

BYLAWS OF
THE VIRGINIA REINING HORSE ASSOCIATION, INC.

ARTICLE I
OFFICES

OFFICES. The principle office of the Virginia Reining Horse Association, Inc., (the “Corporation”), shall be its registered office in the City of Richmond, Commonwealth of Virginia, but the Corporation may conduct its business, maintain its property, books and records, or open branch offices within or without the Commonwealth as the Board of Directors deems advisable.

ARTICLE II
MEMBERS

SECTION 1. Member. “Member” is defined as any person who (i) has signed a membership application or membership information sheet for membership in the Corporation; (ii) has paid in full all dues applicable to his or her membership; and (iii) who has not been disqualified or suspended from the membership of the Corporation, or from membership in the National Reining Horse Association (“NRHA”). A member may be suspended or disqualified from membership by determination of the Board of Directors for cause, including violation of any rule of conduct imposed by the Corporation or by the NRHA, submission of any knowingly false information to the Corporation or failure to keep all accounts of payment to the Corporation current when due.

SECTION 2. Annual Meetings of Members. The annual meeting of the Members shall be held at one of the scheduled reining horse shows during the year or at the annual banquet.

SECTION 3. Notice of Meetings. Except as may otherwise provided in these Bylaws, written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting. A copy of the notice shall be mailed, postage prepaid, or e-mailed: (a) if for a regular meeting, no less than fourteen (14) days and no more than thirty (30) days before such meeting, (b) if for a special meeting, no less than (7) days and no more than thirty (30) days before such meeting, and (c) if for a meeting to act on an amendment to the Articles of Incorporation, the bylaws, a plan of merger, a proposed sale of assets other than in the Corporation’s usual course of business, or dissolution of the Corporation, no less than twenty-five (25) nor more than sixty (60) days before such meeting, to each Member entitled to vote, addressed to the Member’s address currently appearing on the books of the Corporation, or supplied in writing by such Member to the Corporation for the purpose of notice. This notice shall specify the place, day and hour of the meeting, and the purpose of the meeting. A Member may waive notice of any meeting by submitting a signed waiver to the secretary or by attendance at the meeting.

Section 4. Order of Business. The order of business at all meetings of the Members of the Corporation shall be as follows:

- (a) Roll call and establishment of a quorum;
- (b) Proof of notice of meeting
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers and Board of Directors;
- (e) Reports of committees;

- (f) Discussion of budget, when appropriate
- (g) Election of members of the Board of Directors (when required);
- (h) Unfinished business and lastly
- (i) New business

Section 5. Voting at Meetings. Unless greater than a majority vote is otherwise required by the Virginia Nonstock Corporation Act (the "Act") the Articles of Incorporation, or these Bylaws, the vote by the Members present, of more than fifty percent (50%) of the votes entitled to be cast at a duly convened meeting at which a quorum is present is required to adopt decisions made at any meeting of the Corporation. Each Member shall be entitled to cast one vote on any matter requiring the vote of the Members.

Section 6. Quorum. At any meeting of Members, the presence at the beginning of the meeting of Members entitled to cast twenty (20%) percent of the votes entitled to be cast by all of the Members shall constitute a quorum for any action, except as otherwise provided in the Act, The Articles of Incorporation, or these Bylaws. If, however, such quorum is not present or represented at any meeting, the Members entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 7. Directors Authority to Act in the Absence of a Quorum. At any meeting of Members where a quorum can not be established, the Directors are authorized to enact, amend, resolve, transact and carry out any and all of the business of the Corporation. Such authority shall include, but is not limited to, the authority to amend or rescind all or portions of the Articles of Incorporation and/or the bylaws. Such actions shall be conducted in the manner prescribed under Article III of these bylaws. Every act or decision done or made by the directors under this provision shall be regarded as the act of the Members.

ARTICLE III

DIRECTORS

1. DIRECTORS' TERMS AND ELECTIONS.

- (a) The affairs and property of the Corporation shall be managed and controlled by a Board of Directors. The Board of Directors shall consist of at least the President, and the Vice President of the corporation, and not less than two (2) not more than eight (8) members selected at large (as determined by the Board of Directors prior to each annual meeting). The Directors shall be elected on December 31 on ballots by mail or electronic mail and shall serve for terms of two-year periods; however, in the year 2010, three director positions shall be one-year terms and three director positions shall be two year terms. The Board of Directors may also consist of such officers and appointed positions as the Board may require from time to time to, carry out the business of the Corporation. Any vacancy occurring in the membership of the Board through the expiration of term of service, resignation or otherwise shall be filled by the Board by election of such person or persons as they in their uncontrolled discretion may deem proper, or in the absence of such election within a reasonable time, by the Members.

- (b) All members of the Board of Directors shall be eligible to succeed themselves for any number of terms, and any member whose term as expired shall continue in office notwithstanding such expiration until his or her successor shall have been duly elected and qualified and he or she may during such term of office exercise all rights, powers and privileges pertaining thereto.
 - (c) No decrease in the number of directors by amendment to these bylaws shall have the effect of changing the term of any incumbent director.
2. **DIRECTOR MEETINGS.** The Directors shall meet no less than twice each year, as scheduled by the President. Special meetings may be called by the Board of Directors or any officer or director by giving reasonable notice of the time and place thereof. Attendance at a meeting shall be deemed a waiver of notice of such meeting, unless the sole purpose of attending the meeting shall be to object to the transaction of any business. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors. Action may be taken by the directors or a committee of the Board of Directors without a meeting if a written consent, setting forth the action, shall be signed by all of the directors or committee members, either before or after such action. Conference telephone or similar communications equipment may be utilized in accordance with the Code of Virginia. At all meetings of the Board of Directors a majority of the directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by these bylaws. If at any meeting there is less than a quorum present, a majority of these present may adjourn the meeting from time to time without further notice to any absent director.
 3. **COMPENSATION.** Directors shall not receive compensation for their services, but directors may be reimbursed for expenses which the Board directs the director to incur on behalf of the Corporation.
 4. **COMMITTEES.** The Board of Directors may designate a Show Committee, the Fund Raising/Sponsorship Committee, Awards Committee and such other committees as it deems advisable. Each committee shall consist of two or more directors and such other members at large as the Board of Directors determine from time to time. Each Committee, to the extent provided by the resolution of the Board of Directors, shall have and exercise such powers of the Board of Directors in the management of the business and affairs of the Corporation as may be lawfully delegated. Similarly, each Committee shall perform such duties and serve such function as prescribed by the Board of Directors from time to time.
 5. **NOTICES.** Each director and officer shall furnish in writing to the secretary of the Corporation the address to which notices of every kind may be delivered or mailed. If such person fails to furnish an address, the Corporation shall not be required to deliver or mail any notice to such person. Whenever notice is required by applicable law, the Articles of Incorporation or these bylaws, a written waiver or, in the case of a meeting, the attendance of a director (except for the sole purpose of objecting) or, in the case of a unanimous consent, the signing of a consent, shall be deemed a waiver of notice.

ARTICLE IV
OFFICERS

1. OFFICERS. As a minimum, the officers of the Corporation shall be a President, Vice President, Secretary, Treasurer and Reporter, each of whom shall be appointed by the Members at their annual meeting. The Board of Directors may appoint such other officers such as Membership Secretary, Liaison, Web Master and assistance officers and fill any vacancy at any regular or special meeting of the Board of Directors. The same individual may simultaneously hold more than one office. Each officer shall be appointed to hold office until the next succeeding annual meeting of the Members. And until his successor shall have been elected or such earlier time as he shall resign, die or be removed. Each officer shall have the authority and voting status to perform the duties set forth in these bylaws or, to the extent consistent with these bylaws, the duties prescribed by the Board of Directors or by direction of an officer authorized by the Board of Directors to prescribe the duties of other officers.
2. PRESIDENT. The President shall preside at all meetings of the members and the Board of Directors and shall have power to call special meeting of the directors for any purpose, may hire, appoint and discharge, subject to the approval of the Board of Directors, employees and agents of the Corporation and fix their compensation,; may, subject to the approval of the Board of Directors, make and sign deeds, leases, contracts and agreements in the name and on behalf of the Corporation; shall have power to carry into effect all directions of the Board of Directors; and shall have general supervision of the business of the Corporation, except as may be limited by the Board of Directors, The Articles of Incorporation or these bylaws. The President shall be Chairman of the Show Committee and shall organize all affiliate shows conducted by the Corporation. The President may appoint any Member to the Show Committee.
3. SECRETARY. The Secretary shall attend all meetings of the Members and Board of Directors and shall give, or cause to be given, notices of all meetings of directors, and all other notices required by these bylaws or by law. The Secretary shall record the proceeding of the meeting of the Members in a book kept for that purpose and shall keep the seal of the Corporation and attach it to all documents requiring such impression unless some other officer is designated to do so by the Board of Directors. The Secretary shall have responsibility for authenticating records of the Corporation and shall perform such other duties as may be assigned from time to time by the Board of Directors.
4. MEMBERSHIP SECRETARY. The Membership Secretary shall maintain the Membership Roll of the Corporation; organize and distribute a newsletter, and such other member communications as directed by the Board.
5. VICE PRESIDENT. The Vice President shall exercise all of the functions of the President during the absence or incapacity of the President. The Vice President shall assist the President in all matters and perform such other duties as may be assigned from time to time by the Board of Directors. Additionally, the Vice President shall serve on the Show Committee and help organize all shows.
6. TREASURER. There shall be a Treasurer who shall keep or cause to be kept full and accurate books of accounts, render a financial statement showing all transactions of the Treasurer and the financial condition of the Corporation as may be required by the Board of Directors or the President and shall make reports

and perform such other duties as may be assigned from time to time by the Board of Directors. The Treasurer shall attend all meetings of the Board of Directors and Members. Additionally, the Treasurer shall maintain the Corporation's bank account, shall pay all expenses there from and shall collect and deposit all entry fees and pay all prize money.

7. REPORTER. There shall be a Reporter who shall attend all meetings of the Members and Board of Directors. The Reporter shall write articles for submission to the "Reiner" magazine and other publications, maintain a record for points and prize money earned at all shows for the purpose of determining year-end awards and the NRHA Affiliate Championship qualifiers, and shall give timely notice to NRHA of Affiliate Championship qualifiers. -
8. LIAISON. The liaison shall attend all meetings of the Members and Board of Directors. The liaison shall communicate and coordinate with other like groups, clubs, organizations and associations within and outside the Commonwealth to promote, educate and further the goals and objectives of the Corporation.
9. WEB MASTER. The web master shall attend all meetings of the Members and Board of Directors and maintain, or cause to be maintained, the Corporation's web site and such other electronic media as directed by the Board of Directors. Nothing herein contained shall prohibit reasonable compensation for design and maintenance of internet web communication services actually performed by the Web Master in the execution of these duties.
10. SALARIES. No officer of the Corporation with the exception of Web Master as set forth in paragraph 9 above shall be paid a salary but any officer incurring an expense at the direction of the Board of Directors shall be promptly reimbursed.
11. RESIGNATION AND REMOVAL. An officer may resign at any time by delivering notice to the Corporation. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Corporation accepts the future effective date, it may fill the pending vacancy before the effective date if the successor does not take office until the effective date. The Members may remove any officer at any time with or without cause by the affirmative vote of two-thirds of the members attending a duly called meeting at which a quorum is present.

ARTICLE V

INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHERS

1. INDEMNIFICATION. The Corporation shall indemnify an individual who entirely prevails in the defense of any proceeding to which she or he was a party because he is or was a director of the Corporation against reasonable expenses incurred by him in connection with the proceeding. The Corporation shall also indemnify an individual made a party to a proceeding because she or he is or was a director against liability incurred in the proceeding if:
 - (a) she or he conducted himself in good faith; and
 - (b) she or he reasonably believed:
 - i. in the case of conduct in his official capacity with the Corporation, that his or her conduct was in the Corporation's best interests; and
 - ii. in all other cases, that his or her conduct was at least not opposed to the Corporation's best interests; and

- (c) in the case of any criminal proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful.

The termination of a proceeding by judgment, order, settlement or conviction is not, of itself, determinative that the director did not meet the standard of conduct described in this paragraph.

Notwithstanding the foregoing, the Corporation shall not indemnify a director under this paragraph:

- (a) in connection with a proceeding by or in the right of the Corporation in which the director is adjudged liable to the Corporation; or
- (b) in connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he is adjudged liable on the basis that personal benefit was improperly received by him.

Indemnification granted under this paragraph in connection with a proceeding by or in the right of the Corporation is limited to reasonable expenses incurred in connection with the proceeding.

2. **ADVANCE FOR EXPENSES.** The Corporation may pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding if:
 - (a) The director furnishes the Corporation a written statement of his or her good faith belief that she or he has met the standard of conduct described in the preceding paragraph;
 - (b) The director furnishes the Corporation a written undertaking, executed personally or on her or his behalf, to repay the advance if it is ultimately determined that she or he did not meet the standard of conduct (which undertaking shall be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make repayment); and
 - (c) A determination is made that the facts then known to those making the determination would not preclude indemnification under Article 9 of the Act).

3. **DETERMINATION AND AUTHORIZATION OF INDEMNIFICATION.** The Corporation shall not indemnify a director under these bylaws unless authorized in the specific case after a determination has been made that indemnification of the director is required under these bylaws because she or he has met the standard of conduct set forth hereunder. The determination shall be made:
 - (a) by the Board of Directors by a majority vote of a quorum consisting of directors not at the time parties to the proceeding;
 - (b) if such a quorum cannot be obtained, by majority vote of a committee duly designated by the Board of Directors (in which directors who are parties may participate in such designation), consisting solely of two or more directors not at the time parties to the proceeding;
 - (c) by special legal counsel:
 - i. selected by the Board of Directors or its committee in the manner prescribed in subsection (a) or (b) above; or
 - ii. if such a quorum of the Board of Directors cannot be obtained; and such a committee cannot be designated, selected by a majority vote of the full Board of Directors, in which directors who are parties may participate in such selection.

Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled under subsection (c) above to select counsel.

4. **INDEMNIFICATION OF OFFICERS, EMPLOYEES, AGENTS AND OTHERS.**
Unless limited by the Articles of Incorporation, each officer, employee and agent of the corporation shall be entitled to indemnification and advance expenses to the same extent as to a director.
5. **INSURANCE.** The Corporation may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee or agent of the Corporation, or who, while a director, officer, employee or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic Corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against liability asserted against or incurred by him in that capacity or arising from his status as a director, officer, employee or agent, whether or not the Corporation would have power to indemnify him against the same liability under these bylaws.
6. **APPLICATION.** The Corporation shall have power to make any further indemnity, including advance of expenses, to any director, officer, employee or agent that may be authorized by the Articles of Incorporation or any bylaw or any resolution adopted, before or after the event, except an indemnity against his gross negligence or willful misconduct. Unless the Articles of Incorporation or any such bylaw or resolution provide otherwise, any determination as to any further indemnity shall be made in accordance with these bylaws. Each such indemnity may continue as to a person who has ceased to have the capacity referred to above and may inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE VI RECORDS AND REPORTS

CORPORATE RECORDS. The Corporation shall keep as permanent records its Articles of Incorporation and all amendments thereto and bylaws or restated bylaws and all amendments thereto currently in effect, annual reports filed with the Virginia State Corporation Commission, minutes of all meetings of its Board of Directors, a record of all actions taken by the Board of Directors without a meeting and a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors on behalf of the Corporation. The corporation shall maintain appropriate accounting records. The Corporation shall maintain its record in written form or in another form capable of conversion into written form within a reasonable time.

ARTICLE VII
MISCELLANEOUS

1. REGISTERED OFFICE AND AGENT. The Corporation shall at all times have a registered office and registered agent.
2. SEAL. The Corporation may maintain but is not required to maintain a corporate seal. The seal of the Corporation shall be a flat faced circular die containing the word "SEAL" in the center and the name of the Corporation or an appropriate abbreviated name around the circumference.
3. AMENDMENT OF BYLAWS. These Bylaws have been adopted by the initial Board of Directors of the Corporation. The power to alter, amend or repeal the bylaws or adopt new bylaws shall be vested in the Members unless otherwise provided in the Articles of Incorporation or bylaws.
4. GENERAL. Any matters not specifically covered by these bylaws shall be governed by the applicable provisions of the Code in force at the time.
5. LIABILITY INSURANCE. The Corporation shall obtain and maintain a policy of liability insured for each show sponsored or conducted by the Corporation.

The foregoing Bylaws for THE VIRGINIA REINING HORSE ASSOCIATION, INC. have been approved and adopted pursuant to a vote of the members by Meeting dated December 31, 2009.

VIRGINIA REINING HORSE ASSOCIATION, INC.

_____, Secretary