

**BYLAWS  
OF  
YAKIMA VALLEY TEAM PENNING CLUB**

The following Bylaws shall govern the affairs of the **Yakima Valley Team Penning Club** (hereinafter referred to as the "club"), a nonprofit corporation organized under the Washington Nonprofit Corporation Act, RCW 23.03 ET seq.

**1. CORPORATE PURPOSE:** The general nature of the business of the Club and the objects and purposed to be transacted, promoted, and carried on by the Club are to engage in the not for profit business/purpose of:

- 1.1 Promoting the sport of team penning;
- 1.2 Providing an opportunity for all ages and abilities of riders to learn, practice, and compete in the sport of team penning;
- 1.3 Establishing and maintaining a group of persons in south-central Washington engaged in team penning;
- 1.4 Gathering, preparing, and disseminating information about team penning to members, prospective members, sponsors, prospective corporate sponsors, event sponsors, and to the general public; and
- 1.5 Establishing and enforcing rules for competition at Club sponsored team-penning events.

**2. REGISTERED OFFICE/AGENT:**

- 2.1 **Registered Agent:** The initial Registered Agent of the Club shall be Mariano Morales, JR., 3907 Summitview Avenue, Yakima, Washington, 98902.
- 2.2 **Registered Office:** The Registered Office of the Club shall be at the Law Offices of Mariano Morales, Jr., 3907 Summitview Avenue, Yakima, Washington, 98902.
- 2.3 **Other Offices:** The Club may have other offices within or outside the State of Washington at Such places or places as the Board of Directors may from time to time determine.

**3. Members:**

3.1 **Classes:** The Club shall have two classes of memberships:

- 3.1.1 **Single Membership:** Any person at least nineteen (19) years of age shall be entitled to register as a single member;
- 3.1.2 **Family Membership:** Adults and minors who are immediate family members and reside in the same household through the end of the membership year.
- 3.1.3 **Minors:** Any person eighteen (18) years of age or younger shall be admitted only under a family membership provided they reside with the joining family or are attending school through the end of the fiscal year. Individuals eighteen (18) years of age or younger must have their membership application signed by a parent or legal guardian.

3.2 **Dues and Fees:** There shall be annual membership dues assessed each Member. Dues shall be assessed on November 1<sup>st</sup> of each year payable for the following calendar year. The annual membership dues amount shall be set and changed by majority vote of the

membership. In addition to the annual dues, each Member shall be assessed and shall pay an administrative fee for each Club-sponsored penning, the amount to be set by a majority vote of the membership. This administrative fee shall be assessed to be set by a majority vote of the membership. This administrative fee shall be assessed to and paid by each Member participating in the penning event, regardless of the numbers of teams or entries at the penning.

3.2.1 **Late Charges:** If the annual dues assessed are not paid prior to January 15<sup>th</sup> of the calendar year for which they are assessed, then an additional Five Dollars (\$5.00) will be paid by the Member at the time of the payment of that Member's annual dues.

3.3 **Responsibilities for Class Designations and Entry Fees:** The general membership shall set the class designations and entry fee charges for the club. Members shall vote such class designation and fees changes annually at the Members regularly scheduled annual meeting.

3.4 **Competitions:** All participants in Club-sponsored competitions must be members in good standing in order to compete and receive points. Riders who are not Club Members may join on the day of the penning in which they plan to compete. The Board of Directors shall designate a member who shall provide all new members joining the day of the Competition a copy of the Club's Bylaws, rules, Point System Summary and Rider Classification Requirements, along with any other pertinent information the Board or designated Member deems necessary.

3.3 **Awards:** A Member must have penned in at least seventy-five percent (75%) or six (6) Club pennings in a year to be eligible for any Club awards at the year's end.

3.4 **Transfers of Memberships:** There shall be no transfers of membership interests.

3.5 **Ownership:** Registered Members shall be treated by the Club as the holder-in-fact of the membership standing in their respective names and the Club shall not be bound to recognize any equitable or other claim to or interest in any share on the part of any person, whether or not it shall have express or other notice thereof, except as expressly provided below or by the laws of the State of Washington.

3.6 **Prohibited Acts:** So long as the Club is in existence, and except with the prior approval of the Board of Directors or Members, no Member shall:

- 3.6.1 Do any act in violation of these Bylaws or any amendments hereto or binding obligation of the Club;
- 3.6.2 Do any act with the intention of harming the Club or any of its operations;
- 3.6.3 Do any act that would make it impossible or unnecessarily difficult to carry on the intended or ordinary business of the Club;
- 3.6.4 Receive an improper personal benefit from the operation of the Club or any of its activities or events;
- 3.6.5 Use the assets of the Club, directly or indirectly, for any purpose other than carrying on the business of the Club;
- 3.6.6 Wrongfully transfer or dispose of Club property, including intangible property such as good will;

- 3.6.7 Use the name of the Club, or any substantially similar name, or any trademark or trade name adopted by the Club, except on behalf of the Club in the ordinary course of the Club's business; or
- 3.6.8 Disclose any of the Club's business practices, trade secrets, or any other information not generally known to the business community, to any person not authorized to receive such information.

3.9 **Sanction, Suspension, or Termination of Members:** The Board of Directors may impose reasonable sanction on any Member or suspend or expel any member from the club for good cause after a hearing. Good cause includes, but is not limited to: (i) the default of an obligation to the Club to pay fees or dues for a period of thirty (30) days following delivery of notice of default, or (ii) a material and serious violation of the Club's Articles of Incorporation, Club Bylaws, Rules or a law. The Board of Directors may delegate powers to a regular or ad hoc committee to conduct a hearing, make recommendations to the Board, or take action on behalf of the Board. The Board of Directors or a committee designated by the Board to handle a matter involving sanctioning, suspension, or expulsion may not take any action against a Member without giving the Member adequate notice and an opportunity to be heard. To deem adequate, notice shall be in writing and delivered at least fourteen (14) days prior to the hearing. However, shorter notice may be deemed adequate if the Board of Directors or a committee designated by the Board to handle a matter involving sanctioning, suspension, or expulsion determines that the need for a timely hearing is included in the notice. If mailed, the notice shall be sent by certified mail, return receipt requested. A member shall have the right to be represented by counsel at and before hearing. The Board of Directors or committee designated by the Board of Directors to handle a matter involving sanctioning, suspension, or expulsion may impose sanctions, suspend a Member, or expel a Member by vote of majority of Directors or a majority of committee members of the committee designated by the Board of Directors to handle a matter involving sanctioning, suspension, or expulsion who are present and voting.

#### 4. **MEMBER'S MEETINGS:**

4.1 **Meeting Place:** All meetings of the Members shall be held at such as shall be determined by the Board of Directors.

4.2 **Annual Meeting Times:** The annual meeting of the Members shall be held at such time as shall be determined by the Board of Directors.

4.3 **Special Meetings:** Special meetings of Members for any purpose may be called at any time by the President, Board of Directors, or others authorized under the laws of the State of Washington.

4.4 **Notice:** Notice of the time and place of a meeting of Members shall be given prior to the meeting to each Member entitled to vote at such meeting. The notice shall include the purpose, date, time, and other pertinent information.

4.5 **Voting Record:** The Club shall keep a complete record of Members entitled to vote at the members' meeting. This record shall be kept open for inspection by any Member.

4.6 **Quorum:** Except as otherwise required by law:

4.6.1 A Quorum at any annual or special meeting of the Members shall consist of Members present in person representing at least ten percent (10%) of the Members entitled to vote.

4.6.2 The votes of a majority in interest of those present at any properly-called meeting or adjourned meeting of Members at which a quorum as in this paragraph defined is present shall be sufficient to transact business.

4.7 **Closing of Transfer Books and Fixing Record Date:** For the purpose of determining Members entitled to notice of or vote at any meeting of Members, the Board of Directors may provide that the Membership registration books shall be closed for a stated period.

4.8 **Proxies:** A Member may vote only in person and voting by proxy shall not be allowed.

4.9 **Waiver of Notice:** A waiver of any notice required to be given any Member, signed by the person or persons entitled to such notice, whether before or after the time state there in for the meeting shall be the equivalent of the giving such notice.

## 5. **VOTING RIGHTS:**

5.1 **Single Membership:** Each Member holding a single membership shall be entitled to one (1) vote on any matter submitted to a vote of Members.

5.2 **Family Membership:** Each Member registered under a Family Membership who is seventeen (17) years of age or older shall be entitled to one (1) vote on any matter submitted to a vote of the Members.

5.3 **Unpaid Memberships:** A Member shall not be entitled to vote on any matter submitted to a vote of the Members unless such Member is current and has paid all dues and fees owing to the Club.

5.4 **By Mail:** Voting by mail may be authorized by the Board of Directors *provided* that notice of the matter to be voted upon, notice of the deadline for voting, and ballot for voting is timely provided to all Members entitled to vote on the matter at issue.

5.5 **Sponsors:** Sponsors who are not otherwise registered Members of the Club shall not be entitled to vote on any matters voted upon by the Members.

## 6. **BOARD OF DIRECTORS:**

6.1 **Powers:** The management of all affairs, property, and interests of the Club shall be vested in the Board of Directors unless otherwise specifically provided herein. In addition to the authority contained in these Bylaws and the Articles of Incorporation of the Club, the Board of Directors may exercise all such powers of the Club and all such lawful acts except those acts required to be done by Members.

6.2 **Duties:** Directors shall be responsible to organize Club sponsored penning and may alter rules to fit special circumstances to fit the needs of promoters or stock contractors. The rules which may be altered include, but are not limited to number of cattle per herd, foul lines, etc.

6.3 **Qualifications:** Each Director must be a member in good standing throughout that Director's term.

6.4 **Numbers and Terms:** The number of members of the Board of Directors shall be seven (7), plus an alternate director. The Directors shall serve in their position as follows:

- 6.4.1 Any previous Director can have the option of serving a one-year term with the option of reelection for a 2<sup>nd</sup> one-year term.
- 6.4.2 Any new first time Director will have to serve two-year terms.
- 6.4.3 An alternate Director shall be elected each year to fill any Director position vacated prior to the expiration of the vacating Director's term.
- 6.4.4 No Director shall serve two consecutive terms.
- 6.4.5 The Directors shall hold office until their successors are elected and qualified.

6.5 **Election of Directors:** Directors shall uphold and abide by the Bylaws and Articles of incorporation of the Club. Directors shall exercise ordinary business judgment in management of the affairs of the Club. Directors shall act as fiduciaries with respect to the interests of the Members. In acting in their official capacity as Directors of this Club, Directors shall act in good faith and take actions they reasonably believe to be in the best interests of the Club and are not unlawful. Directors shall not take any actions that they should reasonably believe would be opposed to the Club's best interests or that would be unlawful. **A Director shall not be liable if, in the exercise of ordinary care, the Director acts in good faith relying on written financial and legal statements provided by an accountant or attorney retained by the Club.**

6.7 **Change of Number:** The number of Directors may at any time increased or decreased by amendment of these Bylaws, but no decrease shall have the effect of shortening the term of an incumbent Director.

6.8 **Vacancies:** The first of any vacancy in the Board of Directors, whether caused by resignation or death or otherwise, shall be filled by the Alternate Director elected for that year by the Members. Any additional vacancies in the Board of Directors, whether caused by resignation or death or otherwise, may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors. A Director elected to fill any vacancy shall hold office for the unexpired term of such Director's predecessor and until that Director's successor is elected and qualified.

6.9 **Regular Meetings:** Regular meetings of the Board of Directors or any committee may be held without notice at such place, either within or without the State of Washington, as the Board of Directors or such committee, as the case may be, may designate. The annual meeting of the Board of Directors shall be held without notice immediately after adjournment of the annual meeting of the members.

6.10 **Special Meetings:** Special meetings may be called as follows:

6.10.1 Special meetings of the Board of Directors may be called at any time by the Chairman of the Board or by any one Directors, to be held at such place as the Board of Directors or the person or persons called such meeting may from time to time designate. Notice of all special meetings of the Board of Directors shall be given to each Director by telegram, telephone, letter, or personally. Such notice need not specify the business to be transacted at, or the purpose of the meeting.

6.11 **Actions of Board of Directors:** The Board of Directors shall try to act by consensus, however the vote of majority of the Directors present and voting at a meeting in which a quorum is present shall be sufficient to constitute an act of the Board of Directors unless a greater number is required by law or these Bylaws.

6.12 **Quorum:** A majority of the whole Board of Directors shall be necessary at all meetings to constitute a quorum for the transaction of business.

6.13. **Remuneration:** No salary shall be paid Directors, as such, for their services but may be reimbursed for reasonable expenses incurred on behalf of the Club; provided, that nothing herein contained shall be construed to preclude any Director from serving the Club in any other capacity and receiving compensation therefore. Members of standing or special committees may be allowed like reimbursement for expenses incurred on behalf of the Club.

6.14 **Action of Directors by Communications Equipment:** Any action required or which may be taken at a meeting of Directors, or of a committee thereof, may be taken by means of a conference telephone or other similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time.

6.21 **Prohibited Acts:** So long as the Club is in existence, and except with the prior approval of the Board of Directors or Members, no Director shall:

- 6.21.1 Do any act in violation of these Bylaws or any amendments hereto or a binding obligation of the Club.
- 6.21.2 Do any act with the intention of harming the Club or any of its operations;
- 6.21.3 Do any act that would make it impossible or unnecessarily difficult to carry on the intended or ordinary business of the Club;
- 6.21.4 Receive an improper personal benefit from the operation of the Club or any of its activities or events;
- 6.21.5 Use the assets of the Club, directly or indirectly, for any purpose other than carrying on the business of the Club;
- 6.21.6 Wrongfully transfer or dispose of Club property, including intangible property such as good will;
- 6.21.7 Use the name of the Club, or any substantially similar name, or any trademark or trade name adopted by the club, except on behalf of the Club in the ordinary course of the Club's business; or
- 6.21.8 Disclose any of the Club's business practices, trade secrets, or any other information not generally known to the business community, to any person not authorized to receive such information.

6.22 **Conflict of Interest:** No Director who is transacting business as a contractor with the club shall vote on any issue before the Board or the Members relating to the contract between the Director and the Club.

**7. Officers:** The Officers of the Club shall be members of the Board of Directors and shall be selected by the Board for terms decided by the Board.

7.1 **Chairman:** The Chairman shall preside at all meetings of the Members and Directors, shall have general supervision of the affairs of the Club, and shall perform all such other duties as are incident to the office of Chairman or are properly required of the Chairman by the Board of Directors.

7.2 **Secretary:** The Secretary shall issue notices for all meetings, except for notices for special meetings of the Members and special meetings of the Directors which are called by the requisite number of Members or Directors; shall keep minutes of all meetings; shall have charge of the seal and the corporate books; and shall make reports and perform such other duties as are incident to the office of Secretary, or are properly required of the Secretary by the Board of Directors.

7.3 **Treasurer:** The Treasurer shall have the custody of all moneys and securities of the Club and shall keep regular books of account. The Treasurer shall disburse the funds of the Club in payment of just demands against the Club or as may be ordered by the Directors from time to time as may be required of him/her an account of all his/her transactions as Treasurer and of the financial condition of the Club. The Treasurer shall perform such other duties incident to the office or that are properly required of the Treasurer by the Board of Directors.

7.5 **Delegation:** In case of absence or inability to act of any Officer of the Club and of any person herein authorized to act in his/her place, the Board of Directors may from time to time delegate the powers and/or duties of such Officer to any other Officer or Director or other person whom it may select.

7.6 **Vacancies:** The Board of Directors may fill Vacancies in any office arising from any cause at any regular or special meeting of the Board.

## **8. DIVIDEND AND FINANCE:**

8.1 **Dividends:** Members shall be entitled to no dividends at any time, the funds of the Club being dedicated to furthering the not-for-profit purposes of the Club as set forth in the Articles of Incorporation.

8.2 **Reserves:** Before making any distribution of funds for expenditures of the Club for its activities and functions, there may be set aside out of the funds of the Club such sum as the Directors, in their sole and absolute discretion, may deem expedient as a reserve fund to meet contingencies, or for maintaining any property of the Club, or for any other not for profit purpose, and surplus of any year not distributed for expenditures of the Club for its activities and functions shall be deemed to have been thus set apart until otherwise disposed of by the Board of Directors.

8.2.A **Expenditures:** With the exception of the cost of putting on club sponsored pennings, purchasing penning awards, and the cost of Year-End Awards, the Directors will not spend more than \$1000.00 without the approval of the general membership.

8.3 **Depositories:** The moneys of the Club shall be deposited in the name of the Club in such institution as the Board of Directors shall designate, and shall be drawn out only by check or other order for payment of money signed by such person or persons and in such manner as may be determined by resolution of the Board of Directors.

8.4 **Upon Dissolution:** Any assets of the Club remaining after dissolution and payment of all obligations of the Club shall be paid to Yakima County 4-H Horse Clubs (a non-profit organization).

## 9. **NOTICES:**

Except as may otherwise be required by law, any notice to any Member or Director may be delivered personally or by mail. If mailed, the notice shall be deemed to have been delivered when deposited in the United States Mail, addressed at such Member's or Director's last known address in the records of the Club, with postage thereon prepaid.

## 10. **SEAL:**

The corporate seal of the Club, if any, shall be in such form and bear such inscription as may be adopted by resolution of the Board of Directors, or by usage of the Officers on behalf of the Club.

## 11. **INDEMNIFICATION:**

11.1 The Club shall indemnify a director, officer or member of the Club who was is or may be named defendant or respondent in any proceeding as a result of his or her acts or omissions within the scope of his or her official capacity in the Club, including but not limited to, acts or omissions while serving in an official capacity at an event sponsored and/or sanctioned by the Club. However, the Club shall only indemnify a person if he or she acted in good faith and reasonably believed that the conduct was in the best interests of the Club. In case of a criminal proceeding, the person may be indemnified only if he or she had no reasonable cause to believe that the conduct was unlawful. The Club shall not indemnify a person who is found liable to the Club, is found liable to another on the basis of improperly receiving a personal benefit or is alleged to have committed willful or intentional misconduct. A person is found to be conclusively found liable in relation to any claim, issue or matter if a court of competent jurisdiction has adjudged the person liable and all appeals have been exhausted.

11.2 The termination of any action or suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere, or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner in which the director reasonably believed to be in or not opposed to the best interests of the Club, and with respect to any criminal action or proceeding had no reasonable cause to believe his/her conduct was unlawful.



11.3 The Club shall pay or reimburse any member or Director expenses incurred in connection with the person's appearance as a witness or other participant in a proceeding involving or affecting the Club when the person is not named as defendant or respondent in the proceeding.

11.4 In addition to the above situations, the Club may indemnify any member to the extent permitted by law, so long as the member was acting on behalf of the Club with the Club's authority in good faith and provided that such indemnification is not inconsistent with the terms of 11.1 above.

11.5 Any indemnification under subsections 9.1 and 9.2 above shall be by the Club only as authorized in specific case upon a determination that indemnification of the Director, Officer, or member consistent with the applicable standard of conduct set forth in subsections 11.1 and 11.2 above. Such determination shall be made:

11.5.1 By the Board of Directors by a majority vote of a quorum consisting of Directors Who were not parties to such action or suit or proceeding; or

11.5.2 If such quorum is not obtainable, or even if obtainable, a quorum of disinterested Directors so directs by independent legal counsel in a written opinion; or

11.5.3 By a majority vote of the Members.

11.5.4 The indemnification provided by this article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of members and disinterested Directors, or otherwise, both as to action in his/her official capacity and as to action in another capacity while holding such officer, and shall continue as to a person who has ceased to be a Director, Officer, trustee, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such person. The indemnification powers of the Club shall be as is allowed under appropriate law.

11.6 Upon the majority vote of a quorum of the Board of Directors, the Club may purchase and maintain liability insurance to indemnify members as set forth above.

11.7 The Club shall expressly not indemnify any stock contractor or penning facility owner where competitions are held unless by a majority vote of the membership.

## **12. BOOKS AND RECORDS:**

The Club shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Member and Board of Directors, and shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its members giving the name and address of all members and the number and class of the membership interests held by each. Any books, records, and minutes may be in written form or any other form capable of being converted into written form within a reasonable time.

### **12.1 Records Required:**

12.1.1 A file-endorse copy of all documents filed with the Washington Secretary of State relating to the Club, including, but not limited to, the Articles of Incorporation, and any

Articles of Amendment, Restated Articles, Articles of Merger, Articles of Consolidation, and Statement of Change of Registered Office or Registered Agent.

12.1.2 A copy of the Bylaws and any amended versions or amendments to the Bylaws.

12.1.3 Minutes of the proceedings of the Members, Board of Directors, and committees having any of the authority of the Board of Directors.

12.1.4 A list of names and addresses of the Members, Board of Directors, and any committee members of the Club.

12.1.5 A financial statement showing the assets, liabilities, and net worth of the Club at the end of the three (3) most recent fiscal years.

12.1.6 All rulings, letters, and other documents relating to the Club's federal, state, and local tax status.

12.1.7 The Club's federal, state, and local information or income tax returns for each of the three most recent tax years.

12.2 **Inspection:** Any Member, Director, Officer or committee member of the Club may inspect all books and records of the Club required to be kept by these Bylaws. Such person may inspect if the person has proper purpose related to the person's interest in the Club and if the person submits a request in writing. Any person entitled to inspect the club's books and records may do so through his or her attorney or other duly authorized representative. A person entitled to inspect the Club's books and records may do so at a reasonable time no later than five (5) working days after the Club's receipt of a proper written request.

### 13. **AMENDMENTS:**

Prior to the date of the first annual meeting of Members in 1999, these Bylaws may be altered, amended or repealed and the Members or the Board of Directors may adopt new Bylaws. On or after the date of the first annual meeting of Members in 1999, the Bylaws may be altered, amended, or repealed and new Bylaws may be adopted only by the affirmative vote of a majority of the Members of the Club at any regular or special meeting of Members, although proposals for Bylaws changes may be made by the Board of Directors.

13.1 **By Members:** The following types of Bylaws amendments may be adopted only by the Members:

13.1.1 Setting or changing the authorized number of Directors.

13.2.1 Changing from a fixed number to a variable number of Directors or vice versa.

13.2.2 Increasing or extending the terms of Directors.

13.2.3 Increasing the quorum for meeting meetings.

13.2.4 Repealing, restricting, creating, expanding, or otherwise changing the voting rights, if any, of members.

ADOPTED BY MAJORITY VOTE of the Club's Membership on the 5 day of March 1999.

**BOARD OF DIRECTORS:**

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\_\_\_\_\_, Director

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\_\_\_\_\_. Director

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