

WESTERN STATES GYPSY HORSE CLUB INC.

An NRS 82 Not-For-Profit
Corporation that is a 501(c)(7)
Recreational Horse Club

ADOPTED: BYLAWS

August 23, 2021

ARTICLE I
Purpose and Duration of the Club;

The WESTERN STATES GYPSY HORSE CLUB, Inc. was formed as a Nevada not-for-profit Corporation under Nevada Revised Statute (N.R.S. 82) on August 16, 2021. The nature and purpose of the WESTERN STATES GYPSY HORSE CLUB, Inc. (hereinafter referred to as the “Club”) is to operate a recreational horse club, for the pleasure and benefit of its members and their guests that includes families and individuals desiring to promote Gypsy horse related activities through service, recreational, social and educational activities. Furthermore, the WESTERN STATES GYPSY HORSE CLUB, Inc. intends to provide Club members, such as Gypsy Horse owners, breeders, trainers, guests, and enthusiasts, support and education regarding the Gypsy Horse Breed, and horse events showcasing the beauty and capabilities of the breed. Many horse events/shows will focus on various horse classes, with points awarded by judges that will be reported to the national Gypsy Vanner Horse Society. The recreational club is generally not open to the public but has limited exceptions. Dues are generally not deductible to members, nor are any losses of the club deductible to members.

These Nevada Bylaws of the Club (these “Bylaws”) are initial bylaws of the Club, and amend and replace in their entirety all previous written documents by Club Members. The Corporation has general corporate powers per NRS 82.121 and specific powers per NRS 82.131. The club shall maintain a website address to provide information to Members. The website address is currently: www.wsghc.org. The period of duration of the Club is perpetual.

ARTICLE II
Members' Meetings

1. Annual Meeting

An annual meeting of the Equity Members of the Club shall be held for the purposes of receiving reports of officers and others and for such other business as may be properly brought before the meeting.

2. Date and Place of Annual Meeting

Each annual meeting shall be held on the third or fourth Saturday of October at such place as the Board of Directors may designate. Any meeting may be held through contemporaneous communication either through Virtual Communication, conference call, or similar type of software. NRS 82.271 allows

members of the board of directors, the delegates or any committee designated by the board or the delegates may participate in a meeting through electronic communications, videoconferencing, teleconferencing or other available technology which allows the participants to communicate simultaneously or sequentially. Participating in a meeting pursuant to this subsection constitutes presence in person at the meeting.

3. Special Meeting

Special meetings of the Equity Members may be called by a majority of the members of the Board of Directors.

4. Notices

The Secretary shall give a timely notice to all Equity Members of the Club entitled to vote, stating the day, place, and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the special meeting is called. Members must keep up to date their personal email and address with the Club. Notice by the Club as to any meeting may be provided electronically to the member's personal email or by mailing to the Member's address on file.

5. Quorum

The presence, either in person or by proxy, of Equity Members having fifty percent (50%) of the votes then entitled to be voted shall constitute a quorum at any meeting of the Equity Members. This complies with NRS 82.291.

6. Proxy

The Board of Directors will determine the form and procedure for the use of proxies. This generally will follow NRS 82.326 action of members by written ballot in lieu of a meeting.

NRS 82.326 Action of members by written ballot in lieu of meeting.

1. Except as otherwise provided in subsection 5 and unless prohibited or limited by the articles or bylaws, an action that may be taken at a regular or special meeting of members, including the election of directors, may be taken without a meeting if the corporation mails or delivers a written ballot to every member entitled to vote on the matter.

2. A written ballot must:

(a) Set forth each proposed action or candidate; and

(b) Provide an opportunity to vote for or against each proposed action.

3. Approval by written ballot under this section is valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

4. Solicitations for votes by written ballot must:
 - (a) Indicate the number of responses needed to meet the requirement of a quorum;
 - (b) State the percentage of approvals necessary to approve each matter other than election of directors; and
 - (c) Specify the time by which a ballot must be received by the corporation in order to be counted.
5. Except as otherwise provided in the articles or bylaws, a written ballot may not be revoked.
6. Nothing in this section shall be construed to restrict the rights of a corporation to act as provided in [NRS 82.276](#).

7. Voting Percentage

A majority of the votes cast is necessary for passage of any motion, except as otherwise expressly provided herein.

8. Fixing of Record Date

For the purpose of determining the Equity Members entitled to notice of or to vote at any meeting of the Equity Members, or in order to make a determination of the Equity Members for any other proper purpose, the Board of Directors of the Club may fix, in advance, a date as the record date for any such determination of the Equity Members, such date in any case to be no more than sixty (60) days and not less than ten (10) days before any vote. Only equity members in good standing shall be entitled to vote.

ARTICLE III

Board of Directors

1. Number and Qualifications

The government and administration of the affairs and the property of the Club shall be vested in a Board of Directors, made up of four members.

2. Elections

- a. There shall be no cumulative voting and no preemptive rights.
- b. Voting shall either be in person or by proxy or by electronic means as determined by the Board of Directors.
- c. The number of candidates necessary to fill the vacancies on the Board of Directors receiving the highest number of votes of the Equity Members for each designated term shall be declared elected.

d. Voting shall take place October 1 through October 14 each year. Votes received prior to October 1 or after midnight on October 14 will not be counted.

e. Newly elected Board Members will be invited to attend the remaining calendar year end meetings, if any, as non-voting observers.

ARTICLE IV

Meetings of Board of Directors

1. Quorum

A majority of the Board of Directors shall constitute a quorum at any meeting for the transaction of business.

2. Regular Meetings

The Board of Directors shall have a minimum of three (3) regular meeting in each year at such times as the Board of Directors shall determine. Except as expressly provided otherwise herein, a majority of the votes cast by the Board is necessary for passage of any motion.

3. Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President or Chairman of the Board or any three (3) directors.

ARTICLE V

Powers of the Board of Directors

1. Management of the Club

The Board of Directors shall exercise all powers of the Club and do all acts and things necessary and allowed by Nevada law to carry out the purposes of the Club. Only Officers of the Corporation, acting in their official capacity, have actual or apparent authority to bind the Corporation subject to specific limitations that also require approval by the Majority of the Board of Directors. No Member may bind the entity in their capacity as a Member.

2. Duties and Powers of the Board of Directors

The Board of Directors shall:

- a. Elect a President or Chairman of the Board;
- b. Approve committee chairs as appointed by the President/Chairman;
- c. Fill vacancies on the Board of Directors due to death, resignation, inability to perform duties, or otherwise, for the duration of the term of the vacated position;
- d. Appoint managers and other employees and delegate such authority as is considered necessary for the proper operation and management of the Club;
- e. Adopt, alter, amend or repeal the Rules and Regulations governing use of the Club and all of its facilities, if any, or events it holds at various locations, by members, their families, and their guests. All Rules and Regulations will be posted on the website where all members can access/review them;
- f. Establish the amount of the membership contribution for all membership categories; the terms of payment; and the amount of dues, fees and other charges related to each membership;
- g. Have the power to replace any director who shall fail to attend fifty percent (50%) of the regular meetings of the Board of Directors in any calendar year, or whose conduct is determined to be detrimental to the Board or Club;
- h. Have the power to expend funds to the extent of the amount in the Club's treasury or owing to the Club; to make contracts, borrow money and incur indebtedness on behalf of the Club; and to cause promissory notes, bonds, mortgages or other indebtedness to be executed and issued;
- i. Have the power to exchange rights to use the Club Facilities with members of other similarly situated clubs; and

j. All such other acts and things as are permitted by the laws of the State of Nevada with respect to not-for-profit corporations, as those laws now exist or as they may hereafter provide.

k. The Board of Directors and Officers shall not have any personal liability for an action or inaction so long as acting in good faith, with a view to the interests of the Corporation, and complying with NRS 82.221 as shown below.

3. Issuance of Memberships

The Board of Directors shall have authority to issue, cancel and transfer memberships.

4. Compensation and Indemnification

No director shall receive a salary or any other compensation whatsoever, but each director shall be entitled to reimbursement for all expenses reasonably incurred in performing any duties pursuant to these By-Laws. No director shall be liable for debts of the Club; and all Directors will be fully indemnified by the Club for their actions conducting authorized Club business.

5. Interpretation of By-Laws

The Board of Directors shall have the corporate power to generally do everything permitted by not-for-profit corporations by law, statute, the Articles of Incorporation and these By-Laws. N.R.S. 82 specifically governs Nevada not-for-profit corporations, and WESTERN STATES GYPSY HORSE CLUB, Inc.

6. Action Without Meetings

Any action which may be taken by the Board of Directors, or any committee thereof, may be taken without a meeting if appropriate notice is given to all Board Members and all have an opportunity to participate.

7. Telephone or Video Meetings

Members of the Board of Directors may participate in any meeting by means of a conference telephone, a video meeting, or similar communication. Participation by such means will constitute presence in person at the meeting.

ARTICLE VI
Officers

The current Board of Directors, after the new Board elections but before the beginning of the of the next calendar year, shall elect a President or Chairman, to serve for a term of one (1) year and until his/her successors shall be elected. The President/Chairman shall appoint the other officers with the concurrence of the majority of the Board.

ARTICLE VII
Duties of Officers

1. President/Chairman

The President/Chairman shall preside at all meetings of the Members and the directors. The President may call special meetings of the Board of Directors, shall be an ex-officio member of all committees and is empowered to execute all papers and documents requiring execution in the name of the Club, provided that, such actions are with the approval of the Board of Directors.

2. Secretary

The Secretary shall keep, or cause to be kept, records and minutes of all meetings of the Board of Directors and the Equity Members, and the Secretary shall be responsible for giving all required notices of meetings. The Secretary shall have custody of the Seal of the Club and all membership records shall be kept under the supervision of the Secretary. Records shall comply with NRS 82.181.

3. Treasurer

The Treasurer shall be chairman of the Finance Committee, if applicable, and shall be designated as the Chief Financial officer of the Club. The Treasurer shall keep or cause to be kept, at the Club, regular books of account and all financial records of the Club, and shall prepare budgets and financial statements, when requested by the Board of Directors.

4. Other Officers

The Board of Directors may fill vacancies in any office or new office created at any meeting of the Board of Directors.

5. Duties of Officers

Any officer may be given additional assignments and duties by the President/Chairman.

6. Removal from Office

Any officer may be removed from office, with or without cause, by a majority vote of the members of the Board of Directors.

**ARTICLE IX
Committees**

1. Executive Committee

The Executive Committee shall consist of the President, as chairman, the Treasurer, and one (1) other member of the Board of Directors. The Executive Committee shall be appointed by the President with the concurrence of the Board. The Executive Committee shall have, to the extent not restricted by law, the powers of the Board of Directors during the interval between meetings of the Board of Directors. Actions and resolutions shall require majority approval of all of the members of the Executive Committee.

2. Nominating Committee

The five-member nominating committee will be appointed by the Board of Directors. The Committee will include two current Board Members and three Members at Large. Equity Club Members will be invited to submit nomination applications to the committee, and by a majority vote, the committee will nominate three applicants recommended for election. Applicants not nominated may self-nominate by a petition process requiring verified signatures by at least 10% of eligible equity members in good standing. Nominees recommended for election by the committee, along with any self-nominations, will be included on the ballot submitted to members.

3. Standing Committees

The President, subject to the approval of the Board of Directors, may, designate the chairman and members of each of the following committees: Membership; Finance; Horse Show; Disciplinary Committees:

a. The Membership Committee shall investigate all applications for membership from the Club and shall report its recommendation to the Board of Directors.

b. The Finance Committee shall in general supervise, direct and control all matters pertaining to the Club's finances including, but not limited to, the placing of insurance, the filing of tax returns, the payment of taxes if applicable, the preparation of the annual operating budget, the preparation of the current reports for the Board of Directors on the Club's financial condition and the issuance to Equity Members of an annual operating statement. It is not foreseen that the Club will have any employees. The Finance Committee shall have the power, with the approval of the Board of Directors, to direct a person, at the expense of the Club, for such assistance as may be necessary to handle these actions.

c. The Horse Show Committee: Shall organize Programs and shows at various locations throughout the calendar year. The Horse Show Committee may enter into contracts on behalf of the Club with 3rd party event providers, including judges, etc. in order to hold horse shows. The show calendar will be posted on the club website. The classes for each horse show will be shown on the Club website. Members may enter horses into various classes as available for a Show as shown on the Club's website. The club will generally report, as applicable, all awarded horse show points to the national Gypsy Vanner Horse Society.

d. Disciplinary Committee: Shall consist of at least three (3) Equity Members, at least one (1) of whom shall be a Member of the Board or Directors. All written complaints relative to any member's conduct shall first be referred to the Disciplinary Committee for action or for further recommendation to the Board. The power of suspension or expulsion is expressly reserved to a majority of the members of the Board based upon an investigation and recommendation of the Disciplinary Committee. The Disciplinary Committee shall present a written report to the board.

d. The remaining committees shall function in whatever manner the Board directs.

4. Ad Hoc Committees

The President, subject to the approval of the Board of Directors, may, from time to time: (i) appoint ad hoc committees, with the powers and composition as the President shall determine, (ii) determine the powers and composition of the committees and the term of committee chairmen and members, and (iii) replace committee chairmen or members at any time, without cause.

5. Powers of Committees

All committees except the Finance Committee shall act only as advisory committees, and the individual members thereof shall have no power of authority. Recommendations from each committee shall be presented to the Board of Directors for a vote and approval or denial, as the case may be. The chairman of each committee may appoint from the members of the committee such subcommittees as he or she deems desirable. All subcommittees shall report directly to the committee as a whole, which shall approve, amend or disapprove the report of the subcommittee.

6. Terms of Committee Chairmen and Committee Members

Each committee chairman and each member of a committee shall serve for one year designated unless reappointed.

**ARTICLE X
Equity Memberships**

1. Number of Equity Members and Eligibility

The Club may offer three types of memberships: Single Equity Membership, Family Equity Membership, and Youth Non-Equity Membership (collectively, the “Equity Memberships”) as defined below:

Single Equity Membership: Open to any individual 18 years of age or older. Single membership is entitled to vote and/or hold office. We welcome Gypsy horse owners, competitors or just fans of the breed who want to learn more and join a fun club.

Family Equity Membership: Any related family members that reside under the same roof can join as a family membership. One family member will be defined as the primary member and that person only may vote and/or hold office.

Youth Non-Equity Membership: We want to encourage the youth to be

interested in the Gypsy Horse breed. Children under 18 years of age whose parents or guardians are not active members are encouraged to join. There are no dues for these youth but we must have written permission from parents or guardians. Youth members may not vote or hold office.

Membership represents either an equity ownership interest in the Club or non-equity. All Memberships are not-transferable.

At the discretion of the Board, corporate Membership may also be offered.

In order to provide greater exclusivity and availability of all facilities and services to the members, the Club is offering a limited number of Equity Memberships. The maximum number Memberships is limited to one-thousand (1,000) members;

Memberships are offered to select persons who apply for membership or who are invited to membership and are approved for membership by the Board of Directors.

2. Use Privileges of Equity Memberships

All membership privileges are subject to a Membership Purchase Agreement, these By-Laws and any Rules and Regulations adopted by the Club, as they may be amended from time to time.

Single Equity Membership: Can vote and enter per the website horses into Gypsy horse shows put on by WESTERN STATES GYPSY HORSE CLUB, Inc. Entitled to pro-rata liquidation proceeds in the event the Club dissolves.

Family Equity Membership: Can vote and enter per the website horses into Gypsy horse shows put on by WESTERN STATES GYPSY HORSE CLUB, Inc. Entitled to pro-rata liquidation proceeds in the event the Club dissolves.

Youth Non-Equity Membership: Parent or Guardian can Vote and can enter per the website horses into Gypsy horse shows put on by WESTERN STATES GYPSY HORSE CLUB, Inc. Not entitled to pro-rata liquidation proceeds in the event the Club dissolves.

Members have the opportunity to upgrade to a higher classification of membership. The opportunity to upgrade is subject to the availability of such higher classification of membership and payment by the member of the difference between the membership contribution then charged for the desired classification of membership and the membership contribution previously paid by the member.

Membership privileges may be held in the person's name if an adult, or a parent or Guardian's name if a minor.

The membership entitles the member, and the immediate family, to access Membership benefits of horse shows put on by WESTERN STATES GYPSY HORSE CLUB, Inc. and any applicable education/content through the website and its Membership.

3. Membership Contribution

Persons desiring to become Equity Members in the Club must pay the membership contribution in the amount and in the manner set forth in their Membership Purchase Agreement as may be amended, from time-to-time, by the Board of Directors.

4. Voting Privileges

Each Equity Membership entitles the member to one-vote on all matters to be voted on by the Equity Members. Non-Equity members are not entitled to vote.

5. Application for Equity Membership Privileges

a. A person desiring a membership in the Club must submit an Application for Equity Membership Privileges, Membership Purchase Agreement and the required payment. After receiving the application materials, the Membership Committee shall investigate, and a determination will be made whether the applicant has satisfied the relevant conditions for admission in the Club. If the applicant has satisfied those conditions, the Membership Committee shall make a recommendation to the Board which shall vote on the application. If passed, the applicant will be notified that the application has been acted upon favorably. Comments from members with respect to prospective members shall be privileged communications and only the Membership Committee and the Board of Directors shall have access to such communications.

b. If approved for membership in the Club, the applicant agrees to be bound by the terms and conditions of these Bylaws and the Rules and Regulations as adopted, as amended from time-to-time.

c. Applicants approved for membership who fail to pay the membership contribution for membership and dues, fees and other charges within thirty (30) days after notice that they are due and payable may forfeit their right to membership.

6. Resignation or Transferability of Memberships

a. Equity Memberships are not transferable or assignable to third parties without the consent of the Board of Directors who shall also approve the assignee new member. The Board's decision shall be final and non-appealable in this regard, and the Board may approve or disapprove of any such transfer or assignment in its sole discretion and for any reason or no reason at all.

b. The Board, in its sole discretion, may from time-to-time establish rules and regulations for member resignation from the Club.

7. Transfer Upon Death or Divorce

a. If both joint owners of an Equity Membership are deceased, then the legal heir of the membership shall have the right to acquire the deceased Equity Member's Membership without the payment of any additional Membership contribution, and subject to approval of membership by the Board of Directors. In this event, the legal heir of the Membership shall be required to notify the Club in writing of his or her desire to acquire the deceased Equity Member's Membership in the Club within one hundred twenty (120) days after the right to possession of the Membership. Further, the legal heir shall also pay all debt service and assessments for the intervening period between the date of the Equity Member's death and the date of the application, in addition to dues and all other applicable charges. If the legal heir does not apply for an Equity Membership within one hundred twenty (120) days after acquiring the right to possession of the Membership, the Equity Membership shall be surrendered to the Club, and the legal heir shall have no claim to the proceeds or any other financial interest in the Club or in the deceased member's membership interest.

b. In the event married Equity Members are subsequently legally separated or divorced, title to the Membership shall vest in the spouse awarded the Membership by a court of competent jurisdiction. The membership may not be split. Both of the divorced or legally separated members shall be required to give written notice to the Club designating the person who is entitled to the rights and privileges of the Equity Membership within 30 days after the divorce or legal separation is declared final. Until written notice has been provided to the Club, each spouse shall remain responsible for the payment of all dues, assessments, fees and charges associated with such Equity Membership.

ARTICLE XI

Other Membership Privileges

1. Honorary Memberships

In addition to all other memberships available in the Club, the Board of Directors may issue Honorary Memberships.

2. Invitational Memberships

a. In order to promote the Club and to introduce the Club to prospective members, the Club issued non-equity recallable memberships known as “Invitational Full Memberships”.

b. An Invitational Full Membership permits the member to utilize the Club’s benefits, but provides no voting rights, and is not transferrable.

c. Invitational Memberships may be recalled by the Club at any time on a last-acquired, first- recalled basis. If recalled, either the Company or the Club (as set forth in the Club Option Agreement) will repay to the member one hundred percent (100%) of the membership fee previously paid by the recalled member within fifteen (15) days after recall of the membership.

d. Invitational Members are subject to all terms for payment of fees, assessments and current charges as listed under Article XIV of these By-Laws.

ARTICLE XII

Guest Privileges

Guests of members may be extended guest privileges subject to applicable guest fees, charges and the Rules and Regulations established from time-to-time by the Board of Directors. Guest privileges may be denied, withdrawn or revoked at any time for reasons considered sufficient by the Board of Directors in its sole and absolute discretion.

ARTICLE XIII

Dues, Fees and Charges

The Club's membership year will constitute the twelve (12) month period commencing January 1 and ending on December 31. Each year the Board of Directors of the Club will determine the monthly dues to be paid by each member for the succeeding membership year.

Dues shall be due and payable in advance, on or before January 31st of the calendar year, unless otherwise established by the Club. Dues shall be collected through the Club's website. It shall be the policy of the Club that the dues and the other receipts of the Club shall be sufficient, insofar as it is possible to project, to meet the annual operating needs of the Club, including any debt service if applicable. The failure of any member to pay their required dues and other fees within the prescribed time period shall constitute grounds for forfeiture of membership privileges in the Club.

ARTICLE XIV

Delinquencies

1. Statement

An itemized statement of any annual fees, assessments and current charges shall be emailed or mailed annually to each member. Any member failing to pay his or her indebtedness to the Club within thirty (30) days from the date of the statement shall be subject to such action determined appropriate by the Board of Directors, including being expelled resulting in the forfeiture of membership, and no liquidation proceeds if the Board of Directors, cancels the Member's membership.

2. Liens

The Club shall have a lien against each Membership for any unpaid dues or other fees of a Member, which lien shall also accrue reasonable attorneys' fees incurred by the Club incident to the collection of the dues or other fees, or the enforcement of any lien, whether or not legal proceedings are initiated. The lien may

recorded among the public records of Washoe County, Nevada, by filing a claim therein which states the name of the Member, the number of the Membership and the amount claimed to be due. The lien shall continue in effect until all sums secured by the lien, together with all costs incurred in recording and enforcing the lien have been paid in full. A claim of lien may be signed by any officer of the Club. Upon full payment and subject to the approval of the Board of Directors, the member making payment shall be entitled to be reinstated as a Member in good standing of the Club and shall be entitled to a release of lien to be prepared and recorded at the Member's expense. All liens may be foreclosed by the Club, in any action at law or in equity, or without legal proceedings upon five (5) days prior written notice of intended foreclosure, as may be deemed appropriate by the Club. The Club may also, at its option, sue to recover a money judgment for unpaid dues or other charges, without thereby waiving its lien securing the same.

No Member shall be permitted to create, incur, assume or suffer to exist upon the Member's membership any liens and security interests whatsoever except to the extent the lien and security interest represents a purchase money lien and security interest incurred as a result of acquiring the Membership.

ARTICLE XV

Discipline

Any member or any family member or guest of the member whose conduct shall be deemed by the appropriate committee to be improper or likely to endanger the welfare, safety, harmony or good reputation of the Club or its members, may be reprimanded, fined, suspended or expelled from the Club by action of the Disciplinary Committee and/or the Board of Directors, as is required.

A member interest in the Club may be permanently terminated or suspended by the Club pursuant to the Disciplinary Policy. Any such termination or suspension of a member shall include Club privileges for his/her immediate family as well.

Any member of the Club terminated from membership shall not again be eligible for membership nor admitted to the Club Facilities under any circumstances. A member who has been expelled from the Club shall forfeit his or her membership in the Club and will be entitled to the return of the membership contribution, then applicable, and paid in accordance with the exit policy of the Club in effect at that time. An expelled member shall be notified by registered mail and shall have the obligation to surrender the Membership and shall immediately forfeit all rights and privileges of membership.

Exclusive jurisdiction for any litigation matter related to the Western States Gypsy Horse Club Inc. shall be the District Court in Washoe County, Nevada

ARTICLE XVI
Miscellaneous

1. Fiscal Year/Calendar Year

The fiscal year of the Club shall commence on the first day of January and conclude on the last day of December.

2. Assessments

Operating Assessments: The Board of Directors may find it necessary to make assessments, in addition to dues, to cover any operating deficits which may occur after the Closing Date. Assessments to cover any operating deficits will be reflected in addition to the annual dues the subsequent year and will be prorated among the Equity Members in the Club.

Capital Assessments: The Board of Directors, upon approval of seventy-five percent (75%) of all of the members, detailed in the voting ballot to the Equity Members, may impose an assessment on Equity Members.

ARTICLE XVIII
Amendments

Except as set forth below, these By-Laws may be altered, amended, or repealed or new By-Laws may be adopted by a majority of the Board of Directors. Restatements to correct and/or clarify the current By-laws need be approved only by a majority vote of the Board of Directors.

ARTICLE XVIII
Dissolution and Liquidation

The Corporation is not a Corporation for public benefit as defined under NRS 82.021. If the Corporation is ever dissolved, liquidation proceeds will be returned to the equity members on a pro-rata basis, minus any applicable outstanding dues, fees, assessments, or liens of a member. The Board of Directors will oversee this process.

APPENDIX

- Helpful Partial List of potential applicable N.R.S 82 items
- Bylaws that differ from State Statute will generally control
- Items silent in Bylaws but covered in State Statute (N.R.S. 82) generally control

CORPORATE POWERS

The Corporation has general powers as outlined under NRS 82.121:

NRS 82.121 General powers.

1. A corporation:
 - (a) Has all the rights, privileges and powers hereby conferred.
 - (b) Has such rights, privileges and powers as may be conferred upon corporations by any existing law.
 - (c) May at any time exercise those rights, privileges and powers, when not inconsistent with the provisions of this chapter, or with the purposes and objects for which the corporation is organized.
 2. Every corporation, by virtue of its existence as such, may:
 - (a) Have succession by its corporate name for the period limited in its articles of incorporation, and when no period is limited, perpetually, or until it is dissolved and its affairs are wound up according to law.
 - (b) Sue and be sued in any court of law or equity.
 - (c) Make contracts.
 - (d) Hold, purchase and convey real and personal estate and mortgage or lease any such real and personal estate with its franchises. The power to hold real and personal estate includes the power to take it by devise or bequest in this State, or in any other state, territory or country.
 - (e) Appoint such officers and agents as the affairs of the corporation require, and allow them suitable compensation.
 - (f) Make bylaws not inconsistent with the Constitution or laws of the United States, or of this State, for the management, regulation and government of its affairs and property, the transfer of its memberships, if any, the transaction of its business, and the calling and holding of meetings of its members, if any, or delegates, if any.
 - (g) Wind up and dissolve itself, or be wound up or dissolved, in the manner mentioned in this chapter.
- (Added to NRS by [1991, 1261](#); A [1993, 993](#))

The Corporation has Specific Powers as outlined in NRS 82.131:

NRS 82.131 Specific powers. Subject to such limitations, if any, as may be contained in its articles, and except as otherwise provided in [NRS 82A.100](#), every corporation may:

1. Borrow money and contract debts when necessary for the transaction of its business, or for the exercise of its corporate rights, privileges or franchises, or for any other lawful purpose of its incorporation, issue bonds, promissory notes, drafts, debentures and other obligations and evidences of indebtedness, payable at a specified time or times, or payable upon the happening of a specified event or events, whether secured by mortgage, pledge or other security, or unsecured, for money borrowed, or in payment for property purchased or acquired, or for any other lawful object.
2. Guarantee, purchase, hold, take, obtain, receive, subscribe for, own, use, dispose of, sell, exchange, lease, lend, assign, mortgage, pledge or otherwise acquire, transfer or deal in or with bonds or obligations of, or shares, securities or interests in or issued by any person, government, governmental agency or political subdivision of government, and exercise all the rights, powers and privileges of ownership of such an interest, including the right to vote, if any.

3. Issue certificates evidencing membership and issue identity cards.
 4. Make donations for the public welfare or for community funds, hospital, charitable, educational, scientific, civil, religious or similar purposes.
 5. Levy dues, assessments and fees.
 6. Purchase, take, receive, lease, take by gift, devise or bequest, or otherwise acquire, own, improve, use and otherwise deal in and with real or personal property, or any interest therein, wherever situated.
 7. Carry on a business for profit and apply any profit that results from the business to any activity in which it may lawfully engage.
 8. Participate with others in any partnership, joint venture or other association, transaction or arrangement of any kind, whether or not participation involves sharing or delegation of control with or to others.
 9. Act as trustee under any trust incidental to the principal objects of the corporation, and receive, hold, administer, exchange and expend funds and property subject to the trust.
 10. Pay reasonable compensation to officers, directors and employees, pay pensions, retirement allowances and compensation for past services, and establish incentive or benefit plans, trusts and provisions for the benefit of its officers, directors, employees, agents and their families, dependents and beneficiaries, and indemnify and buy insurance for a fiduciary of such a benefit or incentive plan, trust or provision.
 11. Have one or more offices, and hold, purchase, mortgage and convey real and personal property in this State, and in any of the several states, territories, possessions and dependencies of the United States, the District of Columbia and any foreign countries.
 12. Do everything necessary and proper for the accomplishment of the objects enumerated in its articles of incorporation, or necessary or incidental to the protection and benefit of the corporation, and, in general, to carry on any lawful business necessary or incidental to the attainment of the objects of the corporation, whether or not the business is similar in nature to the objects set forth in the articles of incorporation of the corporation, except that:
 - (a) A corporation does not, by any implication or construction, possess the power of issuing bills, notes or other evidences of debt for circulation of money; and
 - (b) This chapter does not authorize the formation of banking corporations to issue or circulate money or currency within this State, or outside of this State, or at all, except the federal currency, or the notes of banks authorized under the laws of the United States.
- (Added to NRS by [1991, 1261](#); A [2013, 722](#); [2015, 2253](#))

CORPORATE RECORDS

A not-for-profit Corporation shall maintain records in accordance with NRS 82.181:

NRS 82.181 Maintenance of records at principal office or with custodian of records; inspection and copying of records; penalties; denial of request for inspection of records; defense to action for penalties or damages; authority of court to compel production of records.

1. A corporation shall keep a copy of the following records at its principal office or with its custodian of records whose name and street address are available at the corporation's registered office:
 - (a) A copy, certified by the Secretary of State, of its articles and all amendments thereto;
 - (b) A copy, certified by an officer of the corporation, of its bylaws and all amendments thereto; and
 - (c) If the corporation has members, a members' ledger or a duplicate members' ledger, revised annually, containing only the names, alphabetically arranged, of all persons who are members of the corporation, showing their places of residence, if known, and the class of membership held by each.
2. A corporation must maintain the records required by subsection 1 in written form or in another form capable of conversion into written form within a reasonable time.
3. A director or any person who has been a member of record of a corporation for at least 6 months, or at least 5 percent of the members of the corporation, upon at least 5 days' written demand, is entitled to inspect in person or by agent or attorney, during usual business hours, the members' ledger or duplicate ledger and to make copies therefrom. Every corporation that neglects or refuses to keep the members' ledger or duplicate copy thereof open for inspection, as required by this subsection, shall forfeit to the State the sum of \$25 for every day of such neglect or refusal.
4. If the records required by subsection 1 are not made available for inspection at a location within this State pursuant to a proper demand pursuant to subsection 3, the director or other person demanding the inspection may serve a demand upon the corporation's registered agent that the records to be inspected be sent to the demanding director or other person or the agent or attorney thereof. Upon such a demand, the corporation shall send copies of the requested records required by subsection 1, either in paper or electronic form, to the director,

other person, agent or attorney entitled to inspect the requested records within 10 business days after service of the demand upon the registered agent.

5. An inspection authorized by subsection 3 or 4 may be denied to a member or other person upon the refusal of the member or other person to furnish to the corporation an affidavit that the inspection is not desired for any purpose not relating to his or her interest as a member, including, but not limited to, those purposes set forth in subsection 6.

6. It is a defense to any action to enforce the provisions of this section or for charges, penalties or damages under this section that the person suing has used or intends to use the list for any of the following purposes:

(a) To solicit money or property from the members unless the money or property will be used solely to solicit the votes of members;

(b) For any commercial purpose or purpose in competition with the corporation;

(c) To sell to any person; or

(d) For any other purpose not related to his or her interest as a member.

7. This section does not impair the power or jurisdiction of any court to compel the production for examination of the books of a corporation in any proper case.

8. In every instance where an attorney or other agent of the director or member seeks the right of inspection, the demand must be accompanied by a power of attorney signed by the director or member authorizing the attorney or other agent to inspect on behalf of the director or member.

9. The right to copy records under subsection 3 includes, if reasonable, the right to make copies by photographic, xerographic or other means.

10. The corporation may impose a reasonable charge, covering costs of labor, materials and copies of any records provided to the member or director.

(Added to NRS by [1991, 1265](#); A [2003, 3124](#); [2015, 1285](#); [2019, 102](#))

The Corporation's Members and Directors have the right to inspect records per NRS 86.186:

NRS 82.186 Right of members and directors to inspect and copy records; denial of inspection; civil liability; defense to action for penalties or damages.

1. Any director or person authorized in writing by at least 15 percent of the members of the corporation upon at least 5 days' written demand is entitled to inspect in person or by agent or attorney, during normal business hours, the books of account and all financial records of the corporation and to make extracts therefrom. The right of members and directors to inspect the corporate records may not be limited in the articles or bylaws of any corporation.

2. All costs for making extracts of records must be borne by the person exercising rights under subsection 1.

3. The rights authorized by subsection 1 may be denied to a director or member upon the refusal of the director or member to furnish the corporation an affidavit that such inspection, extracts or audit is not desired for any purpose not related to his or her interest in the corporation as a director or member. Any director or member or other person, exercising rights under subsection 1, who uses or attempts to use information, records or other data obtained from the corporation, for any purpose not related to his or her interest in the corporation as a director or member, is guilty of a gross misdemeanor.

4. A director or member who brings an action or proceeding to enforce any right under this section or to recover damages resulting from its denial:

(a) Is entitled to costs and reasonable attorney's fees, if he or she prevails; or

(b) Is liable for such costs and fees, if he or she does not prevail, in the action or proceeding.

5. It is a defense to any action to enforce the provisions of this section or for damages or penalties under this section that the person seeking an inspection of the books of account and financial records, or extracts thereof, has used or intends to use any such accounts and records for any of the following reasons:

(a) For any commercial purpose or purpose in competition with the corporation;

(b) To sell to any person; or

(c) For any other purpose not related to his or her interest as a member or director.

6. The rights and remedies of this section are not available to members of any corporation that makes available at no cost to its members a detailed annual financial statement.

(Added to NRS by [1991, 1266](#); A [2003, 3125](#))

REGISTERED AGENT

The Registered Agent shall be initially Anderson Dorn & Rader Ltd. and shall comply with NRS 82.193.

BOARD OF DIRECTORS

Each Board of Director must meet the qualifications in NRS 82.196:

NRS 82.196 Board of directors or trustees: Number and qualifications of members. Every corporation must be managed by a board of directors or trustees, all of whom must be at least 18 years of age. Every corporation must have at least one director or trustee. All corporations may provide in their articles or bylaws for a fixed number of directors or a variable number of directors within a fixed minimum and maximum, and for the manner in which the number of directors may be increased or decreased. Unless otherwise provided in the articles, directors need not be members. The articles or bylaws may provide that some or all the directors or trustees must be chosen by specified persons or by public official

(Added to NRS by [1991, 1267](#); A [1993, 996](#))

The Board of Directors shall have full control over the affairs of the Corporation as defined in NRS 82.201 and shown below:

NRS 82.201 Board of directors or trustees: General powers.

1. Subject only to such limitations as may be provided by this chapter, or the articles, the board of directors or trustees has full control over the affairs of the corporation.

2. Unless otherwise provided in the articles and subject to the bylaws adopted by the members, if any, directors may make the bylaws of the corporation.

(Added to NRS by [1991, 1267](#))

The Board of Directors may designate Committees as defined in NRS 82.206 and shown below:

NRS 82.206 Committees of board of directors: Designation; powers; names; membership.

1. Unless otherwise provided in the articles or bylaws, the board of directors may designate one or more committees which, to the extent provided in the bylaws or in the resolution or resolutions designating such committee or committees, have and may exercise the powers of the board of directors in the management of the business and affairs of the corporation, and may have power to authorize the seal of the corporation to be affixed to all papers on which the corporation desires to place a seal.

2. The committee or committees may have such name or names as may be stated in the bylaws or as may be determined from time to time by resolution adopted by the board of directors.

3. Each committee must have at least one director. Unless it is otherwise provided in the articles or bylaws, the board of directors may appoint natural persons who are not directors to serve on the committees.

4. No such committee may:

(a) Amend, alter or repeal the bylaws;

(b) Elect, appoint or remove any member of any such committee or any director of the corporation;

(c) Amend or repeal the articles, adopt a plan of merger or a plan of consolidation with another corporation;

(d) Authorize the sale, lease or exchange of all of the property and assets of the corporation;

(e) Authorize the voluntary dissolution of the corporation or revoke proceedings therefor;

(f) Adopt a plan for the distribution of the assets of the corporation; or

(g) Amend, alter or repeal any resolution of the board of directors unless it provides by its terms that it may be amended, altered or repealed by a committee.

(Added to NRS by [1991, 1267](#); A [2009, 1687](#))

The Board of Directors and Officer shall not have any personal liability for an action or inaction so long as acting in good faith, with a view to the interests of the Corporation, and complying with NRS 82.221 as shown below.

NRS 82.221 Directors and officers: Exercise of powers and performance of duties; personal liability.

1. Directors and officers shall exercise their powers in good faith and with a view to the interests of the corporation.

2. In performing their respective duties, directors and officers are entitled to rely on information, opinions, reports, books of account or statements, including financial statements and other financial data, that are prepared or presented by:

(a) One or more directors, officers or employees of the corporation reasonably believed to be reliable and competent in the matters prepared or presented;

(b) Counsel, public accountants or other persons as to matters reasonably believed to be within the preparer or presenter's professional or expert competence; or

(c) A committee upon which the person relying thereon does not serve, established in accordance with [NRS 82.206](#) as to matters within the committee's designated authority and matters on which the committee is reasonably believed to merit confidence,

↳ but a director or officer is not entitled to rely on such information, opinions, reports, books of account or statements if the director or officer has knowledge concerning the matter in question that would cause reliance thereon to be unwarranted.

3. A director or officer must not be found to have failed to exercise his or her powers in good faith and with a view to the interests of the corporation unless it is proved by clear and convincing evidence that the director or officer has not acted in good faith and in a manner reasonably believed by him or her to be with a view to the interests of the corporation.

4. Except as otherwise provided in the articles of incorporation or [NRS 82.136](#) and [82.536](#) and [chapter 35](#) of NRS, no action may be brought against an officer or director of a corporation based on any act or omission arising from failure in his or her official capacity to exercise due care regarding the management or operation of the corporation unless the act or omission involves intentional misconduct, fraud or knowing violation of the law.

5. The articles of incorporation may impose greater liability on a director or officer of a corporation than that imposed by subsection 4.

(Added to NRS by [1991, 1269](#); A [1993, 997](#))

AUTHORITY OF DIRECTORS AND OFFICERS OF THE CORPORATION

Only Officers of the Corporation, acting in their official capacity have actual or apparent authority to bind the Corporation subject to specific limitations that also require approval by the Majority of the Board of Directors. No Member may bind the entity in their capacity as a Member.

NRS 82.216 Authority of directors and representatives of corporation.

1. The statement in the articles or bylaws of the objects, purposes, powers and authorized business of the corporation constitutes, as between the corporation and its directors, officers or members, an authorization to the directors and a limitation upon the actual authority of the representatives of the corporation. These limitations may be asserted in a proceeding by a director or a member entitled to vote for the election of directors or the Attorney General to enjoin the doing or continuation of unauthorized business by the corporation or its officers, or both, in cases where third parties have not acquired rights thereby, or to dissolve the corporation, or in a proceeding by the corporation, a director or a member entitled to vote for the election of directors suing in a representative suit against the officers or directors of the corporation for violation of their authority.

2. No limitation upon the business, purposes or powers of the corporation or upon the powers of the members, officers or directors, or the manner of exercise of such powers, contained in or implied by the articles or bylaws may be asserted as between the corporation, the directors or members and any third person.

3. Any contract or conveyance, otherwise lawful, made in the name of a corporation, which is authorized or ratified by the directors, or is done within the scope of the authority, actual or apparent, given by the directors, binds the corporation, and the corporation acquires rights thereunder, whether the contract is signed or is wholly or in part executory.

(Added to NRS by [1991, 1268](#); A [2003, 3126](#))

Interested Transactions

Any transaction between the Corporation and a Director of the Corporation and an Officer is governed by NRS 82.226 and must have the proper disclosure, noted in the Corporate Minutes, be fair to the Corporation, as further outlined below.

NRS 82.226 Restrictions on transactions involving interested directors or officers; compensation of directors.

1. No contract or other transaction between a corporation and one or more of its directors or officers, or between a corporation and any corporation, firm or association in which one or more of its directors or officers are directors or officers or are financially interested, is void or voidable solely for this reason or solely because any such director or officer is present at the meeting of the board of directors or a committee thereof which authorizes or approves the contract or transaction, or because the vote or votes of common or interested directors are counted for such purpose, if the circumstances specified in any of the following paragraphs exist:

(a) The fact of the common directorship, office or financial interest is disclosed or known to the board of directors or committee and noted in the minutes, and the board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of the

common or interested director or directors.

(b) The fact of the common directorship, office or financial interest is disclosed or known to the members, if any, and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose. The votes of the common or interested directors or officers must be counted in any such vote of members.

(c) The fact of the common directorship or financial interest is not disclosed or known to the director or officer at the time the transaction is brought before the board of directors of the corporation for action.

(d) The contract or transaction is fair as to the corporation at the time it is authorized or approved.

2. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board of directors or a committee thereof which authorizes, approves or ratifies a contract or transaction, and if the votes of the common or interested directors are not counted at the meeting, then a majority of the disinterested directors may authorize, approve or ratify a contract or transaction.

3. Unless otherwise provided in the articles or the bylaws, the board of directors may fix the compensation of directors for services in any capacity.

(Added to NRS by [1991, 1269](#); A [1993, 998, 999](#))

Members

A Corporation may have one or more classes of members per NRS 82.231.

NRS 82.231 Powers of corporation; classes, qualifications and rights of members; term of membership.

1. A corporation may have one or more classes of members or may have no members. In the absence of a provision in its articles or bylaws providing for members, a corporation has no members.

2. A corporation may admit any person as a member. The articles or bylaws may establish criteria or procedures for admission. A person may not be admitted as a member without his or her express or implied consent. For the purposes of this subsection and unless otherwise provided in a corporation's articles or bylaws, consent includes, but is not limited to:

(a) Contracting for or acceptance of products or services from the corporation;

(b) Acceptance of benefits of membership knowing that the benefits are available only to members; or

(c) Taking some other affirmative action that confers benefits of membership.

↳ If the articles or bylaws provide that a person who contributes to the corporation is a member, a contribution is consent.

3. Except as provided in its articles or bylaws, a corporation may admit members for no consideration or for consideration, as is determined by the board.

4. Members are of one class unless the articles establish, or authorize the board or members to establish, more than one class. Members are entitled to vote and have equal rights and preferences in matters not otherwise provided for by the board or members, unless and to the extent that the articles or bylaws have fixed or limited the rights and preferences of members or different classes of members or provide for nonvoting members. The articles or bylaws may fix the term of membership.

5. A corporation may issue certificates showing membership in the corporation.

(Added to NRS by [1991, 1270](#))