

MISSOULA HORSEMEN'S COUNCIL, INC.

BY-LAWS Revised 2013

ARTICLE I

NAME

Section 1.

The name of this Corporation shall be Missoula Horsemen's Council, Inc. (hereinafter referred to as "MHC").

ARTICLE II

Purpose and Objectives

Section 1. *Purpose*

The purpose of the MHC is to promote recreational and educational equestrian activities through the development, governance, and maintenance of Missoula Equestrian Park, 3500 North Avenue West, Missoula, Montana (hereinafter referred to as the "Park"). As much work as possible will be done by volunteers with donated materials.

Section 2. *Objectives*

The objectives of the MHC are:

- a) To improve and maintain the equestrian facilities and grounds at the Park.
- b) To promote all horse related groups and their activities through events located at the Park.
- c) To promote cooperation of area horsemen and the community through volunteer projects and events at the Park and to encourage their participation in MHC activities.
- d) To foster youth and educational equestrian activities with a special emphasis on the health, safety, and wellbeing of both horse and rider.
- e) To improve the habitat areas of the Park for birds and small mammals.

ARTICLE III

Powers

Section 1. *Powers*

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

Article IV

Nonprofit Status and Exempt Activities Limitation

Section 1. *Nonprofit Legal Status.*

The MHC is a non-profit corporation in the state of Montana, The Corporation is a Montana nonprofit public benefit organization, established in 1983, granted 501 (c) 3 status under the United States, Internal Revenue Code in October of 1997.

Section 2. Exempt Activities Limitation.

Notwithstanding any other provision of these Bylaws, no Director, Officer, employee, Member, or representative of the MHC shall take any action or carry on any activity by or on behalf of the MHC not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code as it now exists or may be amended, or by an organization's contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings or assets of the MHC shall inure to the benefit or be distributable to any Director, Officer, Member, or other private person, except that the MHC shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

Section 3. Distribution Upon Dissolution.

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

ARTICLE V

Membership Classes and Dues.

Section 1. Membership Governance

Except as otherwise provided by law, by the Articles of Incorporation, or by these Bylaws, the number of classes, qualifications, rights, privileges, dues, fees, responsibilities, and the provisions governing the withdrawal, suspension, and expulsion of Members shall be determined by the Board of Directors. Except as may otherwise be required by law, the Articles of Incorporation, or these By-laws, any right of Members to vote and any right, title or interest in or to the MHC, its properties and franchises, shall cease and divest upon termination of Membership, except that liability of a Member for sums due the MHC shall survive such termination unless otherwise expressly provided by the Board of Directors.

Section 2. Membership Definition

Members of the Park are those persons holding a membership agreement and are in good standing pursuant the Policies and Procedures of the MHC, who have signed an "Assumption of Risk Agreement" specific to the Park and use the Park for activities as prescribed in the Policies and Procedures and the By-Laws herein stated.

Section 3. Dues

The Board of Directors shall establish and advertise the amount of membership dues on the Park's website and any promotional material published by the MHC. Dues shall be paid pursuant to the Policies and Procedures of the MHC and may be amendment at any time by majority vote of the Board.

Section 4. *Membership Classes*

- a. Classes of membership shall be as follows: “Family,” “Individual” and “Lifetime.” The fees for each membership shall be established by the Board and published in the Policies and Procedures.
- b. Non-member park users may include but not be limited to “Day Users” and “Friends of the Park” as defined in the Policies and Procedures.

ARTICLE VI

Voting Rights

Section 1. *Voting*

Except as otherwise provided in these By-laws, each MHC Member shall be entitled to one vote on each member of the board, including president and vice-president. All other business shall be voted on by the board of directors.

Section 2. *Nominations for Directors*

Nominations for the Board of Directors shall be made either by a Nominating Committee, the Board of Directors or the general membership. Nominations must be submitted to the Board by November 1.

Section 3. *Ballots*

Ballots shall be distributed to the membership no later than November 15. Completed ballots must be received by the MHC by November 30. The newly elected Board of Directors shall be announced at the December meeting and posted on the MHC’s website.

ARTICLE VII

Meeting of Members

Section 1. - *Annual Membership Meeting*

The annual meeting of the Members will be held each year at a time and place established by the Board of Directors, with a minimum of 21 day notice to all Members. The purpose of the annual meeting shall be informational/promotional.

Section 2. - *Financial Report*

The most recent year’s activities and financial report will be presented to the membership.

Section 3. *Business Plan*

The upcoming year’s business plan and budget describing the activities of the MHC will be presented.

ARTICLE VIII

Number of Directors

Section 1. *Number of directors*

The MHC shall have a Board of Directors consisting of at least 7 Directors and no more than 13 Directors. Within these limits, the Board may increase or decrease the number of Directors serving on

the Board, including for the purpose of staggering the terms of Directors, to have approximately one-third of the Board.

Section 2. *Powers of Directors*

Except as otherwise provided by law, all corporate powers are exercised by or under the authority of the Board and the affairs of the MHC are managed under the direction of the Board.

Section 3. *Terms*

All Directors will be elected to serve two-year terms; provided, however, that the term may be extended until a successor has been elected. Directors may serve a maximum of two two-year terms in succession, plus time served to fill a vacancy or a term of less than two years. The term of a Director elected by the Membership may not be shortened by the Board.

Section 4. *Vacancies*

The Board of Directors may fill vacancies due to resignation, death, or removal of a Director or may appoint new Directors to fill a vacant Board position, subject to the maximum number of Directors under these By-laws. The vacancy will be filled for the term of the vacancy. Upon vacancy of the president or vice-president, the Board may elect to fill the vacancy either from the existing board or by vote of the general membership upon nomination.

Section 5. *Removal of Directors for cause*

A Director may be removed by a majority vote of the Board of Directors then in office if a Director is absent without notice and unexcused for two (2) consecutive meetings of the Board of Directors in a twelve month period. The Board President is empowered to excuse Directors from attendance.

Section 6. *Board of Directors Meetings*

The Board of Directors shall have a minimum of twelve (12) regular meetings each calendar year at times and places established by the President. Time and place of regular meetings shall be announced no less than ten (10) days prior of said meeting.

Section 7. *Special Meetings*

Special meetings of the Board may be called by the President or by any five (5) members of the Board. A special meeting must be preceded by at least five (5) days' notice to each Director and general member of the date, time, and place. The purpose of the meeting must be stated and included in the notice.

Section 8. *Quorum.*

A majority of the Directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the Board.

Section 9. *Participation*

Under special circumstances, Directors may participate in a regular or special meeting through the use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting, including in person, email or by telephonic conference call.

Section 10. *Qualifications of Directors*

In order to be eligible as a Director on the Board of Directors, the individual must be at least 18 years of age and a Member in good Standing pursuant the Policies and Procedures.

ARTICLE IX

Officers and Board of Directors

Section 1. *Officers*

Officers serving the MHC shall be President, Vice-President, Secretary and Treasurer, and shall be members in good standing. The Treasurer and Secretary shall be appointed by the Board of Directors. The new Officers shall take office at the January meeting. The term of each Officer is for 1(one) year, not to exceed 5 (five) consecutive years.

Section 2. *Duties of the Officers*

(A) The President shall preside at all regular and special meetings and perform such other duties as usually associated with this office. The President shall be an *ex officio* member of all committees and shall appoint standing and special committees with the approval of the Board of Directors. The President shall vote only in the event of a tie.

(B) The Vice-President shall assume the duties of the President when the latter is absent or, for other reasons, unable to act. The Vice-President shall assume other duties as assigned by the Board of Directors. In the event of the vacancy of the office by the President, the Vice-President shall serve as President until the next scheduled election.

(C) The Secretary and Treasurer shall perform the usual duties performed by such officers, subject to the authority of the Board of Directors as defined in the Policies and Procedures.

Section 4. *Remuneration*

No member of the Board of Directors shall receive remuneration from the MHC for services rendered to the Missoula Equestrian Park unless criteria described in the MHC Policies and Procedures has been met and such remuneration is not in violation of the organization's 501(c) 3 status.

Section 5. *Nominations to the Board of Directors*

Nominations must be submitted to the Board no later than November 1 of each year. Nominees shall be either a current paid member or lifetime member in good standing. All nominees shall be listed on the ballot.

Section 6. *Duties of the Board of Directors*

The Board of Directors is responsible for:

- overseeing the physical and financial management of the Park;
- maintaining the 501(c)(3) status of the Park with the IRS;
- hiring and managing contracts performed by independent contractors on an as needed basis;
- other duties as may be necessary to promulgate the objectives of the MHC.

Section 7. Removal and Resignation.

Board officers or Directors may be removed from the Board only in accordance with MCA 35-2-421 and/or MCA 35-2-423, as stated in the MHC Policies and Procedures. Any Officer may resign at any time by giving written notice to the Board without prejudice to the rights, if any, of the MHC under any contract to which the Officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. Acceptance of the resignation by the Board shall not be necessary to make it effective.

Section 8. Compensation for Board Service

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

ARTICLE X

BOARD COMMITTEES

Committees

Section 1. Standing and Special Committees

The committees of the Board shall be standing and special, and each Board committee shall have membership, duties, and powers established in these By-laws and the Board resolution creating the committee. Standing committees perform continuing functions on behalf of the Board. Special committees perform specific, limited tasks of the Board. In addition to the standing committees established in these By-laws, the Board may establish standing and special committees by Board action or resolution.

Section 2. Creation of Committees and Appointment of Members

All Board committees shall be created and approved by the Board of Directors. The chair of each committee shall be appointed by the Board. Each board chair shall recommend committee members to be approved by the Board pursuant to the Policies and Procedures.

Section 3. Committee Manner of Acting

Committee members will perform in the same “manner of acting” as is set forth in these By-Law as is expected of the Board of Directors.

Section 5. Nominating Committee

The Board shall have a Nominating Committee with powers established by the Board, consistent with these By-Laws, as prescribed in the Policies and Procedures. The Board shall appoint a committee Chair.

Section 6. Finance and Audit Committee

The Board shall have a Finance and Audit Committee with powers established by the Board, consistent with these By-laws. The Treasurer shall be the Committee Chair.

ARTICLE XI

CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS

Contracts

Section 1. Contracts and other Writings

Except as otherwise provided by resolution of the Board or Board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the MHC shall be executed on its behalf by the president or a Board member appointed by board resolution.

Section 2. Checks, Drafts

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the MHC, shall be signed by such Officer or Officers, agent or agents, of the MHC and in such manner as shall from time to time be determined by resolution of the Board.

Section 3. Deposits

All funds of the MHC not otherwise employed shall be deposited from time to time to the credit of the MHC in such banks, trust companies, or other depository as the Board may select.

Section 4. Loans

No loans shall be contracted on behalf of the MHC and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board.

Indemnification.

Section 1. The MHC Board of Directors, former Directors and officers shall be indemnified pursuant to Title 27 of the Montana Code Annotated and/or other applicable Montana law.

Section 2. Costs of defense

Expenses incurred in defending a civil or criminal action, suit or proceeding brought against the MHC, director, past director or officer thereof in connection with the business of the MHC shall be paid by the MCH. The MHC shall maintain insurance to cover the defense of its directors and officers.

ARTICLE XII

Endowment Fund

Section 1. Endowment Fund Management

(A) The Board of Directors shall be authorized to create and manage an endowment fund pursuant to these Bylaws. The MHC may receive donations in cash or other property acceptable to the Board of Directors. All donations so received, together with the income therefrom (hereinafter referred to as the endowment fund), shall be held, managed, administered and paid out pursuant to the terms and conditions of this Article VIII. (B) The Board of Directors shall apply the income generated by investment of the endowment fund at such times, in such a manner, and in such amounts as they determine from time to time. Notwithstanding any other of these Bylaws to the contrary, the Board of Directors shall distribute the endowment fund income for each taxable year at such time and in such

manner as to not become subject to any tax on undistributed income imposed by the Internal Revenue Code of 1986 (the Code) and its regulations as they now exist, or as they may be hereafter amended. The endowment created hereunder is intended to be a “qualified endowment” under the meaning of MCA Section 15-30-165(2) (and any successor provision) and the administrative rules established thereunder. The endowment fund shall be administered in accordance with the “Uniform Management of Institutional Funds Act” set forth in MCA Section 72-30-101 et seq. (and any successor provision). The Board of Directors shall retain, invest, and reinvest the assets of the endowment fund as they shall, in their sole discretion, deem appropriate. The Board of Directors may sell, convert, redeem, exchange or otherwise dispose of any of the assets of the endowment fund at any time. The endowment fund interest shall be used exclusively for the purposes permitted under Section 501(c)(3) of the Code and its Regulations. Notwithstanding any other provision hereof, no power or authority shall be exercised by the Board of Directors in any manner or for any purpose that would jeopardize the status of the MHC as a tax-exempt organization section 501(c)(3) of the Code and its Regulations.

ARTICLE XIII

Ways and Means

Section 1. Donations

The Board of Directors may accept donations to achieve the purpose of the Missoula Equestrian Park as stated in these Bylaws. All donations shall be used for their intended purpose and exclusively for the purposes permitted under Section 501(c)(3) of the IRS Code and its Regulations.

Article XIV

Amendment of Bylaws

Section 1. Amendment

These Bylaws shall be reviewed at the first meeting of each year and may be amended, as determined to be necessary by the Board of Directors.

ARTICLE XV

MISCELLANEOUS

Section 1. Books and Records

The MHC shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its Members and Board of Directors, a record of all actions taken by the Members or Board of Directors without a meeting, and a record of all actions taken by committees of the board.

Section 2. Conflict of Interest

The Board shall adopt and periodically review a conflict of interest policy to protect the MHC's interest when it is contemplating any transaction or arrangement which may benefit any Director, Officer, employee, Member, or member of a Committee with Board-delegated powers.

Section 3. *Amendments*

Except for those amendments reserved to the Members by law, these Bylaws may be amended, altered, repealed, or restated by a vote of the majority of the Board of Directors.

Section 4. *Challenges to the By-Laws herein stated*

Any challenge to any article or part thereof within these By-Laws challenging the legality or constitutionality of such article or part thereof, will stand alone and shall not negate the entirety of these By-Laws. Furthermore, nothing in these by-Laws is intended to contravene or conflict with any other applicable State or Federal laws, rules or regulations.

CERTIFICATE OF ADOPTION OF RESTATED BYLAWS

I do hereby certify that the above amended and restated By-laws of the Missoula Horsemen's Council, Inc., were approved by the Board of Directors on _____, 20____ by majority vote and do now constitute a complete copy of the Bylaws of the MHC, superseding all previously adopted By-laws and amendments.

Dated this _____ day of _____, 2013

Jeffrey T. Patterson
President of the Missoula Horsemen's Council, Inc.