

United States Peruvian Horse Association, Inc.

BY LAWS

ARTICLE 1 NAME

The name of this Association shall be the United States Peruvian Horse Association, Inc., a nonprofit corporation, under which has been incorporated under the laws of the State of Florida by which it may acquire such rights as are granted to associations of this kind.

ARTICLE 2 OBJECTS

The objects of this Association shall be:

1. To encourage the breeding of Peruvian horses: to study the breeding and training of Peruvian horses and to dispense information relative to these studies to owners and breeders of Peruvian horses and to the general public.
2. To support and promote the authentic Registry of pure Peruvian Horse blood, said Registry to keep complete and accurate records and to publish and maintain a Stud Book.
3. To establish and enforce a Breed Standard for Peruvian Horses: to establish rules for showing and judging Peruvian Horses in competitive events and to standardize these rules and make these rules available to owners and breeders.
4. To educate and inform the public regarding the history and unique attributes of the Peruvian Horse.
5. To adjudicate questions of violations of the Rules and Code of Ethics of the Association.
6. To foster and promote the interest of youth in Peruvian Horses and encourage their participation in all phases of Association activities.
7. To promote and encourage good relations between this Association and like Associations of Peruvian horses in all other parts of the world, to promote harmonious relationships among all Peruvian Horse owners and breeders in the United States and elsewhere.
8. To promote, foster and support the establishment, continuance and activities of affiliated regional Clubs or other Associations of Owners and Breeders of Peruvian Horses.
9. To establish a program for the education, evaluation and approval of Judges of the Peruvian Horse.
10. To promote, encourage, and recognize the versatility and achievements of the Peruvian Horse outside of the traditional show ring.

ARTICLE 3 BUSINESS ADDRESS

The principle corporate office of this Association shall be Spring Hill, Florida, but its members and officers may reside elsewhere, and its business mailing address may be located elsewhere.

ARTICLE 4 REGISTRATION

The Association shall promote a Registry located in North America for horses of pure Peruvian blood under conditions established by these By Laws and the Board of Directors of the Association.

The following horses shall be eligible for registration in this Registry:

1. A horse which is foaled of:

- (a) Two parents both of which are registered in the Registry promoted by this Association, or
- (b) A dam registered in the Registry of this Association and a sire registered with a registry approved by this Association. The application for registration shall be accompanied by a copy of a breeding certificate signed by the owner of the sire.
- (c) All new registrations will require DNA typing by an accredited and approved facility as determined by the Board of Directors.
- (d) A horse registered with a registry approved by this Association provided that the application for registration is accompanied by a copy of the Registration Certificate, and provided that the horse is otherwise eligible and was not conceived or borne in a manner contradictory to USPHA requirements.
- (e) A horse registered with an official registry approved by this Association, provided that the Registration Certificate shows at least two generations of lineage of purebred Peruvian Paso Horses on both the sire's and dam's side, the application for registration shall be accompanied by a copy of the Registration certificate, and provided that the horse is physically present in North America at the time of application.

Registration fees for both male and female animals shall be set by the Board of Directors. In the event of the castration at anytime of a registered male horse, a new Certificate will be issued for a administrative fee as determined by the Board of Directors, upon receipt of a certificate of castration from a licensed veterinarian, stating that both testicles have been removed. Castration of a male horse must be reported to the Association within sixty (60) days, or the Registration Certificate is subject to cancellation.

If the owner of a registered male animal desires to use such animal for breeding purposes:

- (a) An additional fee as determined by the Board of Directors, must be paid for registration of the horse as a recognized breeding stallion prior to the use of such horse for breeding purposes; and
- (b) The horse must be DNA typed in accordance with the Rules and the DNA type must be filed with the Association.

No Breeding Certificates or Breeding Reports for a stallion shall be accepted until the additional fee has been paid, the DNA filed, and the registration as a breeding stallion has been accomplished.

All other fees of the Registry shall be set and/or approved by the Board of Directors. A special nonmember fee, set by the Board of Directors, may be charged nonmembers in addition to the regular fee for whose membership application for the current year was submitted but not approved and accepted by the Association.

ARTICLE 5 ANNUAL NATIONAL SHOW

The Association may conduct one Annual National Show, to be known as the U. S. Peruvian Horse National Championship Show, each year if at all possible. The Annual National Show shall be held on a date and location determined by the Board of Directors and Regional Congress of the Association.

The Champions of this show will be known as the U. S. Peruvian Horse National Champions.

ARTICLE 6 MEETINGS

Meetings of this Association shall be conducted under Robert's Rules of Order unless otherwise waved by the Board of Directors.

The annual General Membership Meeting of the Association shall be held on a date and location determined by the Board of Directors of the Association and may be held in conjunction with the Annual National Show.

The Board shall set the date of the Annual General Membership Meeting and shall mail written notice of such meeting at least sixty (60) days prior to the date of such meeting. A majority of the eligible voting members of the Association shall constitute a quorum for the doing of business at any General Membership meeting.

The Annual Meeting of the Board of Directors of the Association shall be held at the same general time and place and in conjunction with the Annual General Membership Meeting.

Special Meetings of the Board of Directors may be called at anytime by the President of the Association or by a majority of the Board of Directors. Such Special Meeting shall be on written notice to all Board Members, postmarked at least fourteen (14) days before the announced date, and/or written waiver of time by all members of the Board of Directors.

A majority of the Board, one of whom must be the President or the First Vice President, shall constitute a quorum for the doing of business at any meeting of the Board of Directors.

When all the Directors are present at any Director's Meeting, however called or noticed, and sign written consents thereto on the records of such meeting, or if a majority of the Directors are present and all the remaining Directors sign such consents to said meeting and a waivers and/or consents shall be filed with the Secretary, the transactions at such meeting are as valid as if made at a meeting regularly called or noticed.

The Annual Meeting of the Regional Congress of the Association shall be held at the same general time and place and in conjunction with the Annual General Membership Meeting.

Special Meetings of the Regional Congress may be called at anytime by the Chairman, or by a majority of the Board of Directors. Such Special Meeting shall be on written notice to all Regional Congress Members, postmarked at least thirty (30) days before the announced date, and/or written waiver of time by all members of the Regional Congress.

A majority of the Regional Congress Representatives, one of whom must be the Chairman, shall constitute a quorum for the doing of business at any meeting of the Regional Congress.

When all the Representatives are present at any Regional Congress meeting, however called or noticed, and sign written consents thereto on the records of such meeting, or if a majority of the Representatives are present and all the remaining Representatives sign such consents to said meeting and a waivers and/or consents shall be filed with the Secretary, the transactions at such meeting are as valid as if made at a meeting regularly called or noticed.

Special Meetings of the General Membership of the Association for any purpose or purposes whatsoever may be called at any time by the Board of Directors, or one-half (1/2) + one (1), of the voting members.

Notices of General Membership Meetings, annual or special, except as above provided, shall be given in writing via First Class United States Mail at least thirty (30) days before the meeting date to all voting members of this Association by the Secretary.

ARTICLE 7 MEMBERSHIP

Membership in the Association shall be open to both owners and non-owners of Peruvian Horses upon application to be approved by the Membership Chairman and the Board of Directors, and upon payment of the initiation fee or dues. There shall be three classes of members:

1. Owner-Breeder Members, voting members, which must be eighteen (18) years old or older and must be owners of at least one USPHA registered Peruvian Horse, dues shall be set by the Board of Directors and shall be non-assessable.
2. Aficionados, nonvoting members who do not own a registered Peruvian Horse but who are interested in Peruvian Horses, dues shall be set by the Board of Directors and shall be non-assessable.
3. Junior Members, nonvoting members, which must be seventeen (17) years old or younger and who are interested in Peruvian Horses, dues shall be set by the Board of Directors and shall be non-assessable.

The initiation fee for joining the Association shall be set by the Board of Directors and shall be non-assessable. To be eligible to vote at any meeting or any mailed ballot, a person must be:

1. An Owner Breeder Member in good standing for a period of 1 year, who, at the time of the vote, is an actual registered owner of at least one purebred Peruvian Horse registered with the USPHA.
2. At least eighteen, (18) years of age.
3. Current in payment of all Association dues for the current year and all other charges of any sort whatsoever, at least thirty (30) days prior to the meeting or the mailing of the ballot for such vote.

Proxy voting in any form for any purpose is not allowed in this Association.

Membership in this Association shall be issued to an individual, husband and wife, entire family, partnership or corporation.

There shall be no limit to the number of memberships that can be held by members of a family or partners in a partnership or members of a corporation, provided that each member is a registered owner of a USPHA registered horse and has paid a separate initiation fee or separate dues as required herein for membership.

A joint membership shall lose its privilege of voting if one or more of the persons represented by that membership become ineligible to vote. The remaining member(s) of the joint membership would have to apply for a new membership in order to vote.

No member may become entitled to more than one vote.

The membership year shall be January 1 to December 31. A new member paying his initiation fee in October, November or December of any year shall be deemed fully paid for the year following.

Membership renewals shall be subject to approval by the Membership Chairman and the Board of Directors.

No Owner-Breeder Membership may be renewed after such member no longer qualifies for such membership through actual ownership of at least one USPHA registered Peruvian Horse. The Owner-Breeder Member who becomes ineligible to vote because of divestiture of the required ownership of USPHA registered Peruvian Horses shall be carried on the membership list as a nonvoting member for the year in which such an event occurs but shall not be entitled to any refund of dues.

A minimum finance charge may be set by the Board of Directors on unpaid accounts. If there is an outstanding account over ninety (90) days delinquent to the Association, all privileges of membership, registration, showing, etc., will be suspended for the person owing the debt until the account has been settled.

ARTICLE 8 ELECTION OF OFFICERS

The business of the Association shall be managed by an elected Board of Directors, consisting of five (5) Directors.

Candidates for the Board of Directors must meet the following qualifications:

1. Be an eligible voter in this Association.
2. Have been an Owner-Breeder Member in good standing for a total of at least two years - not necessarily consecutive.
3. Not have been publicly censured or suspended during the two years immediately prior to the election.
4. Not have been publicly censured or suspended more than twice by this Association.

A Director is required to be a member in good standing during his entire term of office and ceases to be a Director simultaneously if he ceases to be a member in good standing.

Neither Officers nor other Directors nor employees are liable or responsible for the debts of the Association.

Directors shall be elected from the list of eligible members by a secret ballot circulated to all voting members by First Class United States mail addressed to their last known addresses. The ballots, together with a pre-addressed return envelope and an announcement of the date, time, and place set for counting shall be mailed by the Association at least thirty (30) days prior to the date for counting of ballots for that year, or in the case of a Special Election, at least thirty (30) days prior to the date set for counting the ballots in such Special Election.

A postal proof of mailing shall be required for each ballot mailed. These forms must be kept on file in the records of the Association for at least two (2) years following the election and must be available for inspection by any member.

Ballots shall be returned within a sealed unmarked inner envelope which must be returned by mail in the provided addressed return envelope. The Election Committee or a Certified Public Accountant as designated by the Board of Directors shall verify the ballot eligibility via the outside return address and the official master ballot check-off list. The sealed inside envelopes shall be brought to the designated location set for counting by the Board of Directors, where they shall be opened and counted in the presence of any members who wish to attend. Ballots and the official master check-off list will be kept at the Association Office for at least two years after the election date.

Voting members shall have the privilege of writing in the name of a candidate.

Any vacancy on the Board of Directors which occurs between Annual Elections shall be filled by a Special Election of the General Membership, within forty-five (45) days. The Director elected to fill a vacancy shall serve out the unexpired portion of the term of the Director whom he/she replaces. Directors shall serve for a term of three (3) years from the date of election unless elected to fill a vacancy. The number of Directors to be elected each year shall be determined by the number of Directors whose three (3) year terms expire at such time.

Should the number of Directors be increased, the terms of the new Directors shall be such that approximately one-third (1/3) of the number of Directors is elected each year. The initial terms of office shall commence 1 January 2007.

ARTICLE 9 OFFICERS

The officers of this Association shall be the President, two Vice-Presidents, a Secretary and a Treasurer. The last two offices are the only ones which may be combined.

Officers of the Association must be chosen from the Board of Directors. Officers shall be appointed by the Board of Directors at the Annual Meeting of the Board held in conjunction with the Annual General Membership Meeting. Each Officer shall serve for a period of one (1) year from the date of his appointment unless he resigns or unless his elected term on the Board expires earlier or unless he is removed for cause.

In the event of the death, disqualification, or disability of any of the Officers of the Association, the Board of Directors shall call a Special Election of the General Membership, within forty-five (45) days to fill the vacancy. The Board may also appoint an Executive Secretary and/or Executive Director and/or a Registrar.

ARTICLE 10 DUTIES OF OFFICERS AND APPOINTEES

President: Subject to the supervision of the Board of Directors, the President shall be the Chief Executive Officer of the Association and shall have general supervision, direction and control of the Association. He shall preside at all meetings of the voting members and of the Board of Directors, (unless he appoints another person to preside,) shall be an ex-officio member of all standing committees, and shall have the general powers and duties normally vested in a President.

First Vice-President: in the absence or disability of the President, the First Vice-President shall perform the duties of the President and when so acting shall have all the powers and be subject to all the restrictions of the President. The First Vice-President shall have such other powers and perform such other duties as from time to time may be prescribed for him by the Board of Directors or the President.

Second Vice-President: In the absence or disability of the President and/or the First Vice President, the Second Vice-President shall perform all the duties of the President, and/or the First Vice-President, and when so acting shall have all of the powers and be subject to all the restrictions of the President and/or the First Vice-President. The Second Vice-President shall have such other powers and duties as from time to time may be prescribed for him by the Board of Directors or the President.

Secretary: It shall be the duty of the Secretary to keep accurate records of all proceedings of both regular and special meetings of both the General Membership and the Board of Directors. If the Secretary is unable to attend a meeting, he must advise the President in writing at least one week prior to the meeting so that a temporary Secretary for that meeting can be appointed. The Secretary shall give or cause to be given notice to all meetings of the General Membership and the Board of Directors as required by these By Laws. A record of all regular and special meetings of the Board of Directors shall be sent to the entire membership by the Secretary within thirty (30) days, by First Class United States mail or by approved electronic mailing. A Permanent Book of Minutes shall be kept and shall be made available for inspection by any member at the Office of the Association. The duties of the Secretary may be assigned wholly or in part to the Executive Secretary and/or Executive Director by the Board of Directors.

Treasurer: The Treasurer shall collect all money due the Association and pay out funds of the Association under the direction and control of the Board of Directors. The President and /or the Treasurer and two other officers, Appointees, or Employees selected by the Board shall be qualified to sign checks; and said checks require the signature of the President and one of the other qualified persons. The Treasurer shall keep an accurate record of such funds, using standard accounting procedures to record all income and expenditures. He shall issue or cause to be issued an Annual Financial Statement to the entire membership prior to January 31st of

each year. Any member, appointee or employee of the Association, including the Treasurer, who handles money for the Association may be required to execute a bond in such manner and with such surety as shall be approved by the Board of Directors. The duties of the Treasurer may be assigned wholly or in part to the Executive Secretary and/or Executive Director by the Board of Directors.

Executive Secretary and Executive Director: The Board of Directors may appoint an Executive Secretary and/or an Executive Director whose compensation and expense reimbursement shall be determined by the Board of Directors. The Board may also appoint an Executive Committee to assist the Executive Secretary and/or Executive Director in carrying out the ministerial duties authorized by the Board of Directors.

The Executive Secretary and/or Executive Director of the Association, if one or both should be appointed by the Board of Directors, shall be the Chief Administrative Officer of the Association and shall handle business and professional matters as directed by the Board of Directors.

The Executive Secretary and/or Executive Director shall not be a member of the Board of Directors and need not be a member of the Association and may, at the direction of the Board, be compensated

Registrar: The Registrar shall be responsible for keeping complete and accurate records to substantiate the registration and complete current status of all Peruvian Horses registered with the approved Registry of the USPHA and shall issue Registration Certificates to qualified applicants, subject to the approval of the Board of Directors. It shall be the duty of the Registrar to issue a minimum of one Registrar's Report each year to the membership containing a complete report of all transactions having taken place since the last report. The Registrar will also record and report all transfers of ownership, name changes, color changes, deaths and their causes (when known), and other changes in the status of registered horses, etc., and will issue certifications of same.

The Registrar will issue all certifications pertaining to registration with the USPHA and will issue new Registration Certificates where Certificates have been lost, upon proof of such loss.

The Registrar may also perform such other duties as may be assigned by the Board of Directors of the Association.

The Registrar need not be a member of the Association, and may, at the direction of the Board, be compensated.

The appointed positions of Registrar and/or Executive Secretary and/or Executive Director can be combined.

ARTICLE 11 ADDITIONAL OFFICERS

The Board of Directors may from time to time appoint such other officers as the business of the corporation may require, each of whom shall perform such duties for such periods of time and for such compensation as the Board of Directors may designate.

ARTICLE 12 REGIONAL CONGRESS

The Association shall establish a Regional Congress which shall consist of elected Representatives from the various regions established by the Board of Directors of the USPHA.

Regional Areas; The Board of Directors shall divide the geographic area served by the USPHA into various regional areas. The number of regional representatives, the configuration of regions, and the manner in which regions shall be combined or split as necessitated by demographic changes with a view towards providing a reasonably equitable geographic and proportional

representation relative to the distribution and population of Owner Members shall be established. Evaluation and updating of regions will be done every three years.

Regional Representatives; The Regional Representatives shall be nominated from and elected by the Owner Members within each respective region. One Regional Representative to the Regional Congress shall be elected from each region for a three (3) year term.

The Regional Congress shall elect a Chairman by majority vote of all Regional Representatives. The Chairman must be an elected Regional Representative from the Regional Congress and will serve as Chairman of the Regional Congress for a term of one (1) year.

All Regional Representatives shall be Owner-Breeder Members in good standing of this Association.

Regional Congress Duties; The Regional Congress shall perform the duties as outlined within the By Laws of this Association.

1. The Regional Congress shall be voting members of the By Laws and Horse Show and Judging Committees.
2. Recommend the location and date of the National Show for approval by the Board of Directors.
3. Recommend the Judge(s) for the National Show for approval by the Board of Directors.
4. If properly submitted in writing, a majority of the Regional Congress may require an item to be placed on the agenda of a Board of Directors meeting.
5. Perform other such duties as determined by the Board of Directors and/or the Membership of the Association.

If a Regional Representative resigns or cannot complete his/her term on the Regional Congress, a special election for that region will be conducted within forty-five (45) days to elect a new Representative to serve the remaining portion of the term.

ARTICLE 13 PUBLICATIONS

The Association is authorized to publish a magazine and/or periodic newsletter to further the aims of the Association and to accept advertising to defray the costs. The Association is further authorized to advertise and promote the Association and its activities with funds so appropriated by the Board of Directors.

ARTICLE 14 FLORIDA CORPORATIONS CODE

The provisions of the Corporations Code of the State of Florida relative to the removal of Directors is hereby incorporated in its entirety.

ARTICLE 15 SEAL

The Corporate Seal shall be in accordance with the Corporation Code of the State of Florida.

ARTICLE 16 COMMITTEES

There shall be three (3) standing committees appointed by the Board of Directors as follows:

1. **BYLAWS:** The Regional Congress shall be voting Members of this Committee.
2. **HORSE SHOW AND JUDGING:** The Horse Show and Judging Committee shall, subject to the approval of the Board of Directors, establish rules and regulations governing the showing and judging of Peruvian Horses in USPHA approved shows. These rules and regulations shall be known as the USPHA Book of Peruvian Horse Showing and shall be the official Rules and Regulations of this Association, subject to such amendments as may be made, from time to time, with the approval of the Board of Directors. The Regional Congress shall be voting Members of this Committee.
3. **ETHICS AND GRIEVANCE:** The Ethics and Grievance Committee of the Association shall have full power and authority to promulgate rules governing the conduct of the members and the Board of Directors. Such Committee is authorized to draft and submit to the Board for approval amendments to the Association's Code of Ethics. The Ethics and Grievance Committee will also constitute a Hearing Committee that shall hear all charges and protests defined in the Article of these By Laws pertaining thereto. The members of this committee are expected to excuse themselves from any case where they believe a conflict of interest may exist. No member of this committee may act in any way on a Charge or Protest involving a family member or a business associate.

A Director shall be an ex-officio member of each said standing committee and shall be responsible for seeing that his committee(s) function effectively. The Board may also appoint special committees. All members must be Owner-Breeder members of this Association. All actions of said standing committees shall be subject to approval by the Board of Directors, except the BY LAWS and HORSE SHOW AND JUDGING Committees, which also require the approval of a majority of the Regional Congress.

ARTICLE 17 AFFILIATED REGIONAL CLUBS OR ASSOCIATIONS

The Board of Directors, employees and committees of the Association shall assist all interested members in the establishment of and promotion of affiliated Regional Clubs and/or Regional Associations. They shall encourage membership and participation in all the activities of such affiliated Regional Clubs or Associations; and they shall make available all possible assistance including but not limited to the assistance of Association Officers, Committees, records, publications, and discounts. Regional Clubs or Associations which wish to become affiliated with this Association must:

1. Apply for affiliation;
2. Adopt By Laws, rules and regulations and ethical guidelines which are in accordance with and do not conflict with the USPHA By Laws, Rules and Regulations, and Code of Ethics;
3. Have a minimum of five (5) members who are Owner-Breeder members of this Association. The Board of Directors may, at its discretion, grant an affiliated club an exemption to this rule if it believes such an exception to be advisable.
4. Require that a majority of the Officers of the Regional Club or Association be Owner-Breeder Members in good standing of this Association. The Board of Directors may, at its discretion, grant an affiliated club an exemption to this rule if it believes such an exception to be advisable.
5. Conduct at least one USPHA approved activity each year, if at all possible, and

6. Receive USPHA approval for all shows sponsored officially by the Regional Club or Association.

The President of each affiliated club or association shall automatically sit on the National Board of this Association with all rights and privileges except voting.

Affiliated clubs or associations are not responsible for the debts of the USPHA.

No other type of official relationship besides affiliation may exist between this Association and a Regional Club or Association. In the event that a Regional Club or Association wishes to disaffiliate from this Association, the affiliation will be dropped immediately upon the taking of an affirmation vote of the Club's or Association's voting members who actually own Peruvian Horses registered with the official Registry of the USPHA. This vote must be taken in accordance with the voting requirements contained in these By Laws and is a requirement for disaffiliation.

ARTICLE 18 APPROVED SHOWS

All organizations, associations, clubs, or individuals desiring to stage or sponsor shows, classes or contests which will be approved by the USPHA shall obtain the approval of the Board of Directors of this Association.

In order to obtain approval, a request for approval must be received at the office of the Association at least sixty days prior to the proposed show, class or contest and/or at least thirty days prior to the publications of the official Premium List of the proposed show, class or contest, whichever is earliest. Application for approval should be accompanied by the required approval fee as set forth by the Horse Show and Judges Committee, a complete list of all classes for horses of any breed in the entire show with the rules and regulations of such classes and a complete list of Show Officials and employees. The application should also name the Judge who will adjudicate. The name of the Judge must appear on the Association's Approved Judges List as it is maintained by the Board of Directors.

If such application is satisfactory, the Board of Directors shall issued a statement of official approval of the proposed show, class or contest. If such application is unsatisfactory, the Board of Directors will so inform the organization or individual asking the application, giving a list of changes necessary for approval.

Any official Premium List for any USPHA approved show must contain the statement that the judging and showing of the Peruvian Horses therein will be conducted to the Rules and Standards of this Association. The exceptions thereto must receive the approval of the Board of Directors prior to the publication of the official Premium List and must be noted in the Premium List as approved exceptions.

Any approved show must be open to all Owner-Breeders Members in good standing of the Association. No exhibitor may be required to be a member of the Association or any other organization in order to compete in an approved show. Approved shows may not be closed to anyone other than a person suspended from showing privileges by the USPHA. Special nonmember fees may be charged to nonmembers of the USPHA and special fees may be charged for horses not registered with the official registry of the USPHA in addition to regular entry fees in an approved show. Only horses registered with the official Registry of this Association and/or a registry approved by this Association are eligible to participate in classes for Peruvian Horses in approved shows.

For horse show purposes, a horse shall be considered to be one year old on the first day of January following the actual date of birth.

Show Management has the option of inspecting the registration Certificate, or a photocopy thereof, of each horse entered in an approved class; participation of an ineligible horse may result in a penalty being levied against the show.

Entries shall be in the name of the registered owner. The complete results of any approved show, class or contest must also include a list of the full registered names of all horses that competed in each class. These complete results shall be forwarded by the Show Committee of the Association

with a postmark no later than ten (10) days after the closing date of said show may result in approval being withdrawn. If the Show Committee does not report the complete results of the show; class or contest to the Association, approval of any subsequent request may be withheld, and the show may be otherwise penalized. The Judge(s) for any approved, class, or contest must be chosen from the Approved Judges List of this Association.

ARTICLE 19 REGISTRATION ERRORS

Any person who shall willfully register, attempt to register, or issue, or record or attempt to record a false pedigree or other misinformation may be forever barred from making further registrations. Such false Registration Certificate shall be canceled together with the Registration Certificates of any offspring of the falsely registered horse which are registered to the person who falsified the registration. The Board of Directors shall have the option of canceling or correcting the Registration Certificates of any such offspring which were legitimately sold and transferred to another owner prior to the cancellation of the parent's registration. In the event that any Registration Certificate is found to have been issued on the basis of inaccurate or untrue information, such Certificate, even though made in good faith, will be corrected or canceled. The Board of Directors shall have the power to establish rules to regulate registration procedures not covered in these By Laws and to establish penalties for registration errors. Persons owning a horse which is registered or is the subject of an application for registration are obligated to meet all conditions and requests made by the Board of Directors in regard to providing documentation and/or tests to verify any and all data.

ARTICLE 20 TRANSFER OF TITLE AND DUPLICATE REGISTRATION CERTIFICATES

Transfer of title and Registration Certificates will be in such form as is prescribed by the Rules and Regulations subject to such transfer fees as are set by the Board of Directors. New Certificates of Registration will be furnished upon the proof of loss in a form satisfactory to the Registrar and/or the Board of Directors for a fee set by the Board of Directors.

ARTICLE 21 STUD BOOK

To collect, record and preserve the pedigrees of Peruvian Horses, the approved Registry of the Association, shall maintain and publish a Stud Book, subject to approval by the Board of Directors.

ARTICLE 22 BREEDING REPORTS

Every breeding stallion owner shall file with the Registrar an annual report before each January thirty-first (31st), of all mares bred during the preceding calendar year. This Stallion Breeding Report must be received and accepted by the Association as a prerequisite for registration under

Article 4 (Registration), Number 1 (a). Stallion Breeding Reports must be signed by the registered owner of the stallion and may be submitted by the stallion owner directly or through a registry with which the Board of Directors has approved an exchange of Stallion Reports. Any person failing to file a Stallion Breeding Report prior to January thirty-first (31st) shall be subject to a fine as determined by the Board of Directors, which must be paid before the Stallion Report can be accepted. No Stallion Report for any calendar year will be accepted after March first (1st) of the year immediately following without payment of a fine as determined by the Board of Directors, penalty and without majority approval by the Board of Directors. These penalties can be charged provided that a blank Stallion Breeding Report form was sent to the last know address of every breeding stallion owner by the Association prior to January first (1st) In addition, the death of a registered horse and its probable cause must be reported to the Registrar within thirty (30) days of its occurrence, and the Registration Certificate must be surrendered for cancellation. Any person failing to report the death of a registered horse within ninety (90) days of the death may be subject to a fine as determined by the Board of Directors.

ARTICLE 23 AMENDMENTS

These By-Laws may be amended through the following procedure:

A. Proposed amendments to the By-Laws may be initiated by a majority of Directors, a majority of the Regional Congress, or by a petition signed by twenty five percent (25%) or more of the eligible voting members. All proposed amendments must be submitted, in writing, to the Board of Directors. Each proposal must include a thorough analysis of the proposed amendment, including the following:

- The proposed wording for the amendments.
- A listing of all sections that will be affected by the proposed amendment.
- A discussion of the justification for the proposed amendment.

In the case of proposals submitted by the membership, the Secretary will immediately review the petition to confirm that the persons requesting the proposed amendment are eligible voting members and that the numbers are adequate to meet the requirements specified above. If the Secretary determines that the petition is inadequate, the Secretary will notify the Board of Directors and the proposal will be returned to the petitioners without further action.

The Board of Directors may only propose By-Law amendments pursuant to a vote taken at a meeting noticed in accordance with Article 6.

B. All amendments, whether proposed by the membership, Regional Congress, or the Board of Directors, will be submitted to the By-Laws committee within 15 days after the proposal is submitted to the Board of Directors. The By-Laws Committee will ensure that the documentation for the proposed amendment is adequate to provide the membership with a clear understanding of the proposed amendment and that there are no conflicts with other portions of the By-Laws. The Chairman of the By-Law Committee will submit a report to the Board of Directors with the recommendations of the By-Law Committee no later than 30 days following receipt of the proposed amendment from the Board of Directors. At their discretion, the Board of Directors may retain legal counsel for review to determine that the proposed amendment does not conflict with the laws of the State of Incorporation.

If either the By-Law Committee or legal counsel determines that there are conflicts created in the proposed amendment, the proposed amendment and the analysis of the conflicts will be returned to the Board and to the person(s) submitting the proposed amendment. The person(s) may then submit a revised version of the amendment, which will be subject to the reviews and timetables described in this section. If the By-Law Committee and legal counsel determine that there are no conflicts created by the proposed amendment, the Board of Directors will submit the proposed amendment to the membership in accordance with the procedures defined in this section.

C. These By-Laws may be amended at the Annual General Membership meeting, or at a Special Meeting of the General Membership called in accordance with Article 6, or by a mailed ballot at anytime within ninety (90) days of initiation of an amendment by the majority of the Board of Directors, a majority of the Regional Congress, or by the membership in accordance with paragraph 24A.

D. The By-Laws Amendment Ballot will include the full content of the proposed amendment along with a description of its purpose and intent.

E. The By-Laws Amendment Ballot shall be sent to the Membership, returned, and counted in accordance with the following procedure:

1. The proposed amendment will be placed on a By-Laws Amendment Ballot by the President or Secretary and sent to the Membership at least thirty (30) days prior to a meeting of the General Membership called in accordance with Article 6 or thirty (30) days prior to the deadline for the return of ballots by mail.
2. A secret ballot shall be mailed to each eligible voting Member by First Class United States Mail addressed to the members last known address.
3. A ballot will be sent along with a pre-addressed return envelope and an announcement of the time and place set for the counting of the ballots.
4. A postal proof of mailing shall be required for each ballot mailed to the Membership. These forms must be kept on file in the Office of the Association for at least two (2) years following the date of the counting of the ballots.
5. Ballots shall be returned within a sealed unmarked inner envelope which must be returned by mail in the provided addressed return envelope. The Election Committee or a Certified Public Accountant as designated by the Board of Directors shall verify the ballot eligibility via the outside return address and the official master ballot check-off list. The sealed envelopes must be brought to the designated location set for counting by the Board of Directors, where they shall be opened and counted in the presence of any members who wish to attend.
6. The President or Secretary will supervise the counting of the ballots.. The Secretary will then announce the results of the ballot to the membership via First Class United States Postal Mail within thirty (30) days.
7. Ballots will be kept at the Association Office for at least two (2) years after the election date.

F. A By-Law Amendment shall pass and be adopted if at least 2/3 (two thirds) of the returned ballots from qualified members are in favor of the amendment.

G. Whenever a By-Law amendment is adopted it shall be incorporated into the By-Laws, and the By-Law will be republished and distributed to the Membership. The Secretary will send a copy of the revised By-Laws to the State of Incorporation if so required. The Secretary shall maintain a record of all previous and superseded By-Laws in a chronological file and made available at the Office of the Association.

H. No By-Law amendment shall be retroactive.