

NORTH AMERICAN TRAIL RIDE FOUNDATION

P.O. BOX 969, Beatrice, NE 98610, (402) 806-8708

BY-LAWS

OF

THE NORTH AMERICAN TRAIL RIDE FOUNDATION

Article I

Purposes

The Corporation is organized and shall operate under the General Nonprofit Corporation Law of the State of California exclusively for educational and scientific research purposes. In furtherance of such purposes, the Corporation shall engage in the conduct of those purposes and objectives and in such a manner as provided in Articles IV and V of the Articles of Incorporation.

This Article 1 may not be amended except through a lawful amendment of the Articles of Incorporation.

The Corporation shall undertake any and all activities permitted by law which the Board of Directors may deem necessary and proper for the accomplishment of the educational and scientific research purposes of the Corporation.

Article II

Offices

The principal office of the corporation for the transaction of its business is located in Santa Clara County, California. This office may be changed from time to time by the Board of Directors.

Article III

Members

Section 1. This corporation shall make no provisions for members, however, pursuant to Section 5310 (b) (1) of the Nonprofit Public Benefit Corporation Law of the State of California, any action which would otherwise, under law of the provisions of the Articles of Incorporation or By-Laws of this corporation, require approval by a majority of all members or approval by the members, shall only require the approval of the Board of Directors. Furthermore, all rights which would otherwise vest in the members under law, the Articles of Incorporation or the By-Laws of this corporation, shall vest in the Directors of this Corporation.

Article IV

Board of Directors

Section 1. General Powers. The affairs of the Corporation shall be managed by its Board of Directors.

Section 2. Number, Tenure, Qualification, and Election. The number of initial directors shall be nine (9), consisting of six (6) members elected by and from the Board of Directors of the Northern American Trail Ride Conference ("NATRC"), with one (1) from each Region, ("NATRC Directors"). If additional regions are added, the number of directors will be automatically increased. In addition, there shall be three (3) members elected by, but not from, the NATRC Board of Directors.

These "outside directors" shall never number fewer than one-third (1/3) the total of directors; in the event the number of NATRC Directors be increased, the number of outside directors shall correspondingly be increased. Each such director shall hold office until his successor shall have been elected and qualified, at which time the successor shall become a director of the corporation. At the time initial directors are elected, the term of one-third (1/3) shall be fixed at one (1) year, one-third (1/3) shall be fixed at two (2) years, and one-third (1/3) shall be fixed at three (3) years. Thereafter, the term shall

be three (3) years.

Section 3. Regular Meetings. A regular annual meeting of the Board of Directors shall be held upon written notice to the directors to correspond with the annual meeting of NATRC, unless waived as provided in Section 5. The Board of Directors may provide by resolution the time and place for the holding of additional regular meeting of the Board without other notice than such resolution.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President of the Corporation or three or more of the directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place of such special meetings.

Section 5. Notice. Notice of the regular meeting or special meeting of the Board of Directors shall be given least five (5) days previously thereto by written notice delivered personally or sent by mail or telegram to each director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws.

Section 6. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; provided that if fewer than a majority of the directors are present at said

meeting, a majority of such directors present may adjourn the meeting without further notice.

Section 7. Voting. Each member of the Board of Directors shall be entitled to cast one (1) vote on any matter with respect to which a vote is taken at any meeting of the Board Directors. Except as otherwise required by law or by these By-laws, a decision of the Board of Directors shall require a majority vote of those directors present at the meeting.

Section 8. Vacancies. Except as otherwise provided in these By-Laws, any vacancy occurring in the Board of Directors or any directorship to be filled by reason of the death or resignation of a director, or the failure or refusal of a director to qualify and serve, shall be filled by the remaining directors. The director so elected shall serve until the next annual meeting of the NATRC Board, which shall then select a successor for the balance of the unexpired term.

Section 9. Compensation. Directors shall not receive any stated compensation for their services, but, by resolution of the Board of Directors, may be reimbursed for their out-of pocket expenses incurred in attendance at special meeting of the Board of Directors or in the management of the Corporation.

Section 10. Other Committees. Other committees not having or exercising the authority of the Board of Directors in the management of the Corporation may be designated by resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Persons may be designated as committee members who are not members of the Corporation or its Board of Directors.

Article V

Officers

Section 1. Officers. The officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer.

Section 2. Election, Qualification, and Term of Office. The officers of the Corporation shall be members of the Board of Directors and shall be elected annually by the Board of Directors at its regular annual meeting. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3. Duties of Officers. The duties of the Officers shall be such as generally attached to such offices and, in addition thereto, such further duties as *may* be designated from time to time by the Board of Directors. The President, or in his absence, the Vice President, shall serve as the presiding officer at any meeting of the Board of Directors.

Section 4. Bonding of Treasurer and Other Officers. At the direction of the directors, the Treasurer and/or any other officer or employee of the corporation shall be bonded.

Article VI

Contracts, Checks, Deposits, and Gifts

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on the behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 3. Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors may accept on behalf of the Corporation

any contribution, gift, bequest, or devise of money or property for the general purposes or for any special purpose of the Corporation.

Section 5. Investments. In selecting investments, the Board of Directors shall exercise sound business judgment and prudent management. These By-Laws contemplate that the majority of the portfolio will be in income-producing investments with a smaller percentage in long-term growth investments.

Section 6. Use of Funds. After paying operating costs of the Corporation, the earnings from investments, but no part of the corpus thereof, shall be paid annually to NATRC to use as the NATRC Board sees fit consistent with its purposes and powers; provided, however, the Board shall annually retain (10%) percent of the investment earnings and add it to the corpus.

Article VII

Books and Records

Section 1. Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors. The Corporation shall also maintain at its registered or principal office a record of the names and addresses of the directors. All books and records of the Corporation may be inspected by any director or his agent or attorney for any proper purpose at a reasonable time.

AMENDMENTS TO THE BY-LAWS

OF THE NATRC FOUNDATION

Page 1. Article II. "The principle office of the corporation for the transaction of its business is located in San Diego County, California....."