

MARYLAND HORSE COUNCIL, INC.

BYLAWS

ARTICLE I

NAME, FORMATION, TERM, OFFICE, PURPOSE, AND MANAGEMENT

SECTION 1. Name. The name of the Corporation shall be Maryland Horse Council, Inc. (hereinafter referred to as “Corporation” or “Council”).

SECTION 2. Formation. The Council is a non-stock, non-profit, tax-exempt corporation as organized under the laws of Maryland in compliance with Title 5 of the Corporations and Associations Annotated Code of Maryland (“the Code”), as may be amended from time to time, and as duly recognized by the State of Maryland and the Internal Revenue Service.

SECTION 3. Term. The Council began its existence July 25, 1985 upon the filing of Articles of Incorporation with and acceptance by State Department of Assessments and Taxation (“SDAT”) and shall continue in perpetuity unless dissolved or forfeited pursuant to §5-208 of the Code.

SECTION 4. Principal Office. The principal office of the Council shall be as designated by the Board of Directors. The principal office of the Council may be relocated with approval of the Board of Directors. Any change to the location shall be duly reported to SDAT.

SECTION 5. Other Offices. The Council may also have an office or offices in such other place or places as the business of the Council may require and the Board of Directors may from time to time appoint.

SECTION 6. Purpose. The Council is organized as a trade association (“business league”) under §501(c)(6) of the Internal Revenue Code, or the corresponding section of any future federal tax code. Pursuant to the Articles of Incorporation, the Council shall exist for the following purposes:

- (a) Promote the interest in horses and horse related activities;
- (b) Monitor legislation and administrative decisions which would affect horses and/or horse activities;
- (c) Serve as a leader within the industry and with those outside the horse industry;
- (d) Receive and administer funds for the aforementioned purposes; and
- (e) For any lawful act or activity for which non-stock corporations may be organized in the State of Maryland.

SECTION 7. Management. The Council shall be managed by the Board of Directors. The Board of Directors may retain an individual or entity to act as Executive Director. The Executive Director shall serve at the will of the Board. The Executive Director shall have immediate and overall supervision of the operations of the Council, and shall direct the day-to-day business of the Council, maintain the properties of the Council, hire, discharge, and determine the salaries and other compensation of all staff members under the Executive Director's supervision, and perform such additional duties as may be directed by the Executive Committee or the Board of Directors. No officer, Executive Committee member or member of the Board of Directors may individually instruct the Executive Director or any other employee. The Executive Director shall make such reports at the Board and Executive Committee meetings as shall be required by the President or the Board. The Executive Director shall be an ad-hoc member of all committees.

The Executive Director may be retained at any meeting of the Board of Directors by a majority vote and shall serve until removed by the Board of Directors upon an affirmative vote of a majority (51%) of the Directors present at any meeting of the Board Directors. Such removal may be with or without cause. Nothing herein shall confer any compensation or other rights on any Executive Director.

ARTICLE II MEMBERSHIP

SECTION 1. Qualification and Classification of Membership. Membership in the Council shall be open to groups, entities, and individuals. There shall be three categories of membership: Association, Industry Professional, and Basic. Acceptance into a particular category shall be at the discretion of the Board of Directors.

2.1.1. Association. Association membership is open to groups, clubs, and associations that have voting general memberships. Payment of dues as determined pursuant to these Bylaws shall entitle the association to designate one individual (and one alternate) as a voting Member of the Council.

2.1.2. Industry Professional. Industry Professional membership is open to any business, farm, service provider, or professional company, corporation, partnership, or sole proprietorship entity; and any legally formed not-for-profit or non-profit entity that has received or has applied for IRS recognition under sections 501(c)(3) through 501(c)9 of the US Internal Revenue Code.

2.1.3 . Individual. Individual membership is open to any individual. Payment of dues as determined pursuant to these Bylaws shall entitle individuals age 18 and older to serve as voting Members of the Council.

SECTION 2. Duties and Responsibilities of Members. Members shall pay their annual dues to be considered in "good standing," and regularly attend meetings and events in support of the Council.

SECTION 3. Membership Year and Annual Dues.

2.3.1. Membership Year. The Membership Year shall be for twelve consecutive months beginning from the date the membership fees are received and recorded by the Council. The amount of dues for each membership category shall be recommended by the Executive Committee and approved by the Board of Directors.

2.3.2. Dues. Membership may be attained by paying dues on an annual basis or a one-time lifetime membership payment.

SECTION 4. Membership Benefits.

2.4.1. Voting. Voting shall be designated by membership category. Voting may be cast electronically or in person at Membership Meetings called by the Council.

2.4.2. Holding Office. Only Members in good standing are eligible to hold office.

2.4.3. Other. The Council shall endeavor to provide a variety of benefits to its membership. Such benefits shall be publicized on the Council's website and by other methods, as appropriate.

SECTION 5. Membership Meetings.

2.5.1. Notice. The Secretary shall send written notice of Membership Meetings to each Member at least twenty (20) days before the meeting. Such notice may be delivered by electronic mail or other verifiable means.

2.5.2. Annual Meeting. An Annual Meeting of the Membership shall be held at which the activities, achievements, and priorities of the Council shall be reviewed. Membership dues must be current for voting privileges at the Annual Meeting. The Annual Meeting shall be held in the month of November of each year.

2.5.3. Special Meetings. Membership Meetings may be called at any time for any purpose or purposes by the President, Vice President, or by five (5) or more Members upon written request. Such request shall state the purpose or purposes of the meeting, and business transacted at the meeting shall be confined to the purpose or purposes stated in the meeting notice.

2.5.4. Quorum. A quorum shall require two Officers of the Board of Directors and ten percent (10%) of membership in good standing at the time of the Membership Meeting.

2.5.5. Voting. A majority vote of all Members in good standing present at the Membership Meeting shall be sufficient to decide matters brought before the Membership.

SECTION 6. Termination of Membership. Membership in the Council shall be terminated upon resignation of the member; upon non-payment of dues; or by recommendation of the Board of Directors, provided the Member has been notified in writing as to cause and permitted a full hearing before the Board of Directors. Such recommendation must be approved by a simple majority of all Members present at a regular or special membership meeting.

ARTICLE III BOARD OF DIRECTORS

SECTION 1. Official Business, Number, Qualification, Composition, Tenure, and Removal.

3.1.1. Official Business. Except as established in the Annual Membership Meeting and/or any other Membership Meeting called pursuant to these Bylaws, the business, policy, and priorities of the Council shall be established by the Board of Directors.

3.1.2 Number. The Board of Directors shall be comprised of not less than three (3) nor more than twenty-five (25) Members of the Council.

3.1.3. Qualification. Board of Directors of the Council shall be selected from members in good standing of the Council. When meeting as Directors they may exercise the rights and powers of Members if in fact the Council has no members other than the Board members.

3.1.4. Composition. The Board of Directors shall be comprised of the proportionate number of representatives from each of the three membership categories to the total number of Members. Prior to each election, said proportionate number shall be determined at the discretion of the Executive Committee.

3.1.5. Tenure. The term of service for each Director shall be two years, beginning with the Fiscal Year following the election.

3.1.6. Removal. A Director may be removed from the Board of Directors for cause, following a hearing before the full Board, by two-thirds (2/3) vote of the remaining Directors present if a quorum exists. Such hearing shall be presided over by a hearing officer appointed by the Executive Committee. Any Director so removed shall also be removed from any offices or appointments that Director may hold within or subject to the Board.

SECTION 2. Selection of Directors. A Nominating Committee (see Article V, Section 3) shall present a slate of candidates for the Board of Directors prior to the Annual Meeting of the Members in November. The slate shall be available for any Member in good standing to review and cast a vote no later than thirty (30) days prior to the Annual Meeting. After the slate is made available to the Members, Members may make additional nominations within ten (10) days. If additional nominations are made, a revised ballot will be sent to the Members to review and cast a vote no later than fifteen (15) days prior to the Annual meeting. Electronic voting of the Board of Directors shall close prior to the Annual Meeting for purposes of calculation of votes. The newly elected Directors shall be announced at the Annual Meeting. The Nominating Committee shall exert best efforts to ensure that the slate of candidates for each membership category represents to the greatest extent possible the diversity of membership within that category.

SECTION 3. Vacancies. Upon the death, removal or voluntary resignation of any Director, the President, or Vice President, if the President is permanently absent, may appoint a Member in good standing to fill any vacancy.

SECTION 4. Authority. The Board of Directors shall have the authority to transact any and all business of the Council between the annual meetings of Members.

SECTION 5. Expenditures. The Board of Directors shall authorize all large or unusual expenditures prior to dispensation of funds. Large or unusual expenditures are defined as amounts larger than Five Thousand Dollars (\$5,000.00) or any unexpected expenditure not typically managed by the Council.

SECTION 6. Board of Directors Meetings.

3.6.1. Regular Meetings. The Board of Directors shall meet quarterly for the purpose of reviewing financial records and other transactions, as well as to discuss those matters properly before the Board. Meetings of the Board of Directors shall be considered open unless matters of confidentiality are presented for discussion. All actions of the Board of Directors shall be made in an open meeting. The Board of Directors shall be notified electronically with monthly updates of business affairs, including but not limited to, a monthly financial statement.

3.6.2. Special Meetings. Special meetings of the Board of Directors may be called by the President or by written request of two or more Directors.

3.6.3. Notice. Directors shall be notified of all meetings of the Board of Directors by (1) written communication, (2) electronic communication, or (3) by telephone specifying the purpose, date, time, and location of the meeting. The Secretary shall be responsible for the notification of all Directors. Such notice must be delivered at least twenty (20) days before the meeting.

3.6.4. Quorum. A quorum shall require one (1) officer, either the President or Vice President, and one-third (1/3rd) of elected Directors. For purposes of establishing a quorum, attendance may be in person, via electronic participation, or via a proxy named by written electronic communication to the President or Vice President no later than two (2) hours prior to the meeting.

3.6.5. Voting. A majority vote of all Directors in attendance in person, electronically or via named proxy at any meeting shall be sufficient for official business if a quorum is present. Voting may be by (1) show of hands, (2) voice, (3) paper ballot, or (4) electronic communication. The Secretary shall be responsible for noting the method and outcome of all voting. Directors have a responsibility in the nature of a fiduciary duty to the members of their membership category to communicate with those members to ascertain their views prior to voting, to the extent possible.

ARTICLE IV OFFICERS OF THE BOARD

SECTION 1. Number and Tenure of Officers. Only Members in good standing elected to the Board of Directors of the Council shall serve as Officers of the Council. There shall be a President, Vice President, Secretary and Treasurer. The tenure of Officers shall be for two years corresponding with the fiscal year. Officers may not serve in the same position for more than two consecutive two-year terms.

SECTION 2. Election of Officers. The Board of Directors shall elect the Officers of the Council, who are nominated by the Nominating Committee. The election shall take place after the Annual Meeting and before the first meeting of the following Fiscal Year.

SECTION 3. Vacancies. Upon the death or voluntary resignation of any Officer, the President, or Vice President, if the President is permanently absent, may appoint a Member in good standing to fill any vacancy.

SECTION 4. Compensation of Officers. Officers shall not be compensated for their duties as Officers of the Council.

SECTION 5. President – Powers and Duties. The President shall be the principal executive officer of the Council and Chairman of the Board of Directors. The President shall preside over all meetings of the Council. The President shall conduct the affairs of the Council in accordance with the Bylaws, Articles of Incorporation, and any and all policies promulgated by the Board of Directors, using best business practices. The President shall present an Annual Report of Council business at the Annual Meeting of the Members. The President shall appoint committees as needed and appropriate. The President shall be authorized to appoint any person to serve out the remaining term of any Executive Committee member who leaves the Committee for any reason. Such appointment shall be with the approval of the majority of the remaining members of the Executive Committee.

SECTION 6. Vice President – Powers and Duties. The Vice President shall assume the duties of the President in his/her absence and shall assist the President in the conduct of the affairs of the Council as delegated by the President. In the event of resignation or other permanent absence of the President, the Vice President shall assume the duties of that office.

SECTION 7. Secretary – Powers and Duties. The Secretary shall be responsible for maintaining the minutes of the meetings of the Council. The Secretary shall be responsible for receiving and responding to all correspondences under the general direction of the President. The Secretary shall be the custodian of all records, documents, and other corporate property of the Council. The Secretary shall maintain a complete list of Members and their respective addresses. Upon expiration of his/her term of office, the Secretary shall deliver all records, documents, and other Council property to his/her successor. The Council may hire, for the purposes of assisting the Secretary with his/her responsibility, professional services specifically for the purpose of day-to-day management.

SECTION 8. Treasurer – Powers and Duties. The Treasurer shall be responsible for maintaining the financial records of the Council. The Council may hire, for purposes of assisting the Treasurer with his/her responsibility, professional services specifically for the purpose of financial management. The Treasurer shall serve as chair of the Auditing Committee. All monies collected shall be deposited in a financial institution designated by the Board of Directors. Disbursements shall be made pursuant to Board policies and procedures. The Treasurer shall submit a report at the regular meetings of the Board of Directors and shall present a written report at each annual meeting of the Members. The report presented at the annual meeting shall be duly audited under the direction of the designated accountant or other acceptable standards of accounting procedures, including review by the Auditing Committee.

ARTICLE V COMMITTEES

SECTION 1. Committees.

5.1.1. Committee Designation. The President may designate one or more committees. The committees are to operate under the control of the Board of Directors, such committee or committees shall have such names as may be determined from time to time by the President or the Board of Directors. Standing committees are those committees required to conduct ongoing business of the Council. The Executive Committee, Nominating Committee, and Auditing Committee are necessary to the operations of the Council and shall be designated as standing committees. Special committees are those committees needed from time to time for limited purposes.

5.1.2. Committee Chairs. The chairperson of all committees shall be appointed by the President. The chairperson may select a co-chair and solicit the number of members required to fulfill the responsibilities and tasks assigned to that committee. Any Member in good standing may be asked to serve on a committee. The chairperson is responsible for presenting committee reports to the Board of Directors.

SECTION 2. Executive Committee.

5.2.1. Composition. There shall be an Executive Committee comprised of the President, Vice President, Secretary, Treasurer, and five Members who are nominated by the Nominating Committee and elected by the Board of Directors. The election of members of the Executive Committee shall take place after the Annual Meeting and before the first meeting of the following Fiscal Year. The term of service for each Member who is elected to be a member of the Executive Committee shall be two years, beginning with the Fiscal Year following the election.

5.2.2. Purpose. The Executive Committee shall execute the business, policy, and priorities established by the Board, and in the course thereof shall have authority to exercise all those powers and duties of the Board, not specifically reserved to the Board by the Bylaws. A written report on Executive Committee meetings shall be available to all the Directors. The Executive Committee may appoint additional non-voting, advisory members, and may designate certain other ex officio, voting members, from time to time in its discretion.

5.2.3. Meetings. The Executive Committee shall meet as required to implement the policies and priorities established by the Board, and for the transaction of business in furtherance thereof. These meetings shall occur at a time and place to be designated by the President. A quorum shall require either the President or Vice President and two (2) other members of the Executive Committee attending in person or via electronic participation.

5.2.4. Vacancies. Upon the death, removal or voluntary resignation of any member of the Executive Committee, the President, or Vice President, if the President is permanently absent, may appoint a Member in good standing to fill any vacancy.

SECTION 3. Nominating Committee. The Board of Directors shall select a Nominating Committee consisting of the President and at least one other Director or Member. The Nominating Committee shall be selected by the Board of Directors at any regular meeting of the Board of Directors no later than three (3) months prior to the Annual Meeting.

SECTION 4. Auditing Committee. The Board of Directors shall select an Auditing Committee consisting of the Treasurer, as Chair, and one Director, and one additional Member of the Council. The Auditing Committee shall be selected by the Board of Directors at any regular meeting of the Board of Directors no later than three (3) months prior to the Annual Meeting. The Auditing Committee is responsible for reviewing the financial records of the Council for the past year, using acceptable standards of accounting practices, and preparing a report for the Annual Meeting regarding the financial integrity and accuracy of accounting practices of the Council. The Auditing Committee may, with approval from the Board of Directors, employ the assistance of professional accountants and make recommendations to the Board of Directors for the appropriate employment of a professional audit or review.

ARTICLE VI ADVISORY BOARD

SECTION 1. Purpose. Members of the Advisory Board advise the Board of Directors in its strategic decision-making process and provides advice to the Board of Directors in a meaningful manner on a regular basis in different areas, including but not limited to law, organizational development, technology, policy, fundraising, programs, and outreach.

SECTION 2. Composition. The members of the Advisory Board shall be comprised of individuals whose abilities, experiences, and knowledge will enhance the overall mission and operations of the Council. The Board of Directors shall select those individuals whose personal or professional background will provide expertise to the Board of Directors.

SECTION 3. Number and Tenure of Directors. The number of Advisory Members shall be determined by the needs and requirements of the Board of Directors, but shall not exceed six (6). The tenure of each Advisory Member shall be indefinite until such time as the Advisory Member tenders his/her resignation to the Board of Directors, or is found incompetent or incapacitated, or for any other reason is found unable to fulfill their responsibilities as an advisor to the Board of Directors.

SECTION 4. Compensation. Members of the Advisory Board shall not be compensated for their participation.

ARTICLE VII

RIGHTS AND DUTIES OF DIRECTORS, OFFICERS, AND ADVISORY BOARD MEMBERS

SECTION 1. Standard of Conduct. At all times, the Directors and Officers of the Council and Members of the Advisory Board are to direct their activities and conduct themselves by the corporate standards of the duties of care and loyalty; to act in good faith, perform their duties with diligence and honesty, and share in the responsibility to act in the best interests of the Council.

SECTION 2. Duty of Care. The Duty of Care requires Directors, Officers, and Advisory Members to exercise independent judgment, to be informed, to delegate responsibly when working with volunteers and other agents of the Council, and to adopt policies and procedures to ensure the management of the Council fulfills its purposes and obligations as a non-profit organization.

7.2.1. Rights. The Directors, Officers, and Advisory Members have the right to be informed, and to the extent that the Directors manage the affairs of the Council, should, whenever necessary, obtain additional information from professional and/or independent resources in performing the task of decision-making.

7.2.2. Responsibilities. As managers of the Council, the Directors and Officers have the responsibility to be informed. The Directors and Officers are required (1) to attend meetings of the Council, (2) to communicate openly with other Directors and Officers of the Council, (3) to supervise such duties as are appropriate, to delegate to volunteers and other agents of the Council, and (4) to adopt policies and procedures that serve the Council's best interest.

SECTION 3. Duty of Loyalty. The Duty of Loyalty requires Directors, Officers, and Advisory Members to exercise their powers in good faith and solely for the best interests of the Council. Directors, Officers, and Advisory Members are prohibited from using their corporate position for individual personal advantage.

7.3.1. Rights. As managers of the Council, the Directors and Officers have the right to (1) access management, (2) review corporate books and records, (3) receive notice of meetings, (4) have the right to dissent, and (4) access to minutes of all meetings.

7.3.2. Responsibilities. The Directors, Officers, and Advisory Members have the responsibility to (1) maintain the confidentiality of the Council's affairs, (2) to avoid conflicts of interest, and (3) to fully disclose to the Council material facts regarding any transactions that may result in a breach of the Director's or Officer's duty of loyalty.

SECTION 4. Duty of Confidentiality. The Duty of Confidentiality requires Directors, Officers, and Advisory Members to maintain the confidentiality of those matters brought before the Board of Directors and to exercise good judgment when discussing matters of the Council or Board matters with other individuals.

ARTICLE VIII POLICIES OF THE COUNCIL

SECTION 1. Corporate Conduct. The Board of Directors shall conduct themselves in accordance with these Bylaws and those policies adopted by the Board of Directors from time to time.

SECTION 2. Conflict of Interest Policy. A Conflict of Interest policy shall be adopted by resolution by the Officers of this Council. The policy shall provide the procedures by which the Council shall assure that the setting of compensation, management of business affairs, and contract negotiations shall not compromise the purposes for which the Council has been formed or the manner in which the business operations of the Council are conducted.

SECTION 3. Operational Policies. The Board of Directors shall ensure the Council operates in a manner consistent with its tax-exempt purposes and does not engage in activities that could jeopardize its tax-exempt status through the adoption of policies for ongoing operational purposes.

SECTION 4. Periodic Reviews. The Board of Directors shall ensure the Council operates in a manner consistent with its tax-exempt purposes through periodic reviews of its operations and policies. Such reviews shall be reported at the Annual Meeting of the Council.

ARTICLE IX INDEMNIFICATION

SECTION 1. Definitions. As used in this Article IX, any word or words that are defined in §2-418 of the Corporations and Corporations Article of the Annotated Code of Maryland, as amended from time to time (the "Indemnification Section") shall have the same meaning as provided in this Indemnification Section.

SECTION 2. Indemnification of Directors and Officers. The Council shall provide Directors & Officers Insurance for the purpose of indemnifying each Director and Officer for any act or omission the Director or Officer performs or omits with respect to Council matters, unless the act or omission involves fraud, gross negligence, or an intentional breach of the Bylaws and/or policies of the Council.

SECTION 3. Indemnification of Other Agents. The Council may indemnify other agents of the Council, including employees and/or volunteers, for any act or omission the agent performs or omits with respect to Council matters, unless the act or omission involves fraud, gross negligence, or an intentional breach of the Bylaws and/or policies of the Council.

ARTICLE X POLITICAL ACTIVITIES

SECTION 1. Authorized Activities. Pursuant to §501(c)(6) of the Internal Revenue Code, or the corresponding section of any future federal tax code, the Council is limited in those activities which promote public policy issues. The Council shall limit any activities which are political or legislative in nature to the following activities:

10.1.1. The Council is permitted to conduct lobbying activities as they relate to its tax exempt purposes.

10.1.2 The Council may conduct educational meetings in a neutral and unbiased manner regarding public policy issues which would be considered important to those individuals interested in the services of the Council;

10.1.3. The Council may conduct candidate educational meetings only if all candidates running for that office are invited to attend such a meeting for the purpose of engaging in a balanced informational forum; and

10.1.4. The Council may assist in local voter registration drives in a neutral and unobtrusive manner.

10.1.5. Individual Members are not restricted from active participation in political campaigns or activities. Such activity shall be separate from Council activities which may be prohibited based on its tax-exempt status.

SECTION 2. Unauthorized Activities. Pursuant to §501(c)(6) of the Internal Revenue Code, or the corresponding section of any future federal tax code, the Council may engage in some political activities, so long as they are not its primary activity. The Council may not participate directly or indirectly, or intervene, in political campaigns on behalf of or in opposition to any candidate for public office. Expenditures made by the Council for political activities may be subject to tax under Section 527(f).

ARTICLE XI FUNDRAISING ACTIVITIES

SECTION 1. Purpose. All fundraising activities of the Council shall be solely and exclusively for generating revenues for the operation of the Council in fulfilling its purposes in accordance with these Bylaws and the Articles of Incorporation.

SECTION 2. Methods. Methods in which fundraising activities may be conducted include, but are not limited to, (a) direct mailings, (b) email solicitations, restricted to authorized email addresses, (c) personal solicitations, (d) phone solicitations, and (e) acceptance of donations. Unsolicited donations may also be accepted from individuals and organizations wishing to assist the Council in fulfilling its purposes.

SECTION 3. Limitations. Pursuant to Section 501(c)(6) of the Internal Revenue Service, no fundraising nor any part of net earnings shall inure to the benefit of any private shareholder or individual within or outside the Council.

ARTICLE XII

FISCAL RESPONSIBILITIES – BANK ACCOUNTS

SECTION 1. Fiscal Year. The fiscal year of the Council shall begin July 1 and end June 30 of each year.

SECTION 2. Deposit Accounts. The Executive Committee shall from time to time authorize certain officers or other agents of the Council to deposit funds of the Council in such banks, trust companies, or other institutions as shall be authorized from time to time by the Executive Committee.

SECTION 3. Checks and Drafts. The Executive Committee shall from time to time authorize certain officers or other agents of the Council to withdraw funds of the Council upon checks, drafts, or other instruments or orders for the payment of money.

SECTION 4. Signatures. There shall from time to time be certified to the banks or trust companies in which funds of the Council are deposited, the signatures of all officers or agents of the Council authorized to draw against the same. Only one authorized signature shall be required except that any check, draft, or other instrument or order for the payment of money in an amount greater than One Thousand Dollars (\$1,000) shall be signed by the President and countersigned by the Secretary or Treasurer.

ARTICLE XIII

AMENDMENTS

SECTION 1. Amendment of Bylaws. The Board of Directors shall have the power and authority to amend, alter, or repeal these Bylaws or any provision thereof by a two-thirds majority vote at any meeting at which a quorum is present, provided all current Members are given reasonable notice of proposed changes and an opportunity for presenting their views prior to the meetings.

ARTICLE XIV

TERMINATION OF CORPORATION

SECTION 1. Event of Dissolution. The dissolution of the Council shall only be approved by resolution of a majority of the entire Board of Directors pursuant to §5-208(a) of the Code.

SECTION 2. Procedure for Winding up and Dissolution.

14.2.1. Assets Distribution. If the Council is dissolved, the remaining Members shall wind up its affairs. On winding up of the Council affairs, the assets of the Council shall be distributed, first, to creditors of the Council, remaining assets to be distributed pursuant to the tax-exempt nature of the Council per the Articles of Incorporation.

14.2.2. Method. The Council may pre-determine to which organization or organizations, similarly organized and operating exclusively for such purposes as the Council, the remaining assets shall be distributed. If the Council does not designate an organization or organizations which qualify within the meaning of §501(c)(6) of the Internal Revenue Code, or the corresponding section of any future federal tax code, the remaining assets of the Council 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 of by a Court of Competent Jurisdiction of the county in which the principal office of the Council 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.

SECTION 3. Filing of Articles of Dissolution. If the Council is dissolved, the Members shall promptly file the Articles of Dissolution with SDAT. If there are no remaining Members, the Articles shall be filed by the last person to be a Member; if there are no remaining Members, the legal representative of the Council shall file the Articles.

ARTICLE XV

EFFECTIVE DATE

SECTION 1. These by-laws will become effective on 8/1, 2020.

SECTION 2. All members of the Board of Directors taking office on July 1, 2020 or later will serve two (2) year terms.

APPROVED by resolution on this 29th day of July, 2020.

WITNESS:

Crystal Brumme Pickett

Signature of Board Secretary

Adopted by vote of the Board of Directors, July 29, 2020