



**WCHA Board Meeting
December 19, 2018
6:00 pm CST
Meeting Minutes**

Agenda:

- I. Roll Call
 - II. Old Business
 - a. Review & approve the meeting minutes from our September 10th & November 1st meetings.
 - b. Any other Old Business items.
 - III. New Business
 - a. Committee Reports
 - i. Membership Committee
 - ii. Judges Committee
 - iii. Finance Committee
 - iv. Futurity Committee
 - v. Executive Committee
 1. Review and Discussion
 - b. 2nd Vote on the Proposed amendment to Bylaw Revision 09102018
 - i. Amendment redlined on page 6 Article 6 Section 3, 5 & 6
 - ii. Discussion
 - IV. Upcoming Elections for Executive Committee Members
 - a. Due to personal circumstances Mike Clites is unable to assume the role as President next year. The Executive committee recommends that Executive Board Member Bill Huckabee be elected to President Elect and Mike be elected to serve a second term as an Executive Board Member. Bill Huckabee would then assume the role as President the 1st of the Year.
 - b. The Executive Committee would like to recognize Hall of Fame Banquet & Fundraising Committee Chair Anna Horn and Dan Fox who has served on Anna's Committee as well as the Finance Committee the past several years, as the two members of the Board to serve on the Executive Committee. Additionally, The Executive Committee would like to nominate Anna Horn as the 2019 President Elect candidate.
 - i. Discussion
 - V. Adjourn
-

Minutes:

I. Roll Call

a. Members Present

- i. Luke Castle
- ii. Mike Clites
- iii. Don Falcon
- iv. Dan Fox
- v. Anna Horn
- vi. Dan Mannion
- vii. Dawn Shafer
- viii. Kathy Smallwood
- ix. Ronald Stratton
- x. Thomas Keuhn
- xi. Robin Klover
- xii. Bill Huckabee
- xiii. Kristy Vanderwende-Smith
- xiv. Beth Johnson Dunlap
- xv. Jeffrey Pait
- xvi. Andrea Olson

b. Members Not Present

- i. Kerry Aycock
- ii. Kelley Stone
- iii. Jim Groff
- iv. Rebekah Herrmann
- v. Kate Jackson
- vi. Randy Jacobs
- vii. Candace Jussen
- viii. Sally Sullivan
- ix. Mark Williams
- x. Greg Holden

II. Old Business

- a. Review & approve the meeting minutes from our September 10th & November 1st meetings.
 - i. A motion was made to approve the meeting minutes from September 10th and November 1st Board of Directors meetings. The motion was seconded and carried.
 - ii. *Kerry Aycock joined at 6:04pm*
 - iii. *A quorum was established.*
- b. Any other Old Business items.
 - i. No other old business was presented.

III. New Business

- a. Committee Reports were presented individually, and the members of the board agreed to review them for approval collectively to maintain efficiency in the meeting.
 - i. Membership Committee
 1. The committee chair, Kathy Smallwood, presented the Membership Committee report. She review the minutes of the committee's most recent meeting of December 23rd.
 2. The concept of a Platinum membership was unveiled. This membership was proposed to be a \$2500 investment in WCHA that would give recognition to the member on the WCHA Facebook page, at WCHA events and a brief biography in the Equine Chronicle.

3. The committee reviewed active founding memberships and discussed a participating membership versus a founding membership.
 4. The committee also discussed the lifetime membership.
 5. Additionally the committee reviewed how to reactivate annual memberships.
 6. The committee worked to identify new members by developing a system to keep WCHA points in approved classes.
- ii. Judges Committee
1. Jeffrey Pait presented the report for the judges committee.
 2. The committee is getting up-to-date on the Horse IQ program. The committee will meet with Dave Dillon to review and place all of the halter classes taken at the APHA World to post on the website to use as an educational tool.
 3. The committee will meet in January to work on clarifying things in the application process and judge's conflicts with the AQHA and APHA.
 4. Additionally the committee is accepting ballots for the judges for next year's WCHA Futurity.
 5. The 2019 seminar will be held December 2019 in conjunction with AQHA.
 6. Deadline for new judge's is February 15th for the seminar to be held sometime in May.
- iii. PR & Marketing Committee
1. Robin Klover presented the report for Kate Griffiths.
 2. The use of Constant Contact was approved in 2018 to help manage e-mail marketing.
 3. The relationship with the Equine Chronicle came together giving WCHA and its' membership opportunities to communicate and market to potential new members.
 4. There was review of membership drives throughout the and in year-end renewals.
- iv. Finance Committee
1. Andrea Olson presented the report for the Finance Committee. She reviewed the creation of the WCHA Foundation, and noted that in August the 501c3 status for the organization was obtained.
- v. Futurity Committee
1. The report for the Futurity Committee was presented by Don Falcon. He review the entries and activities month by month beginning with February 2018.
 2. In March the contract with APHA was finalized. For 2018 WCHA was able to hold the event for three days instead of two.
 3. The Versatility class was discussed and reviewed. A task force was formed to help grow this class.
 4. In April the committee worked with AQHA to develop a Junior class to run at the AQHA World show this past year.
 5. The Trainer's Directory was hosted again this year and raised over \$4,000.
 6. The Hardship Variance rule was reviewed in June through an e-mail vote. This was passed unanimously.

7. The sponsorship committee garnered \$24,500 in cash sponsorships and an additional \$4,000 sponsorship for the Versatility class.
8. Entries, stallion nominations, stall fees and payouts were reviewed for the WCHA Futurity.
- vi. Hall of Fame and Fundraising Committee
 1. The committee was unable to do an auction at the Futurity, and that set the committee back.
 2. The committee focused on the Hall of Fame banquet, and that was a huge success. There was a total of 17 live items that generated \$30,500, and a total of 14 silent auction items that generated \$3,085. The new location for the banquet was a hit, and much needed. Admissions totaled \$8,975, which brought the total for the banquet to \$42,560.
- vii. Executive Committee
 1. Robin Klover presented the Executive Committee Report. He review the 2018 year, and noted that the Executive Committee began to present the minutes from their meetings to the Board of Directors to promote transparency. The minutes from the 2nd half of 2018 was presented.
 2. A year-end financial review was presented beginning with the profit and loss by class.
 - a. The net income for the Big Money was over \$9,200 and for the Breeder's Futurity was over \$16,000.
 - b. The WCHA Foundation report was reviewed. The Executive Committee has worked with the Finance Committee to include those in the year-end review.
 - c. A year-end projection is a little over \$31,000 for all activities that WCHA engaged in during 2018.
 - d. Moving on to the profit and loss prior year comparison the growth from the prior year was discussed. The expenses were also reviewed.
 - e. On hand cash was reviewed and totals just under \$81,000. The total savings is just under \$97,000. There are additional funds in the Foundation and investment accounts. There are still some receivables that are still outstanding.
 3. There was an official review of the WCHA Foundation in concept and the work that has been done by the Foundation Committee. The Committee is currently working on establishing a Board of Directors and bylaws.
 - a. Current Board of Directors presented were:
 - i. Andrea Olson - Secretary
 - ii. Kyle Hughes
 - iii. Steve Headley
 - iv. Tom Walker – President
 - b. The Articles of Incorporation were presented as well.
 4. There was a review of what the Executive Director, Don Falcon, and the Administrative Consultant, Kate Jackson have contributed in 2018. The growth of membership, sponsorships, stallion nominations, and increased payouts were presented.
- viii. There was a motion to approve the committee reports. The motion was seconded. The motion carried and the reports were approved.

- b. There was a discussion on the 2nd Vote on the Proposed amendment to Bylaw Revision 09102018
 - i. An amendment, redlined on page 6 Article 6 Section 3, 5 & 6, was presented. The floor was opened for discussion.
 - ii. A motion was made to approve the amendment. The motion was seconded. The motion carried and passed. This amendment will be implemented with the bylaws on January 1st.
- IV. Upcoming Elections for Executive Committee Members were discussed.
 - a. Due to personal circumstances Mike Clites is unable to assume the role as President next year. The Executive committee recommends that Executive Board Member Bill Huckabee be elected to President Elect and Mike be elected to serve a second term as an Executive Board Member. Bill Huckabee would then assume the role as President the 1st of the Year. It was recommended that Mike Clites remain on the Executive Committee.
 - b. The Executive Committee would like to recognize Hall of Fame Banquet & Fundraising Committee Chair Anna Horn and Dan Fox who has served on Anna's Committee as well as the Finance Committee the past several years, as the two members of the Board to serve on the Executive Committee. Additionally, The Executive Committee would like to nominate Anna Horn as the 2019 President Elect candidate.
 - i. The floor was open for discussion on the Executive Committees recommendations. A motion was made to approve the recommendations for filling the Executive Committee roles for 2019. The motion seconded and carried.
- V. A motion was made to adjourn the meeting. The motion was seconded and the meeting was adjourned.

WCHA COMMITTEE CONFERENCE CALL 12/03/2018

WCHA Committee: Membership

WCHA Committee Chairperson: Kathy Smallwood

WCHA Committee Members: Dan Mannion

Debby Brehm

Sally Sullivan

Kathy Snodgrass

Vicki Livasy

Stacey Kull

Denise Rees

Kevin Hardcastle

Kathy Smallwood

Roll Call/present:

Dan Mannion

Denise Rees

Kevin Hardcastle

Kathy Smallwood

1.) We discussed several of the membership updates including:

- a.) Membership renewals being sent out by both email and regular mail
- b.) January issue of the Chronicle will have a membership form in it to send in
- c.) All 2018 memberships will need to be renewed on January 1st to be current
- d.) Add the Chronicle incentive information onto the membership forms

2.) Discussed the "Platinum Memberships":

- a.) Questions remain as to the term; annually, 3-year or lifetime
- b.) Cost: the group thought that a \$2500 fee would attract members
- c.) In gratitude, Platinum Members would receive perks:
 - Recognition in the Chronicle with a brief biography
 - Recognition in the Facebook Page
 - Tables at the Futurity
 - On the arena floor recognition of receiving a plaque
 - Recognition on the Website

3.) Discussed questions regarding "Founding Memberships":

- a.) How many are still active
- b.) Before requiring a "Participation Membership" be sure the wording under the the founding Membership would not set us up for legal matters
- c.) Send out a letter stating "In deep appreciation for your Founding Membership would you consider contributing to WCHA." Have levels of amounts.
- d.) Possible questionnaire

4.) Discussed "Lifetime Members":

- a.) Since some of the Lifetime Members may have recently joined, it may be difficult to ask them for more at this time
- b.) It was again felt to ask on a voluntary basis

5.) Discussed ways to bring back previous members:

- a.) Send out renewal forms with the complimentary Chronicle information on it
- b.) Media campaign:
 - Facebook
 - Email
 - Twitter
 - Facebook Messenger

6.) Discussed ways to attract new memberships:

- a.) Expand number of WCHA Events throughout the country
- b.) Have WCHA Halter Classes within an existing Breed Show. Possible "Class Within a Class"
- c.) Develop a system to keep WCHA points on horses exhibited at shows for year-end awards
- d.) Develop programs for each region to attract members throughout the country
- e.) Form a Facebook Messenger WCHA group to help deliver news and information more effectively
- f.) Get more people to "like" WCHA's Facebook Page by asking members to ask their friends to "like" the page



WCHA Committee Report
Wednesday, June 27, 2018
6:00 pm CST

WCHA Committee:

Judges Committee

WCHA Committee Chair:

Jeffrey Pait

WCHA Committee Members:

Luke Castle – Vice Chair
Johnne Dobbs
Ron Doyle
Jim Groff
Rebecca Halvorson
Mike McMillian
Kathy Smallwood
Kelly Stone
John Pipkin

Committee Activities:

WCHA Judges and committee members Luke Castle, Mike McMillian and Kelly Stone will meet with Dave Dellin at APHA head quarters. They will review and place halter classes taken at the Paint World to put on Horse IQ. This will take place the end of December 2018.

Remaining Committee Goals for 2019:

We will have a committee meeting in January to review any applicants received.

Send out ballots for the judges for the 2019 futurity.

Updating Furthering Education Process : will be working Don Falcon and Patty Carter for 2019 judges seminar.

Recertification for the current WCHA judges.

Adapt Judges Conflict Rules to be in line with AQHA & APHA.

Clarification of the application process



WCHA Committee Report November 2018

WCHA Committee: Finance Committee

WCHA Committee Chair: Andrea Olsen

WCHA Committee Members:

- Kerry Acock
- Beth Dunlap
- Dan Fox
- Jim Groff
- Diane Pilant
- Dawn Shafer
- Sally Sullivan
- Scott Trahan

Committee Activities Since January 1st:

In 2018 the primary focus of the finance committee has been to assist the newly created WCHA Foundation, Inc. to gain 501(c)3 status.

The finance committee did all of the IRS and state of Texas application and filing process to gain the status. The process was completed in August.

The 2018 WCHA financial statements and P&L (update post futurity and banquet) was reviewed and approved by the committee in November

Remaining Committee Goals for 2018:

Align the WCHA Foundation Inc. checking funds under the WCHA parent companies financial statement

Provide a "firewall" between two associations accounts in accordance with IRS rules for 501(c)3 organizations this will be done by denoting authorized signatures on the Foundations account

WCHA BREEDER'S COMMITTEE YEAR END SUMMARY

February:

- 1) Because of our growing participation from APHA and ApHC stallion and mare owners we want to allocate more money to the color classes so we will designate \$100 from each stallion's nomination fee to fund the color purses in both the WCHA Breeders and Big Money futurities. Raise additional color monies with moderate entry fees.
- 2) We approved new Big Money logo identifying this as a WCHA Futurity.
- 3) In the WCHA Breeders Futurity add a separate color classes for the junior weanling fillies and colts so that these junior horses can compete just one time within the junior class and not have to come back later and show against the senior division color horses.
- 4) Because 90% of our exhibitors in the WCHA Breeders futurity are non pro's we will allocate more of the purse monies to the non pro division and still keep entries at the same total amounts.
- 5) Add roan horses to be eligible for color class in the WCHA Breeders Futurity.
- 6) Because of the 100% increase in stallion nominations and futurity entries into the Big Money Futurity we added junior and senior classes with color class within each of the seven non pro classes.
- 7) APHA has given us an additional day on the schedule so our futurities will now be run over 3 days.

March:

- 1) Contract was finalized with APHA with a flat rate of \$10,000. This rate includes 3 days of arena rental, ring stewards, gate personnel, check in personnel, and show announcer and office staff for calculation of results. In addition this fee includes the taking and processing of entries.
- 2) **Proposed Conformation Performance Class:** It was recommendation of this committee that halter would make up 50% of each contestant's final score with the other 50% on how well they performed in the working pattern. Don appointed the following members to serve on a subcommittee: Kelli S, Jerrell, Monte, Karen, Drew, Dennis and Don.

April:

- 1) Versatility Stakes Class – Review recommendations of subcommittee – This class was then approved by EC to proceed after reviewing the outline submitted by the subcommittee that included everything except the maneuvers. Don drew up entry form and numerous News Releases through Chronicle, Constant Contact, Facebook, web site were made. \$1500 slot fee, 2 classes: One class for two year olds and a class for three year and older horses.
- 2) AQHA World Show Class as proposed by Luke and Don. Proposal is to hold 2 junior weanling classes at the AQHA World Show, one class for colts (stallions/geldings and a second class for fillies) Motion was made by Dennis to present this proposal to the EC for permission to proceed. EC approved this proposal and Luke and Don worked with AQHA to put on schedule. Don obtained two sponsorships for total amount of \$10,000 from June Rhea and Terry and Stacy Kull for added money.
- 3) Room Block for futurity. Dawn Causey booked rooms through two hotels that gave us \$10 back per each night of rooms that were booked. This resulted in slightly over \$2000 raised that went into futurity accounts. Split 50-50 WCHA Breeders and Big Money.
- 4) Send out invoices to the Trainers for inclusion on the Trainers Directory. Fee remains at \$100.00.

MAY : By email proposal and vote: **Lend A Hand Rule:** Don explained what this proposed rule would entail: Many of our futurity exhibitors are limited for endurance while competing in large classes because of age or sometimes physical disabilities. They are required to walk and trot their horse for soundness and then stand their young horses up for sometimes over an hour. By the time the class has been judged and they are excused to the rail they are hot, tired, thirsty and could use assistance in holding their horse. If they desire one helper could come into the arena and hold their horse and stand with them throughout the awards presentation. This person could be a family member or trainer that the exhibitor would like to join them in the presentation of awards.

Don worked the phones and emails recruiting stallions and working with APHA to develop entry forms for mailing or to take on line.

On behalf of WCHA Don and Robin worked out agreement with the Equine Chronicle to make the Chronicle the OFFICIAL PUBLICATION OF WCHA.

June: By email and vote: Hardship Variance Rule. Don asked for vote to approve a Disability Variance where exhibitors who are elderly or have a disability that makes it difficult to maneuver the "walk-trot through". There are many people that have stopped showing because they can't physically manage this phase. This variance passed unanimously.

July: The Sponsorship Committee chaired by Rebekah Herrmann, assisted by Katie Mitchell and Don worked hard getting monetary and product sponsorships. We exceeded our goals by garnering \$24,500 in cash sponsorships this year plus and additional \$4000 sponsorships for the Versatility Stakes Classes.

August: We took stallion nominations right up until September 1st this year and finished with over 60 stallions in the WCHA Breeder's Futurity and 50 stallions in the Big Money. The stallion nominations in the Big Money has increased by 300% the past two years. 17 stallions in 2016, 30 stallions in 2017 and 50 stallions in 2018.

Sept: We had a very successful futurity in Fort Worth. The WCHA Breeders Futurity had an increase of 20% in entries from the record setting year in 2017 and the Big Money nearly doubled their entries from 2018. Total Payouts in both futurities plus the Versatility Stakes were \$323,583.00. When combining what each entry won in open/non pro/color/OBE there were some horses winning \$6000-\$7000 to win a class and in the Big Money with just Non Pro and Color divisions horses were paid \$5000-\$6000 to win a class. Very impressive. We urge the directors to review the results posted on the WCHA Futurity Page.

The success of the futurities allowed for a payment of \$41,927.00 to the General Fund.

Versatility Classes: The week prior to the futurity it appeared we had 8 entries in each class but several entries failed to show and we ended up with 4 entries in the Two Year Old Class and 3 entries in the Three and Over Class. With sponsorship money we were able to pay the first place horse in each class \$5000 to win and pay all placings for a total payout of \$20,500 !! We appreciate those that did show so that we can build on these Versatility classes in 2019, it is very important to create a program where horses that "aren't top 10 World Show prospects to compete and have value.

Oct: The Best In the West Futurity donated \$2300 in the name of WCHA to sponsor two weanling halter classes where exhibitors were required to become WCHA members.

Nov: We held our Junior Weanling Classes at the AQHA World Show. This class was successful for the first year with 9 entries in colt class and 8 in the fillies. 100% of the entries fees plus \$10,000 in added money was paid out to the participants. This class will be tweaked to encourage more non pros to show their own and have an earlier entry fee, slot fee to increase entries.

Foal Nomination Program: In our December 2017 meeting the Breeders Committee voted to develop a foal nomination program that would subsidize our futurity and association with additional funding. A Subcommittee was formed to come up with proposal: The subcommittee members are: Luke, Bill, Monte, Mike, Lea Ann and Don. This subcommittee met twice and has a proposal ready to submit to the Breeder's Committee in December meeting.

Dec: Stallion Nominations for 2019 are already coming in, we will look at new halter classes and a Versatility Program for all divisions of horses and competitors.



December 15, 2018

Members of the Board,

Since our last committee update to Members of the Board, The Executive Committee has met on June 6th, July 11th, July 25th, September 5, October 29th and December 12th to address the ongoing business affairs of WCHA. Meeting minutes from formal proceedings have been attached for review.

In addition to the Committee Reports submitted for review. I would like to provide a Financial and Foundation update in the absence of the Treasurer and Foundation Committee Chair and any other update outside the scope of the meeting minutes provided.

YTD Financial Activities:

Financial Statements have been provided through December 15, 2018. Income and expenses are reflected in the attached Profit & Loss, by class, and bank account balances have been provided on the Balance Sheet Statements. Bank account reconciliations for the checking and savings accounts have been completed for activities through October 31, 2018. Balance Sheet account ¹adjusting entries have been completed following bank account reconciliations through the same period.

Foundation Update:

This year the Foundation Committee and Finance Committee diligently worked to achieve a 501 (c) 3 status for the WCHA Foundation. On August 7th an application was completed and submitted to the Internal Revenue Service for review and approval. The WCHA Foundation received confirmation from the IRS on September 10th approving the WCHA Foundation's 501 (c) 3 status. Since the establishment, the Foundation Committee has been working to establish a Board of Directors, Officers and Bylaws to govern the newly formed organization. Current Board members are Finance Committee Chair Andrea Olsen, Kyle Hughes and Steve Headley. Officers are President Tom Walker and Secretary Andrea Olsen. The Articles of Incorporation and Bylaws have been attached for your review.

On November 20th the Executive Committee met with the Foundation Board and Officers to work together as a team to achieve the common goals of the two organizations. The Executive Committee will continue to work with the leaders of the Foundation the work to achieve a similar mission of the World Conformation Horse Association.

Staffing:

WCHA has been blessed this past year with a lot of new opportunities since the addition of our new Administrative Consultant Kate Griffiths and our interim Executive Director Don Falcon. Don joined our staff the 1st of June and Kate joined the 1st of July. In a very short time they have demonstrated their effectiveness as leaders by accomplishing a great deal these past few months. To date: Memberships are up 43%, Combined WCHA & Big Money Futurity Entries were up 38%, Stallion Nominations were up 40% and Sponsorships were up 105% over the 2017 Futurity. These efforts equated to an increase in combined payouts of 34% over the previous year, significantly increasing the recognition of our exhibitors' success.

Additionally, there are new opportunities underway with our Alliance Partners and Corporate Sponsors recognizing the value in their affiliation with WCHA.

In light of all the accomplishments this past year, the Executive Committee will pursue a long term relationship with these individuals as contractual agreements need to be addressed this upcoming year.

If you have questions or concerns ahead of our next meeting feel free to give me a call.

Robin Klover
WCHA President
720-201-4727

¹ Adjusting entries are required when separate revenue generating activities are consolidated, for ease of accounting, then processed and recorded in the same deposit. The reallocation of money within the accounting system is based on the directive provided in the recording of the entry. Justification for these entries is documented within the adjusting entry for review upon request.



WCHA Executive Committee Meeting
June 6, 2018
6:00 pm CST
Meeting Minutes

Agenda:

- I. Roll Call
- II. Old Business
 - a. Approve the March 14th, March 28th, April 11th & May 30th Meeting Minutes
- III. New Business
 - a. Judges Committee Recommendations
 - i. Approve
 - b. Governance Chair
 - i. Proposed By Laws
 - 1. Website Markup
 - 2. Spencerfane model
 - c. Additional items
- IV. Adjourn

Minutes:

- I. **Roll Call**
 - a. Robin Klover called the meeting to order.
 - b. Members Present.
 - i. Robin Klover
 - ii. Michael Clites
 - iii. Bill Huckabee
 - iv. Debby Brehm
 - v. Don Falcon, Interim Executive Director
 - vi. Laura Manuel, Treasurer – Non Voting
 - vii. Luke Castle, Advisory
 - viii. Krissy Colbath, Administrative Consultant
- V. Old Business
 - a. Don Falcon was welcomed to the meeting as the Interim Executive Director.
 - b. Approve the March 14th, March 28th, April 11th & May 30th Meeting Minutes
 - i. A motion was made to approve the meeting minutes.
 - 1. The motion was seconded and carried.
- VI. New Business

- a. Judges Committee Recommendations
 - i. Approve
 - 1. The judges committee recommended to approve Steve Heckaman and Clark Scoggins as WCHA judges from the most recent judge's seminar.
 - 2. There was a discussion of the selection process that the Judge's Committee uses to make their recommendations.
 - 3. A motion was made to approve the two candidates, Steve Heckaman and Clark Scoggins.
 - a. The motion was seconded and carried.
 - b. Governance Chair
 - i. Proposed By Laws
 - ii. At 6:26pm Rebekah Herrmann, Chair of the Governance Committee joined the call.
 - 1. Website Markup
 - a. The Governance Chair presented the history behind the previous bylaw updates and revisions that brought WCHA to this current need for revision.
 - b. A redline markup of the bylaws, WCHA Bylaws_BOD_06212016_06_22_2018.docx, proposed by the Governance Committee was presented. This is a markup of the bylaws that were originally adopted on 10/17/2007 then updated 4/21/2016.
 - 2. Spencerfane model
 - a. There was discussion on the reasoning and action taken by the Governance Committee years prior to reach out to Spencerfane. It was also discussed why the Board of Directors chose not to adopt the Spencerfane model.
 - b. The Governance Committee expressed that they felt like voting to amend the bylaws line by line would not be as effective as repealing and replacing the bylaws in their entirety. This was the reasoning for the direction they took in preparing the bylaws presented at the May 30th, 2018 Executive Committee Meeting.
 - c. There was a discussion of the timeline in regards to creating the proposed bylaws as well as the timeline required to rework the document in its' entirety.
 - iii. Rebekah Herrmann left the call at 6:43pm.
 - 1. Further Discussion
 - a. There was further discussion on the role of the Executive Committee in directing the Governance Committee.
 - b. Based on historical operations the committee felt that it was their role to give guidance to the Governance Committee prior to presentation to the Board of Directors.
 - c. A motion was made for each Executive Committee Member to review the document presented by the Governance Committee and convey any recommendations back to the Chair to present to the Governance Committee for consideration. The Governance Committee would then present its final

recommendation to the Executive Committee for approval then on to the Board of Directors.

c. Additional items

- i. The proposed agreement with The Equine Chronicle was discussed.
 1. Page 2, of the agreement was brought up where the 16 pages of advertising was discussed, and further clarification is that the WCHA can either take a percentage of the revenue, or can take some of the pages at cost.
 2. It was noted that the first deadline is next Tuesday, June 12th. Content for the first four pages was discussed.
 3. The slogan will be *Taking the Lead* instead of *Take the Lead*.
 4. The amenities that WCHA will receive were discussed and clarified.
 5. There was discussion on unveiling the new WCHA logo with the first ad in The Equine Chronicle.
 - a. The motion was made to adjust the timeline was to unveil the logo in The Equine Chronicle instead of waiting until the Breeder's Futurity.
 - i. The motion was seconded and carried.
- ii. The WCHA will have a booth at the Bradshaw Sale, and we currently do not have banners that represent the Breeder's or Big Money Futurity. New banners will be ordered to use at this event and other events.
- iii. An update was given regarding the APHA staffing agreement, and other potential candidates to fill the staffing needs of WCHA.
 1. Members of the committee will build a recommendation to address the staffing needs.

VII. Adjourn

- a. A motion was made to adjourn the meeting.
 - i. The motion was seconded and the meeting was adjourned.

Respectfully Submitted By: Krissy Colbath
WCHA Administrative Consultant



WCHA Executive Committee Meeting
July 7, 2018
6:00 pm CST
Meeting Minutes

Agenda:

Committee Chair Discussion

- I. Platinum Sponsor Proposal (See Attached)
 - a. Discussion
- II. Alliance Partner Membership
 - a. Add a new WCHA membership category
 - b. 2 year introductory membership
 - c. Pros
 - i. Provide WCHA with the opportunity to define a target group of people
 - ii. The opportunity to communicate our Mission to a larger audience
 - iii. Help grow participation at our events
 - iv. Provide a period for WCHA to grow the value of its membership
 - v. Broaden our sponsorship base
 - vi. Increase our marketability to corporate sponsorships.
 - d. Cons
 - i. Devaluing our membership
 - ii. Increased staffing commitment
- III. Trailer Raffle
 - a. Update on ticket sales
 - b. Ideas to promote sales

Executive Committee Meeting

- I. Roll Call
- II. Old Business
 - a. Approve the June 6th Executive Committee meeting minutes.
- III. New Business
- IV. Contracts
- V. Independent Contractor Agreements
 - a. Discussion
 - b. Alliance Partner Agreement
 - i. Discuss Membership Clause (Section 3.a)
- VI. Bylaws

- a. Revision 07082018
 - b. Discussion
- VII. Additional items
-

Minutes:

Executive Committee Meeting

I. Roll Call

- a. Robin Klover called the meeting to order.
- b. Members Present.
 - i. Robin Klover
 - ii. Michael Clites
 - iii. Bill Huckabee
 - iv. Don Falcon, Interim Executive Director
 - v. Laura Manuel, Treasurer
 - vi. Luke Castle, Advisory
 - vii. Krissy Colbath, Administrative Assistant
 - viii. Kate Jackson, Administrative Consultant
 - ix. Committee Chairs Present
 - 1. Rebekah Hermann
 - 2. Kathy Smallwood
 - 3. Ralph Manuel
 - x. Not Present
 - 1. Debby Brehm
 - 2. Andrea Olson
 - 3. Jeffrey Pait
 - 4. Anna Horn
 - 5. Candace

Committee Chair Discussion

I. Platinum Sponsor Proposal

- a. Discussion
 - i. There was a discussion as to the role of the sponsorship and where the money would be dedicated. There was a clarification that the membership would be designated to the general fund.
 - ii. Further discussion related to the possibility of the Foundation being a 501c(3) and if WCHA would be eligible to be a 501c(3) and how that would relate to this Platinum Sponsor Proposal.
 - iii. There was a question and subsequent discussion related to how this would function in consideration to Founding and Lifetime memberships.
 - iv. It was then clarified that this proposal is meant to be a membership level instead of a sponsorship.
 - v. Logistics of the membership level were thoroughly discussed.

II. Alliance Partner Membership

- a. The possibility of adding a new two year entry level WCHA membership category was presented.
- b. There was a thorough discussion of the pros of initiating this membership level.
 - i. Provide WCHA with the opportunity to define a target group of people

- ii. The opportunity to communicate our Mission to a larger audience
 - iii. Help grow participation at our events
 - iv. Provide a period for WCHA to grow the value of its membership
 - v. Broaden our sponsorship base
 - vi. Increase our marketability to corporate sponsorships.
 - c. Some of the concerns of introducing this membership level were that of devaluing our membership and increased staffing commitment.
 - d. Further discussion on the topic involved:
 - i. The administrative cost involved with this, and the possibility of membership software to help make the process more efficient.
 - ii. The idea of starting by getting lists from our alliance partners to see the amount of potential members and contact so there is an idea of what level of administrative work is necessary. It was mentioned that the membership needs to offset the administrative cost. A fee of \$25 was suggested.
- III. Trailer Raffle
- a. An overview of the current ticket sales was given. To date 105 tickets have been sold. There are 149 tickets in WCHA members hand to be sold. There are 246 tickets that have not been assigned that need to be sold.
 - b. Further discussion on ideas to promote sales was to send out flyers to go with the tickets to help promote the trailer to other industries.
 - c. Also it was mentioned that we should promote and market the trailer to outside industries since it is fully customizable within the price point.
- IV. The Foundation Committee gave a report that between the Foundation and Finance committees project that they will be submitting the forms to the IRS by September 1st. The IRS processes the paperwork within 2-8 months; however, when the forms are submitted the Foundation can work as a 501c(3) until a determination is made by the IRS. The filing fee for the forms is \$600, so that expense will need to be approved.
- V. All committee chairs left the meeting at 7:10pm (CDT).

Executive Committee Meeting began at 7:11am (CDT)

- I. Roll Call
 - a. Members Present
 - i. Robin Klover
 - ii. Michael Clites
 - iii. Bill Huckabee
 - iv. Don Falcon, Interim Executive Director
 - v. Laura Manuel, Treasurer
 - vi. Luke Castle, Advisory
 - vii. Krissy Colbath, Administrative Assistant
 - viii. Kate Jackson, Administrative Consultant
 - b. Members Not Present
 - i. Debby Brehm
- II. Old Business
 - a. Approve the June 6th Executive Committee meeting minutes.
 - i. Approval of the June 6th minutes was tabled.
- III. New Business
- IV. Contracts
- V. Independent Contractor Agreements
 - a. Discussion
 - i. There was an explanation of each of the independent contractor agreements, and the roles that each of the contractors will fill for

WCHA. Executive committee members reviewed and approved all three contracts via a subsequent e-mail vote. The contracts were unanimously approved.

- b. Alliance Partner Agreement Template
 - i. Discuss Membership Clause (Section 3.a)

VI. WCHA's Responsibilities.

- a. *WCHA will recognize "Affiliate Organizations" members that have either materially participated in competition or indicated they are Halter enthusiasts as a member with WCHA at no additional charge through December 31, 2020.*

- i. There was a discussion of the current status of the various alliance agreements.
- ii. Based on the committee chair meeting recommendations there was discussion based on the administrative undertaking and the potential fees involved with an introductory membership.
 - 1. This was tabled until the next Executive Committee Meeting.

VII. Bylaws

- a. Revision 07082018
 - i. The revisions and comments for the 07082018 bylaw document were reviewed.
- b. Discussion
 - i. Members of the committee were instructed to review the document and submit their comments via e-mail.

VIII. Adjourn

- a. There was a motion to adjourn the meeting. The motion was seconded and carried.

Respectfully Submitted By: Krissy Colbath
WCHA Administrative Assistant



WCHA Executive Committee Meeting
July 25, 2018
6:00 pm CST
Meeting Minutes

Agenda:

- I. Roll Call**
 - a. Old Business
 - i. Approve the June 6th & 11th Executive Committee meeting minutes.
 - II. New Business**
 - a. Governance Committee Bylaw Recommendation
 - i. Revision: 07172018
 - ii. Discussion
 - b. 2018 Pro-Forma Budget
 - i. Review
 - ii. Discussion
 - c. Foundation Application for 501 (c)3 Non-Profit status
 - i. Review
 - ii. Discussion
 - III. Additional items**
 - IV. Adjourn**
-

Minutes:

- I. Roll Call**
 - a. Members Present
 - i. Robin Klover
 - ii. Michael Clites
 - iii. Bill Huckabee
 - iv. Debby Brehm
 - v. Don Falcon, Interim Executive Director
 - vi. Laura Manuel, Treasurer
 - vii. Luke Castle, Advisory
 - viii. Krissy Colbath, Administrative Assistant
 - ix. Kate Jackson, Administrative Consultant
- II. Old Business**
 - i. Approve the June 6th & 11th Executive Committee meeting minutes.

- ii. There was a motion to approve the meeting minutes as they stand. The motion was seconded, and the motion carried.

III. **New Business**

a. Governance Committee Bylaw Recommendation

- i. The Revision: 07172018 was initially reviewed in a previous meeting. The Governance chair addressed some of the concerns that were raised via e-mail following the July 11th, 2018 Executive Committee meeting.
 - 1. There was a question posed if the document should be reviewed by an attorney prior to presentation to the board of directors. The Executive Committee will reach out to Jack Grove to see if he would be willing to volunteer his services as an attorney to review the 07172018 document.
 - 2. There was a discussion regarding Sections 3 and 5 paragraph 2 regarding term limits for the Executive Officers and the various scenarios that result in officers either choosing to run for re-election or not wish to progress to the next office position.
 - a. Further discussion involved inserting the wording, "should the president elect choose not to progress at the request of the board of the directors the current president may serve current president may serve a second term."
 - b. Additional discussion involved reviewing how the executive committee may be reconstituted mid-year should the president be required to resign and the president-elect chose not to progress into the presidential role. These three officer positions will need to be addressed in Article 6 Section 3, 5 & 6.
 - c. A motion was made to approve the bylaws upon review Article 6 Section 3, 5 & 6 to address the reconstitution issue.

b. 2018 Pro-Forma Budget

- i. Robin led the review of the 2018 Pro Forma Budget as the past treasurer to wrap up his duties as the prior year treasurer.
- ii. There was a discussion regarding the trailer raffle and how the expense of the trailer would be posted in the budget. Various strategies were discussed as to how to handle the trailer raffle and boost ticket sales to cover that cost.

c. Foundation Application for 501 (c)3 Non-Profit status

- i. There was a review of the Foundation Committee's submission to the Executive Committee regarding the application of the 501(c)3 status.
- ii. A motion was made to have the Foundation Committee proceed with the filing of a 501(c)3 status for the WCHA Foundation and grant the filing fee to accompany the application. The motion was seconded and carried.

IV. **Adjourn**

- a. There was a motion to adjourn the meeting. The motion was seconded and the meeting was adjourned.

Respectfully Submitted By: Krissy Colbath
WCHA Administrative Assistant



WCHA Executive Committee Meeting
September 5, 2018
6:00 pm CST
Meeting Minutes

Agenda:

- I. Roll Call
- II. Old Business
 - a. Review and approve meeting minutes from our July 25th Executive Committee meeting.
 - b. Any other Old Business items.
- III. New Business
 - a. Member Recommendations to the proposed bylaws
 - i. Redlined Rev: 07272018
 - ii. James Hinckley email
 - iii. Discussion
- IV. 2018 Pro-Forma Budget
 - a. Review
 - b. Discussion
- V. Honorary recognition of 5 Ex-officios
 - a. Discussion
- VI. Judge's School Letter
 - a. Discussion
- VII. Suspensions
 - a. Discussion
- VIII. 2019 Executive Committee
 - a. Special Election
 - b. Discussion
- IX. Any other new business

Minutes:

- I. Roll Call**
 - a. Members present.
 - i. Mike Clites, Luke Castle, Debbi Brehm and Bill Huckabee, Don Falcon, Kate Jackson & Laura Manuel
 - b. Members not present.
 - i. None
- II. Old Business**

- a. The minutes from the July 25th, 2018 Executive Committee were reviewed and discussed. A motion was made to approve the minutes. The motion was seconded and carried.
 - b. Any other Old Business items.
- III. New Business**
 - a. Recommendations to the proposed bylaw changes by the WCHA were reviewed.
 - i. Among the documents that were reviewed were the Redlined Rev: 07272018.
 - ii. Following an email submitted by James Hinckley was reviewed.
 - iii. There was a discussion of these documents.
- IV. 2018 Pro-Forma Budget**
 - a. Review
 - b. Discussion
- V. Honorary recognition of 5 Ex-Officios**
 - a. Members of the Executive Commitment recognized the exemplary dedication and commitment the 5 Ex-Officios had put forth during their service with WCHA. Through discussion Members agreed to extend their gratitude by recognizing the 5 Ex-Officios as Honorary Advisors to the Executive Committee.
- VI. 2018 Judges School Letter**
 - a. A letter was submitted to the Judge's Committee by one of the attendees requesting clarification of the testing process and the decisions made at the 2018 judge's school. The Executive Committee heard from the Chairman of the Judge's Committee as to the procedures and decisions that took place. After discussion the Executive Committee chose to uphold the decision made by the Judge's Committee.
- VII. Suspensions**
 - a. The issue of Alliance Partner members that were suspended but requesting to participate in our Futurity was presented to the Executive Committee. Members felt that these suspensions should be upheld since our Futurity was held in conjunction with the APHA World Show.
- VIII. 2019 Executive Committee**
 - a. Special Election
 - b. Discussion
- IX. Any other new business**
- X. Adjourn Meeting**

Respectfully Submitted By: Krissy Colbath
WCHA Administrative Assistant



WCHA Executive Committee Meeting
October 29, 2018
6:00 pm CST
Meeting Minutes

Agenda:

- I. Roll Call
- II. Old Business
 - a. September 10th meeting minutes will be presented for review and approval in our next scheduled meeting.
 - b. Any other Old Business items.
- III. New Business
 - a. President Elect Special Election & Bylaw Rev:09102018 Amendment
 - i. Review & Discussion
 - b. YTD Financial Statements
 - i. Review & Discussion
 - c. Membership Challenge
 - i. Proposal
 - d. The WCHA Foundation Corp.
 - i. Update
- IV. Adjourn

Minutes:

- I. Roll Call
- II. Old Business
 - a. It was noted that the September 10, 2018 meeting minutes will be presented for review and approval at the next scheduled Executive Committee meeting.
 - b. There was a call for any other old business.
 - i. No new business was brought to the floor.
- III. New Business
 - a. President Elect Special Election & Bylaw Rev:09102018 Amendment
 - i. There was a discussion in regards to the procedure required to hold a special election for the President Elect.
 - ii. A redline document of the proposed bylaws was presented. The proposed revisions addressed the following.
 - 1. Article VI, Section III
 - a. Remove the General Membership and replace with the Board of Directors.

2. Article VI, Section VI. President Elect, Second Paragraph.
 - a. Remove General Membership and replace with:
Board of Directors present at designated board meeting held 60 days prior to the scheduled Annual membership meeting.
3. There was a discussion of these revisions.
4. A motion was made to approve these revisions and be made effective January 1, 2019.
5. The motion was seconded and carried.
- b. YTD Financial Statements
 - i. Robin Klover presented the year-to-date financial statements.
 - ii. The committee reviewed and discussed the financial statements including the financials of the 2018 futurities and projected financials through year end.
 - iii. There was a motion to approve the year-to-date financials as presented.
 - iv. This motion was seconded and carried.
- c. Membership Challenge
 - i. An update was given regarding a year end membership campaign that was launched to reactivate their memberships.
 - ii. There was a challenge made for everyone in the next meeting to reach out to four past members to encourage them to renew their membership.
- d. The WCHA Foundation Corp.
 - i. There was an open-floor discussion regarding the WCHA Foundation.

IV. Adjourn

- a. There was a motion to adjourn the meeting. The motion was seconded and the meeting was adjourned.

Respectfully Submitted By: Krissy Colbath
WCHA Administrative Assistant

6:02 PM
12/15/18

Accrual Basis

World Conformation Horse Association

Profit & Loss by Class

January 1 through December 15, 2018

	Alliance Partner Futurity	Big Money Futurity	Breeder's Futurity	Versatility Futurity	WCHA Foundation	Conformation Horse Assoc.	Yellow Rose Futurity	TOTAL
Income								
Banquet								
Auction	0.00	0.00	0.00	0.00	0.00	30,650.00	0.00	30,300.00
Admissions	0.00	0.00	0.00	0.00	0.00	8,975.00	0.00	8,975.00
Total Banquet	0.00	0.00	0.00	0.00	0.00	39,625.00	0.00	39,625.00
Credit Card Processing	0.00	0.00	0.00	0.00	0.00	2,007.81	0.00	2,007.81
Donations / Sponsorships	0.00	0.00	0.00	0.00	0.00	2,500.00	0.00	2,500.00
Equine Chronicle Ad Sales	0.00	0.00	0.00	0.00	0.00	1,840.00	0.00	1,840.00
Futurity Administrative Fee	0.00	0.00	0.00	0.00	0.00	41,928.00	0.00	41,928.00
Futurities								
Office Fee	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	3,700.00
Entry Fees	0.00	80,500.00	143,700.00	16,000.00	0.00	0.00	0.00	240,200.00
Sponsorships	10,000.00	9,879.50	15,064.50	4,000.00	0.00	0.00	0.00	38,944.00
Stall Fees	0.00	5,352.00	8,028.00	700.00	0.00	0.00	0.00	14,080.00
Stallion Nominations	0.00	75,500.00	96,050.00	0.00	0.00	0.00	1,400.00	172,950.00
"WCHA Professional Trainers"	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	3,700.00
Total Futurities	10,000.00	174,931.50	266,542.50	20,700.00	0.00	0.00	1,400.00	473,574.00
Dividend / Interest Income	0.00	0.00	0.00	0.00	0.00	12.03	0.00	12.03
Judge's Seminar	0.00	0.00	0.00	0.00	0.00	326.25	0.00	326.25
Membership Dues	0.00	0.00	0.00	0.00	0.00	12,145.00	0.00	12,145.00
Shipping	0.00	0.00	0.00	0.00	0.00	25.00	0.00	25.00
Silent Auction	0.00	0.00	0.00	0.00	0.00	2,935.00	0.00	2,935.00
WCHA Foundation								
Dividend / Account Value	0.00	0.00	0.00	0.00	-12.72	0.00	0.00	-12.72
Sponsorships / Donations	0.00	0.00	0.00	0.00	708.63	0.00	0.00	708.63
Total WCHA Foundation	0.00	0.00	0.00	0.00	695.91	0.00	0.00	695.91
2017/2018 Trailer Raffle								
Raffle Tickets	0.00	0.00	0.00	0.00	0.00	7,425.00	0.00	7,425.00
Trailer Sponsor	0.00	0.00	0.00	0.00	0.00	17,340.00	0.00	17,340.00
Total 2017/2018 Trailer Raffle	0.00	0.00	0.00	0.00	0.00	24,765.00	0.00	24,765.00
Total Income	10,000.00	174,931.50	266,542.50	20,700.00	695.91	128,109.09	1,400.00	602,379.00
Expense								
Accounting	0.00	0.00	0.00	0.00	0.00	1,750.00	0.00	1,750.00
Bank & Credit Card Fees	0.00	0.00	0.00	0.00	0.00	3,803.25	0.00	3,803.25
Banquet								
Advertising	0.00	0.00	0.00	0.00	0.00	819.76	0.00	819.76
Awards	0.00	0.00	0.00	0.00	0.00	709.59	0.00	709.59
Facility	0.00	0.00	0.00	0.00	0.00	10,624.10	0.00	10,624.10
Video Production	0.00	0.00	0.00	0.00	0.00	1,150.00	0.00	1,150.00
Banquet - Other	0.00	0.00	0.00	0.00	0.00	1,161.29	0.00	1,161.29
Total Banquet	0.00	0.00	0.00	0.00	0.00	14,464.74	0.00	14,464.74
Conference, Convention, Meeting	0.00	0.00	0.00	0.00	0.00	455.60	0.00	455.60
Contract Services	0.00	0.00	0.00	0.00	0.00	67,277.87	0.00	67,277.87
Foundation								
Auction Items	0.00	0.00	0.00	0.00	553.63	0.00	0.00	553.63
Total Foundation	0.00	0.00	0.00	0.00	553.63	0.00	0.00	553.63
Futurities								
Administrative Fee	0.00	16,670.20	25,257.80	0.00	0.00	0.00	0.00	41,928.00
Awards	541.95	3,593.98	6,802.57	147.00	0.00	0.00	0.00	11,085.50
Contract Services	0.00	2,969.24	3,128.85	0.00	0.00	0.00	0.00	6,098.09
Exhibitors Party	0.00	1,100.00	4,406.21	0.00	0.00	0.00	0.00	5,506.21
Facility Rental	0.00	5,000.00	7,097.00	0.00	0.00	0.00	0.00	12,097.00
Disbursements	15,150.00	130,334.00	193,249.00	20,500.00	0.00	0.00	1,400.00	360,633.00
Judges	0.00	5,233.41	7,645.85	0.00	0.00	0.00	0.00	12,879.26
Marketing & Business Dev.	0.00	755.90	2,028.12	0.00	0.00	0.00	0.00	2,784.02
Show Approval / Office	0.00	0.00	743.00	0.00	0.00	0.00	0.00	743.00
Total Futurities	15,691.95	165,656.73	250,358.40	20,647.00	0.00	0.00	1,400.00	453,754.08
Insurance - Liability / D&O	0.00	0.00	0.00	0.00	0.00	1,854.00	0.00	1,854.00
Judge's Seminar	0.00	0.00	0.00	0.00	0.00	712.91	0.00	712.91
"Lip Sync" Calcutta	0.00	0.00	0.00	0.00	0.00	170.00	0.00	170.00
Marketing & Business Dev.	0.00	0.00	0.00	0.00	0.00	4,445.97	0.00	4,445.97
Office Supplies	0.00	0.00	0.00	0.00	0.00	202.27	0.00	202.27
Shipping / Postage	0.00	0.00	0.00	0.00	0.00	449.89	0.00	449.89
Sponsorships / Donations	0.00	0.00	0.00	0.00	0.00	2,000.00	0.00	2,000.00
Printing & Copying	0.00	0.00	0.00	0.00	0.00	264.18	0.00	264.18
Telephone	0.00	0.00	0.00	0.00	0.00	191.07	0.00	191.07
Travel	0.00	0.00	0.00	0.00	0.00	1,225.85	0.00	1,225.85
2017/2018 Trailer Raffle	0.00	0.00	0.00	0.00	0.00	17,340.00	0.00	17,340.00
Total Expense	15,691.95	165,656.73	250,358.40	20,647.00	553.63	116,607.60	1,400.00	570,915.31
Net Income	-5,691.95	9,274.77	16,184.10	53.00	142.28	11,501.49	0.00	31,463.69

World Conformation Horse Association

Profit & Loss Prev Year Comparison

January 1 through December 15, 2018

	Jan 1 - Dec 15, 18	Jan 1 - Dec 15, 17
Income		
Income		
Banquet		
Auction	30,650.00	40,450.00
Admissions	8,975.00	10,670.00
Total Banquet	39,625.00	51,120.00
Credit Card Processing	2,007.81	3,113.25
Donations / Sponsorships	2,500.00	2,500.00
Equine Chronicle Ad Sales	1,840.00	0.00
Futurity Administrative Fee	41,928.00	43,150.00
Futurities		
Entry Fees	240,200.00	174,150.00
Mare Nominations	0.00	3,600.00
Office Fee	3,700.00	3,600.00
Sponsorships	38,944.00	19,031.00
Stallion Nominations	172,950.00	123,100.00
Stall Fees	14,080.00	7,740.00
"WCHA Professional Trainers"	3,700.00	5,100.00
Total Futurities	473,574.00	336,321.00
"Gift Card" Raffle	0.00	1,600.00
Dividend / Interest Income	12.03	83.60
Judge's Seminar	326.25	500.00
"Lip Sync" Calcutta	0.00	3,950.00
Membership Dues	12,145.00	8,487.50
Merchandise Sales	0.00	4,090.00
Shipping	25.00	25.90
Show Approval Fee	0.00	300.00
Silent Auction	2,935.00	1,455.00
Trainer Sale	0.00	9,100.00
WCHA Foundation		
Dividend / Account Value	-12.72	0.00
Sponsorships / Donations	708.63	0.00
WCHA Foundation - Other	0.00	6,940.00
Total WCHA Foundation	695.91	6,940.00
2017/2018 Trailer Raffle		
Raffle Tickets	7,425.00	2,550.00
Trailer Sponsor	17,340.00	0.00
Total 2017/2018 Trailer Raffle	24,765.00	2,550.00
Total Income	602,379.00	475,286.25
Total Income	602,379.00	475,286.25
Gross Profit	602,379.00	475,286.25
Expense		
Expense		
Accounting	1,750.00	0.00
Bank & Credit Card Fees	3,803.25	4,560.74
Banquet		
Advertising	819.76	93.26
Awards	709.59	2,333.77
Facility	10,624.10	8,993.41
Video Production	1,150.00	1,800.00
Banquet - Other	1,161.29	0.00
Total Banquet	14,464.74	13,220.44
Conference, Convention, Meeting	455.60	1,130.87
Contract Services	67,277.87	64,163.00
Foundation		
Auction Items	553.63	0.00
Award Scholarships	0.00	4,000.00
Total Foundation	553.63	4,000.00
Futurities		
Administrative Fee	41,928.00	43,150.00
Awards	11,085.50	7,730.13
Contract Services	6,098.09	8,133.47
Exhibitors Party	5,506.21	3,432.68
Facility Rental	12,097.00	0.00
Disbursements	360,633.00	269,387.00
Judges	12,879.26	8,675.89
Mare Nominations	0.00	3,600.00
Marketing & Business Dev.	2,784.02	3,078.77
Show Approval / Office	743.00	65.48
Total Futurities	453,754.08	347,253.42
"Gift Card" Raffle	0.00	1,505.95
Insurance - Liability / D&O	1,854.00	2,252.55
Judge's Seminar	712.91	733.35
"Lip Sync" Calcutta	170.00	2,030.00
Marketing & Business Dev.	4,445.97	3,467.42
Office Supplies	202.27	559.39
Shipping / Postage	449.89	600.75
Sponsorships / Donations	2,000.00	2,000.00
Printing & Copying	264.18	70.00
Telephone	191.07	0.00
Travel	1,225.85	1,593.28
2017/2018 Trailer Raffle	17,340.00	393.70
Total Expense	570,915.31	449,534.86
Total Expense	570,915.31	449,534.86
Net Income	31,463.69	25,751.39

World Conformation Horse Association

Balance Sheet

As of December 15, 2018

	Dec 15, 18
ASSETS	
Current Assets	
Checking/Savings	
Cash	
WCHA Checking	
General Account	67,419.03
Breeder's Futurity	7,351.03
Big Money Futurity	4,737.48
Ranch Versatility Futurity	-293.98
Total WCHA Checking	79,213.56
WCHA Savings	
General Account	75,059.03
Breeder's Futurity	7,000.00
Big Money Futurity	15,000.00
Total WCHA Savings	97,059.03
WCHA Foundation	
Foundation Checking	628.63
Investment - American Century	7,583.56
Total WCHA Foundation	8,212.19
Total Cash	184,484.78
Total Checking/Savings	184,484.78
Accounts Receivable	
Accounts Receivable	28,010.47
Total Accounts Receivable	28,010.47
Other Current Assets	
Undeposited Funds	18,884.06
Total Other Current Assets	18,884.06
Total Current Assets	231,379.31
Fixed Assets	
WCHA Trailer	227.90
Total Fixed Assets	227.90
Other Assets	
Pre Paid Activities	
2019 Membership	-3,935.00
2020 Membership	-1,795.00
2019 Stallion Nomination	-5,500.00
2019 Versatility Stakes	-1,600.00
Total Pre Paid Activities	-12,830.00
Total Other Assets	-12,830.00
TOTAL ASSETS	218,777.21
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	600.00
Total Accounts Payable	600.00
Total Current Liabilities	600.00
Total Liabilities	600.00
Equity	
Unrestricted Net Assets	-1,624.21
Opening Balance Equity	188,337.73
Net Income	31,463.69
Total Equity	218,177.21
TOTAL LIABILITIES & EQUITY	218,777.21



Office of the Secretary of State

August 07, 2018

Attn: Legalzoom.com, Inc.

Legalzoom.com, Inc.
101 N. Brand Blvd, 10th Floor
Glendale, CA 91203 USA

RE: WCHA Foundation, Corp
File Number: 803085446

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at <http://window.state.tx.us/taxinfo/franchise/index.html>. For information on state tax exemption, including applications and publications, visit the Comptroller's Exempt Organizations web site at <http://window.state.tx.us/taxinfo/exempt/index.html>. Information on exemption from federal taxes is available from the Internal Revenue Service web site at www.irs.gov.

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation. If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555
Enclosure



Office of the Secretary of State

CERTIFICATE OF FILING OF

WCHA Foundation, Corp
File Number: 803085446

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 08/07/2018

Effective: 08/07/2018



A handwritten signature in black ink, appearing to read "R. Pablos".

Rolando B. Pablos
Secretary of State

Form 202

Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
FAX: 512/463-5709

Filing Fee: \$25

**Certificate of Formation
Nonprofit Corporation**

Filed in the Office of the
Secretary of State of Texas
Filing #: 803085446 08/07/2018
Document #: 829377080002
Image Generated Electronically
for Web Filing

Article 1 - Corporate Name

The filing entity formed is a nonprofit corporation. The name of the entity is :

WCHA Foundation, Corp

Article 2 - Registered Agent and Registered Office

☐ A. The initial registered agent is an organization (cannot be corporation named above) by the name of:

OR

☒ B. The initial registered agent is an individual resident of the state whose name is set forth below:

Name:

Andrea E Olsen

C. The business address of the registered agent and the registered office address is:

Street Address:

449 Emsley Dr Willow Park TX 76087

Consent of Registered Agent

☒ A. A copy of the consent of registered agent is attached. **527961827 RA Signature.pdf**

OR

☐ B. The consent of the registered agent is maintained by the entity.

Article 3 - Management

☐ A. Management of the affairs of the corporation is to be vested solely in the members of the corporation.

OR

☒ B. Management of the affairs of the corporation is to be vested in its board of directors. The number of directors, which must be a minimum of three, that constitutes the initial board of directors and the names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and qualified are set forth below.

Director 1: **Ralph Manuel**

Title: **Director**

Address: **P.O. Box 688 Cisco TX, USA 76437**

Director 2: **Don Falcon**

Title: **Director**

Address: **P.O. Box 688 Cisco TX, USA 76437**

Director 3: **Robin Klover**

Title: **Director**

Address: **P.O. Box 688 Cisco TX, USA 76437**

Article 4 - Organization Structure

☐ A. The corporation will have members.

or

☒ B. The corporation will not have members.

Article 5 - Purpose

The corporation is organized for the following purpose or purposes:

Provide scholarships to youth exhibitors and to promote stock type conformation horses across all stock breeds

Supplemental Provisions / Information

**Addendum to
Certificate of Formation of
WCHA Foundation, Corp**

Said organization is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under the section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code. The business activity for said organization is as follows: Provide scholarships to youth exhibitors and to promote stock type conformation horses across all stock breeds

No part of the net earnings of this organization shall inure to the benefit of, or be distributable to, its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of this document, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c) (2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Upon the dissolution of this corporation, assets remaining shall be distributed for one or more exempt purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed by a Court of Competent Jurisdiction of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

[The attached addendum, if any, is incorporated herein by reference.]

Effectiveness of Filing

☒ **A. This document becomes effective when the document is filed by the secretary of state.**

OR

☐ **B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:**

Organizer

The name and address of the organizer are set forth below.

Legalzoom.com, Inc. **101 N Brand Blvd, 11th Floor, Glendale, CA 91203**

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Cheyenne Moseley, Asst. Secretary, LegalZoom.com, Inc.

Signature of organizer.


FILING OFFICE COPY

Form 401-A
(Revised 12/09)



**Acceptance of Appointment
and
Consent to Serve as Registered Agent
§5.201(b) Business Organizations Code**

The following form may be used when the person designated as registered agent in a registered agent filing is an individual.

<u>Acceptance of Appointment and Consent to Serve as Registered Agent</u>		
I acknowledge, accept and consent to my designation or appointment as registered agent in Texas for WCHA Foundation, Corp		
<i>Name of represented entity</i>		
I am a resident of the state and understand that it will be my responsibility to receive any process, notice, or demand that is served on me as the registered agent of the represented entity; to forward such to the represented entity; and to immediately notify the represented entity and submit a statement of resignation to the Secretary of State if I resign.		
x:	 <i>Signature of registered agent</i>	<div>Andrea E. Olsen <i>Printed name of registered agent</i></div> <div>08/01/2018 <i>Date (mm/dd/yyyy)</i></div>

The following form may be used when the person designated as registered agent in a registered agent filing is an organization.

<u>Acceptance of Appointment and Consent to Serve as Registered Agent</u>		
I am authorized to act on behalf of _____ <i>Name of organization designated as registered agent</i>		
The organization is registered or otherwise authorized to do business in Texas. The organization acknowledges, accepts and consents to its appointment or designation as registered agent in Texas for:		
<i>Name of represented entity</i>		
The organization takes responsibility to receive any process, notice, or demand that is served on the organization as the registered agent of the represented entity; to forward such to the represented entity; and to immediately notify the represented entity and submit a statement of resignation to the Secretary of State if the organization resigns.		
x:	_____ <i>Signature of person authorized to act on behalf of organization</i>	<div>_____ <i>Printed name of authorized person</i></div> <div>_____ <i>Date (mm/dd/yyyy)</i></div>

**Bylaws
of
WCHA Foundation, Corp**

**Article 1
Offices**

Section 1. Principal Office

The principal office of the corporation is located in Eastland County, State of Texas. The permanent address of the WCHA Foundation, Corp. shall be P.O.Box 688, Cisco, TX 76437. The mailing address of the WCHA Foundation, Corp. shall be that of the current President unless otherwise designated by the Board of Directors.

Section 2. Change of Address

The designation of the county or state of the corporation's principal office may be changed by amendment of these bylaws. The Board of Directors may change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed, nor require, an amendment of these bylaws:

New Address: _____

Dated: _____, 20__

New Address: _____

Dated: _____, 20__

New Address: _____

Dated: _____, 20__

Section 3. Other Offices

The corporation may also have offices at such other places, within or without its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the Board of Directors may, from time to time, designate.

Article 2 Nonprofit Purposes

Section 1. IRC Section 501(c)(3) Purposes

This corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.

Section 2. Specific Objectives and Purposes

The purpose of the WCHA Foundation is to provide financial development opportunities that will support youth scholarships and educational opportunities related to enhancing the public knowledge of the conformation horse.

The goals of the WCHA Foundation are:

- a. To provide scholarships to youth who are engaged in the promotion, preservation, breeding and showing of the conformation horse.
- b. Enhance donations to the WCHA Foundation through development opportunities.
- c. Provide research funding opportunities that protect, enhance and preserve the conformation horse standards.
- d. Manage the resources associated with the development activities and educational programs of the WCHA Foundation.

Article 3 Directors

Section 1. Number

The corporation shall have a minimum of four (4) and a maximum of ten (10) voting Directors, each of which should possess specific interests in furthering the purpose and goals of the WCHA Foundation and collectively they shall be known as the Board of Directors. The Board will also include two Directors of the World Conformation Horse Association (WCHA) who will serve as non-voting advisors to the WCHA Foundation.

Section 2. Qualifications

Directors shall be of the age of majority in the State of Texas. These Directors should include among others: conformation horse owners, conformation horse exhibitors, conformation horse breeders, conformation horse trainers and business leaders associated with the conformation horse industry. All Directors

shall be volunteers and non-paid. One Board year shall be concurrent with the fiscal year; one fiscal year shall be concurrent with the calendar year. New Directors may be nominated by any Director of the prevailing Board and shall be elected by a majority vote of the prevailing Board membership. The Board may replace any Director who fails to attend three consecutive Board meetings without: a) good and sufficient reason, and b) communicating / coordinating with the Board President by majority vote. The Director so removed will be notified in writing and be afforded the opportunity to appeal the decision and request reinstatement.

Section 3. Powers

Subject to the provisions of the laws of Texas and any limitations in the articles of incorporation and these bylaws relating to action required or permitted to be taken or approved by the members, if any, of this corporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

Section 4. Duties

It shall be the duty of the Directors to:

- a. Perform any and all duties imposed on them collectively or individually by law, by the articles of incorporation, or by these bylaws;
- b. Appoint and remove, employ and discharge, and, except as otherwise provided in these bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the corporation;
- c. Supervise all officers, agents, and employees of the corporation to assure that their duties are performed properly;
- d. Meet at such times and places as required by these bylaws;
- e. Register their mailing addresses and e-mail addresses with the Secretary of the corporation, and notices of meetings mailed or electronically transmitted to them at such addresses shall be valid notices thereof.

Section 5. Term of Office

Each Director shall hold office for a period of two (2) years beginning on January 1st following election and/or until his or her successor is elected and qualifies. The first Directors of the WCHA Foundation, Corp shall begin their term of office effective with the first Board of Directors meeting. During the initial term of Directors, up to five (including the Directors elected to the offices of President and Treasurer) will serve a two year term and remaining five or less will serve a one year. Terms thereafter will be for two years with reelection / election of up to five Directors annually in November but not later than December 1st. There is no limit to the number of terms any Director may serve.

Section 6. Compensation

Directors are volunteers and shall serve without compensation. They shall be allowed reasonable reimbursement of expenses incurred in the performance of their duties. Any payments to Directors shall be approved in advance in accordance with this corporation's conflict of interest policy, as set forth in Article 9 of these bylaws.

Section 7. Place of Meetings

Meetings shall be held at the time and place designated by the President. Meetings may be conducted by telephone conference call, by web-based meeting structure, or by virtual meeting using e-mail for recording of votes, or at such other place as may be designated from time to time by resolution of the Board of Directors.

Section 8. Regular Meetings

Regular meetings of Directors shall be held at least once a quarter at a time designated by the President at least one week prior to the meeting date.

Beginning with the regular meeting of Directors held in November of 2019, up to five Directors shall be elected by the Board of Directors. Voting for the election of Directors shall be by written ballot; electronic voting and ballots by e-mail shall be deemed as written. Each Director shall cast one vote per candidate, and may vote for as many candidates as the number of candidates to be elected to the Board. The candidates receiving the highest number of votes up to the number of Directors to be elected shall be elected to serve on the Board.

Section 9. Special Meetings

Special meetings of the Board of Directors may be called by the President, the Vice President, the Secretary, by any two Directors, or, if different, by the persons specifically authorized under the laws of this state to call special meetings of the Board. Such meetings shall be held by telephone conference call or web-based meeting structure at a time designated by the person or persons calling the special meeting. The place designated for special meetings shall be reasonable to facilitate attendance / participation.

Section 10. Notice of Meetings

Unless otherwise provided by the articles of incorporation, these bylaws, or provisions of law, the following provisions shall govern the giving of notice for meetings of the Board of Directors:

- a. **Regular Meetings.** At least one week prior by telephone, text, and or e-mail for any regular meeting of the Board of Directors.

- b. **Special Meetings.** At least one week prior notice shall be given by the Secretary of the corporation to each Director of each special meeting of the Board. Such notice may be oral or written, may be given personally, by first class mail, by telephone or by facsimile machine, and shall state the place, date, and time of the meeting and the matters proposed to be acted upon at the meeting. In the case of facsimile notification, the Director to be contacted shall acknowledge personal receipt of the facsimile notice by a return message or telephone call within twenty-four hours of the first facsimile transmission.
- c. **Waiver of Notice.** Whenever any notice of a meeting is required to be given to any Director of this corporation under provisions of the articles of incorporation, these bylaws, or the law of this state, a waiver of notice in writing signed by the Director, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

Section 11. Quorum for Meetings

A quorum shall consist of a simple majority of the voting members of the Board of Directors.

Except as otherwise provided under the articles of incorporation, these bylaws, or provisions of law, no business shall be considered by the Board at any meeting at which the required quorum is not present, and the only motion which the chair shall entertain at such meeting is a motion to adjourn.

Section 12. Majority Action as Board Action

Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the articles of incorporation, these bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the Board.

Section 13. Conduct of Meetings

The President of the corporation shall preside at all meetings of the Board of Directors. In his or her absence, the Vice President of the corporation, or in his or her absence, by a chairperson chosen by a majority of the Directors present at the meeting shall preside. The Secretary of the corporation shall act as Secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting.

Meetings shall be governed by Roberts Rule of Order, insofar as such rules are not inconsistent with or in conflict with the articles of incorporation, these bylaws, or with provisions of law.

Section 14. Vacancies

Vacancies on the Board of Directors shall exist (1) on the death, resignation, or removal of any Director, and (2) whenever the number of authorized Directors is increased.

Any Director may resign effective upon giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No Director may resign if the corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Office of the Attorney General or other appropriate agency of this state.

Directors may be removed from office, with or without cause, as permitted by and in accordance with the laws of this state.

Unless otherwise prohibited by the articles of incorporation, these bylaws, or provisions of law, vacancies on the Board may be filled by approval of the Board of Directors. If the number of Directors then in office is less than a quorum, a vacancy on the Board may be filled by approval of a majority of the Directors then in office or by a sole remaining Director. A person elected to fill a vacancy on the Board shall hold office until the next election of the Board of Directors or until his or her death, resignation, or removal from office.

Section 15. Nonliability of Directors

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

Section 16. Indemnification by Corporation of Directors and Officers

The Directors and officers of the corporation shall be indemnified by the corporation to the fullest extent permissible under the laws of this state.

Section 17. Insurance for Corporate Agents

Except as may be otherwise provided under provisions of law, the Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a Director, officer, employee, or other agent of the corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the articles of incorporation, these bylaws, or provisions of law.

Article 4 Officers

Section 1. Designation of Officers

The officers of the corporation shall be a president, a vice president, a Secretary, and a Treasurer. The corporation may also have one or more vice presidents, assistant secretaries, assistant Treasurers, and other such officers with such titles as may be determined from time to time by the Board of Directors. After the completion of the first term of the president, the office of past president shall be created. The past president will automatically serve a two year term as a voting member of the Board and Executive Committee at the end of his/her elected term.

Section 2. Qualifications

Any person who is a member in good standing of the World Conformation Horse Association (WCHA) may serve as officer of this corporation.

Section 3. Election and Term of Office

Officers shall be elected once every two (2) years in November with the term of office beginning January 1st by the Board of Directors. Each officer shall hold office for a period of two years or until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first. The term of initial slate of officers shall be two years for the President and Treasurer and one year for the Vice-President and Secretary. Thereafter, the President and Treasurer shall be elected in even years and Vice-President and Secretary shall be elected in odd years. There is no limit to the number of terms an officer may serve. All officers shall have voting rights at Executive Committee and Board of Director meeting unless specifically designated as non-voting in either these bylaws or by majority vote of the Board of Directors.

Section 4. Removal and Resignation

Any officer may be removed, either with or without cause, by the Board of Directors, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the president or Secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

Section 5. Vacancies

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of president, such vacancy may be filled temporarily by appointment by the president until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.

Section 6. Duties of President

The president shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be prescribed from time to time by the Board of Directors. The President shall preside at all meetings of the Board of Directors and the Executive Committee. When presiding at meetings of the Executive Committee, the President shall vote only when required to break a tie. Except as otherwise expressly provided by law, by the articles of incorporation, or by these bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

Section 7. Duties of Vice President

In the absence of the president, or in the event of his or her inability or refusal to act, the vice president shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions on, the president. The vice president shall have other powers and perform such other duties as may be prescribed by law, by the articles of incorporation, or by these bylaws, or as may be prescribed by the Board of Directors.

Section 8. Duties of Secretary

The Secretary shall:

Certify and keep at the principal office of the corporation the original, or a copy, of these bylaws as amended or otherwise altered to date.

Keep at the principal office of the corporation or at such other place as the Board may determine, a book of minutes of all meetings of the Directors, and, if applicable, meetings of committees of Directors and of members, recording therein the time and place of holding, whether regular or special, how called, how

notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

Ensure that the minutes of meetings of the corporation, any written consents approving action taken without a meeting, and any supporting documents pertaining to meetings, minutes, and consents shall be contemporaneously recorded in the corporate records of this corporation. "Contemporaneously" in this context means that the minutes, consents, and supporting documents shall be recorded in the records of this corporation by the later of (1) the next meeting of the Board, committee, membership, or other body for which the minutes, consents, or supporting documents are being recorded, or (2) sixty (60) days after the date of the meeting or written consent.

See that all notices are duly given in accordance with the provisions of these bylaws or as required by law.

Be custodian of the records and of the seal of the corporation and affix the seal, as authorized by law or the provisions of these bylaws, to duly executed documents of the corporation.

Keep at the principal office of the corporation a membership book containing the name and address of each and any members, and, in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased.

Exhibit at all reasonable times to any Director of the corporation, or to his or her agent or attorney, on request therefor, the bylaws, the membership book, and the minutes of the proceedings of the Directors of the corporation.

In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

Section 9. Duties of Treasurer

The Treasurer shall:

Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.

Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.

Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.

Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.

Exhibit at all reasonable times the books of account and financial records to any Director of the corporation, or to his or her agent or attorney, on request therefor.

Render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the corporation.

Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

In general, perform all duties incident to the Office of Treasurer and such other duties as may be required by law, by the articles of incorporation of the corporation, or by these bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

Section 10. Compensation

The Officers shall be volunteers and receive no compensation for their activities with the WCHA Foundation.

Article 5 Committees

Section 1. Executive Committee

The officers of the WCHA Foundation shall comprise the Executive Committee of the WCHA Foundation. The Executive Committee shall be responsible for the day-to-day management of the organization. By election of the Officers of the organization, the Board of Directors delegates to such committee the powers and authority of the Board in the management of the business and affairs of the corporation, to the extent permitted, and, except as may otherwise be provided, by provisions of law. The President when

By a majority vote of its members, the Board may at any time revoke or modify any or all of the executive committee authority so delegated, increase or decrease but not below two (2) the number of the members of the executive committee, and fill vacancies on the Executive Committee from the members of the Board. The Executive Committee shall meet at least monthly at a time and by means and methods (telephone conference or web-based meeting structure) designated by the President. The committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require.

Section 2. Other Committees

The corporation shall have such other committees as may from time to time be designated by resolution of the Board of Directors. These committees may consist of persons who are not also members of the Board and shall act in an advisory capacity to the Board.

Section 3. Meetings and Action of Committees

Meetings and action of committees shall be governed by, noticed, held, and taken in accordance with the provisions of these bylaws concerning meetings of the Board of Directors, with such changes in the context of such bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these bylaws.

Article 6

Execution of Instruments, Deposits, and Funds

Section 1. Execution of Instruments

The Board of Directors, except as otherwise provided in these bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 2. Checks and Notes

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the Treasurer and countersigned by the president of the corporation.

Section 3. Deposits

All funds of the corporation shall be deposited from time to time 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 for the nonprofit purposes of this corporation as permitted by applicable laws and the organization's articles of incorporation.

Article 7 Corporate Records, Reports, and Seal

Section 1. Maintenance of Corporate Records

The corporation shall keep as part of its permanent records:

- a. Minutes of all meetings of Directors, committees of the Board, and, if this corporation has members, of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- b. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
- c. A record of its members, if any, indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- d. A copy of the corporation's articles of incorporation and bylaws as amended to date, which shall be open to inspection by the members, if any, of the corporation at all reasonable times during office hours.

Section 2. Corporate Seal

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

Section 3. Directors' Inspection Rights

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical

properties of the corporation, and shall have such other rights to inspect the books, records, and properties of this corporation as may be required under the articles of incorporation, other provisions of these bylaws, and provisions of law.

Section 4. Right to Copy and Make Extracts

Any inspection under the provisions of this article may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

Section 5. Periodic Report

The Board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state or to the members, if any, of this corporation, to be so prepared and delivered within the time limits set by law.

Article 8 IRC 501(c)(3) Tax Exemption Provisions

Section 1. Limitations on Activities

No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 2. Prohibition Against Private Inurement

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members, Directors or trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Section 3. Distribution of Assets

Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation, shall be

distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

Section 4. Private Foundation Requirements and Restrictions

In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation (1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; (2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; (3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; (4) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code; and (5) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

Article 9 Conflict of Interest Policies

Section 1. Purpose of Conflict of Interest Policy

The purpose of this conflict of interest policy is to protect this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions

- a. Interested Person.** Any Director, principal officer, member of a committee with governing Board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;
2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3, paragraph B, a person who has a financial interest may have a conflict of interest only if the appropriate governing Board or committee decides that a conflict of interest exists.

Section 3. Conflict of Interest Avoidance Procedures

- a. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees with governing Board delegated powers considering the proposed transaction or arrangement.
- b. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.
- c. **Procedures for Addressing the Conflict of Interest.** An interested person may make a presentation at the governing Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The chairperson of the governing Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the governing Board or committee shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the

governing Board or committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

- d. **Violations of the Conflicts of Interest Policy.** If the governing Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Board and Board Committee Proceedings

The minutes of meetings of the governing Board and all committees with Board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing Board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Annual Statements

Each Director, Officer, and member of a committee with governing Board delegated powers shall annually sign a statement which affirms such person:

- a. has received a copy of the conflicts of interest policy;
- b. has read and understands the policy;
- c. has agreed to comply with the policy; and
- d. understands the corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 6. Periodic Reviews

To ensure the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 7. Use of Outside Experts

When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing Board of its responsibility for ensuring periodic reviews are conducted.

Article 10 Amendment of Bylaws

Section 1. Amendment

Amendments to these bylaws shall be proposed in writing and distributed to all Board members at least two weeks prior to any meeting involving discussion and/or voting on the proposed amendment. The proposed amendment to the bylaws will then be placed on the agenda for discussion and vote at the next regular Board meeting, unless the matter is of sufficient urgency to warrant a Special Meeting of the Board. Approval of amendments to these bylaws shall require a majority vote of the Board of Directors. Amendments to the bylaws shall not conflict with conditions of IRS 501(c)(3) tax exempt status, the articles of incorporation, or any other provision of law applicable to this corporation. The Board shall review these bylaws at least once every two years.

Article 11 Construction and Terms

If there is any conflict between the provisions of these bylaws and the articles of incorporation of this corporation, the provisions of the articles of incorporation shall govern.

Should any of the provisions or portions of these bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these bylaws shall be unaffected by such holding.

All references in these bylaws to the articles of incorporation shall be to the articles of incorporation, articles of organization, certificate of incorporation, organizational charter, corporate charter, or other founding document of this corporation filed with an office of this state and used to establish the legal existence of this corporation.

All references in these bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

ADOPTION OF BYLAWS

We, the undersigned, are all of the initial Directors of the WCHA Foundation, Corp, and we consent to, and hereby do, adopt the foregoing bylaws, consisting of eighteen (18) preceding pages, as the bylaws of this corporation.

Dated: _____

Ralph A. Manuel, Director

Agreed email 9 Oct 2018 attached
Andrea Olsen, Director

Agreed email 10 Oct 2018 attached
Steve Headley, Director

Agreed email 17 Oct 2018 attached
Kyle Glen Hughes, III, Director

Agreed email 9 Oct 2018 attached
Thomas Walker, Director

Laura C. Manuel
Laura C. Manuel, Director

Laura

From: Andrea Olsen <epolsen@aol.com>
Sent: Tuesday, October 09, 2018 1:04 PM
To: Laura Manuel
Cc: Marilyn; singingbridgefarm@hotmail.com; Barn; headleyk@aol.com
Subject: Re: Foundation Final Draft Bylaws

I'm ok with document as presented.
Andrea Olsen

Sent from my iPhone

On Oct 9, 2018, at 11:06 AM, Laura Manuel <lmanuel323@gmail.com> wrote:

Foundation Directors,

Please comment and/or approve the attached bylaws by Wednesday at noon. If this is a problem, please let us know. When you respond, please reply all so your fellow directors can see your vote and/or comments.

Thank you,
Ralph

Sent from my iPad on behalf of Ralph Manuel

Begin forwarded message:

From: "Laura" <lmanuel323@gmail.com>
Date: October 4, 2018 at 7:38:50 PM EDT
To: <epolsen@aol.com>, <headleyk@aol.com>, <singingbridgefarm@hotmail.com>, <kgh2@comcast.net>, <rmqh@msn.com>
Subject: Foundation Final Draft Bylaws

Foundation Directors,

Attached are our proposed bylaws. The Foundation specifics as to structure and mission were developed by the Foundation Committee. Then I (Laura) added the language that we need as a non-membership 501(c)(3) organization. If you have questions or comments, reply all. If you agree with the bylaws as written, please say so in a reply all response.

Thanks for your attention to this. We would like to get agreement by Monday if possible.

Sincerely,
Laura Manuel for Ralph Manuel

<WCHA Foundation Bylaws_Final Draft to Directors.docx>

Laura

From: headleyk@aol.com
Sent: Wednesday, October 10, 2018 10:31 AM
To: Andrea Olsen
Cc: Laura Manuel; Marylin; singingbridgefarm@hotmail.com; Barn
Subject: Re: Foundation Final Draft Bylaws

Looks fine to me Steve headley

Sent from my iPhone

On Oct 9, 2018, at 1:03 PM, Andrea Olsen <epolsen@aol.com> wrote:

I'm ok with document as presented.
Andrea Olsen

Sent from my iPhone

On Oct 9, 2018, at 11:06 AM, Laura Manuel <lmanuel323@gmail.com> wrote:

Foundation Directors,

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Thank you,
Ralph

Sent from my iPad on behalf of Ralph Manuel

Begin forwarded message:

From: "Laura" <lmanuel323@gmail.com>
Date: October 4, 2018 at 7:38:50 PM EDT
To: <epolsen@aol.com>, <headleyk@aol.com>, <singingbridgefarm@hotmail.com>, <kgh2@comcast.net>, <rmqh@msn.com>
Subject: Foundation Final Draft Bylaws

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Laura

From: Marilyn <kg2@comcast.net>
Sent: Wednesday, October 17, 2018 12:32 PM
To: Laura Manuel
Subject: Re: Foundation Final Draft Bylaws

I agree

Sent from my iPhone

On Oct 17, 2018, at 12:29 PM, Laura Manuel <lmanuel323@gmail.com> wrote:

Sent from my iPad

Begin forwarded message:

From: Laura Manuel <lmanuel323@gmail.com>
Date: October 9, 2018 at 12:06:02 PM EDT
To: Andrea Olsen <epolsen@aol.com>, Marilyn <kg2@comcast.net>, singingbridgefarm@hotmail.com, Laura Manuel <lmanuel323@gmail.com>, Barn <rmqh@msn.com>, headleyk@aol.com
Subject: Fwd: Foundation Final Draft Bylaws

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Please comment and/or approve the attached bylaws by Wednesday at noon. If this is a problem, please let us know. When you respond, please reply all so your fellow directors can see your vote and/or comments.

Thank you,
Ralph

Sent from my iPad on behalf of Ralph Manuel

Begin forwarded message:

From: "Laura" <lmanuel323@gmail.com>
Date: October 4, 2018 at 7:38:50 PM EDT
To: <epolsen@aol.com>, <headleyk@aol.com>, <singingbridgefarm@hotmail.com>, <kg2@comcast.net>, <rmqh@msn.com>
Subject: Foundation Final Draft Bylaws

Foundation Directors,

Attached are our proposed bylaws. The Foundation specifics as to structure and mission were developed by the Foundation Committee. Then I (Laura) added the language that we need as a non-

Laura

From: Tom Walker <singingbridgefarm@hotmail.com>
Sent: Tuesday, October 09, 2018 12:16 PM
To: Laura Manuel
Cc: Andrea Olsen; Marylin; Barn; headleyk@aol.com
Subject: Re: Foundation Final Draft Bylaws

They look good.
Tom

On Oct 9, 2018, at 12:06 PM, Laura Manuel <lmanuel323@gmail.com> wrote:

Foundation Directors,

Please comment and/or approve the attached bylaws by Wednesday at noon. If this is a problem, please let us know. When you respond, please reply all so your fellow directors can see your vote and/or comments.

Thank you,
Ralph

Sent from my iPad on behalf of Ralph Manuel

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Date: October 4, 2018 at 7:38:50 PM EDT
To: <epolsen@aol.com>, <headleyk@aol.com>,
<singingbridgefarm@hotmail.com>, <kgh2@comcast.net>, <rmqh@msn.com>
Subject: Foundation Final Draft Bylaws

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Thanks for your attention to this. We would like to get agreement by Monday if possible.

Sincerely,
Laura Manuel for Ralph Manuel

<WCHA Foundation Bylaws_Final Draft to Directors.docx>

THE WORLD CONFORMATION HORSE ASSOCIATION

ARTICLE I NAME

Section 1. Corporation. The name of this organization shall be the World Conformation Horse Association. The business of the Corporation may be conducted as World Conformation Horse Association, herein referred to as the Association or “WCHA”.

ARTICLE II PURPOSES AND POWERS

Section 1. The WCHA is a non-profit Association and shall be operated to unite for the purpose of stimulating interest in and competitive opportunities for enthusiasts of the western conformation horse, while protecting the integrity of the horse through responsible stewardship within the meaning of Section 501(c) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

WCHA strives to preserve and promote the value of correct conformation in the equine industry.

WCHA believes that correct conformation serves as the foundation to the horse's ability to successfully perform in any discipline.

WCHA is committed to protecting, preserving, and promoting the conformation standard of the horse and constantly pursuing growth in our industry.

To maximize impact on current efforts, WCHA may seek to collaborate with other non-profit organizations which fall under the 501(c) section of the internal revenue code and are operated exclusively for educational, agricultural, and/or charitable purposes.

At times, per the discretion of the Executive Committee, WCHA may provide internships or volunteer opportunities which shall provide opportunities for involvement in said activities and programs in order to have a greater impact for change.

Section 2 Powers. The WCHA shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to affect the purposes, for which the Association is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes. The powers of the Association may include, but not be limited to, the acceptance of contributions from the public and private sectors, whether financial or in-kind contributions.

Section 3 Nonprofit Status and Exempt Activities Limitation.

- a. Nonprofit Legal Status.** WCHA is a Texas non-profit public benefit Association, recognized as tax exempt under Section 501(c) of the United States Internal Revenue Code.
- b. Exempt Activities Limitation.** Notwithstanding any other provision of these Bylaws, no Director, officer, employee, member, or representative of this Association shall take any action or carry on any activity by or on behalf of the Association not permitted to be taken or carried on by an organization exempt under Section 501(c) of the Internal Revenue Code as it now exists or may be amended, or by any organization contributions to which are deductible under Section 170c.(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the Association shall inure to the benefit or be distributable to any Director, officer, member, or other private person, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.
- c. Distribution Upon Dissolution.** Upon termination or dissolution of the WCHA, any assets lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501(c) of the 1986 Internal Revenue Code (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving Association.

The organization to receive the assets of the WCHA hereunder shall be selected in the discretion of a majority of the managing body of the Association, and if its members cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against the WCHA, by one (1) or more of its managing body which verified petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets to be distributed, giving preference if practicable to organizations located within the State of Texas.

In the event that the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose, which, at least generally, includes a purpose similar to the WCHA, then the court shall direct the distribution of its assets lawfully available for distribution to the Treasurer of the State of Texas to be added to the general fund.

ARTICLE III BREED ASSOCIATION ELIGIBILITY

Section 1. Breed Eligibility. The Executive Committee reserves the right to determine if a particular breed or color registry exemplifies the standard of the Western Conformation Horse and, consequently, maintains the right to approve or disapprove eligibility of a particular breed. Any horse registered with an approved western conformation equine breed or color horse association is eligible to exhibit in WCHA events.

ARTICLE IV MEMBERSHIP

Section 1. Membership. Membership in WCHA is a privilege and not a right.

Section 2. Membership Categories. Memberships shall be of three (3) categories; Annual Members (open, non-pro and youth), Life Members, and Founding Life Members.

In addition, the Executive Committee may bestow a non-voting honorary membership, free of fees on any person or business at its discretion.

Section 3. Membership Terms, Obligations and Rights. Membership shall be open to any person of any state or country interested in promoting the conformation horse. The Executive Committee may deny membership to anyone deemed to be of not of good character.

Any person having joined this association shall thereby become subject to the rules and bylaws then in force or later adopted by the association, and shall be subject to discipline, fines, suspension or expulsion from the organization as provided in these bylaws and rules. Any expelled member may be reinstated with the approval of the Executive Committee.

Members shall be entitled to vote, attend the Annual Meeting and special meetings as well as participate in any WCHA events, subject to payment of any associated fees. To exhibit in any WCHA event, the exhibitor must have an individual membership.

- Founding Memberships established in the name of a joint, assumed or trade names, corporate, partnership (general or limited), syndicate or joint venture or decedent's estate, trust, guardianship or other custodial legal entity shall have the right to designate one individual to vote and exhibit as if they had an individual membership. Such designation is for the life of the membership.

Section 4. Transferability. A joint, assumed or trade names, corporate, partnership (general or limited), syndicate or joint venture or decedent's estate, trust, guardianship or other custodial legal entity membership shall have the right of survivorship to spouses.

Section 5. Membership in Good Standing, Due Diligence and Disciplinary Action. For voting privileges, member in good standing is defined as one having paid dues for the current membership year, or founding or life member, and has not been

suspended or expelled.

Members of the Association shall be admitted, denied, retained, disciplined, fined, suspended and expelled in accordance with such rules as the Executive Committee may, from time to time adopt.

When any member(s) of the association shall be accused of any acts or practices which may be deemed just cause for discipline, fine, suspension or expulsion from the association, said person(s) shall be entitled to a full, fair and impartial hearing before the Judicial Committee of the organization where she/he shall be faced by his accuser or be permitted to examine all evidence offered in support of the charge by the accuser or others and where she/he shall be given full opportunity to refute such evidence, but upon being adjudged guilty of the practice as charged and worthy of discipline, fine, suspension or expulsion by affirmative vote of a majority of the Judicial Committee eligible to vote, she/he shall forthwith be so expelled.

Section 6. Failure to Pay. Any member or non-member may be suspended and denied privileges of the WCHA by the Executive Committee of the WCHA for failure to pay when due any obligation owing to the WCHA or to an approved event or for giving a worthless check for entry fees, stall fees, office charges, feed bills incurred at the WCHA approved event or any fees or charges including bank charges for returned check connected with the exhibition of WCHA entries; provided, however, that fifteen (15) days before action by written notice of account due and the intention to suspend or withholding privileges of the WCHA shall be mailed to such member or non-member. Upon suspension, the name of the member or non-member may be published in the WCHA newsletter or other such publication beginning with the next available issue from date of suspension. Any suspension and denial of privileges under this section shall terminate upon full payment of the obligation due the WCHA or WCHA approved event management. Event management must notify the WCHA office of any uncollectible accounts due within 30 days of the closing of the show.

Section 7. Right to Use Likeness. As reciprocal assistance to WCHA for privilege of membership, and participation in approved events, the WCHA may use any photograph or other form of likeness reproductions of a member, event participant, horse owner, or their horses including names of such, to promote WCHA's objectives and activities including, but not limited to, use by third parties with authorization from WCHA.

Section 8. Non-Voting Affiliates. The Executive Committee may approve classes of non-voting affiliates with rights, privileges, and obligations established by the Board. Affiliates may be individuals, businesses, and other organizations that seek to support the mission of the Association. The Board, a designated committee of the Board, or any duly elected officer in accordance with Board policy, shall have authority to admit any individual or organization as an affiliate, to recognize representatives of affiliates, and to make determinations as to affiliates' rights, privileges, and obligations. At no time shall affiliate information be shared with or sold to other organizations or groups without the affiliate's consent. At the discretion of the Executive Committee, affiliates may be given endorsement, recognition and media coverage at

fundraising activities, clinics, other events or at the Association website. Affiliates have no voting rights, and are not members of the Association.

- a. Any dues for affiliates shall be determined by the Executive Committee.

ARTICLE V

MEMBERSHIP APPLICATION, EFFECTIVE DATE AND DUES

Section 1. Effective Date. Memberships begin the day the membership is received in the WCHA office or at a WCHA event, unless clearly designated that the membership is for an upcoming year. Annual memberships are effective until the end of the calendar year for which the membership has been paid.

Section 2. Dues. Membership fees are set by the Executive Committee. It is the responsibility of the members to read all rules and to understand when the membership becomes effective. Annual Membership dues to be set and published as appropriate and are subject to change as determined by the Executive Committee.

Section 3. Additional Fees. The Executive Committee may set other fees associated with membership at their discretion.

ARTICLE VI

BOARD OF DIRECTORS & OFFICERS OF THE WCHA

Section 1. Board of Directors. The Board of Directors shall be comprised of Regional Directors, voting members of the Executive Committee and eligible Past Presidents as described herein. All corporate powers shall be exercised by or under the authority of the Board of Directors and the affairs of the WCHA shall be managed under the direction of the Board, except as otherwise provided by law.

Section 2. Officers. The elected officers of the Association shall be a President, President-Elect, Immediate Past-President, 2nd Past President, and two (2) duly elected members of the Board of Directors, all of whom shall be chosen by, and serve at the pleasure of the Board of Directors, herein known as the Executive Committee. Additionally, the Secretary and Treasurer shall be appointed by the President and approved by the EC and will serve as non-voting officers of the Executive Board. The day-to-day business and property of the WCHA shall be managed by the Executive Committee.

- a. The Director vacancies created by electing two (2) Directors to the Executive Committee will be backfilled by a special vote of the membership

Each Executive Committee officer, unless stated otherwise, shall have the authority and shall perform the duties set forth in these Bylaws or by resolution of the Board or by direction of an officer authorized by the Board to prescribe the duties and authority of other officers. The Board may also appoint additional officers as it deems expedient for the proper conduct of the business of the Association, each of whom shall have such authority and shall perform such duties as the Board of Directors may determine. One person may hold two or more Board offices, but no Board officer may act in more than one capacity where action of two or more officers is required.

Section 3 Term of Office. Each officer (exception: Secretary, Treasurer) shall be elected by the ~~General Membership~~ Board of Directors to serve a one-year term of office, and may be re-elected to a second term. Each Board officer's term of office shall begin upon the adjournment of the Board meeting at which elected and shall end upon the adjournment of the Board meeting during which a successor is elected.

Section 4 Removal and Resignation. The Board of Directors may remove an officer at any time, with or without cause. Any officer may resign at any time by giving written notice to the Association without prejudice to the rights, if any, of the Association under any contract to which the officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.

Section 5 President/Board Chairperson. The President shall lead the Board of Directors in performing its duties and responsibilities, including, if present, presiding at all meetings of the Board of Directors, and shall perform all other duties incident to the office or properly required by the Board of Directors. The President will vote only in the event of a tie vote by either the Board of Directors or the Executive Committee.

Following the President's calendar year term in office the President Elect will automatically be elevated to President the beginning of the following calendar year. ~~at the designated Annual Meeting.~~

Section 6 President-Elect. In the absence or disability of the Board President, the President-Elect shall perform the duties of the Board President. When so acting, the President-Elect shall have all the powers of and be subject to all the restrictions upon the Board President. The President-Elect shall have such other powers and perform such other duties prescribed for them by the Board of Directors or the Board President. The President-Elect shall normally accede to the office of Board President upon the completion of the Board President's term of office. The President-Elect will retain full voting privileges during a Board of Directors meeting and during an Executive Board meeting, unless presiding over said meeting.

The President Elect shall be recommended by the Executive Committee and elected by majority vote of the ~~General Membership~~ Board of Directors present at designated meeting of the Board held in December. ~~present at a designated Membership Meeting.~~

Section 7 Secretary. The Secretary shall keep or cause to be kept a book of minutes of all

meetings and actions of Directors and committees of Directors. The minutes of each meeting shall state the time and place that it was held and such other information as shall be necessary to determine the actions taken and whether the meeting was held in accordance with the law and these Bylaws. The Secretary shall cause notice to be given of all meetings of Directors and committees as required by the Bylaws. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Board President. The Secretary may appoint, with approval of the Board, a Director to assist in performance of all or part of the duties of the Administrative Consultant. The Secretary is not given the right to vote during a Board of Directors meeting nor during an Executive Board meeting.

Section 8 Immediate Past President. The Immediate Past President shall offer consistency and guidance to the President, and shall have all rights as other duly-elected Executive Committee Members and shall have such other powers and perform such other duties prescribed for them by the Board of Directors or the Board President. Immediate Past President will retain full voting privileges during a Board of Directors meeting and during an Executive Board meeting.

Section 9 2nd Past President. The 2nd Past President shall offer consistency and guidance to the Executive Board, and shall have all rights as other duly-elected Executive Committee Members and shall have such other powers and perform such other duties prescribed for them by the Board of Directors or the Board President. 2nd Past President will retain full voting privileges during a Board of Directors meeting and during an Executive Board meeting.

Section 10 Treasurer. The Treasurer shall be responsible for the oversight of the financial condition and affairs of the Association. The Treasurer shall oversee and keep the Board informed of the financial condition of the Association and of audit or financial review results. In conjunction with other Directors or officers, the Treasurer shall oversee budget preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the Association, are made available to the Board of Directors on a timely basis or as may be required by the Board of Directors. The Treasurer shall perform all duties properly required by the Board of Directors or the President. The Treasurer may appoint, with approval of the Board a qualified fiscal agent or member of the staff to assist in performance of all or part of the duties of the Treasurer. The Treasurer, unless an elected Board Member, is not given the right to vote during a Board of Directors meeting nor during an Executive Board meeting.

Section 11 Non-Director Officers. The Board of Directors may designate additional officer positions of the Association and may appoint and assign duties to other non-Director officers of the Association. Non-director Officers are not given the right to vote during a Board of Directors meeting nor during an Executive Board meeting.

Section 12. Regional Representation. The Board of Directors will be elected from four (4) regional geographical areas outlined below.

Region I: WA, ID, OR, NV, CA, AK, HI, UT, AZ, MT, WY, NM, CO, Saskatchewan,

Alberta and British Columbia, Canada

Region II: SD, ND, TX, LA, Mexico, NE, KS, OK, AR, MS, AL

Region III: WI, IL, MO, IN, MI, OH, KY, TN, IA, MN, PA, Manitoba, Canada

Region IV: FL, GA, SC, NC, WV, PA, ME, VT, NH, MA, RI, NY, NJ, DE, MD, CT, DC, VA and Ontario, Canada

Consideration to establishing an International Region will be given upon reaching critical mass as determined by the Executive Committee and recommended to the Board of Directors for approval.

Section 13. Regional Director Representation. Each region will be represented by four (4)

Directors: no less than one (1) Owner/Breeder, and no less than one (1) Professional/Judge/Industry Service Provider.

- a. Owner/Breeder.** The Owners/Breeders should own at least one (1) horse, or breed at least one (1) horse per year, and not train or breed horses for the public or receive remuneration for instructing individuals, or hold an accredited judges card with a major equine breed association, such as WCHA, Quarter Horse, Paint, Pinto, Buckskin or Palomino. The Executive Committee reserves the right to make the final determination as to what constitutes a major equine breed association or an Industry Service Provider.
- b. Professional/Judge/Industry Service Provider.** The Professional/Judge/Industry Service Provider should make a living training or breeding horses for the public or instructing individuals for remuneration and/or hold an accredited judges card with a major equine breed association, such as WCHA, Quarter Horse, Paint, Pinto, Buckskin or Palomino or work in an industry related business, such as veterinarian, farm manager, etc. The Executive Committee reserves the right to make the final determination as to what constitutes a major equine breed association or whose occupation is industry service provider related and approved by the Executive Committee.

Section 14. Past Presidents. After serving their term on the Executive Committee, a Past President shall automatically become a Lifetime Director-at-Large with all the rights of a member of the Board of Directors providing they participate in no less than fifty percent of regularly held meetings each calendar year of the Board of Directors.

Section 15. Director Classification. The Nominating Committee will determine the classification of any present or future Board Member as described in Article VI, Section 13.

Section 16. Terms

- a.** All directors shall be elected to serve no less than a three-year term, however the term may be extended until a successor has been elected. (exception: Past Presidents)

b. Director terms shall be staggered so that approximately one third of the number of directors will end their terms in any given year.

c. The term of office shall be considered to begin immediately following the General Membership Meeting and end immediately following the General Membership meeting after the third year in office, unless or until such time as a successor has been elected.

Section 17. Qualifications and Election of Directors. To be eligible to serve as a director on the Board of Directors, the individual must be 18 years of age and an affiliate within affiliate classifications created by the Board of Directors. The individual must reside within the region they will represent.

Section 18 Vacancies. The President may fill vacancies due to resignation, death, or removal of Directors or may appoint a Director to fill a previously unfilled board position, subject to the maximum number of directors under these Bylaws.

Section 19 Removal of Directors. A director may be removed by two-thirds vote of the Board of Directors then in office, if:

a. the Director is absent and unexcused from two or more meetings of the Board of Directors in a twelve month period. The Board President is empowered to excuse directors from attendance for a reason deemed adequate by the Board President. The President shall not have the power to excuse him/herself from the board meeting attendance and in that case, the Board President-Elect shall excuse the President. Or:

b. for cause or no cause, if before any meeting of the board at which a vote on removal will be made the Director in question is given electronic or written notification of the Board's intention to discuss her/his case and is given the opportunity to be heard at a meeting of the Board.

Section 20 Compensation for Board Service. Directors shall receive no compensation for carrying out their duties as directors. The board may adopt policies providing for reasonable reimbursement of directors for expenses incurred in conjunction with carrying out board responsibilities.

Section 21. Compensation for Professional Services by Directors. Directors are not restricted from being remunerated for professional services provided to the Association. Such remuneration shall be reasonable and fair to the Association and must be reviewed and approved in accordance with the board Conflict of Interest policy and state law.

ARTICLE VII

NOMINATIONS AND ELECTION

Section 1. Nominating Committee. The Executive Committee shall appoint a Nominating Committee from the Board of Directors at least ninety (90) days prior to the designated Annual Meeting. The Nominating Committee should consist of no more than five (5) people, and no less than three (3) people.

Section 2. Membership Nominating Recommendations. The Nominating Committee will accept recommendations, and applications from all members interested in being considered for the Board of Directors, starting ninety (60) days prior to the designated Annual Meeting. The Nominating Committee, will nominate one (1) Director candidate for each vacancy, and one (1) candidate designated as a back-up should the first candidate selected turn down the opportunity to be nominated or a newly elected Director becomes elected to the Executive Committee.

Ballots: Each nomination will be accompanied by a write-in opportunity on the voting ballot.

Section 3. Proposed Slate of Board of Directors. All current members will be eligible to vote for the Board of Directors. Ballots will be prepared with the nominee for each open position and will be accompanied by a write-in opportunity on the voting ballot. Ballots will be distributed by US mail and/or electronically 45 days in advance of the designated Annual Meeting date and must be returned to the WCHA office within fifteen (15) days of the designated Annual Meeting date. Each member will be able to vote for open Director vacancies in all regions.

The voting results will be reported by the Secretary to those members in attendance at the Annual Meeting.

ARTICLE VIII ORDER OF BUSINESS

Section 1. Business Meeting Protocol. The business meetings of the WCHA shall be conducted under “Robert’s Rules of Order, newly revised”. Parliamentary procedure shall be used as outlined by “Roberts Rules of Order, newly revised” in all cases where applicable; however, failure to follow parliamentary procedure shall not invalidate any action of the organization.

Section 2 Types of Meetings

a. Regular Meetings. The Board of Directors shall have a minimum of four (4) regular meetings each calendar year at times and places fixed by the board. Board meetings shall be held upon four (4) days’ notice by first-class mail, electronic mail, or facsimile transmission or forty-eight (48) hours’ notice delivered personally or by telephone. If sent by mail, facsimile transmission, or electronic mail, the notice shall be deemed to be delivered upon its deposit in the mail or transmission system. Notice of meetings shall

specify the place, day, and hour of meeting. The purpose of the meeting need not be specified.

b. Special Meetings. Special meetings of the board may be called by any member of the Executive Committee, or any two (2) Directors of the Board of Directors. A special meeting must be preceded by at least 2 days' notice to each director of the date, time, and place, but not necessarily the purpose, of the meeting.

c. Waiver of Notice. Any director may waive notice of any meeting, in accordance with Texas law.

Section 3. Manner of Acting.

a. Quorum. A quorum shall consist of a simple majority of the voting members of the Board of Directors. A quorum must be present during roll call at a duly called meeting for the transaction of business at that meeting of the board. No business shall be considered by the Board at any meeting at which a quorum is not present.

b. Majority Vote. Except as otherwise required by law or by the Articles of Incorporation, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

c. Hung Board Decisions. On the occasion that Directors are unable to make a decision based on a tied number of votes, the President or presiding officer shall have the power to swing the vote based on his/her discretion.

d. Participation. Except as required otherwise by law, the Articles of Incorporation, or these Bylaws, Directors may participate in a regular or special meeting through the use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting, including in person, internet video meeting or by telephonic conference call.

ARTICLE IX COMMITTEES

Section 1 Committees. The Executive Committee may, by the resolution adopted by a majority then in office, designate one or more additional ad-hoc or standing committees, each consisting of two or more Directors. Any committee, to the extent provided in the resolution of the Board, shall have autonomy to conduct committee business, except that no committee, regardless of Board resolution, may:

a. take any final action on matters which also requires Board members' approval or

approval of a majority of all members;

b. fill vacancies on the Board of Directors of in any committee which has the authority of the Board;

c. amend or repeal Bylaws or adopt new Bylaws;

d. amend or repeal any resolution of the Board of Directors which by its express terms is not so amendable or repealable;

e. appoint any other committees of the Board of Directors or the members of these committees;

f. expend corporate funds to support a nominee for Director; or

g. approve any transaction;

(i) to which the Association is a party and one or more Directors have a material financial interest; or

(ii) between the Association and one or more of its Directors or between the Association or any person in which one or more of its Directors have a material financial interest.

Section 2 Meetings and Action of Committees. Meetings and action of the committees shall be governed by and held and taken in accordance with, the provisions of Article VIII of these Bylaws concerning meetings of the Directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of the committee may also be called by resolution of the Executive Board or the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Directors may adopt rules for the governing of the committee not inconsistent with the provision of these Bylaws.

Section 3 Informal Action By The Board of Directors. Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so taken, shall be agreed by the consensus of a quorum. For purposes of this section an e-mail transmission from an e-mail address on record constitutes a valid writing. The intent of this provision is to allow the Board of Directors to use email to approve actions, as long as a quorum of Board members gives consent.

ARTICLE X

CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS

Section 1. Contracts and other Writings. Except as otherwise provided by resolution of the Board or Board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the Association shall be executed on its behalf by the Treasurer or other persons to whom the Association has delegated authority to execute such documents in accordance with policies approved by the Board.

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

Section 3. Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depository as the Board or a designated committee of the Board may select.

Section 4. Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board. Such authority may be general or confined to specific instances.

Section 5 Indemnification

a. Mandatory Indemnification. The Association shall indemnify a Director or former Director, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a Director of the Association against reasonable expenses incurred by him or her in connection with the proceedings.

b. Permissible Indemnification. The Association shall indemnify a Director or former Director made a party to a proceeding because he or she is or was a Director of the Association, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.

c. Advance for Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of (I) a written affirmation from the Director, officer, employee or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this article, and (II) an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association in these Bylaws.

d. Indemnification of Officers, Agents and Employees. An officer of the Association who is not a Director is entitled to mandatory indemnification under this article to the same extent as a Director. The Association may also indemnify and advance expenses to an employee or agent of the Association who is not a Director, consistent with Texas Law and public policy, provided that such indemnification, and the scope of such indemnification, is set forth by the general or specific action of the Board or by contract.

ARTICLE XI MISCELLANEOUS

Section 1. Books and Records. The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its Board of Directors, a record of all actions taken by Board of Directors without a meeting, and a record of all actions taken by committees of the Board. In addition, the Association shall keep a copy of the Association's Articles of Incorporation and Bylaws as amended to date.

Section 2. Fiscal Year. The fiscal year of the Association shall be from January 1 to December 31 of each year.

Section 3. Conflict of Interest. The Board shall adopt and periodically review a conflict of interest policy to protect the Association's interest when it is contemplating any transaction or arrangement which may benefit any Director, officer, employee, affiliate, or member of a committee with Board-delegated powers.

Section 4. Nondiscrimination Policy. The officers, Directors, committee members, employees, and persons served by this Association shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of WCHA, not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

Section 5. Bylaw Amendment. These Bylaws may be amended, altered, repealed, or restated by a vote of the majority of the Board of Directors at a meeting of the Board, provided, however,

- a.** that no amendment shall be made to these Bylaws which would cause the Association to cease to qualify as an exempt Association under Section 501(c) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code; and,
- b.** that an amendment does not affect the voting rights of Directors. An amendment that does affect the voting rights of Directors further requires ratification by a two-thirds vote of a quorum of Directors at a Board meeting.
- c.** that all amendments be consistent with the Articles of Incorporation.

ARTICLE XII COUNTERTERRORISM AND DUE DILIGENCE POLICY

Section 1. In furtherance of its exemption by contributions to other organizations, domestic or foreign, WCHA. shall stipulate how the funds will be used and shall require the recipient to provide the Association with detailed records and financial proof of how the funds were utilized.

Although adherence and compliance with the US Department of the Treasury’s publication the “Voluntary Best Practice for US. Based Charities” is not mandatory, WCHA willfully and voluntarily recognizes and puts to practice these guidelines and suggestions to reduce, develop, re-evaluate and strengthen a risk-based approach to guard against the threat of diversion of charitable funds or exploitation of charitable activity by terrorist organizations and their support networks.

WCHA shall also comply and put into practice the federal guidelines, suggestion, laws and limitation set forth by pre-existing U.S. legal requirements related to combating terrorist financing, which include, but are not limited to, various sanctions programs administered by the Office of Foreign Assets Control (OFAC) in regard to its foreign activities.

ARTICLE XIII CODES OF ETHICS AND WHISTLEBLOWER POLICY

Section 1. Purpose. WCHA requires and encourages Directors, officers and employees to observe and practice high standards of business and personal ethics in the conduct of their duties and responsibilities. The employees and representatives of the Association must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. It is the intent of WCHA to adhere to all laws and regulations that apply to the Association and the underlying purpose of this policy is to support the Association’s goal of legal compliance. The support of all corporate staff is necessary to achieving compliance with various laws and regulations.

Section 2. Reporting Violations. If any Director, officer, staff or employee reasonably believes that some policy, practice, or activity of WCHA is in violation of law, a written complaint must be filed by that person with the President or the President Elect.

Section 3. Acting in Good Faith. Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false shall be viewed as a serious disciplinary offense.

Section 4. Retaliation. Said person is protected from retaliation only if she/he brings the alleged unlawful activity, policy, or practice to the attention of WCHA and provides the WCHA with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to individuals that comply with this requirement.

WCHA shall not retaliate against any Director, officer, staff or employee who in good faith, has made a protest or raised a complaint against some practice of WCHA or of another individual or entity with whom WCHA has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

WCHA shall not retaliate against any Director, officer, staff or employee who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of WCHA that the individual reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

Section 5. Confidentiality. Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Section 6. Handling of Reported Violations. The Secretary shall notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days of receipt of notification. All reports shall be promptly investigated by the appropriate committee(s) and appropriate corrective action shall be taken if warranted by the investigation.

This policy shall be made available to all Directors, officers, staffs or employees and they shall have the opportunity to ask questions about the policy.

ARTICLE XIV AMENDMENT OF Articles of Incorporation

Section 1 Amendment. Any amendment to the Articles of Incorporation may be adopted by approval of two-thirds (2/3) of the Board of Directors.