

**KENTUCKY QUARTER HORSE BREEDERS ASSOCIATION
CONSTITUTION AND BY-LAWS**

ARTICLE 1 – GENERAL

Section 1. Title

This organization is incorporated under the laws of the Commonwealth of Kentucky and shall be known as the Kentucky Quarter Horse Breeders Association, and shall at all times be operated as a non-profit association in accordance with the laws of the Commonwealth of Kentucky and the United States of America. Guidelines and detailed procedures for complying with the following constitution and by-laws will be found in the Standard Operating Procedures Manual.

Section II. Mission

The purpose of the Kentucky Quarter Horse Breeders Association shall be to encourage the betterment of quality within the American Quarter Horse breed and to promote the breed industry within the Commonwealth of Kentucky through promotion of an annual futurity show and an annual stallion service auction; to establish a high code of ethics among the members in any and all legitimate professional manners which will advance the Kentucky Quarter Horse Breeders Association.

Section III. Fiscal Year

The fiscal year of the Kentucky Quarter Horse Breeders Association shall be January 1 through December 31 (June 1 through May 31) of each year, unless otherwise determined by the Board of Directors, beginning January 1, 1999.

Section IV. Dissolution

Upon the dissolution of the Association, the Board of Directors shall, after paying or making provisions for the payment of any and all liabilities of the Association, including stallion services on which payment has been made, dispose of all assets of the Association exclusively for the purposes of the Association in such manner, or to such organization or organizations exclusively for charitable or educational purposes and shall at the time qualify as an exempt organization or organizations under Section 501 (c) 7 of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue law, as the US Department of Treasury shall determine. Any of such assets not so disposed of shall be disposed of by the county of legal office of the Association.

ARTICLE II – OFFICERS

Section 1. Officers

The officers of the Association shall be President, Vice-President, Secretary, and Treasurer. The officers of the Association shall hold office for a period of one (1) year and until their successors are elected and qualified. Officers shall hold office on a volunteer basis until the Board of Directors deems a salary and approved by majority of the members voting in person or by absentee ballot.

Section II. Board of Directors

The Board of Directors shall consist of President, Vice-President, Secretary, Treasurer and an elected at-large member. The at-large member must be a voting member in good standing and shall hold office for a period of one (1) year.

ARTICLE III – ELECTION OF OFFICERS

Section 1.

Nominations for all elected positions shall be made during the Associations yearly stallion service auction. The election of officers shall be held at the Annual meeting at the time and place designated by the Board of Directors, but generally held within 60 days of the stallion service auction during the Association's Annual meeting.

Section II.

Nominated individuals must approve of their nomination AND must meet the requirements for Association officer positions in order for a nomination to stand and be placed on the Association election ballot.

Section III.

Election ballots will be mailed via email or the US Postal Service no later than three (3) weeks prior to the Annual Meeting.

Section IV.

Each member of the Association, in good standing at the time of the election, shall be entitled to one (1) vote. Absentee ballots bearing the signature of the member in good standing will be accepted provided they are received by the Association President not less than seven (7) days prior to the Annual meeting.

ARTICLE IV – DUTIES OF THE OFFICERS

Section I.

The president shall be the Executive Officer of the Association, and shall preside at all meetings of the Board of Directors and Annual meeting; he/she shall have general and active management of the powers of the Association except as limited by the Board of Directors in tie breaking vote status only. The president shall have the authority to execute bonds, mortgages and other contracts on behalf of the Association. He shall have the authority to appoint a committee to assist him in the operation and management of the association. The elected officers of the Association shall serve in all capacities referred to and shall constitute the Executive Committee.

Section II.

It shall be the duty of the Vice President to perform all of the duties of the president in the case of his absence and/or disability.

Section III.

It shall be the duty of the Secretary to record and maintain records and minutes of all Board of Director meetings and at the Annual meeting, be responsible for maintaining membership rosters.

Section IV.

It shall be the responsibility of the Treasurer for handling all financial transactions, and will be bonded. This bond will be paid by the Association.

Section V.

The officers shall be charged with the daily operational responsibilities of the Association, including but not limited to decisions necessary for a continuity and those requiring immediate attention. The Officers shall not have the authority to bond the Association to any long-term contractual commitments without a vote by the Board of Directors.

Section VI. Removal

Any officer elected by the membership may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association would be served thereby.

Section VII. Vacancies

If the office of any officer becomes vacant for any reason, the Board of Directors shall choose a successor who shall hold the office for the unexpired time.

Section VIII. Procedure

All meetings of the Kentucky Quarter Horse Breeders Association shall be conducted according to Roberts Rules of Order.

ARTICLE V – MEMBERSHIP

Section I. Eligibility

Any stallion owner who stands a stallion in the Commonwealth of Kentucky and has paid the annual nomination fee, donated one (1) stallion breeding service to be sold by the Association, and meets all other Association requirements shall be eligible for membership with the Kentucky Quarter Horse Breeders Association.

This membership will entitle the foals of the nominated stallion, with the exception of those excluded by Section III, paragraph B, resulting from the breeding season of the following calendar year, unless approved by the Board of Directors 120 days prior to the annual futurity, to be eligible for the Kentucky Quarter Horse Breeders Futurity.

Section II. Voting Privilege

- (A) For each stallion nominated, the owner or joint owners, shall have one vote.
- (B) Only those members who own or lease nominated stallions

shall have voting privileges.

- (C) Non-voting membership is available to anyone for an annual membership fee of \$25.00.
- (D) If a nominated stallion should die, the owner or lessee may remain a member in good standing with voting privileges for the remainder of the nomination period, during which time the stallion may be replaced without a second nomination fee being required.

Section III. Verification

- (A) At least 50 per cent interest in a nominated stallion must be owned by a resident of Kentucky. A copy of the stallion's registration must be submitted to the Association at the time of the nomination. This registration must show ownership by a Kentucky resident or a Kentucky resident may hold a lease on the stallion for the nominated period of time and proof of the lease must be presented to the Kentucky Quarter Horse Breeders Association at the time of nomination. If the stallion is leased, the stallion owner must execute a Kentucky Quarter Horse Breeders Association Lease Agreement.
- (B) If a member stallion stands a portion of the breeding season outside the Commonwealth of Kentucky, foals resulting from those breedings will not be eligible for the Kentucky Quarter Horse Breeders Futurity.
- (C) For a stallion to be eligible for nomination to the Kentucky Quarter Horse Breeders Association, it must be registered with the American Quarter Horse Association or The Jockey Club for thoroughbreds.

Section IV.

The Annual meeting of the Association shall be held at a time and place designated by the Board of Directors. Notice will be given to the membership not less than fifteen (15) days prior to the annual meeting.

ARTICLE VI – AMENDMENTS

Section 1.

Amendments to the by-laws must be presented to the President at least 120 days prior to the annual meeting and written notice of the proposed amendments will be given to the membership by special mailing at least thirty (30) days before the annual meeting. These amendments will be considered and voted on at the annual meeting and must be passed by the majority of the members voting in person or by absentee ballot.

ARTICLE VII – NOMINATION AND FEES

Section I. Nomination and Fees

- (A) Stallions must be nominated annually by payment of a \$300.00 nomination fee to be paid by December 31 of the year prior to the membership period and the donation of one (1) stallion breeding service for the same period. The stallion nomination fee will be discounted to \$200.00 if paid by October 1 of the year prior to membership period. If the nomination fee is paid later than October 1, but prior to November 20 of the year prior to the membership period, the stallion nomination fee will be discounted to \$250.00. All deadlines may be moved forward to accommodate the production of the KQHBA Futurity directory as deemed necessary by the Executive Committee. Notice of this occurrence must be issued through an appropriate Publication of the Executive Committee's discretion 60 days prior to the altered deadlines.
- (B) Stallions may be nominated after the December 31 deadline, but prior to July 1 of the following calendar year by paying the nomination fee plus, in lieu of

donating a stallion breeding service, an amount equal to one half (1/2) the advertised stallion breeding fee for that year. If a stallion's breeding fee has not been established, the Executive Committee will establish a fee for the nominated stallion.

ARTICLE VIII – LATE FEES

Section I. Late Fees

A stallion owner who has been a member of the Association may pay a late fee of \$500 per year for each year to be included, including the most recent year past.

ARTICLE IX – BREEDING SERVICES

Section I. Stallion Breeding Services

If a nominated stallion should be sold, the nomination will remain with the stallion as long as it meets all requirements of the Kentucky Quarter Horse Breeders Association.

Section II. Live Foal

- (A) If a nominated stallion breeding service is sold by the Association and the mare does not produce a live foal from the mating, the individual purchasing the breeding service will be entitled to a breeding from that stallion during the following year or have a credit in the amount of the paid stallion fee toward the purchase of a different stallion.
- (B) If a mare is bred to a nominated stallion which was sold by the Association in a previous year and does not produce a live foal, but the original stallion no longer is a nominated stallion, if rebred to the original stallion, the foal shall be allowed to participate in the annual

futurities with a Certificate of Waiver, issued by the Board of Directors of the Kentucky Quarter Horse Breeders Association. The mare owner must notify the Kentucky Quarter Horse Breeders Association in writing 30 days before the date of the rebreeding to qualify.

ARTICLE X – FUTURITY REQUIREMENTS

Section I. Futurity Eligibility

- (A) All foals sired by an AQHA registered nominated stallion will be eligible for the KQHBA Futurity.
- (B) Foals of any stallion never previously nominated to the Association can become eligible for the futurity if the stallion owner pays a \$500 late fee per year. If the stallion has never had an advertised breeding fee, the Executive Committee shall establish a fee based on the stallion's qualifications and pedigree.
- (C) Foals sired by thoroughbred stallions must be eligible for registration in the AQHA in order to be eligible for the KQHBA Futurity.

Section II. Payback Earnings

All fees and payback for futurity winners will be established by policies and procedures recommended by the Executive Committee and approved by the majority of the Board of Directors (membership) and will be paid within thirty (30) days following the event.

Section III. Futurity Entries

All entries in the futurity under the age of yearlings shall show a copy of the Breeder's Certificate, indicating breeding dates, sire and dam names and registration numbers or a

copy of the registration certificate from the American Quarter Horse Association.

ARTICLE XI – COMPLAINTS

Section 1. Investigation of Complaints

The Executive Committee of the KQHBA shall investigate any complaints filed in writing concerning stallion eligibility and/or the eligibility of any foal sired by a nominated stallion.

Section II. Complaint Procedure

Whenever anyone believes that conduct of a member or participant in an Association activity warrants a protest and/or disciplinary action, he or she must file within ten (10) days of the actual incident or within ten (10) days of having gained knowledge of the incident, a written complaint or protest with the President or designee. A filing fee of \$25.00 must accompany any complaint or protest. All complaint or protest fees are refundable if the complaint or protest is deemed accurate.

Section III. Notification

After receipt of the complaint or protest, the President shall within ten (10) days notify all members of the Executive Committee and the accused individual(s) against whom the allegation has been filed. Said notice shall contain a copy of the complaint or protest and shall advise the accused of impending Executive Committee decision.

Section IV. Decisions

After the Executive Committee has investigated the allegation, the committee shall then make a recommendation

to the Board of Directors on whether sufficient evidence was found to justify the allegation. If the Board of Directors finds just cause to warrant a full review, the person accused shall be given not less than thirty (30) days written notice of a time and place for a full Board hearing.

The Board of Directors shall issue a written report including the findings and decisions within a reasonable amount of time. All parties will receive notice in writing of the decision and any disciplinary actions issued.

Section V. Disciplinary Actions

Any member or participant may be suspended and denied privileges to any Association activities for a period of not less than one year up to permanent exclusion upon the Board of Directors decision and may be required to pay any costs and ill-gained earnings from the disciplinary action.

ARTICLE XII - UNSPORTSMAN-LIKE CONDUCT

Section I. Unsportsman-like conduct

Unsportsman-like conduct will not be tolerated. Unsportsman like conduct shall be defined as any action of disrespect, deceit or fraud directed to judges, show management, participants at any Association activity, or the Association, its officers or assigns. All offenses will be brought before the Board of Directors for action.

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