

-BYLAWS OF CHICO EQUESTRIAN ASSOCIATION

ARTICLE I – NAME AND PURPOSES

Section 1 - – **Name:** The name of the organization shall be **Chico Equestrian Association (CEA)**. It shall be a nonprofit organization incorporated under the laws of the State of California.

Section 2 – **Purposes:**

- a. To promote a wider appreciation of equestrian activities through public events, shows, clinics, trail rides and educational forums;
- b. To foster a greater awareness and appreciation of equestrian activities among the younger generation through education and clinical instruction;
- c. To contribute toward scholarships for deserving students who seek further equestrian education and instruction,
- d. To donate to other non-profit equine organizations;
- e. To promote equestrian safety and humane care and treatment of equines; and
- f. To provide an opportunity for the community to meet and enjoy the fellowship of others with similar equestrian interests.

ARTICLE II – NON-PARTISAN ACTIVITIES (**ask for specific legal interpretation**)

This corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the public purposes described above, and it shall be nonprofit and nonpartisan. No part of the activities of the corporation shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office or for or against any cause or measure being submitted to the people for a vote.

ARTICLE III – DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to equine charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual. All properties and assets and obligations shall be distributed and paid over to an organization dedicated to equine charitable purposes, provided that the organization continues to be dedicated to the exempt purposes as specified in Internal Revenue Code #501(c)(3).

ARTICLE IV –MEMBERSHIP

Section 1: **Eligibility for Membership:** Application for voting membership shall be open to any individual interested in the purposes of the organization. Membership is granted after completion and receipt of a membership application and payment of such membership fees.

Section 2: **Membership Classification:** There may be four classes of membership: Individual, Family, Business, and Lifetime. The qualifications of each class shall be determined from time to time by the Board of Directors. A family membership shall be two (2) adults and all children under age 18 living in the same household.

Section 3: **Annual Membership Fees:** Membership fees shall be determined and adjusted as deemed necessary by the Board of Directors.

Section 4: **Membership Term:** All memberships shall start on January 1 of each calendar year and shall expire on December 31 of each calendar year. Continued membership is based on receipt of a completed application and payment of the current year's membership fees. Membership fees shall be delinquent as of March 1. Membership shall be terminated for such non-payment, and that member dropped from the mailing list. Participation in CEA-sponsored member-only events will not be allowed until a new membership application is received and membership fees paid.

Section 5: **Lifetime Memberships:** Lifetime memberships may be granted by the Board of Directors. Lifetime membership shall entitle the member to all rights and responsibilities of a regular membership, without payment of annual membership fees.

Section 6: **Holding Office:** A member holding office shall not be less than 18 years of age.

Section 7: **Member Voting Rights:** Each Individual member (of legal voting age) and in good standing (dues paid) shall be entitled to one vote on each matter submitted to a vote of the general membership. Each Family membership in good standing shall have two (2) votes on motions submitted to a vote of the general membership. Business membership in good standing shall have one (1) vote. Votes may be taken by voice, by show of hands, or by ballot. Members shall have no right to accumulate votes. There shall be no voting by proxy.

ARTICLE V – MEETINGS OF MEMBERS

Section 1: **Regular Meetings:** Regular meetings of the members shall be held monthly, or as deemed necessary, at a time and place designated by the President or designee. Such notice will be provided as outlined in Article V, Section 4.

Section 2: **Annual Meetings:** An annual meeting of the members shall take place in the month of November. The specific date, time, and location of which will be designated by the President or designee. Such notice will be given in a timely manner, according to Article V, Section 4. The Board of Directors and Officers shall be elected at the Annual Meeting.

Members will receive reports on the activities of the organization, and may also provide input for activities and events being planned for the coming year.

Section 3: **Special Meetings:** Special meetings may be called by the President or a simple majority of the Board of Directors.

Section 4: **Notice of Meetings:** Timely notice of each regular, special or annual meeting shall be given to each qualified member entitled to vote. This notice may consist of: a personal notice, prepaid U.S. mail addressed to the mailing address listed in the membership listing, as information posted to the organization's Internet website, or in electronic form (via email).

Section 5: **Conducting Meetings:** The current edition of Robert's Rules of Order shall be the parliamentary procedure used in all cases in which they are applicable and where they pose no conflict with the bylaws of the CEA or with the Articles of Incorporation.

Section 6: **Quorum:** The members present at any properly announced meeting shall constitute a quorum.

Section 7: **Voting at Meetings:** All issues to be voted on shall be decided by a simple majority of those qualified members present at the meeting in which the vote takes place. Votes may be taken by voice, by show of hands, or by ballot. There will be no voting by proxy.

ARTICLE VI – BOARD OF DIRECTORS

Section 1: **Business:** The management of the affairs, property, business, financial assets and control of policies and Bylaws of the Chico Equestrian Association shall be the responsibility of the Board of Directors.

Section 2: **The Board of Directors:** The Board of Directors shall be composed of a minimum of seven (7) members and a maximum of 15 members. The four primary members of the Board of Directors will be Officers and shall be composed of the President, Vice President, Secretary, and Treasurer. The four Officers will also be considered the Executive Committee. The Board of Directors shall total an odd number to ensure there is a tie breaking vote. The primary members of the Board may elect, at their discretion, additional members to the Board of Directors, to the maximum allowed. The Board of Directors should be familiar with the current edition of Robert's Rules of Order. The Board of Directors must have a working knowledge of the CEA bylaws. A brief write-up of Robert's Rules of Order (refer to for parliamentary rules and procedures) may be included in the CEA Business Procedures Guidelines.

Section 3: **Terms:** All Board of Directors shall serve a one-year term, but are eligible for re-election.

Section 4: **Regular and Special Meetings and Notice of Meetings:** The Board shall meet at least monthly, at an agreed upon time and place. Meetings of the Board of Directors may be called at any time and held at any place as shall be determined by the President or one-fourth

of all Directors. An official Board meeting requires that each Director receive adequate notice of such meeting as noted in Article V, Section 4, or within three (3) days prior to the meeting. Special meetings of the Board of Directors for any purpose or purposes shall be called at any time by the President, any Officer or by any two Directors. Members of the general membership may attend any Board meeting, not designated as closed. .

Section 5: **Meetings and Voting Rights:** Each duly qualified Director shall be entitled to one vote, with no proxy. Only Directors may make and vote on motions presented at Board meetings.

Section 6: **Quorum:** The presence of a quorum of five (5) or more Directors is required in order to conduct the business of the CEA.

Section 7: **Resignation, Termination and Absences:** Resignation from the Board must be in writing and received by the President or any Director. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any Director may be removed only for cause, including but not limited to illegal activities, consistently poor job performance, and failing to adhere to CEA bylaws and policies. The removal will be by a three-fourths vote of the remaining Board of Directors. Any Director missing three (3) consecutive Board meetings in a year without good cause will be subject to removal from the Board of Directors.

Section 8: **Action without Meeting and Communication:** Any action by the Directors may be taken without a meeting, if all Directors shall individually or collectively consent in writing or by electronic communication, i.e., Internet via email. Any action taken hereunder shall be reduced to written minutes of the Directors which shall state the action taken, and shall be signed by at least two Directors and filed with the organization's meeting minutes. This may include a request for vote of action or a request for input needed to conduct business in the interim of regularly scheduled meetings. These requests for action and vote may be in the form of electronic communication transmitted via Internet email or by other means as deemed necessary. The final vote will be based on a majority of votes received and the decision, supporting documentation and results will be noted in the Secretary's subsequent meeting minutes.

Section 9: **Notice of Adjournment:** Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjournment. **(ask for specific legal interpretation)**

Section 10: **Waiver of Notice:** The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting, duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the Directors not present signs a written waiver or notice, or a consent to hold such a meeting, or an approval of minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting. **(ask for specific legal interpretation)**

Section 11: **Board Elections:** New Board of Directors and Officers shall be elected or re-elected by the general membership at the Annual Meeting. The election will occur in November, with Directors and Officers installed in December. Those Directors and Officers shall take office in January of the following year.

Section 12: **Election Procedures:** Preceding each Annual Meeting, the Board of Directors shall meet for the purpose of preparing and nominating an approved ballot list of qualified candidates. The nominating committee shall consist of at least three people, to include: one past Officer, a person from the general membership and at least one past or current Director. Any member in good standing may contact the nominating committee to nominate a candidate to the slate of nominees. The nomination list will be sent to all current members prior to the Annual Meeting held in November. Ballots will be counted and results of the election will be disclosed. **Ballots and results shall be kept for a minimum of three to six months in case of any discrepancy or question which would need to be clarified.**

Section 13: **Board Vacancies:** When, and if, a vacancy on the Board exists mid-term, a special meeting may be called to select a new Director. The usual process of notice will be used as stated in Article V, Section 4. The majority of the remaining Board of Directors shall have the power to elect a new Director to fill the vacancy. The person so selected shall serve only to the remainder of the term of the Director who has vacated his/her position for whatever reason.

Section 14: **Compensation:** The Board of Directors receives no compensation other than reimbursement of approved personal expenses incurred as a result of the day-to-day operation of the organization. These expenses will be reimbursed in a timely manner. There shall be no presumption of entitlement based on the Board of Directors' term, service of office or any other circumstances.

Section 15: **Powers:** Subject to the limitations of the articles of incorporation, of the bylaws, and of the California General Nonprofit Corporation law and subject to the duties of Directors as prescribed by the bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be controlled by the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Directors shall have the following powers, to wit:

- a): To appoint and remove all agents and employees of the corporation and to prescribe such powers and duties for agents and employees as may not be inconsistent with the law, with the articles of incorporation or the bylaws.
- b): To conduct, manage and control the affairs and business of the corporation, and to make such rules and regulations therefore not inconsistent with the law, with the articles of incorporation or the bylaws, as they deem best.
- c): To designate any place within the State of California for the holding of any membership meeting or meetings; to change the principal office of the corporation for

the transaction of its business from one location to another in the County of Butte, State of California; to adopt, make and use a corporate seal and to alter the form of such seal from time to time as in their judgment they may deem best, provided such seal shall at all times comply with the provisions of the law. **(ask for specific legal interpretation, especially related to “corporate seal”)**

d): To borrow money and incur indebtedness for the purposes of the corporation and to cause to be executed and delivered therefor in the corporation’s name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidence of debt and securities therefore. **(ask for specific legal interpretation)**

e): To manage in such manner as they may deem best all funds and property, real and personal, received and acquired by the corporation, and to distribute, loan or dispense the same and/or the income and profits there from. **(ask for specific legal interpretation)**

f): To allocate funds for the occasional purchase of refreshments, etc., when work parties or other CEA business is conducted for the good of the entire organization. Such funds would be limited to a reasonable dollar amount and for an agreed upon number of events held throughout each calendar year. **(ask for specific legal interpretation)**

ARTICLE VII – OFFICERS AND DUTIES:

Section 1 – **Officers:** There shall be four Officers of the Board, consisting of the President, Vice President, Secretary and Treasurer. These four Officers also constitute the Executive Committee. The Executive Committee shall be in charge of the affairs of the organization between meetings. Their duties are as follows and may be modified or revised by the Executive Committee as deemed necessary:

Section 2 – **President:** the President shall convene and shall preside over all regularly scheduled Board meetings, special Board meetings, meetings of the general membership and the Annual Meeting. The President shall provide the agenda for such meetings. The President may arrange for other members of the Executive Committee to preside at each meeting (in his/her absence) in the following order: Vice President, Secretary, or Treasurer. The President must have a working knowledge of the CEA bylaws and the lease between the City of Chico and CEA. The President shall have such other powers and duties as may be prescribed by the Board of Directors or the bylaws. Such duties may include: the co-signing of all checks, promissory notes and contracts.

Section 3 – **Vice President:** In the absence or the temporary incapacity of the President, the Vice President shall perform the duties and have all the powers of, and be subject to all the restrictions upon, the President. The Vice President must have a working knowledge of the CEA bylaws and the lease between the City of Chico and CEA. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed by

the Board of Directors or the President. Such duties may include: the co-signing of all checks, promissory notes and contracts.

Section 4 – **Secretary:** The Secretary shall be responsible for keeping records and minutes of all Board, membership and committee meetings. The records will list the time and place of the meeting(s) held, whether it was a regular or a special meeting, and if special, how was it authorized, how was notice given, the names of those present at such meetings and the proceedings of such meetings. The Secretary may handle CEA correspondence and maintain files for the correspondence. The Secretary maintains the CEA bylaws files, including current and revised documents. In the absence or the temporary incapacity of the President and/or Vice President, the Secretary shall fulfill the duties of the President and/or Vice President during meetings of the Board of Directors and the general membership.

The Secretary may keep record of the organization's members, their addresses, and the class of membership held by each. The Secretary may provide other Directors with a copy of the previous minutes. The Secretary must have a working knowledge of the CEA bylaws and the lease between the City of Chico and CEA. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the bylaws. Such duties may include: the co-signing of all checks, promissory notes and contracts.

Section 5: - **Treasurer/Chief Financial Officer:** The Treasurer shall keep and maintain, adequate and correct books, and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any director at all reasonable times. The Treasurer shall make necessary financial information available to the Board of Directors and to the general membership. A Treasurer's report will be prepared for each meeting as well as preparation of other financial reports as may be needed throughout the year.

The Treasurer shall deposit all money and other valuables in the name and to the credit of the corporation with such depositories as may be determined by the Board of Directors; shall disburse the funds of the corporation as may be ordered by the Board of Directors; shall have other powers and perform such duties as may be prescribed by the Board of Directors. Such other duties may include: the co-signing of all checks, promissory notes and contracts. At least two (2) signatures will be required to write checks. Only approved designated Officers will be authorized to sign checks.

The Treasurer may fulfill the duties of Secretary at meetings during the Secretary's absence. The Treasurer may maintain the membership listing. The Treasurer must have a working knowledge of the CEA bylaws and the lease between the City of Chico and CEA.

(Does the Treasurer need to post a surety / bond???)

ARTICLE VIII – COMMITTEES

Section 1 – **Committees:** The Board of Directors may, by resolution adopted by a majority of the Directors then in office, create and disband committees as needed. Those committees may include, but are not limited to: fundraising, public relations and/or public liaison, hospitality, membership, bylaw, member communication (website), newsletter, maintenance and work parties, etc.

The chairperson of each committee may select members from the general membership. A committee may consist of one or more people. Each committee chairperson will provide a status report of committee activities to the Board of Directors at such Board or general membership meetings as scheduled. Any committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, **except that no** committee, regardless of Board resolution, **may**:

- a) Take any final action on matters which, under the Nonprofit Corporation Law of California, also requires members' approval or approval of a majority of all the members;
- b) Fill vacancies on the Board of Directors or in any committee which as the authority of the Board;
- c) Fix compensation of the Directors for serving on the Board or on any committee;
- d) Amend or repeal bylaws or adopt new bylaws;
- e) Amend or repeal any resolution of the Board of Directors which by its express terms is not s amendable or repealable;
- f) Appoint any other committees of the Board of Directors or the members of these committees;
- g) Expend corporate funds to support a nominee or Director after there are more people nominated for Director than can be elected; or, **(ask for specific legal interpretation)**
- h) Approve any transaction to which the corporation is a party and one or more directors have a material financial interest or between the corporation and one or more of its directors or between the corporation or any person in which one or more of its directors have a material financial interest.

Section 2 – **Executive Committee:** The Executive Committee shall consist of the four (4) Officers: President, Vice President, Secretary, and Treasurer. Except for the power to amend the Articles of Incorporation and bylaws, the Executive Committee shall have the authority to act for and on behalf of CEA in any emergency situation, as well as conduct routine business that may arise between meetings of the Board of Directors. All business transacted by the Executive Committee shall be reported to the Board of Directors at its next Board meeting.

ARTICLE IX – BYLAWS AMENDMENTS AND PROCEDURE (ask for specific legal interpretation of Sections 1-2 below)

Section 1: These bylaws may be altered, amended, or repealed, and new bylaws may be adopted, when necessary, by two-thirds affirmative vote of the directors present at the Board of Directors meeting.

Section 2: Proposed changes shall be in writing and submitted to the President to be included with the agenda for the Board of Directors meeting where proposed amendments are to be presented.

ARTICLE X – INDEMNIFICATION (ask for specific legal interpretation of Sections 1-4 below)

Section 1 – **Right of Indemnification:** To the fullest extent permitted by law, this corporation shall indemnify its Directors, Officers, employees, and other persons described in section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against, all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any proceeding as that term is used in that section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. “Expenses”, as used in this bylaw, shall have the same meaning as in section 5238(a) of the California Corporations Code.

Section 2 – **Approval of Indemnity:** On written request to the Board by a person seeking indemnification under section 5238(b) or section 5238(c) of the California Corporations Code, whether the applicable standard of conduct set forth in section 5238(b) or section 5238(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board shall promptly call a meeting of members. At that meeting, the members shall determine under section 5328(e) of the California Corporations Code whether the applicable standard of conduct set forth in section 5238(b) of section 5238(c) has been met and, if so, the members present at the meeting in person shall authorize indemnification.

Section 3 – **Advancement of Expenses:** To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under section 1 and section 2 of this article in defending any proceeding covered by those sections shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

Section 4 – **Insurance:** The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, employees and other agents, against any liability asserted against or incurred by an Officer, Director, employee, or agent in such capacity or arising out of the Officer’s, Director’s, employee’s, or agent’s status as such.

DRAFT

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the presently elected and acting secretary to the Chico Equestrian Association, a California nonprofit public benefit corporation and the above bylaws, consisting of 11 pages, are the bylaws of this corporation as adopted at a meeting of the Board of Directors held on September _____, 2011.

Dated: _____

Secretary

DRAFT