

AMENDED BYLAWS OF
GEORGIA THOROUGHBRED
OWNERS & BREEDERS ASSOCIATION

ARTICLE I. NAME

The name of this organization is Georgia Thoroughbred Owners & Breeders Association (hereinafter (“GTOBA”).

ARTICLE II. OFFICES

GTOBA shall have its principal office at a location to be determined in the future.

ARTICLE III. CORPORATE SEAL

The seal of the Corporation shall be in such form as the Board of Governors may from time to time determine. In the event it is inconvenient to use such a seal at any time, or in the event the Board of Governors shall not have determined to adopt a corporate seal, the signature of the Corporation followed by the word “Seal” enclosed in parentheses or scroll shall be deemed the seal of the Corporation. The seal shall be in the custody of the Secretary and affixed by him/her or by his/her assistants on all appropriate papers.

ARTICLE IV. PURPOSE

The Georgia Thoroughbred Owners & Breeders Association is a statewide organization for Georgia’s Thoroughbred Horse Industry. The GTOBA is a non-profit organization for promoting, educating and unifying the equine-interested thoroughbred racing breeding associations in Georgia. The goals and objectives of GTOBA shall be as follows:

1. Establish an effective government relations program with the Georgia State legislature and the Georgia State governmental agencies such as the Departments of Agriculture; Natural Resources; Industry, Trade and Tourism, etc.

2. Create a communications network to keep thoroughbred horse owners and organizations across the state informed on important issues.
3. Educate and enhance the general public's recognition and appreciation for the thoroughbred horse and racing and breeding industry. Stress the importance of the thoroughbred industry as an agribusiness and recreation business, which improves the economy, environment and quality of life.
4. The GTOBA will form a cordial and continuing partnership with other livestock commodity groups and farm organizations having interests in thoroughbred horse-related issues.

ARTICLE V. MEMBERSHIP

Section 1 - Generally. GTOBA shall have three (3) classes or more of members, whose eligibility and rights shall be determined in accordance with this Section, as amended from time to time by the Board. The designation of such classes and the qualification and benefits of such classes shall be as follows:

Section A - Active Memberships. The classes of memberships categorized as Active Memberships shall carry voting rights as well as benefits as set out in this Section or as amended from time to time by the Board.

Section A-1 - Individual Membership. This class of membership shall be open to any individual who supports the goals and purposes of GTOBA. Dues for this class of membership shall be established periodically by the Board. Individual Members shall receive the GTOBA Newsletter and other benefits as may be designated by the Board of Governors from time to time.

Section B - Honorary Membership. This class of membership shall be open to any individual within the sound discretion of the Board of Governors. The individual considered for this special membership shall be one who has demonstrated and has substantially contributed to carrying out the goals and purposes of the GTOBA. This

special membership shall be perpetual and have no voting rights. A majority vote of the Board of Governors will be required to fill this membership.

Section C - Other Memberships. Other categories and/or classes of membership may be established for those who wish to provide financial support of GTOBA activities in accordance with guidelines and dues established by the Board of Governors.

Section 2 - Voting Rights and Right to Hold Office. Each Active Member shall have voting rights. Each Active Member shall have one vote in all matters submitted for vote of the members. Individual Members shall have voting rights (one vote) and also the right to hold office in GTOBA.

Only members in good standing shall be entitled to vote on any matter before the members of GTOBA. A member of GTOBA shall be deemed in good standing if the membership fee has been paid for the current membership year.

Section 3 - Quorum. Five percent (5%) of the voting members in good standing shall constitute a quorum at the annual meeting for the transaction of any and all business and the favorable vote of a majority of such members in the quorum shall be necessary for the determination of any matter except that a lesser number may adjourn from time to time.

Section 4 - Termination of Membership. Membership in GTOBA shall be terminated:

- (a) Upon resignation of the member; or
- (b) When dues become thirty (3) days overdue, unless prior arrangements have been agreed to by the Board; or

- (c) With or without cause by a vote of a majority of the Board present at any meeting at which a quorum is present, provided that the member has been advised in advance of the proposal to terminate membership.

Section 5 - Evidence of Membership. The Board may provide for the issuance of certificates, decals or other evidence of membership in GTOBA, which shall be in such form or forms determined by the Board.

Section 6 - Term of Membership. The Corporation shall conduct an annual enrollment of members with the term of membership each year being from January 1 through December 31. However, members may be admitted to GTOBA at any time and the Board may elect to prorate such membership dues accordingly.

Section 7 - Application and Admission of Members. All applications for membership shall be in writing on the appropriate application form and shall be accompanied by payment of the annual or prorated dues. Applications shall be approved by the Board or the Board's designees and shall be effective upon receipt and payment of the appropriate dues.

Section 8 - Membership Dues. The minimum membership dues and/or fees shall be determined by a schedule established by the Board, from time to time. All membership dues shall be payable annually, in advance, with the exception of new members accepted into GTOBA after January 1 of each year, in which case the Board reserves the right to prorate membership dues. The Board specifically reserves the right to set additional fees to underwrite special programs and services of GTOBA.

Section 9 - Annual Meeting. The annual meeting of the members of GTOBA shall normally be held in January of each year; provided, however, the Board may alter the date for any reasons determined appropriate by the Board. Notice of the annual meeting of the members shall be

mailed not less than twenty (20) days nor more than thirty-five (35) days prior to the date of the annual meeting and may be a part of an official publication of GTOBA.

Section 10 - Special Meetings of Members. Special meetings of the members of GTOBA may be called by the President, the Board, the Executive Committee, or by the members having ten percent (10%) or more of the votes entitled to be cast at a meeting. Any notice of a special meeting shall state the place, day and hour of the meeting and the purpose thereof, and shall be given not less than ten (10) nor more than thirty-five (35) days prior to the meeting.

ARTICLE VI. BOARD OF GOVERNORS

Section 1 - Responsibilities. The business and affairs of GTOBA shall be managed by its Board of Governors (the “Board”), which shall be responsible for the accomplishment of the purposes of GTOBA. Consistent with such purposes, the Board may employ one or more salaried administrators (i.e., chairman of GTOBA Stallion Auction), and such other salaried officers and employees as necessary and, in addition to such other activities as GTOBA shall deem to be consistent with its purposes, shall establish such policies as may be consistent with accomplishment of the corporate purposes. All salaries and contracts of employment are to be determined and approved or disapproved by the Board of Governors.

In conjunction with the foregoing, the Board shall appoint such committees and delegate such authority to the committees so appointed as is consistent with these Bylaws, and shall do and perform such other acts as are necessary to carry out the purposes for which GTOBA is created.

Section 2 - Number and Tenure of Board Members. The Governors shall number ten (10) and shall be broadly representative of the thoroughbred industry in Georgia.

Section 3 - Term of Office of Board Members.

Level I Governors (4 - the current members of the Board of Governors Executive Committee - President, Vice President, Secretary and Treasurer): These Governors shall serve until the annual meeting of members in calendar year 2002.

Level II Governors (3 - three committee chairpersons, one each from the Nominating, Racing and Membership Committees): These Governors shall serve until the annual meeting of members in calendar year 2003.

Level III Governors (3 - remaining members): These Governors shall serve until the annual meeting of members in calendar year 2004.

All other Elected Governors shall serve for three (3) year terms commencing at the annual meeting immediately following his or her election, with no Elected Governor to serve more than two (2) consecutive terms. No Elected Governor shall be precluded from serving two (2) such terms.

Section 4 - Selection and Election of Governors. Each year, in September, the Nominating Committee shall nominate at least three (3) candidates for Governors. The candidates selected and nominated by the Nominating Committee shall be broadly representative of the thoroughbred industry in Georgia. Governors will be elected by ballot mailed to each member in good standing entitled to vote. All members will be invited to submit names to the Nominating Committee for consideration, by an established deadline. The Nominating Committee shall add to the ballot any names submitted for consideration (1) by more than five percent (5%) of the voting membership in good standing and (2) a GTOBA individual class member in good standing and accepts the nomination; and (3) is received by the Nominating Committee by an established deadline. Ballots shall be printed and circulated to all voting members in good standing. All ballots received by GTOBA at its principal office, as of the sixtieth (60th) day following the date of mailing, shall be tabulated and the three (3) persons receiving the largest number of votes and in

accordance with these Bylaws will be declared elected as Governors to take office during the annual meeting of the Board of Governors.

Section 5 - Vacancies. In the event of a vacancy or vacancies on the Board with respect to a Governor, the Board shall fill any vacancy by electing a replacement Governor recommended by the President, whose term of office shall be for the unexpired term of his predecessor.

Section 6 - Annual Meeting. The annual meeting of the Board of Governors shall be the first meeting following the annual meeting of members for the purpose of electing officers, reviewing and approving a budget for the current fiscal year of GTOBA, approving appointments to all committees, and transacting such other business as may come before the meeting.

Section 7 - Regular Meetings. In addition to the annual meeting, the Board of Governors may hold additional regular meetings of the Board, either within or without the State of Georgia, with due notice of all Governors. At a minimum, regular meetings of the Board shall be held bi-monthly.

Section 8 - Special Meetings. Special meetings of the Board may be called by the President or by the Executive Committee. Except in cases of emergency, personal written notice of any special meeting of the Board of Governors shall be given at least ten (10) days prior thereto to all Board members.

Section 9 - Conduct of Meetings. All meetings of the Board shall be chaired by the President, or, in his/her absence, the Vice President. No proxies shall be voted at any meeting.

Section 10 - Voting Quorum. A simple majority of six (6) of Level I, II and III Governors, in office at the time of any meeting, shall constitute a quorum for the transaction of business at any meeting of the Board. If less than a majority of the Governors are present at a meeting, a majority of the Governors present may adjourn the meeting from time to time without further

notice. At all meetings of the Board, each Governor shall have one vote and all decisions of the Board shall be upon a majority vote, unless otherwise specified herein.

Section 11 - Attendance. Any member of the Board who shall fail to attend three scheduled Board meetings in any calendar year shall be removed from the Board, unless he or she presents to the Executive Committee an acceptable reason for such absences.

Section 12 - Compensation. Members of the Board, Executive Committee and Officers shall serve without compensation, as such, but may be reimbursed at the discretion of the Board of Governors to cover necessary expenses of travel and subsistence when serving the GTOBA, except that special remuneration for services rendered by the Secretary and Treasurer may be paid at the discretion of the Board.

ARTICLE VII. OFFICERS

Section 1 - Number. The officers of GTOBA shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as may be designated, from time to time, by the Board of Governors.

Section 2 - Election and Term of Office. All officers shall be elected by the Board of Governors from the Board of Governors membership at the annual meeting of the Governors. All officers shall be elected for a term of one year beginning at the conclusion of the annual meeting of the Governors. Any vacancy shall be filled by the Board for the unexpired portion of the term.

Section 3 - Removal of Officers. Any officer may be removed at any time by a majority vote of the Board of Governors.

Section 4 - Duties. The officers of GTOBA shall have the following duties:

Section A - President. The President shall be primarily responsible for (i) presiding at all meetings of the Board and membership; (ii) conducting the affairs of GTOBA, subject to the laws of the State, the Articles of Incorporation and the Bylaws; (iii) appointing all committees with the approval of the Board; (iv) serving as spokesman for GTOBA; and (v) performing such other duties as assigned by the Board.

Section B - Vice President. The Vice President shall be primarily responsible for (i) assuming the duties of the President in the absence, disability or death of the President; (ii) assisting the President in the conduct of his office; and (iii) performing such other duties as may be assigned by the Board.

Section C - Secretary. The Secretary shall be primarily responsible for (i) keeping a current copy of all official minutes of the meetings of the Board and members, including the Articles of Incorporation, Bylaws and all amendments thereto; (ii) maintaining a correct and current list of members; (iii) answering correspondence to GTOBA and supervising the publication of news to the membership; (iv) authenticating records of GTOBA; and (v) performing such other duties as may be assigned by the Board.

Section D - Treasurer. The Treasurer shall be primarily responsible for (i) receiving and holding or disbursing all funds of GTOBA, as authorized by the Board; (ii) supervising preparation of an annual budget for approval by the Board; (iii), reporting regularly to the Board on the financial condition of GTOBA; and (iv) performing such other duties as may be assigned by the Board.

ARTICLE VIII. COMMITTEES

Section 1 - Nominating Committee. The Nominating Committee shall consist of not less than three (3) nor more than five (5) persons selected annually by the President and approved by the

Board. The Nominating Committee shall be responsible to annually nominate ten (10) Governor candidates, to receive all candidate nominations from the membership at large, and to supervise the dissemination and tabulation of all ballots in the annual election of Governors.

Section 2 - Auditing Committee. The Auditing Committee shall consist of one (1) member, not an Officer or Governor, appointed by the Board of Governors, whose duty it shall be to review the Treasurer's accounts at the close of the fiscal year and to report at the first meeting of the fiscal year.

Section 3 - Membership and Admissions Committee. The Membership and Admissions Committee shall consist of not less than three (3) and not more than nine (9) members, appointed by the President. They shall be charged with the responsibility of membership.

Section 4 - Breeders Fund and Awards Committee. The Breeders Fund and Awards Committee shall consist of a minimum of four (4) members appointed by the President. They shall be charged with the responsibility of recognizing the leaders of the Georgia thoroughbred industry annually.

Section 5 - Lobbying and Racing Committee. The Lobbying and Racing Committee shall consist of a minimum of two (2) members appointed by the President. They shall be charged with the responsibility of encouraging legislation that is favorable to the racing industry.

Section 6 - Publicity Committee. The Publicity Committee shall consist of a minimum of three (3) members appointed by the President. They shall be charged with the responsibility of promoting mutual understanding and respect between the public and thoroughbred owners and breeders.

Section 7 - Program and Meeting Arrangement Committee. The Program and Meeting Arrangement Committee shall be appointed by the President, and charged with the responsibility

of arranging quarterly meetings and meeting programs, as well as other activities determined by the Board of Governors.

Section 8 - Publications Committee. The Publications Committee shall be appointed by the President, and shall be responsible for publishing a quarterly newsletter and an annual Owners and Breeders Directory. This committee may also be responsible for other publications as deemed necessary by the Board of Governors.

Section 9 - Other Committees. Such other committees as are deemed necessary to carry on the work of GTOBA, standing or special, shall be appointed by the President or the Board of Governors from time to time.

IX. BANK ACCOUNTS AND LOANS

Section 1 - Bank Accounts. Such officers or agents of GTOBA as from time to time shall be designated by the Board of Governors shall have authority to deposit any funds of GTOBA in such banks or trust companies as shall from time to time be designated by the Board of Governors, and such officers or agents as from time to time shall be authorized by the Board of Governors may withdraw any or all funds of GTOBA so deposited in any such bank or trust company, upon checks, drafts or other instruments or orders for the payment of money, drawn against the account or in the name or on behalf of GTOBA, and made or signed by such officers or agents. Each bank or trust company with which funds of GTOBA are so deposited is authorized to accept, honor, cash and pay, without limit as to amount, all checks, drafts or other instruments or orders for the payment of money, when drawn, made or signed by officers or agents so designated by the Board of Governors, until written notice of the revocation of the authority of such officers or agents by the Board of Governors shall have been received by such bank or trust company. There shall from time to time be certified to the banks or trust companies in which funds of GTOBA are deposited, the signature of the officers or agents of GTOBA so authorized to draw against the same. In the event that the Board of Governors shall fail to designate the persons by whom checks, drafts and other instruments or orders for the payment of

money shall be signed, as hereinabove provided in this section, all of such checks, drafts and other instruments or orders for the payment of money shall be signed by the President nor a Vice President and countersigned by the Secretary or Treasurer or an Assistant Secretary or an Assistant Treasurer of GTOBA.

ARTICLE X. BOOKS AND RECORDS

Section 1 - Books and Records. The officers of GTOBA shall keep correct and complete books and records of accounts of GTOBA and a record of the names and addresses of all members in good standing, entitled to vote.

Section 2 - Minutes. The officers of GTOBA shall keep, or cause to be kept, minutes of all meetings of the members and the Board, and shall keep minutes or other records of all proceedings of the Board and all committees.

Section 3 - Inspection. All books and records of GTOBA shall be kept and maintained at its principal office in the State of Georgia and shall be available for inspection by any member or his agent or attorney, at any reasonable time, for any proper purpose.

ARTICLE XI. FISCAL YEAR

The fiscal year of GTOBA shall be January 1 through December 31.

ARTICLE XII. NOTICES

Whenever, under the provisions of these Bylaws, notice is required to be given to any Governor or officer, it shall not be construed to require personal notice, but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a prepaid envelope, addressed to each Governor or officer at such address as appears on the books of GTOBA, or in default of any other address, to such Governor or officer at the general post office in the City of Atlanta, Georgia, and such notice shall be deemed to be given at the time the same shall thus be mailed. Any Governor or officer may waive any notice required to be given under these Bylaws.

ARTICLE XIII. AMENDMENTS

These Bylaws may be amended by a vote of a majority of the Board of Governors.