

ALBERTA CUTTING HORSE ASSOCIATION

Operating By-Laws

Head Office

1. The head office of the Alberta Cutting Horse Association (the “Society”) shall be at such a place in the Province of Alberta as the Board of Directors may from time to time determine.

Seal

2. The seal, and impression whereof is stamped in the margin Hereof, shall be the corporate seal of the Society.

Board of Directors (the “Board”)

3. (a) The affairs of the Society shall be managed by a Board of twelve (12) directors.

(b) The directors shall be elected by the membership and those directors so elected shall serve for a period of two years from the date of their election. The director elected as vice-president shall serve a three-year term. Each director shall be eligible for re-election if otherwise qualified. Such election shall be a show of hands unless a ballot be demanded by any member.

(c) The members of the Society may, by special resolution, remove any director elected by them before expiration of his term of office and may, by a majority of the votes cast at the meeting at which the director is removed, elect any person in his stead for the remainder of his term.

(d) At least thirty (30) days prior to the date of the annual general meeting, the Chairman of the Board shall appoint a Nominating Committee. The nominating Committee shall prepare a slate of at least sufficient names for the office or offices of the director to fill any vacancy or vacancies created by the resignations of expiring terms. The Nominating Committee shall present this slate to the annual general meeting. Additional nominations may be made by the membership at large at the annual general meeting by a member and duly seconded by another member, with the approval of the nominee.

Vacancies on Board of Directors

4. (a) All directors so elected by their membership shall be members in good standing, but, in any event, such directors shall have thirty (30) days in which to renew their qualifications upon being so elected. If for any reason a vacancy on the Board remains for a period exceeding thirty (30) days, then upon expiration of the thirty-day period, the Board, so long as a quorum thereof remains in office, may, at their discretion, fill such vacancy or vacancies from among the members of the Society. If there is not a majority of the Board remaining in office, the remaining Directors shall forthwith call a meeting of

the members of the Society to fill such vacancy. Any members of the Society selected to fill such vacancy shall be retired at the next annual meeting of the Society.

(b) Vacancies on the Board may, so long as a quorum of directors remains in office, be filled by the remaining Directors from among the members of the Society, if they shall see fit to do so, otherwise such vacancy shall be filled at the next annual general meeting of the members at which the Directors for the ensuing year are elected, but if there is not a quorum of Directors remaining, the remaining Directors shall forthwith call a meeting of the members to fill the vacancy.

Quorum and Meetings of Board of Directors

5. A majority of the Directors shall form a quorum for the transaction of business pertaining to the welfare of the Society. Except as otherwise required by by-law, the Board may hold its meetings at such a place or places as it may from time to time determine. No formal notice of any such meeting shall be necessary if all the Directors are present or if those absent have signified their consent to the meeting being held in their absences. Board meetings may be formally called by the President or by the Secretary-Treasurer on the direction of the President or by any 5 members of the Board acting jointly. Notice of such meetings shall be delivered, telephoned or sent by facsimile to each Director not less than one day before the meeting is to take place or shall be mailed to each Director not less than 5 days before the meeting is to take place. The statutory declaration of the Secretary-Treasurer, President or one Director of the five members of the Board acting jointly that notice has been given pursuant to this clause shall be sufficient and conclusive evidence of the giving of such notice. The Board may appoint a day or days in any month for regular meetings at any hour to named and of such regular meetings no notice need be sent. A Board meeting shall also be held, without notice, immediately prior to the annual general meeting of the Society. The Board may consider or transact any business either special or general at any meeting of the Board.

Errors in Notice, Board of Directors

6. No accidental error or omission in giving notice for a Board meeting shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any Directors may, at any time, waive notice of any such meeting and may ratify and approve of any and all proceedings taken or had thereat.

Voting, Board of Directors

7. Questions at any meeting of the Board shall be decided by a majority of votes. In case of any equality of votes, the Chairman, in addition to his original vote, shall have a second or casting vote. All votes at any such meetings shall be taken by a ballot if so demanded by any Director present, but if no demand be made, the vote shall be taken by a show of hands. A declaration by the President that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of

the fact without proof of the number or of a proportion of the votes recorded in favor of or against such resolution.

Powers

8. The Board shall administer the affairs of the Society in all things and make or cause to be made for the Society, in its name any kind of contract which the Society may lawfully enter into, and save as hereinafter provided, generally may exercise all such powers and do also such other acts and things as the Society is by its charter or otherwise authorized to exercise and do.

Without in any way derogating from the foregoing, the Board is expressly empowered, from time to time to sell, lease, or otherwise, dispose of shares, stocks, rights, warrants, options, and other securities, land, buildings, and other property, moveable or immovable, real or personal, or any right or interest therein owned by the Society, for such consideration and upon such terms and conditions as it may deem advisable.

Remuneration of Directors

9. The directors of the Society shall receive no remuneration for acting as such.

Officers of the Society

10. There shall be a President, a Vice-President, and a Secretary-Treasurer and such officers as the Board may determine, from time to time, to be necessary. The President, Vice-President and Secretary-Treasurer shall be elected by the Board from among their number at the first meeting of the Board after the annual election of such Board; provided that, in the default of such election, the then incumbents, being members of the Board, shall hold office until their successors are elected. The President, Vice-President, and Secretary-Treasurer shall hold office for periods of one year or until their successors are elected. The past President will retain a seat on the Board for one year.

Duties of President, President-Elect, and Vice-President

11. The president shall, when present, act as Chairman at all meetings of the members of the Society and of the Board. The President shall also be charged with the general management and supervision of the affairs and operations of the Society. The President with the Secretary-Treasurer or other officer appointed by the Board for the purpose shall sign all by-laws and membership cards. The President shall appoint a special and standing committee and shall do all in his power to ensure that the affairs of the Society are conducted in a manner beneficial to the membership and shall do all things deemed to be for the good of the Society. The President shall be an ex-officio member of all committees appointed by the President or Board of Directors. During the absence or inability of the President, his duties and powers may be exercised by the President-elect or during the absence or inability of both the President and President-elect, these duties and powers may be exercised by the Vice-President, by such other officer or director as the Board may from time to time appoint, and if the President-elect, the Vice-President or such other officer or director appointed by the Board exercise any such duty or power,

the absence or inability of the President and/or President-elect shall be presumed with reference thereto.

Duties of Secretary-Treasurer

12. The Secretary-Treasurer shall be an ex-officio clerk of the Board. He or she shall attend all meetings of the Board of Directors and the Society and record all facts and minutes of all proceedings in the books kept for that purpose. He/she shall keep copies of all minutes, books, papers, records, correspondence, contracts and other documents belonging to the Society which he/she shall deliver up only when authorized by a resolution of the Board to do so and only to such person or persons as may be named in the resolution and he/she shall perform such other duties as may from time to time be determined by the Board. The secretary-treasurer shall issue all notices on calls to the Directors and members, keep the membership roll, issue membership cards, invoice members for dues within 15 days of the due date, conduct and record balloting of all new elections and shall perform such other duties as may from time to time be determined by the Board or the President.

The Secretary-Treasurer shall keep full and accurate accounts of all receipts and disbursements of the Society in proper books of account and shall deposit all monies or other valuable effects in the name and to the credit of the Society in such financial institution or institutions as may from time to time be designated by the Board. He/she shall disburse the funds of the Society under the direction of the Board, taking proper vouchers therefore and shall render to the Board at the regular meetings thereof, to the general membership at the annual meeting thereof or whenever required by him, an account of all his transactions as Secretary-Treasurer and of the financial position of the Society. He/she shall also perform such duties as may from time to time be determined by the Board.

Duties of Other Officers

13. The duties of all other officers of the Society shall be such as the terms of their engagement called for or the Board requires of them.

Execution of Documents

14. Deeds, transfers, licenses, contracts, and engagements on behalf of the Society shall be signed by either the President, the President-elect, or Vice- President and by the Secretary-Treasurer or by such other person or persons as may be authorized by the Board of Directors and any one of the aforementioned persons may affix the seal of the Society to such instruments and any other legal document as required the same.

Contracts in the ordinary course of the Society's operations may be entered into on behalf of the Society by any one of the President, President-elect, Vice-President, Secretary-Treasurer, or by any persons specifically authorized by the Board for that purpose.

Notwithstanding any provisions to the contrary contained in the by-laws of the society, the Board may, at any time by resolution, direct the manner in which and the person or persons by whom any particular instrument, contract or obligation of the Society may or shall be executed.

Books and Records

15. The Board shall see that all necessary books and records of the Society required by the by-laws of the Society or by any applicable statute or law are regularly and properly kept. Such books and records shall be kept at the head office of the Society or at such other place as the Board may from time to time determine and shall be available for inspection by the members of the Society during normal business hours Monday to Friday.

Membership

16. The membership shall consist of the applicants for the incorporation of the Society and such other individuals, partnerships, and other legal entities that are interested in cutting horses and as are admitted as members by the Board. Each member shall be entitled to one vote.

Membership in the Alberta Cutting Horse Association shall automatically confer concurrent membership in the Canadian Cutting Horse Association under such financial conditions as may be mutually agreed upon between the Canadian Cutting Horse Association, the Alberta Cutting Horse Association and all other associations affiliated with the Canadian Cutting Horse Association.

Termination of Membership

17. (a) Membership in the Society shall terminate upon the resignation of the member in writing submitted to the Secretary-Treasurer together with that member's current membership card and shall not require the acceptance by the Secretary-Treasurer of the Board thereof.

(b) Membership in the Society shall automatically lapse and be cancelled if any membership fees or dues required to be paid remain unpaid on the date upon which they fall due, but any such member may come upon payment of all unpaid fees and dues, be reinstated by resolution of the Board. Failure to pay membership fees or dues required will result in the forfeiture of all rights and privileges of membership.

(c). Any membership of the society may be suspended by the unanimous resolution of the members of the Board holding office at any given time, upon it being shown that such member is in breach of any of the by-laws or regulations of the Society or for any other conduct deemed to be detrimental to the best interests of the Society.

(d) The chairman of the Board shall not put to a vote a resolution that a membership be suspended unless and until the member in question has been notified of the proposed

resolution and has been given a reasonable opportunity to make representation to the Board.

Dues

18. The dues or fees payable by members shall from time to time be fixed by resolution of the Board. The Secretary-Treasurer shall notify the members of the dues or fees at any time payable by them and the date by which they must be paid. All dues or fees shall be paid to the Secretary-Treasurer.

Annual and Other Meetings of Members

19. The Annual General or any other special general meeting of the members shall be held at the head office of the Society or elsewhere in Alberta as the Board may determine and on such day as the Board may appoint.

At every Annual General Meeting, in addition to any other business that may be transacted, the report of the Board, the financial statements and the report of the Society's auditors or accountants shall be presented and the directors elected and the auditors or accountants for the ensuing year and the remuneration of the auditors or accountants shall be fixed. The members may consider and transact any business, either special or general, without any notice thereof at any meeting of the members. The Board or the President, President-elect or Vice-President shall have the power to call at any time a special general meeting of the members of the Society. No public notice or advertisement of members meetings, Annual General or special general, shall be required but notice of the time and place of every such meeting shall be given to each member by sending the notice by prepaid mail or by facsimile fifteen (15) days before the time fixed for the holder of such meeting. No member shall be represented by a proxy duly appointed.

Error or Omission in Notice

20. No accidental error or omission in giving notice of any annual or general meeting or any adjournment thereof, of the members of the Society shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

Adjournment

21. Any meetings of the Society of the Board may be adjourned to any time and from time to time any such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.

Quorum of Members

22. A quorum for the transaction of business at any meeting of members shall consist of ten (10) members present in person.

23. At all meetings of members, members shall be entitled to one vote but may not vote by proxy. At all meetings of members, every question shall be decided by a majority of the votes of the members present in person. Every question shall be decided in the first instance by a show of hands unless a poll be demanded by any member. Unless a poll be demanded a declaration by the Chairman that a resolution has been carried and an entry to that effect in the minutes of the Society shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes accorded in favor or against such resolution. In case of an equality of votes at any general meeting, or thereupon a show of hands or at a poll, the Chairman shall be entitled to a second or casting vote.

Notice

24. Whenever under the provisions of the By-laws of the Society, notice is required to be given, such notice may, except where elsewhere specifically provided for, be given either personally or by facsimile or by depositing same in a post office or a public letter box in a prepaid, sealed wrapper addressed to the director, officer, or member at his, her address as last recorded on the books of the Society.

Such notice shall be deemed to have been received, if delivered, on the date of delivery; if sent by facsimile on the second business day following the sending of the facsimile; and if mailed as aforesaid on the seventh business day following the posting of the same.

A notice or other documents, if sent by post shall be deemed to have been sent at the time when the same was deposited in the post office or public letter box as aforesaid, or if sent by facsimile shall be deemed to have been sent when the confirmation sheet with the respect to such facsimile was received by the sender. For the purpose of sending any notice, the address of any member, director, or officer shall be his last address as recorded on the books of the Society.

Borrowing

25. The Directors shall not have the power to borrow money on the credit of the Society except at such times, if at all, as shown from time to time be fixed by the resolution of the Board, which resolution shall become effective only when confirmed by a vote of the members at an annual or other general meeting.

Dissolution of the Society

26. In the event the Society should surrender its charter, be dissolved, wound up or otherwise cease to exist, any money or other assets of the Society remaining after all debts of the Society have been paid shall be distributed to such charitable organization as the Board shall determine.

Membership Cards

27. There shall be no capital stock of the Society. In lieu thereof, membership cards shall be issued to each member by the Secretary-Treasurer of the Society.

Alteration of By-laws

28. The by-laws of the Society shall not be altered or added to except by a special resolution passed by the members of the Society.

Interpretation

29. In this By-law and all other by-laws of the Society hereafter passed, unless the context otherwise requires, words importing the singular number or masculine gender shall include the plural number or feminine gender, as the case may be, and vice versa and references to persons shall include firms and corporations.

30. The terms “special resolution” shall have the same meaning as is ascribed thereto by Section 1(d) of the *Societies Act of Alberta*.

Dated this 20th day of November, 2004

President

Secretary-Treasurer