the place, date, and hour of the meeting of members and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed not less than (10) nor more than sixty (60) days before the date of the meeting. The record date for determining the members entitled to vote at a meeting of members shall be forty-five(45) days prior to the date of the meeting. On the record date, a list of the names and addresses of the members entitled to vote at the meeting shall be compiled and made available for inspection by any member entitled to vote at the meeting.

Article V

Books and Records

- 5.1 The Association shall keep complete and correct books and records of account and shall also keep minutes of the proceedings of the Board and members.

Article VI

Indemnification of Officers and Directors

6.1 The Association shall indemnify each officer and director in connection with their performance of their duties. It is the intent of these Bylaws that such indemnity shall be to the full extent allowed by law, subject only to the limitations imposed by law.

6.2 The Association shall purchase and maintain insurance on behalf of its officers and directors against any liability asserted or incurred by virtue of status or action as officer or director, whether or not the Association would have the legal power to indemnify the officer or director directly as to such liability.

Article VII

Prohibited Acts

7.1 The Association shall not make a loan to an officer or director. An advance may be made to an officer for expenses to be incurred on behalf of the Association, if such expenses have been previously authorized by the Board.

7.2 No dividend shall be paid, and no part of the income of the Association shall be distributed to its officers or directors or inure to the benefit of any individual.

Article VIII

Fiscal Year

8.1 The fiscal year of the Association shall be the calendar year unless otherwise determined by the Board.

Article IX

Amendment

9.1 These Bylaws may be amended at any annual, regular, or special meeting of the Board, provided written notice including the text of the proposed amendment has been sent to each director at least fourteen (14) days prior to the meeting.

Article X

Effective Date and Transition

10.1 These Bylaws are adopted by the Board on January 29, 2005, to be effective on February 1, 2005, and shall replace and supersede all prior Bylaws. All directors and officers serving on the effective date shall continue in their respective positions for the term for which they were elected or appointed.