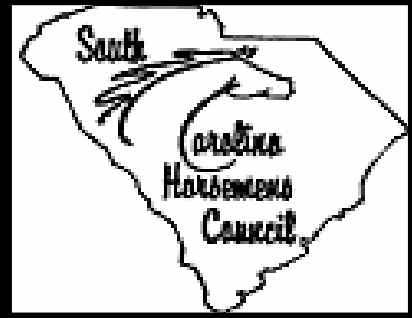


**Special
Bulletin
to
SCHC
Members**

**2009 Business Meeting
Feb 7, 2009
Elections, By-Law Changes,
Tax Exempt Status Changes**



To All SCHC Members:

This special Bulletin is to announce some important business that is coming up for consideration at our annual business meeting on February 7, 2009. This meeting will be held at the Circle M Arena in Pelzer, SC in conjunction with our Annual Equine Expo. The major items of business we need to conduct are:

1. The election of officers and directors for new terms
2. Changing our current Tax-Exempt status from a 501-C-5 Corporation to a 501-C-3 Corporation
3. By-Law changes necessary for obtaining new tax exempt status and improving our organization

These actions are important to the future of the SC Horsemen's Council and we want to make sure you have all of the information we can give you in advance so that you can be prepared to voice your opinion and cast your vote.

**Carol Deacon
President**

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SCHC Office
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Rock Hill, SC 29730
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www.schorseouncil.org
803-328-8450

★ **Note: Dues are due! Please renew as soon as you can for 2009. You can speed up** ★
★ **the processing at the Expo by renewing now. Thank you in advance.** ★

Tell all of your friends about the Expo and encourage them to attend!!!

Officer and Director Elections 2009

We shared some information on candidates in our December Newsletter, but have had some additional nominations made since then. In addition to the new candidates for the Board, we want to update you on some current members who are up for re-election this year. For the last few years, we have been blessed with some talented, dedicated, and hard working horse people serving on our Board of Directors. These people have a strong interest in improving the equine community and promoting the equine industry. We have a very diverse group of people with strong backgrounds in the equine industry and proven leadership capabilities. We continue to encourage those of you who would like to help, to step forward and volunteer to assist us. You can make a difference in the area in which you choose to participate. If you know someone who would make a good addition to our Board, please recommend them. Some of our directors terms are expiring every year, and we like to have fresh, new talent coming on the Board to bring new ideas and help us grow.

Nominees for 2009 Board of Directors

President: Carol Deacon - Rock Hill
First Vice-President: Cecil Watkins - Hartsville
Director District 1: Mary Roddey - Waterloo
Director District 2: Mary Quarles - Rock Hill
Director District 3: David Grant - Florence
Director District 3: Vacant _____
Director District 4: William Bell - Ward
Director District 4: Susan Sorenyisander - Aiken
Director District 5: Anne Kennedy - St. Helena Island
Director District 5: BB Weavil - Mt. Pleasant
Director At Large: Mark Kennedy - St Helena Island

Nominations for any office may be made from the floor at the annual meeting.

Board Members whose terms go through 2009

Director District 1: Terry Boger - Simpsonville
Director At Large: Hayward Simmons - Fairfax
Director At Large: Betty Rankin - Catawba
Director At Large: Bill Steele - Fort Mill
Director At Large: Dee Cross - Central

Officers Appointed by the Board

Vice President - External: Jim Edwards - Laurens
Vice President - Governmental: Tim Sigmon - Union
Treasurer: Donna Patterson - Clemson
Secretary: Kaye Watkins - Hartsville

Officer and Director Candidates Information

Mary Roddy – Director District 1

Mary and her Husband, William (Tony), have a son Bryan and a daughter Crystal. They live in Waterloo, SC where they own and operate a breeding and training facility. She has been showing, breeding, and training Paint horses for 20 years. She has been judging horse shows for the past 8 years. She was an APHA National Director for 10 years. She is a sponsor of I.P.R.A rodeos and committee chairman for Laurens Rodeo, where she organizes and sponsors the Laurens Professional Rodeo and Farm Life Expo. She was an organizer of the Laurens 4-H Horse Club, was chairperson of the Clemson Extension Advisory Committee for 3 years, and a past Board member of the Spartanburg Horseman's Association. She enjoys working as a riding instructor, 4-H Leader, educating people about the American Paint Horse, and participating in grand openings for rodeos on her paint horse. When she is not working with her horses, she enjoys crafts. Mary previously served as a Director on the SCHC Board for 3 years and participated on the Horse Show Committee.



Officers & Directors.....cont'd

Mary Quarles – Director District 2

Mary and her husband, Al, have two daughters (Carolyn & Stephanie) and live in Rock Hill, SC. Mary is a 1983 graduate of Clemson University with a BS Degree in Animal Industries. She has been employed by: Lasma Arabians, Micanopy, FL; Evensong Farm, Gainesville, FL; Alachua Animal Hospital, Alachua, FL; and Newport Hardware, Rock Hill, SC. She is involved in other organizations: USEF, USEA, NCDCTA, SCDCTA, Eagle Club Board Member (Winthrop University), Colonial Dames, Signers of the Declaration of Independence, Daughters of the American Revolution, Daughters of the Confederacy. She also enjoys soccer. Mary is a Breeder of Thoroughbred & Warmblood sporthorses for dressage and eventing. She is skilled in Equine Reproduction & management. Mary has served three years on the SCHC Board. In addition to representing District Two on the Board, Mary is involved with the Show and Legislative committees and chairs the Membership committee. Mary brings a lot of equine knowledge to the Board. She is a tireless worker and has made major improvements in our membership process.



David Grant – Director District 3

David and his wife live on their horse farm near Florence, SC. They have two grown daughters. He is co-owner of Chick-A-Ray Poultry in Hartsville, SC. David is an avid horseman; he is active as a breeder, trainer, and rider of Marsh Tacky horses, currently housing about 15 on his farm. He is active in the Carolina Marsh Tacky Horse Association. He is an avid hunter and loves to take his horses on boar hunting excursions. David has his own website (www.carolinamarshstacky.com) which is chock full of information on the Marsh Tacky breed and their place in SC history. David has attended several board meetings and has already started making a valuable contribution.



William Bell - Director District 4

William and his wife, Jenny, live on the family farm in Ward, SC. They have 4 children: David, Satcher, Catherine, & Tyler. They also have 8 horses, 2 dogs, 2 cats, 2 donkeys and 2 buffalo. Many SC horsemen have met them at their Wonderful Weekend in Ward trail ride since its beginning in 1999. William graduated from Clemson University with a BS in Agricultural Mechanization & Business. He has been a full time farmer for over 30 years. William worked for President George W. Bush from 1990-1992 as USDA South East Regional Director of the Rural Development Administration. He is a member of SC Cattlemen's Association, Forestry Association, Saluda County Soil & Water Commissioner, as well as the SC Horsemen's Council. William was a candidate for SC Commissioner of Agriculture in 2006. His wife, Jenny is on the staff for the Augusta Cutting Horse Futurity, Augusta, GA. They enjoy trail riding, working horses, running their cattle operation, and hosting trail riding events.



Officers & Directors.....cont'd

Anne Kennedy – Director District 5

Anne is an avid horse person who, along with her husband, Mark, owns and operates Camelot Farms (www.camelotfarmshorses.com) at St Helena Island near Beaufort, SC. They offer full service boarding, training, horsemanship instruction, showing, and breeding facilities with lots of miles of riding trails along the beautiful coastal area of SC. Anne breeds, trains, shows, and trail rides her Champion Rocky Mountain and Kentucky Mountain Horses and Tennessee Walking Horses. She has three grown children (Howie, Brian and Marriott) and four grandchildren. Anne graduated from the University of North Carolina and retired from Upjohn PHA as a Cytotechnologist. She belongs to the Beaufort Chamber of Commerce, TWHBEA, RMSHA, and KMSHA. In her spare time, she enjoys painting (and is very good at it).



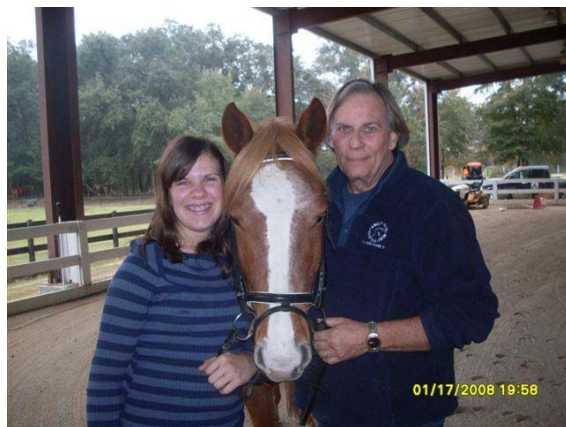
BB Weavil – Director District 5

BB is married to Steve Weavil, President of Kicking Horse Equine Products-a sponsor of our Annual Expo (www.kickinghorsellc.com). They live in Mt. Pleasant, SC and have two grown daughters, one married and one about to be married, and one grandson, aged 2. BB owns 2 Missouri Fox Trotters and 1 Tennessee Walker. She showed Fox Trotters for 2 years and has now taken to the trails. She enjoys riding all her horses and exploring such trails as Mullet Hall, Florida Greenway in Ocala, FL., Moses Cone, Lakeview Plantation, Hobcaw Plantation and is getting ready to venture to Big South Fork near Jamestown, TN. She is very active in the Lowcountry Saddle Club on John's Island, SC and recently participated in their Open Extreme Trail Ride at Mullet Hall. She participates through riding, sponsoring and helping to judge. BB received her BA degree from Converse College in Spartanburg, SC and did graduate work at Clemson University in Urban Planning. She worked with the Greenville County Planning Commission, co-owner of Southcoast Builders, LLC (residential homebuilding) and is now retired. She owned and ran a horse farm for 3 years in Meggett, SC. In her spare time, BB enjoys tennis, boating & fishing with her husband.



Mark Kennedy - Director at Large

Mark is an alumnus of Brown University with post graduate work at Boston University and the DSM program @ Yale, in addition to AMA credentials. He is certified by the Construction Specifications Institute on a variety of levels and, until he and Anne began Camelot Farms in St. Helena Island, owned a specialty flooring company and a construction and specifications consulting firm in Atlanta. He is still active as Anne Kennedy Decorative Art, contracting stained and decorative concrete floors, when he's not Head of Maintenance and addressing the various things which Anne, Crystal, Jillian and Meagan, plus 45 odd horses, can foul up on the 60 acres occupied by the farm. He and Anne are active trail riders, and show aggressively in the Rocky Mountain, Kentucky Mountain and United Mountain Horse registries. He is a member of the TWHBEA and RMHA Associations and the Beaufort Regional Chamber of Commerce.



Officers & Directors.....cont'd

President: Carol Deacon – Rock Hill

Carol and her husband, Kim, live in Rock Hill, SC. She received a BS degree from the University of Arkansas in Animal Science and Agricultural Economics (double major). She later earned an MBA from Winthrop University in Rock Hill with emphasis in finance and organizational development. She has worked for Wachovia as Operating officer - eCommerce Division and as Financial Officer - Information Technology Development Division. She has worked as Paralegal Practice Manager for Alala Mullen Holland & Cooper. Carol is involved with the Carolina Farm Stewardship Assoc., American Livestock Breeds Conservancy, St Croix Sheep Breeders Assoc, Dairy Sheep Assoc of North America (help position as Treasurer for 2 yrs), SC Dressage and CT Association, NC Dressage and CT Association, SC Hunter/Jumper Association, and the Progressive Show Jumping Association.



Carol Deacon, what a way to spend the day.

An avid horse person, Carol owns & manages a boarding/training stable of 16 horses. She teaches and coaches dressage & hunter/jumper riding. In addition to horses, she raises St. Croix sheep on her farm. She enjoys taking week long trail riding trips "out West".

Carol has brought excellent organizational, administrative, financial, and leadership skills to the Horsemen's Council. She was appointed Interim President in August of 2007 and elected by the membership in Feb 2008. Carol has done an outstanding job of engaging the Board members in making substantial progress toward council objectives. Under her leadership, the council has improved administratively, financially, and increased emphasis on a variety of important issues and programs. We are extremely fortunate to have someone of her caliber to lead our organization.

First Vice President: Cecil Watkins - Hartsville

Cecil is married to Kaye, and has one son, Bill, daughter-in-law Susie, 5 yr old grandson, Payne, & 2 yr old grandson, Anderson. Cecil and Kaye live on their farm near Hartsville, SC. He grew up working on his father's farm with horses and mules, using them in logging and farming. He has been employed by Sonoco Products Co since graduating from Clemson University. He has held various Engineering and General Management positions at Sonoco, and is currently Director of Global Engineering for the Industrial Products Division. Cecil has been active in other organizations having served as President of the Hartsville Jaycees & the South Carolina Jaycees; member of New Market United Methodist Church; Masons; Shriners; Carolina Trailblazers Saddle Club. Cecil served on the Advisory Board for Clemson School of Industrial Management and 10 years on Industrial Development Board for Lee County. He served in the SC National Guard for six years.



Cecil has been breeding, raising, training, and riding Tennessee Walking Horses for over 30 years and is a member of the TWH Breeders Association. He and Kaye enjoy trail riding throughout SC and many other states with occasional trips out West. This is Cecil's third year on the SCHC Board where he has served on the Annual Expo committee, the Finance committee, the SETC 2008 committee, the By-Laws committee, newsletter committee, and the Nominating committee. He also serves on the trails advisory committees for H. Cooper Black Recreational Area and the Sandhills State Forest.

Change from 501-C-5 Organization to 501-C-3 Organization

The SC Horsemen's Council is currently organized as a 501-C-5 tax exempt corporation. This designation means that our organization is exempt from paying income taxes. Business sponsors and vendors may deduct contributions to us as business expenses for advertising in our newsletters, programs, and website. It does not allow *individuals* to deduct donations from their individual taxes. By converting to 501-C-3 tax exempt status, businesses can continue to claim their deductions as they currently do, but in addition, contributions and some expenses by individuals may be deducted from personal income taxes. This change will enable our board to apply for grants that are not available to us under our current exempt status. Grants are a major source of funding for some 501-C-3 organizations and could potentially be very helpful to our organization for such activities as the SETC and other major events.

As a 501-C-3 organization, there are some restrictions on legislative lobbying but would not affect the type of activities we normally engage in. The primary focus of the SCHC revolves around educating our members, the general public, and government officials about the equine community and the industry it supports. We strive as an organization to represent the collective views of our members.

The attainment of 501 C 3 status should be a significant step forward for our organization, and place us in the same category as other state horse councils.

Proposed Revisions to By-Laws

As part of the 501-C-3 application process, we consulted with a tax attorney who advised us that our By-laws needed some revisions to comply with the IRS and to bring them more in line with other 501-C-3 organizations. In addition, we are making some other changes that should strengthen our organization. Some of the key changes being proposed are highlighted as follows:

1. Our mission statement has changed to better reflect our purpose as an educational organization.
2. Specific reference to specific standing committees has been deleted, which will allow more flexibility on Council activities.
3. We propose to increase the number of Board members to allow more area representation and increase the capabilities of the board (3 directors per district vs 2 currently, plus 8 at-large directors vs 5 currently). Our goal is to increase participation & involvement from our membership around the state.
4. Several additional legal statements have been added to comply with current law.

These changes should help us to obtain our 501-C-3 tax exempt status and improve the operations of our Council.

Our current By-Laws are on our website at www.schorseouncil.org

If you have any questions regarding these changes please contact Betty Rankin, P.O.Box 453, Catawba, SC 29704, or email jrankin421@aol.com or telephone 803-329-8626.

South Carolina Horsemen's Council Special Bulletin Jan 1, 2009

To be presented for approval by the general membership at the Annual Meeting Feb 7, 2009

BY-LAWS

OF

THE SOUTH CAROLINA HORSEMEN'S COUNCIL

ARTICLE I - PURPOSE

Section 1.1 The South Carolina Horsemen's Council is a charitable and educational non-stock, non profit corporation. It is organized and operated without monetary gain or profit to its members or to any private individual. It is organized and operated exclusively for the purpose of educating its members, the general public, and government officials about equestrian activities and the benefits thereof and shall be operated solely for such charitable and educational purposes as are consistent within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended.

ARTICLE II - OFFICES

Section 2.1 Principal Office. The principal office of the Corporation shall be located at such place, within the State of South Carolina, as shall be determined from time to time by the Board of Directors and as shall have been so designated most recently in the annual report of the Corporation or amendment thereto, filed with the South Carolina Department of Revenue pursuant to Title 12 of the Code of Laws of South Carolina, as amended.

Section 2.2 Registered Office. The Corporation shall maintain a registered office in the State of South Carolina as required by law, which may be, but need not be, identical with the principal office.

Section 2.3 Other Offices. The Corporation may have offices at such other places, within the State of South Carolina, as the Board of Directors may from time to time determine, or as the affairs of the Corporation may require.

ARTICLE III - MEETINGS OF MEMBERS

Section 3.1 Place of Meetings. All meetings of members shall be held within the State of South Carolina, as shall be recommended by the President and approved by the Board of Directors of the Corporation.

Section 3.2 Annual Meetings. The annual meeting of the members shall be held each year at such date and time as shall be designated by the Board of Directors of the Corporation, for the purpose of electing directors of the Corporation and for the transaction of such other business as may be properly brought before the meeting.

Section 3.3 Substitute Annual Meetings. If the annual meeting shall not be held on the day provided for by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 3.4. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 3.4 Special Meetings Special meetings of the members may be called at any time by or at the request of the President or the Board of Directors with approval of the Board of Directors. A special meeting of the members shall also be called upon the written demand or demands of the members of at least 10% of all votes entitled to be cast on any issue proposed to be considered at such meeting pursuant to such demand or demands, provided such demand or demands describe the purpose or purposes for which said special meeting is to be held and are signed, dated and delivered to the Secretary of the Corporation. If, for any reason, a corporation has no directors in office, then any officer or any member or an executor, administrator, trustee, or guardian of a member or other fiduciary entrusted with like responsibility for the person or estate of a member may call for a special meeting of members to elect directors.

Section 3.5 Notice of Meetings. Written or printed notice stating the date, time and place of the meeting shall be given not less

By-Laws cont'd.....

than 10 days nor more than one year before the date thereof, either personally or by mail, at the direction of the person or persons calling the meeting, to each member entitled to vote at such meeting and each other member entitled to notice pursuant to the Articles of Incorporation or applicable law.

In the case of a special meeting, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called. In the case of an annual meeting, the notice of meeting need not specifically state the purpose or purposes thereof or the business to be transacted thereat unless such statement is expressly required by the provisions of these Bylaws or by applicable law.

If a meeting is adjourned for more than 120 days after the date fixed for the original meeting, or if a new record date is fixed for the adjourned meeting, or if the date, time and place for the adjourned meeting is not announced prior to adjournment, then notice of the adjourned meeting shall be given as in the case of an original meeting; otherwise, it is not necessary to give any notice of the adjourned meeting other than by announcement at the meeting at which the adjournment is taken.

A member's attendance at a meeting constitutes a waiver by such member of (a) objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting and (b) objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the notice of the meeting, unless the member objects to considering the matter when it is presented.

Section 3.6 Record Date. For the purpose of determining members entitled to notice of or to vote at any meeting of members or any adjournment thereof, or in order to make a determination of members for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of members, such record date in any case to be not more than 70 days immediately preceding the date of the meeting or the date on which the particular action requiring such determination of members is to be taken.

If no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members, the close of business on the day before the date on which notice of the meeting is first mailed to members shall be the record date for such determination of members.

A determination of members entitled to notice of or to vote at a members' meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new record date for the adjourned meeting, which it must do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

Section 3.7 Members' List. Not later than the date notice of a meeting of members is first given, the Secretary or other officer or person having charge of the books of the Corporation shall prepare a list of the members entitled to notice of such meeting, with the address of and number of votes held by each member, which list shall be kept on file at the principal office of the Corporation (or such other place in the city where the meeting is to be held as may be identified in the notice of the meeting) for the period commencing on the day notice of the meeting is first given and continuing through such meeting, and which list shall be available for inspection by any member, or his or her agent or attorney, upon his or her demand, at any time during regular business hours. This list shall also be produced and kept open at the time and place of the meeting and shall be subject to inspection by any shareholder, or his or her agent or attorney, during the whole time of the meeting and any adjournment thereof.

Section 3.8 Quorum. The members who are entitled to vote (as described in Section 3.10), present in person, shall constitute a quorum at all meetings of members for purposes of acting on any matter for which action by the members is required.

Once a member is represented for any purpose at a meeting, it is deemed present for quorum purposes for the remainder of the meeting and for any adjournment thereof unless a new record date is or must be set for that adjourned meeting.

Section 3.9 Organization. Each meeting of members shall be presided over by the President, or, in the absence or at the request of the President, by such other officer as the President or the Board of Directors may designate, or in their

By-Laws cont'd.....

absence and in the absence of such designation, by any person selected to preside by plurality vote of the members represented and entitled to vote at the meeting, with each member having the same number of votes to which it would be entitled on any other matter on which all members represented and entitled to vote at the meeting would be entitled to vote. The Secretary, or in the absence or at the request of the Secretary, any person designated by the person presiding at the meeting, shall act as secretary of the meeting.

Section 3.10 Voting of Members. Except as otherwise provided in the Articles of Incorporation, each outstanding member having the right to vote on a matter or matters submitted to a vote at a meeting of members shall be entitled to vote on each such matter. A member must vote in person. Youth members under the age of 18 may not vote.

Except in the election of directors (as provided in Section 4.4), if a quorum exists, action on a matter by the members entitled to vote on the matter is approved by such members if the votes cast favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by law or the Articles of Incorporation.

Voting on all matters including the election of directors shall be by voice vote or by a show of hands unless, as to any matter, the members entitled to at least 25% of the votes represented at the meeting and entitled to vote on that matter shall demand, prior to the voting on such matter, a ballot vote on such matter.

Section 3.11 Director's Conflict of Interest. Any corporate transaction in which a director has an adverse interest must be approved in good faith by a majority, not less than two (2), of the disinterested directors present even though less than a quorum, irrespective of the participation of the adversely interested director in the approval; provided, however, that no such transaction may be approved if it would constitute self-dealing prohibited under Section 4941 of the Internal Revenue Code of 1986, or the corresponding provisions of any later federal tax laws, or if it would result in the imposition of any excise tax under any other provision of Chapter 42A of the Internal Revenue Code of 1986, or the corresponding provisions of any later federal tax laws.

ARTICLE IV - DIRECTORS

Section 4.1 General Powers. All corporate powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of the Board of Directors.

Section 4.2 Number, Term, and Qualification. The number of directors may be increased or decreased only by the members. The number of directors of this Corporation shall consist of such number as to equally represent the five (5) state districts and membership at large. The total number shall be not less than two (2) and not more than three (3) assigned per district and not less than five (5) nor more than eight (8) at-large directors as shall be determined from time to time by resolution of the members or the Board of Directors.

No such resolution reducing the number of directors below the number of directors then in office shall of itself have the effect of removing any director prior to the expiration of such director's term of office. Any positions on the Board of Directors created by an increase in the number of directors pursuant to such a resolution and not filled by the members shall be treated as vacancies to be filled by and in the discretion of the Board of Directors. The number of directors fixed pursuant to such a resolution shall be deemed to be the number of directors prescribed by these Bylaws. The number of directors as of the date of the adoption of these Bylaws is set at two (2) from each district and five (5) at large.

The terms of initial directors and the term of any director elected to fill a vacancy shall expire at the next member's meeting at which directors are elected. Otherwise, the term of each director shall be the three (3) year period from the effective date of his or her election; provided, the terms of the directors shall be staggered as determined by the Board of Directors (including, if necessary to shortening of a term for any directorship to be elected) such that the terms of no more than one third (1/3) of the directors shall expire in any one year and that the term of no more than (1) director from each district shall expire in any one year.

Notwithstanding the stated terms of directors, a director shall continue to serve after expiration of his or her stated

term until his or her successor is elected and qualifies or there is a decrease in the number of directors eliminating his or her position, and a director shall cease to serve as such and his or her position shall be deemed vacant upon his or her death, resignation, removal or disqualification.

Directors must be residents of the State of South Carolina and members of the South Carolina Horsemen's Council.

Section 4.3 Election of Directors. Except as provided in Section 4.6, directors other than the initial directors shall be elected for 3 year terms at the annual meeting of members. A director may serve a total of 6 years in succession before an absence of one (1) year.

Each year, prior to the annual meeting, a Nominating Committee must be formed that consists of one board member from each of the designated districts to be appointed by the President and approved by the Board of Directors. This committee will prepare a list of nominees for each board seat that may become vacant because of term expiration or other reasons. This committee will be formed early enough to obtain input from general membership, obtain personal information on candidates, notify Board of recommendations, and inform members of the nominees at least 30 days prior to the annual meeting. Any member in good standing may make nominations from the floor at the annual meeting.

Section 4.4 Voting for Directors. Directors shall be elected by a plurality of the votes cast by the members entitled to vote in the election of directors at a meeting at which a quorum is present. Unless otherwise provided in the Articles of Incorporation, at each election for directors, every member entitled to vote at such election shall have the right to vote the number of votes he or she is entitled to cast for as many persons as there are directors to be elected and for whose election he or she has a right to vote.

Section 4.5 Removal. Except as otherwise provided in the Articles of Incorporation or by applicable law, a director may be removed from office with or without cause by a vote of the Board of Directors, provided a quorum exists and the number of votes cast in favor of such removal exceeds the number of votes cast against such removal. A director may not be removed by the members at a meeting unless the notice of the meeting states that a purpose of the meeting is removal of such director

Section 4.6 Vacancies. A vacancy occurring in the Board of Directors, including positions not filled by the members or those resulting from an increase in the number of directors, may be filled by a majority of the remaining directors, though less than a quorum.

Section 4.7 Compensation. The Board of Directors, in its discretion, may compensate directors for the payment of expenses reasonably incurred by directors in attending meetings of the Board or of any Committee or in the performance of their other duties as directors. The Board of Directors may hire employees for execution of specific responsibilities and terminate such employment as deemed necessary.

Section 4.8 Committees. The Board of Directors, by resolution adopted by a majority of the number of directors then in office, may designate and appoint from among its members one or more Committees, each consisting of one or more directors, who shall serve as members of such Committee at the pleasure of the Board of Directors. Each such Committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the Corporation, except that no such Committee shall have authority to: (a) authorize distributions not permitted by applicable law to be authorized by a Committee; (b) approve or propose to members action that applicable law requires to be approved by members; (c) fill vacancies on the Board of Directors; (d) amend the Articles of Incorporation; (e) adopt, amend or repeal Bylaws or (f) amend or repeal any resolution of the Board of Directors that by its terms provides that it is not so amendable or repealable. Nothing herein shall preclude the Board of Directors from establishing and appointing any Committee, whether of directors or otherwise, not having or exercising the authority of the Board of Directors. Committees may be disbanded as determined appropriate by the Board of Directors.

ARTICLE V - MEETINGS OF DIRECTORS

- Section 5.1 Regular Meetings. The Board of Directors will determine the time and place, within the State of South Carolina, for the holding of regular meetings. The Board of Directors shall meet at least twice per year for the transaction of such business as may properly come before the Board. The location, time, and frequency of Board meetings shall be established by a majority vote of the Board. It is the responsibility of the President to obtain a suitable meeting location and facility subject to the approval of the Board.
- Section 5.2 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. Such meetings must be held within the State of South Carolina.
- Section 5.3 Notice of Meetings. Regular meetings of the Board of Directors may be held without notice provided the dates have been previously communicated to the Board members.

The person or persons calling a special meeting of the Board of Directors shall give notice of the meeting to the directors by any usual means of communication. If such notice is given to a director in writing by mail, it shall be mailed, correctly addressed to such director with postage prepaid, no later than seven days prior to the date of the meeting. If such notice is given to a director in writing otherwise than by mail, it shall be given so that it is received by such director no later than seven days prior to the meeting. If such notice is given orally to a director, it shall be communicated orally to such director no later than seven days prior to the meeting. Delivery or completion of transmission of written notice to the address of a director shall be deemed receipt by such director, and any such written notice given to a director by mail that is not timely mailed shall nevertheless be valid and effective if so received by such director no later than seven days prior to the date of the meeting. The person or persons giving such notice may conclusively presume that the address of a director to which such notice is to be directed is the business address of such director appearing in the Corporation's most current annual report to the South Carolina Department of Revenue, unless prior to the sending of such notice such director has given such person or persons notice of a different address to which notices to such director should be directed. A director's attendance at or participation in a meeting shall constitute a waiver by such director of notice of such meeting, unless the director at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or to the transaction of business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

- Section 5.4 Quorum. One third of the number of directors in office shall be required for, and shall constitute, a quorum for the transaction of business at any meeting of the Board of Directors.
- Section 5.5 Manner of Acting. Except as otherwise provided in these Bylaws or required by applicable law, the affirmative vote of a majority of the directors present at a meeting of the Board of Directors shall be the act of the Board of Directors, if a quorum is present when the vote is taken.
- Section 5.6 Organization. Each meeting of the Board of Directors shall be presided over by the President or, in the absence or at the request of the President, by the First Vice President, and in their absence or at their request, by any person selected to preside by vote of a majority of the directors present. The Secretary, or in the absence or at the request of the Secretary, any person designated by the person presiding at the meeting, shall act as secretary of the meeting. The order of business of all meetings of the Board of Directors shall be recommended by the President (or presiding officer) and approved by the Board of Directors. In the absence of specific guidelines from these by-laws or other established practices, all meetings and business shall be conducted in compliance with Roberts Rules of Order.
- Section 5.7 Action Without Meeting. Action required or permitted to be taken by the Board of Directors or a Committee at a meeting may be taken without a meeting if one or more written consents describing the action taken are signed by each of the directors or members of the Committee, as the case may be, whether before or after the action so taken, and filed with the corporate records or the minutes of the proceedings of the Board or Committee. Action so taken is effective when the last director or Committee member signs such consent, unless the consent specifies a different effective date. Such consent has the effect of a meeting vote and may be described as such in any document.
- Section 5.8 Participation by Conference Telephone. Any one or more directors or members of a Committee may participate in

a meeting of the Board of Directors or Committee by means of a conference telephone or similar communications device that allows all persons participating in the meeting to simultaneously hear each other during the meeting, and such participation in a meeting shall be deemed presence in person at such meeting.

ARTICLE VI - OFFICERS

- Section 6.1 General. The officers of the Corporation shall consist of a President, a Secretary and a Treasurer, and such Vice Presidents, Assistant Secretaries, Assistant Treasurers and other officers as may be appointed by the Board of Directors or otherwise provided in these Bylaws. The title of any officer may include any additional designation descriptive of such officer's duties as the Board of Directors may prescribe. Officers shall be voting members of the Board of Directors.
- Section 6.2 Appointment and Term. The officers of the Corporation shall be appointed from time to time by the Board of Directors or elected by the Corporation's members pursuant to the Articles of Incorporation and these Bylaws. The President shall be elected by the General Membership at the Annual Meeting. The Board shall appoint such other officers as identified in 6.1 as appropriate. Each appointed officer shall serve as such at the pleasure of the Board of Directors.
- Section 6.3 Removal. Any Officer or Director, may be removed by the Board of Directors at any time with or without cause by a vote of the Directors at any regular or special meeting at which a quorum is present and for which notice was given as prescribed in these By-Laws upon receiving an affirmative vote at least equal to (a) three-fourths of the remaining Directors present at such meeting or (b) two-thirds of all Directors. An officer's removal shall not itself affect the contract rights, if any, of the person so removed.
- Section 6.4 Compensation. Unless the Articles of Incorporation, these Bylaws, or a member agreement provide otherwise, there is no compensation for officers of the Corporation.
- Section 6.5 President. The President shall be the Chief Executive Officer of the Corporation and shall have all of the duties and authority of that office. The President shall supervise and control the operations of the Corporation, shall have such duties and authority as are normally incident to the position of chief operating officer of a corporation and such other duties as may be prescribed from time to time by the Board of Directors.
- Section 6.6 Vice President. The Vice President, and if there be more than one, the First Vice President or other Vice President designated by the Board of Directors, shall, in the absence or disability of the President, have the authority and perform the duties of said office. In addition, each Vice President shall perform such other duties and have such other powers as are normally incident to the office of Vice President or as shall be prescribed by the Board of Directors.
- Section 6.7 Secretary. The Secretary shall have the responsibility and authority to maintain and authenticate the records of the Corporation; shall keep, or cause to be kept, accurate records of the acts and proceedings of all meetings of shareholders, directors and Committees; shall give, or cause to be given, all notices required by law and by these Bylaws; shall have general charge of the corporate books and records and of the corporate seal; and shall keep, or cause to be kept, all records of members as are required by applicable law or these Bylaws; shall sign such instruments as may require the signature of the Secretary; and, in general, shall perform all duties incident to the office of Secretary and such other duties as may be assigned to him or her from time to time by the President or the Board of Directors.
- Section 6.8 Treasurer. The Treasurer shall have custody of all funds and securities belonging to the Corporation and shall receive, deposit or disburse the same under the direction of the Board of Directors; shall keep, or cause to be kept, full and accurate accounts of the finances of the Corporation in books especially provided for that purpose, and shall generally have charge over the Corporation's accounting and financial records; shall cause a true statement of its assets and liabilities as of the close of each fiscal year, and of the results of its operations and of cash flows for such fiscal year, all in reasonable detail, including particulars as to convertible securities then outstanding, to be made as soon as practicable after the end of such fiscal year. The Treasurer shall also prepare and file, or cause to be prepared and filed, all reports and returns required by Federal, State or local law and shall generally perform all

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other duties incident to the office of Treasurer and such other duties as may be assigned to him or her from time to time by the President or the Board of Directors.

Section 6.9 Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Assistant Treasurers, if any, shall, in the absence or disability of the Secretary or the Treasurer, respectively, have all the powers and perform all of the duties of those offices, and they shall in general perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

ARTICLE VII - CONTRACTS, LOANS AND DEPOSITS

Section 7.1 Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any document or instrument on behalf of the Corporation, and such authority may be general or confined to specific instances. Any resolution of the Board of Directors authorizing the execution of documents by the proper officers of the Corporation or by the officers generally and not specifying particular officers shall be deemed to authorize such execution by the President, or any Vice President, or by any other officer if such execution is within the scope of the duties and of such other office. The Board of Directors may by resolution authorize such execution by means of one or more facsimile signatures.

Section 7.2 Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

Section 7.3 Checks and Drafts. All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation, and in such manner, as shall from time to time be determined by resolution of the Board of Directors.

Section 7.4 Deposits. All funds of the Corporation not otherwise employed or invested shall be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors directs.

ARTICLE VIII - MEMBERSHIP

Section 8.1 Qualification. Any person, business, or organization supporting the goals and purposes of the Corporation may become a member. Members are selected by simultaneous application and payment of fees.

Section 8.2 Fees and Class. The Board of Directors may establish fees and such classes of membership with the requirements and privileges thereof as from time to time may be desirable. Classes of membership are:

- (a) Individual Membership- Individual membership is available to individuals whose interest may be related or similar to those of the council. This membership has 1 vote at the General Membership Meeting.
- (b) Family Membership- Family Membership is available to Families whose interest may be related to or similar to those of the council. This membership has two votes at the General Membership Meeting and entitles members of the family under 18 years old to a youth membership.
- (c) Youth Membership- Youth membership is available to any person aged 18 years or under whose interest may be related to those of the council. This membership has no vote at the General Membership Meeting.
- (d) Farm Membership- Farm Membership is available to any Equitation Center, Farm, or Stable whose interest may be Related or similar to those of the council. This membership has 3 votes at the General Membership Meeting.
- (e) Commercial Membership- Commercial membership is available to any commercial enterprise related

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to the equine industry whose interest may be related to or similar to those of the council. This membership has 1 vote at the General Membership Meeting.

(f) Honorary Membership- Honorary membership and Honorary Life Membership may be granted to such individual or organizations as the Board of Directors may from time to time direct. There shall be no fee for Honorary Membership.

(g) Association membership – Association membership is available to Equine breed associations, saddle clubs, and endurance riding groups or any non-commercial equine organization. An Association membership will have 3 basic votes. Each organization is encouraged to register all of its members as associate members of the SCHC. This gives the SCHC a larger membership base resulting in a more powerful voice on issues affecting the equine industry in South Carolina and encourages association members to participate in the SCHC. Individuals can still elect to join separately in order to have full voting privileges.

(h) Life Memberships – lifetime memberships may be purchased for any class of membership at a fee of 10 times the annual dues.

Section 8.3 Membership Certificates/Cards. Each certificate or card shall be identified and must state on its face: (a) the name of the Corporation and that it is organized under the laws of South Carolina; (b) the name of the person to whom the certificate is issued; and (c) the number and class of votes the certificate represents.

Section 8.4 Transfer of Membership. Transfer of membership is prohibited.

Section 8.5 Termination of Membership - Each membership shall terminate at any time upon the resignation of the member or at the next year for which membership fee is not paid

Section 8.6 Suspension or Expulsion- Any member may be suspended or expelled for conduct detrimental to the best interest and purposes of this council by affirmative vote thereof by a majority of the members of the Board of Directors present at meeting of the Board called in accordance with these By-laws.

Section 8.7 Voting Rights- Members will be allowed the specified number of votes for their class of membership for voting at the General Membership Meeting. This will include voting for Directors, Changes to By-laws, and business properly brought before this meeting.

ARTICLE VIX - RECORDS AND REPORTS

Section 9.1 General. The Corporation shall keep all records and submit and file all reports and filings as are required by applicable law. Unless the Board of Directors otherwise directs, the Treasurer shall be responsible for keeping, or causing to be kept, all financial and accounting records of the Corporation and for submitting or filing, or causing to be submitted or filed, all reports and filings of a financial or accounting nature, and the Secretary shall be responsible for keeping, or causing to be kept, all other records and for submitting or filing, or causing to be submitted or filed, all other reports and filings.

The Corporation shall keep as permanent records minutes of all meetings of its members and Board of Directors, a record of all actions taken by the Board of Directors without a meeting, and a record of all actions taken by Committees of the Board of Directors. The Corporation shall maintain appropriate accounting records. The Corporation or its agent shall maintain a record of its members in a form that permits preparation of a list of the names and addresses of all members. The Corporation shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

Section 9.2 Records at Principal Office. The Corporation shall keep a copy of the following records at the Corporation's principal office: (a) its Articles or restated Articles of Incorporation and all amendments to them currently in effect; (b) its Bylaws or restated Bylaws and all amendments to them currently in effect; (c) resolutions adopted by the

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Board of Directors creating one or more classes or series of membership, and fixing their relative rights, preferences, and limitations, (d) the minutes of all membership meetings; (e) all written communications to members generally within the past year and the financial statements required by law to be furnished to the members; (f) a list of the names and addresses of its current directors and officers; (g) its most recent annual report delivered to the South Carolina Department of Revenue; and (h) its federal and state income tax returns for the last year if filed.

Section 9.3 Financial Statements. The Corporation shall furnish to its members annual financial statements, which may be consolidated or combined statements of the Corporation and one or more of its subsidiaries, as appropriate, that include a balance sheet as of the end of the fiscal year, or an income statement for that year. If financial statements are prepared for the Corporation on the basis of generally accepted accounting principles, the annual financial statements shall also be prepared on that basis.

If the annual financial statements are reported upon by a public accountant, such accountant's report shall accompany them. If not, the statements shall be accompanied by a statement of the President or the Treasurer or other person responsible for the Corporation's accounting records (a) stating his or her reasonable belief whether the statements were prepared on the basis of generally accepted accounting principles and, if not, describing the basis of preparation and (b) describing any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year.

Section 9.4 Annual Report. The Corporation shall prepare and deliver to the South Carolina Department of Revenue for filing each year the annual report required by applicable law. Such annual report shall be filed each year on or before the fifteenth day of the third month next after the preceding income year in a form prescribed by the South Carolina Department of Revenue and shall contain all information and facts required by either the Department of Revenue or the South Carolina Secretary of State.

ARTICLE X - GENERAL PROVISIONS

Section 10.1 Notice and Waiver of Notice. Except as otherwise provided in the Articles of Incorporation or these Bylaws, any notice permitted or required to be given pursuant to these Bylaws may be given in any manner permitted by applicable law and with the effect therein provided. Without limiting the generality of the foregoing, written notice by the Corporation to a member is effective when deposited in the United States mail with postage thereon prepaid and correctly addressed to the member's address shown in the Corporation's current record of members.

Section 10.2 Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 10.3 Indemnification. Any person who at any time serves or has served as a director of the Corporation shall have a right to be indemnified by the Corporation to the fullest extent permitted by law against (a) expenses, including reasonable attorneys' fees, actually and necessarily incurred by him or her in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, whether formal or informal, and whether or not brought by or on behalf of the Corporation, arising out of his or her status as such director, or his or her status as an officer, employee or agent of the Corporation, or his or her service, at the request of the Corporation, as a director, officer, partner, trustee, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise or as a trustee or administrator under an employee benefit plan, or his or her activities in any of the foregoing capacities, and (b) any liability incurred by him or her, including without limitation, satisfaction of any judgment, money decree, fine (including any excise tax assessed with respect to an employee benefit plan), penalty or settlement, for which he or she may have become liable in connection with any such action, suit or proceeding.

The Board of Directors of the Corporation shall take all such action as may be necessary and appropriate to authorize the Corporation to pay the indemnification required by this Bylaw, including without limitation, to the extent necessary, (a) making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him or her and (b) giving notice to and obtaining approval by the shareholders of the Corporation.

Expenses incurred by a director in defending an action, suit or proceeding may be paid by the Corporation in ad-

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vance of the final disposition of such action, suit or proceeding upon receipt by the Corporation of (a) a written affirmation of the director of his good faith belief that he has met the standard of conduct prescribed by law for indemnification of the director by the Corporation, (b) a written undertaking by or on behalf of the director to pay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation against such expenses, and (c) a determination is made that the facts then known to those determining whether to indemnify the director would not preclude indemnification.

Any person who at any time after the adoption of this Bylaw serves or has served as a director of the Corporation shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein, and any modification or repeal of these provisions for indemnification shall be prospective only and shall not affect any rights or obligations existing at the time of such modification or repeal. Such right shall inure to the benefit of the legal representatives of any such person, shall not be exclusive of any other rights to which such person may be entitled apart from the provisions of this Bylaw, and shall not be limited by the provisions for indemnification in Sections 33-8-510 through 33-8-560 of the South Carolina Business Corporation Act of 1988, as amended, or any successor statutory provisions.

Section 10.4 Construction. All references in these Bylaws to "member" or "members" refer to the person or persons in whose names memberships are registered in the records of the Corporation. These Bylaws shall include persons of any gender. All terms used herein and not specifically defined herein but defined in the South Carolina Business Corporation Act of 1988, as amended, shall have the same meanings herein as given under the South Carolina Business Corporation Act of 1988, as amended, unless the context otherwise requires.

Section 10.5 Amendments. Except as otherwise provided herein or in the Articles of Incorporation or by applicable law, these Bylaws may be amended or repealed and new Bylaws may be adopted by action of the general membership by a majority vote thereof at the Annual Meeting or any Special Meeting for which 30 days notice is given and such notice shall include the proposed By-Law change.

Section 10.6 Distribution upon Dissolution. In the event the Corporation shall be dissolved, all assets, funds, and proceeds of the Corporation, after payment of all debts and obligations of the Corporation, shall be distributed for charitable or public purposes as provided in the Articles of Incorporation. Assets held by the Corporation upon condition requiring return, transfer, or conveyance to particular person or entity upon the Corporation's dissolution shall be returned, transferred, or conveyed in accordance with such requirements.