

**AMENDED AND RESTATED
BYLAWS
OF
SAN MATEO COUNTY HORSEMEN’S ASSOCIATION**

**ARTICLE I
OFFICE**

The principal office of San Mateo County Horsemen’s Association (the “**Association**”) is located at _____, Woodside, California 94062. The principal office may be changed by resolution of the Board of Directors without the need to amend these Bylaws. Any change of this location may be noted by the Secretary on these Bylaws.

**ARTICLE II
PURPOSE**

The objectives of the Association shall be as stated in the Articles of Incorporation. Specifically, the objectives shall include charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States internal revenue law and California Nonprofit Public Benefit Corporation law.

In addition, this Association is formed for the purposes of performing all things incidental to, or appropriate in, the achievement of the foregoing specific and primary purposes. The Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of its primary charitable purposes. The primary purposes of this Association are to promote, cultivate and foster public interest and support for horse-related activities throughout San Mateo County, including organizing horse shows, parades, and educational clinics as well as to assist in the maintenance of riding trails and paths throughout the Woodside-Portola Valley vicinity.

This Association shall hold and may exercise all such powers as may be conferred upon a nonprofit corporation by the laws of the State of California and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the Association. In no event shall the Association engage in activities which are not permitted to be carried on by a corporation exempt under Section 501(c)(3) of the Internal Revenue Code.

**ARTICLE III
MEMBERS**

The Association shall have no voting members, but the Board of Directors of the Association (the “**Board**”) may, by resolution, establish one or more classes of nonvoting members and provide for eligibility requirements for membership, rights and duties of members, and the obligation of members to pay dues.

ARTICLE IV
BOARD OF DIRECTORS

Section 1. Number of Directors.

The authorized number of Directors of the Association shall be not less than twenty three (23) or more than twenty nine (29), until authorized by resolution of the Board. The Board shall fix the exact number of Directors, from time to time, within these limits.

Section 2. Election and Term of Office.

(a) The Chairperson of the Board (the **“Chair”**) shall serve, ex-officio, as a full voting Director and member of the Board.

(b) Except with respect to the Chair, the Directors then in office shall elect their successors.

(c) Except for the Chair, the term of office of each Director shall be three (3) years or until his/her successor is elected. Each year approximately one-third of the Board will be replaced or re-elected to begin a term of three (3) years, unless elected to fill the unexpired term of a former Board member. One-third will continue to serve their remaining two-year term, and one-third will continue to serve their remaining one-year term.

(d) Elections shall be held during the Annual Meeting. Newly elected Board members shall be installed the following January and do not have a vote on the Board until installed. All Directors must be in good standing regarding dues. Past Presidents and Chairs may attend meetings and have a voice, but may not vote unless serving a current term as a Director.

Section 3. Quorum.

A majority of the members of the Board shall constitute a quorum for the transaction of business.

Section 4. Powers of Directors.

The Association shall have powers to the full extent allowed by law. All powers and activities of the Association shall be exercised and managed by the Board directly or, if delegated, under the ultimate direction of the Board. Without limiting the foregoing, the Board shall have the following powers:

(a) To select and remove all Officers, agents, and employees of the Association, prescribe their powers and duties in a manner consistent with California law, the Articles of Incorporation of the Association, or these Bylaws.

(b) To conduct, manage and control the affairs and business of the Association, and to make rules and regulations not inconsistent with State and Federal laws and regulations, the Articles of Incorporation of the Association, or these Bylaws.

(c) To borrow money and incur indebtedness for the purposes of the Association, and for that purpose to cause to be executed and delivered, in the corporate name, promissory notes,

bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities.

Section 5. Resignation and Removal.

Any Director may resign effective upon giving written notice to the Secretary of the Association unless the notice specifies a later time for the effectiveness of the resignation.

The Board, by affirmative vote of a majority of the Directors then in office, may remove any Director, with or without cause.

Section 6. Vacancies.

Vacancies on the Board shall be filled by a vote of a majority of the remaining Directors then in office, whether or not the number of Directors then in office is less than a quorum, or by vote of a sole remaining Director. A successor Director so elected shall serve for the unexpired term of his/her predecessor.

Section 7. Place of Meeting.

Regular meetings of the Board shall be held at any place that has been designated from time to time by resolution of the Board or by written consent of all members of the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Association.

Section 8. Regular Meetings.

In the month of November of each Fiscal Year of the Association the Board shall hold its Annual Meeting, or at such other time as the Board may declare, for the purpose of electing Directors and Officers of the Association and for the transaction of other business.

Other regular meetings of the Board shall be held monthly at such times to be determined by the Board.

Members of the Board shall be required to attend Board meetings. If a Director fails to attend two (2) consecutive meetings, or fails to attend a total of five (5) meetings during the Fiscal Year of the Association, the Board, at its discretion, may remove or request the resignation of such Director.

Section 9. Special Meetings.

Special meetings of the Board for any purpose may be called at any time by (i) the Chair, (ii) the Vice Chair, or (iii) any two (2) Directors.

Notice of any special meetings of the Board shall be given to each Director at least four (4) days before any such meeting if given by first-class mail or forty-eight (48) hours before any such meeting if given personally or by telephone, including a voice messaging system or other system or technology designed to record or communicate messages, telegraph, facsimile, electronic mail, or other electronic means. Such notice shall state the date, place, and time of the meeting.

The transactions of any meeting of the Board, however called and noticed and wherever held, shall be valid if a quorum is present, or if before or after the meeting each of the Directors not present signs a written waiver of notice or a consent to hold the meeting or an approval of the

minutes. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 10. Telephonic Meeting.

Directors may participate in a meeting through use of conference telephones or similar communications equipment so long as all Directors participating in such meeting can hear one another. Participation in a meeting pursuant to this Section 10 constitutes presence in person at such meeting.

Section 11. Board Action by Written Consent Without a Meeting Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 12. Required Vote of Directors.

Except as otherwise provided in these Bylaws, 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. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 13. Compensation.

The Directors shall receive no compensation for their services as Directors.

Section 14. Limitations on Interested Persons

At all times, not more than 49% of the Directors of the Association may be interested persons. An interested person means either:

(a) any person currently being compensated by this Association for services rendered to it within the previous twelve months, whether as a full-time or part-time employee, independent contractor, or otherwise;

(b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, mother-in-law, or father-in-law of such person.

**ARTICLE V
OFFICERS**

Section 1. Officers.

The Officers of the Association shall consist of a Chair, Vice Chair, Treasurer, Secretary and Compliance Officer, and such other Officers as may from time to time be elected by resolution of the Board.

Section 2. Chair of the Board.

The Chair shall be the Chief Executive Officer of the Association. The Chair shall preside at all meetings of the Directors, shall be an ex-officio member of all committees, shall have general charge of the activities of the Association subject to the direction and control of the Board, and shall see that all resolutions of the Board are carried into effect.

Section 3. Vice Chair of the Board.

Vice-Chairs. One or more Vice-Chairs may be selected by the Board. A Vice-Chair as designated by the Board shall perform the duties of the Chair when the Chair is unavailable and shall exercise such other duties as the Chair or the Board may direct.

Section 4. Treasurer.

Subject to the direction and control of the Board, the Treasurer shall have general charge of the financial affairs of the Association and shall have custody of its funds. The Treasurer shall keep a full and accurate record of all receipts and payments and shall report the same at each meeting of the Board.

Section 5. Secretary.

The Secretary shall keep a true record of all meetings of the Board of Directors and its committees, shall keep a record of the names and addresses of the Directors, members, if any, and other persons serving the Association, and shall perform such other duties as may be prescribed by the Board from time to time.

Section 6. Compliance Officer.

The Compliance Officer shall review and evaluate compliance issues and concerns within the organization and ensure that the Executive Committee, Board, management, employees and volunteers are in compliance with the rules and regulations of regulatory agencies, and that behavior in the organization meets internal standards of conduct.

Section 7. Election.

All Officers of the Association shall be elected at the Annual Meeting of the Board of Directors, and shall serve at the pleasure of the Board for a term of one (1) year.

Section 8. Removal.

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board or by an officer upon whom such power of removal may be conferred by the Board.

Section 9. Resignation.

Any officer may resign at any time by giving written notice to the Secretary or Chair of the Association. Any resignation shall take effect on receipt of such notice or at any later time specified in that notice, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Association under any contract to which the officer is a party.

Section 10. Vacancies.

A vacancy of any office for any reason shall be filled in the same manner as these Bylaws provide for the election to that office.

**ARTICLE VI
INDEMNIFICATION AND INSURANCE**

Section 1. Right of Indemnity.

To the fullest extent permitted by law, pursuant to Section 5238 of the California Nonprofit Corporation Law, the Association shall indemnify and advance expenses to its agents, in connection with any proceeding, and in accordance with Section 5238. For purposes of this Article, "agent" shall have the same meaning as in Section 5238(a), including Directors, Officers, employees, other agents and persons formerly occupying such positions; "proceeding" shall have the same meaning as in Section 5238(a), including any threatened action or investigation under Section 5233 or brought by the Attorney General; and "expenses" shall have the same meaning as in Section 5238(a), including reasonable attorneys' fees.

Section 2. Approval of Indemnity.

On written request to the Board by any agent seeking indemnification, to the extent that the agent has been successful on the merits of the case, the Board shall authorize indemnification in accordance with Section 5238(d). Otherwise, the Board shall promptly determine, by majority vote of a quorum consisting of Directors who are not parties to the proceeding, whether, in the specific case the agent has met the applicable standard of conduct stated in Section 5238(c), and, if so, shall authorize indemnification.

Section 3. Advancing Expenses.

To the fullest extent allowed by Section 5238 of the California Nonprofit Public Benefit Corporation Law, and except as otherwise determined by the Board in specific instances, the Board shall authorize the advance of expenses incurred on or in behalf of an agent of this Association in defending any proceeding prior to final disposition, if the Board finds that:

- (a) the requested advances are reasonable in amount under the circumstances; and
- (b) before any advance is made, the agent submits a written undertaking satisfactory to the Board to repay the advance unless it is ultimately determined that the agent is entitled to indemnification for the expenses under this Article VI.

Unless the Board finds compelling reasons to do otherwise, the undertaking shall be unsecured, and no interest shall be charged on the obligation created thereby.

Section 4. Insurance.

The Board may adopt a resolution authorizing the purchase of insurance on behalf of any agent against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, and such insurance may provide for coverage against liabilities beyond the Association's power to indemnify the agent under law.

**ARTICLE VII
COMMITTEES**

Section 1. Board Committees; Designations and Limitations.

The Board of Directors may, by resolution adopted by a majority of the Directors then in office, provided a quorum is present, create additional committees and advisory committees. All committees shall each consist of at least one or more Directors and may consist of non-directors to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the Directors then in office. The board may appoint one or more Directors as alternate members of any such committee, who may replace any absent member at any meeting of the committee. Such committees shall perform such duties as the Board of Directors may direct. The Board may adopt rules for the governance of any Board Committee not inconsistent with the provisions of these Bylaws. Any committee to the extent provided in the resolution of the Board, shall exercise authority to the extent provided in the resolution, except that no committee, regardless of the Board resolution, shall not exercise powers reserved to the Board of Directors or perform acts that are not permitted to be performed by the Board of Directors.

Section 2. Advisory Committees.

The Board may establish one or more Advisory Committees to the Board. The members of any Advisory Committee may consist of Directors or non-directors and may be appointed as the Board determines. Advisory committees may not exercise the authority of the Board to make decisions on behalf of the Association, but shall be restricted to making recommendations to the Board or Board Committees, and implementing Board or Board Committee decisions and policies under the supervision and control of the Board or Board Committee. The Board may adopt rules for the governance of any Advisory Committee not inconsistent with the provisions of these Bylaws.

Section 3. Meetings.

Board Committee Meetings. Meetings and actions of Board Committees shall be governed by and held and taken in accordance with the provisions of Article IV of these Bylaws concerning meetings and actions of the Board of Directors, with such changes in the content of those Bylaws as are necessary to substitute the Board Committee and its members for the Board of Directors and its members.

**ARTICLE VIII
DISTRIBUTION OF ASSETS**

Section 1. Dedication of Assets and Limitations on Distribution. The assets of this Association are irrevocably dedicated to the purposes set forth in the Articles and no part of the assets shall ever inure to the pecuniary or proprietary benefit of any individual. Upon dissolution of the Association, its assets shall be distributed in trust for the said purposes to the County of San Mateo or such non-profit fund, foundation, or corporation organized and operated exclusively for such purposes as may be directed by decree of the Superior Court of this County upon petition by the Attorney General of the State of California or by any person legally entitled to participate in the liquidation.

ARTICLE IX
MISCELLANEOUS

Section 1. Fiscal Year.

The fiscal year of the Association shall start on the 1st day of January and end on the 31st day of December of the calendar year.

Section 2. Contracts, Notes and Checks.

All contracts entered into on behalf of the Association must be authorized by the Board or any person or persons on which such power may be conferred by the Board, and, except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of the Association shall be signed by any person or persons on whom such power may be conferred by the Board.

Section 3. Annual Reports to Directors.

Within 120 days after the end of the Association's fiscal year, the Chair or the Treasurer shall furnish a written report to all Directors of the Association containing the following information:

- (a) the assets and liabilities, including trust funds of the Association, as of the end of the fiscal year;
- (b) the principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) the revenue or receipts of the Association, both unrestricted and restricted for particular purposes, for the fiscal year; and
- (d) the expenses or disbursements of the Association, for both general and restricted purposes, for the fiscal year.

The foregoing report shall be accompanied by any report thereon by independent accountants or, if there is no such report, the certificate of an authorized officer of the Association that such statements were prepared without an audit from the books and records of the Association.

Section 4. Amendments.

Proposed amendments to these Bylaws shall be submitted in writing to the Directors at least ten (10) days in advance of any Board meeting at which they will be considered for adoption. A vote of two-thirds (2/3rd) of the Board, or the unanimous written consent of the entire Board, shall be required to adopt a Bylaw amendment.

Section 5. Governing Law.

In all matters not specified in these Bylaws, or in the event these Bylaws shall not comply with applicable law, the California Nonprofit Public Benefit Corporation Law as then in effect shall apply.

**CERTIFICATE OF ADOPTION OF BYLAWS
OF
SAN MATEO COUNTY HORSEMEN'S ASSOCIATION**

Certificate by Secretary of Bylaws

THE UNDERSIGNED HEREBY CERTIFIES THAT SHE IS THE DULY ELECTED, QUALIFIED AND ACTING SECRETARY OF THE SAN MATEO COUNTY HORSEMEN'S ASSOCIATION AND THAT THE FOREGOING BYLAWS, COMPRISING EIGHT (8) PAGES, ARE THE TRUE AND CORRECT BYLAWS OF THE ASSOCIATION.

IN WITNESS WHEREOF, the undersigned has hereunto signed this certificate this ____ day of _____, 2015.

_____, Secretary

AMENDMENT TO AMENDED AND RESTATED BYLAWS OF SAN MATEO COUNTY HORSEMEN'S ASSOCIATION
DATED NOVEMBER 14, 2015.

WHEREAS SAN MATEO COUNTY HORSEMEN'S ASSOCIATION ADOPTS THIS RESOLUTION TO AMEND ARTICLE IV, BOARD OF DIRECTORS, SECTION 1, NUMBER OF DIRECTORS, AS FOLLOWS: "The authorized number of Directors of the Association shall be not less than fifteen (15) or more than twenty nine (29), until authorized by resolution of the Board. The Board shall fix the exact number of Directors, from time to time, within these limits."

IN WITNESS WHEREOF, the undersigned has hereunto signed this Amendment this __ day of 2017.

2017 Chairperson