

Al Khamsa Bylaws

I. Identity

A. Purpose

This corporation, AL KHAMSA Inc.(Al Khamsa)is incorporated in the state of Tennessee. The purpose of Al Khamsa is to educate the public about Al Khamsa Arabian Horses defined by Al Khamsa in I.C.2. below so that those horses may be available for future generations. (Amended 9/90)

B. Principles

1. Financial

Al Khamsa is a not-for-profit organization. It should avoid long-term accumulation of financial assets for use in day-to-day functions. Where funds are accumulated for publication or other educational purposes, they should be accounted for separately and maintained in a fund or funds from which distribution can only be made for such purposes.

2. Disclaimer

Representations made by Al Khamsa regarding the history, character and/or pedigree of Arabian horses shall be based on information available to Al Khamsa, and shall not be interpreted as statements of fact as to the veracity of historical documents, or the relative accuracy of conflicting records, or as a guarantee of actual pedigree. (Amended 9/90)

3. Impartiality

Al Khamsa will not give preferential treatment to any breeding program, breeding group, individual horse or theory of breeding within the bloodlines of interest to the organization, nor will Al Khamsa make or publish official statements impugning the purity of any Arabian horse, whether of Al Khamsa or other bloodlines.

4. Activity

Al Khamsa may pursue its purpose through such activities as: a) the education of the public about Arabian horses, b)the exchange of ideas and information about them in a friendly and helpful climate, c) the investigation of their history and character, d) the maintenance of a roster of horses of interest to Al Khamsa, and e) the development of a context within the larger Arabian horse community in which those horses will prosper. (Amended 9/90)

C. Al Khamsa Arabian Horses

1. General Principles

The status of horses of interest to Al Khamsa is not entirely governed by written documentation. Al Khamsa will not take, as necessarily authoritative, information concerning the pedigrees of horses from any source(s), including registries.

2. Definition

The horses of primary interest to Al Khamsa, which are called "Al Khamsa Arabian Horses," are those horses in North America that can reasonably be assumed to descend entirely from bedouin Arabian horses bred by horse-breeding bedouin tribes of the deserts of the Arabian peninsula without admixture from sources unacceptable to Al Khamsa. Al Khamsa reserves the right to determine which horses are called "Al Khamsa Arabian Horses." (Amended 9/93)

3. Roster

"Al Khamsa Arabian Horses" are listed in the Al Khamsa Directory and it's sequels. Restrictions on changes concerning the Roster of Al Khamsa horses (which is defined as the list of names of living Al Khamsa breeding stock) and the ancestors thereof will not extend to changes in descriptive material concerning such horses which are in order as a matter of historical record or to routine changes necessary to maintain Al Khamsa publications in a useful, current way.

4. Amendments

Proposals to add or subtract from the Roster of horses, together with supporting evidence, will follow the procedure set forth in Article IX, except that (a) a copy of the proposed Roster amendment, and supporting material, must be received by the President on or before the 1st of November prior to the annual meeting for the following calendar year; (b) the President shall forward a copy of all material to all members of the Board of Directors by November 10th of the same year; and (c) an affirmative vote of the Board of Directors present (amended 10/05) and Third Person Approval by the Advisory Council must be achieved at two consecutive years' annual meetings (amended 9/92) at which there is a Quorum as described in Section III-C-4 (amended 9/95); The Board may act upon the proposal at any official board meeting during the year (amended 10/05).

5. Evidence

The responsibility of providing evidence supporting a proposed amendment to the Roster will belong to the person(s) requesting such amendment. Such evidence for each such horse may include, but not be limited to, a complete pedigree including name(s), strain(s), breeder(s), foaling date(s), circumstances of acquisition and originating bedouin tribe(s) or other source(s) of Foundation Horse(s) in harmony with the sources of animals already accepted as Al Khamsa Foundation Horses.

The Board of Directors may require any other information or make or cause to be made any investigation that in its opinion is pertinent to consideration for Al Khamsa status. Further information from any reliable source will be considered.

If a proposal to add or subtract a horse from the Roster of Al Khamsa, Inc. fails to receive an affirmative vote of the Board of Directors or fails to gain the Third Person Approval of the Advisory Council, said proposals may not be reconsidered for a period of at least 5 years without new evidence or information of substance in the opinion of the Board of Directors such as newly published material, recently discovered historical material, or new translations of historical documents. (Amended 9/95)

II. Participation

A. Principles

Participation in Al Khamsa activities, except as otherwise stated herein, will be open to all persons having an active interest in Al Khamsa Arabian horses. Al Khamsa will not have members. Participation in activities connected to Al Khamsa will not by itself imply responsibility on the part of the participant for actions of Al Khamsa nor does such participation, in and of itself, give the participant standing to bring a cause of action against Al Khamsa, or a director, officer, agent or employee of Al Khamsa. Participants, unless they have met the qualifications and are serving on the Advisory Council, do not have the right to vote on any Al Khamsa business, including amendments to the charter, bylaws, or basis of the roster, nor is Third Party Approval from participants who are not serving on the Advisory Council required in order to amend the charter or bylaws of the corporation. (Amended 9/90)

B. Protection

No director, officer, agent, or employee of Al Khamsa will be held personally liable for work done in good faith in accordance with the bylaws and charter of Al Khamsa.

C. Associate Membership

While Al Khamsa's corporate structure is not based on membership, no prohibition is made against offering supporters of Al Khamsa activities various forms of non-voting association with Al Khamsa, with obligations and privileges as proposed and approved by the Board of Directors. The term "Associate Membership" is adopted as the term used to describe this kind of relationship between Al Khamsa and its supporters.

III. Government

A. Principles

The affairs of Al Khamsa will be under the direction of a Board of Directors. Discussion and voting at official meetings and otherwise will be encouraged as providing valuable indications of the desires and thoughts of active Al Khamsa participants but will not be taken as overriding the responsibility of the directors to conduct the affairs of Al Khamsa according to pertinent statutes, and the charter and bylaws of the organization (amended 10/05).

B. Official Meetings

An annual business meeting will be held at a time and place designated by the Board of Directors. Other noticed meetings (or special meetings if approved by the Board) may be held (amended 10/05). All official meetings of Al Khamsa will be open to the public.

1. Notice

Notice of an official meeting must be so published as to provide reasonable opportunity of attendance by all supporters of Al Khamsa, but in any case official notice must be given not more than sixty(60) nor less than thirty(30) days prior to the date of the meeting. Notice will include itemization of matters upon which votes must be cast by the Advisory Council, including but not limited to amendments to bylaws, charter and roster of horses. (Amended 9/90)

2. Agenda

The order of business at the annual meeting should be approximately as follows:

- a. Meeting of retiring Board of Directors to hear reports, make recommendations on amendments, review activities of and act on recognition of affiliate organizations, and act as nominating committee.
- b. First general session: call to order, reports of old business, ballots. All terms of office end.
- c. Meeting of Board of Delegates to appoint new directors and new President.
- d. Meeting of new Board of Directors to consider new business.
- e. Second general session: call to order, introduction of officers and directors, business, adjourn.

C. Advisory Council (Amended 9/90)

1. The Advisory Council shall consist of all qualified persons, including officers and directors, present at an annual or special official meeting of Al Khamsa.
2. Any adult (age 18 or over) residing in the United States or Canada who has an ownership interest (including spousal interest) in at least one Al Khamsa Arabian Horse, and such other individuals as may be specifically declared as qualified by vote of the Board of Directors, shall be qualified to serve on the Advisory Council.
3. The Advisory Council shall meet only during a noticed or special meeting of Al Khamsa, and its term shall expire at the final adjournment of that meeting (amended 10/05). Its duties shall be to advise the Board of Directors as to the concerns and interest of Al Khamsa's supporters and to issue Third Person Approvals as required by the charter and bylaws, including approvals for amendments to the charter, bylaws, and basis of roster.
4. To issue Third Person Approval, the Advisory Council must consist of a minimum of 35 persons. Each Advisory Councilor shall have one vote, which must be cast in person. Al Khamsa grants no proxy votes. A Majority vote shall constitute a resolution of the Advisory Council, save on matters for which a larger majority is prescribed. (Amended 9/93)

D. Board of Delegates (Amended 9/90)

1. Definition

The Board of Delegates shall be a representative assembly, representing the Board of Directors, Affiliate Organizations, and the Advisory Council. It shall appoint the Board of Directors.

2. Composition

The Board of Delegates shall consist of 3 Delegates from the Advisory Council, a Delegate from each recognized Affiliate Organization, the retiring President, and (after his appointment) the new President. Delegates shall serve a term of approximately 1 year, and in accordance with Article III, Section B2b (amended 10/05).

3. Election

Nominations for Delegates to represent the Advisory Council and for President and Directors shall be presented to the meeting of the Advisory Council by the retiring Board of Directors. Additional nominations shall be invited from the floor. The Advisory Council shall elect 3 Delegates by ballot, and state its preference for President in an advisory ballot.

4. Appointment of Directors

The Board of Delegates will appoint the President. With the incoming President presiding and the outgoing President continuing to serve, the Board of Delegates will appoint a director for each recognized affiliate organization. The delegate of said affiliate may veto said appointment. Three directors at large will be appointed. There will be a minimum of five(5) and a maximum of twenty-one(21) directors on the Board. At times of special need, the limit of 21 may be exceeded by a three-fourths(3/4) vote of the Board. Additional directors at large will be appointed. Directors at large should be chosen with the consideration in view that Tennessee statute provides excellent protection for directors, and that therefore persons in positions of possible legal exposure for Al Khamsa should where possible be included as directors of Al Khamsa. (Amended 9/91)

5. Meetings

The regular meeting of the Board of Delegates will be held during the annual meeting. Special meetings, for the purpose of appointing additional directors, filling vacancies, or removing directors may also be called by any 2 Delegates or any 3 Directors. 2/3 of the Delegates shall constitute a quorum. A resolution shall require a majority of all Delegates save where a larger majority is specified elsewhere in these bylaws. Meetings shall be conducted under the same requirements for notice, temporary chair, electronic participation and action without a meeting as apply to meetings of the Board of Directors. If the Secretary is not present, the Board of Delegates shall appoint one of its members to take and transmit its minutes to the Board of Directors and the Secretary.

E. Corporate Records

At each annual meeting there must be a financial accounting to the Board of Directors and the business meeting including itemization of business for the past year and explanation of the current financial obligations and assets of the organization. The minute book and records of all official votes, correspondence and documents received by and generated for Al Khamsa for the past year, except where restricted by attorney-client privilege, will be available for public examination. All corporate records required to be maintained by Tennessee statute shall be available at the annual meeting for inspection by any supporter. At their stated meetings the Secretary shall present to the Board of Directors all communications directed to the Corporation together with all responses. (Amended 9/90)

F. Financial Policy (Amended 9/90)

The Board of Directors will adopt an annual budget. The Officers of the corporation are authorized to expend the corporation's funds only as specifically designated in the budget adopted by the Board without further authorization by the Board. All other expenditures not provided for in the budget must be specifically authorized by resolution of the Board of Directors.

All negotiable instruments of Al Khamsa will be made in the name of Al Khamsa, Inc., and will be signed by a director designated by the Board of Directors. No person shall have the power to contract debts in the name of Al Khamsa without the authorization of the Board of Directors.

G. Dissolution

A vote for dissolution of Al Khamsa will follow the procedures in Article IX for amendments, with passage requiring a three-fourths (3/4) affirmative vote of the Board of Directors and Third Person Approval requiring a three-quarters(3/4) affirmative vote of the Advisory Council, except that if an annual meeting is not held for two successive years, a majority of all directors may vote to dissolve. Such a vote may be conducted by mail if necessary. In case of dissolution and after payment of all creditors, the remaining assets of the corporation will be handled as specified in the Charter. (Amended 9/90)

H. Parliamentary Authority (Deleted 10/05)

I. Standing Resolutions(Addition 9/90)

Al Khamsa shall maintain a list of standing resolutions which shall include all resolutions of the Board of Directors having a continuing effect.

IV. Board Of Directors

A. Organization

The Board of Directors will consist of the President, the immediate past President, the Secretary-Treasurer, one director for each recognized affiliate organization and directors at large. The duties of the Board will be the overall supervision and operation of the business of Al Khamsa.

B. Meetings

1. Principles

The Board of Directors will meet at least twice during each annual meeting. Additional special meetings may be called as needed by the President or joint action of any five(5) directors. Fair notice of such special meetings of the Board will be a minimum of fourteen(14) days to all directors.

2. Quorum

A quorum for an official meeting of the Board of Directors will be a simple majority of the directors in office. An affirmative vote, except where otherwise described in these bylaws or controlling statute, will be a three-fifths (3/5) majority of the directors present. A director who is available at his own expense and arrangement for electronic participation in a meeting will not be considered absent, although he may be excused from participation by a majority of those participating. Where a quorum of directors is physically present for a meeting of the Board, additional directors need not be contacted for electronic participation, but, if some person present at a meeting solicits electronic participation from an absent director or directors, then an attempt must be made to contact all such directors. Electronic participation will be pursuant to Tennessee statute.

2a. Determining Majority (Added 10/05)

Determining the number of votes required for any majority will be based on the number of Directors present, including those who abstain from voting.

3. Action without a Meeting

The procedure for official Board action without a meeting will be pursuant to Tennessee statute.

C. Term, Vacancy, Removal

The term of each director will be from time of appointment until installation of new directors at the next annual meeting. Vacancies on the Board of Directors may be filled by the Board of Delegates. A director may be removed by action of the Board of Delegates.

D. Executive Committee

The Board of Directors will have the authority to appoint and organize as an Executive Committee of the Board a maximum of eight(8) directors in addition to the President to conduct such affairs of Al Khamsa as the Board may authorize. One member of the Executive Committee will serve as recording officer. The Board may appoint an alternate to automatically replace any vacancy on the Executive Committee.

V. Officers (Amended 9/90)

A. Identity

The Officers of Al Khamsa shall include the President, and a Vice-President, Secretary, Treasurer, and such other officers as may be authorized or appointed by the Board of Directors. The offices of Secretary and Treasurer may be held simultaneously by the same person.

B. Duties

Officers shall perform the duties prescribed by the bylaws and such other duties proper to their office as may be prescribed by the Board, and shall carry out all lawful resolutions of the Board.

C. Principles

Officers of Al Khamsa may be appointed for specific tasks or committee functions by the President, the Board of Directors, or by officers in an appointment chain leading to any of the above. All such appointments may be terminated by their appointing authorities or by the Board, but in any case at the time of installation of new officers at the annual meeting. Employees having executive or administrative function will be officers of Al Khamsa.

D. Term, Vacancy, Removal

Officers shall serve from their appointment until the installation of new officers at the next annual meeting. A vacancy in any office shall be filled by, or as authorized by, the Board of Directors from among its members. Removal of the President, Vice-President, Secretary, or Treasurer shall require a 2/3 vote of the Board taken either at a regular meeting or at a special meeting where notice has been given that such removal shall be a part of the business of that meeting. Removal of an officer from office shall not in itself constitute removal of the officeholder from the Board. If a President is removed from office, the position of past-President shall be treated as vacant. In the absence of the President and Vice-President from a meeting, a temporary chair may be appointed by a majority of the directors present.

E. President

The President, as the presiding officer of Al Khamsa, shall preside at official meetings of Al Khamsa, and at meetings of the Board of Directors, Board of Delegates, and the Executive Committee, and in conjunction with the Executive Committee, administer the day-to-day affairs of Al Khamsa.

F. Vice-President

The Vice-President shall assume and perform the duties of the President in the absence or disability of the President, and assume the office of President in the event of the resignation, removal or death of the President.

G. Secretary

The Secretary, as the corresponding and recording officer of Al Khamsa, shall be responsible for the preparation, maintenance, and filing of all corporate records, reports, and other documents (save for financial records) required by statute, bylaws, and/or the Board of Directors and the Executive Committee.

H. Treasurer

The Treasurer shall serve as custodian of all Al Khamsa funds, and be responsible for the preparation, maintenance, and filing of the financial records and reports of Al Khamsa as required by statute, bylaws, and the Board of Directors and executive Committee.

VI. Affiliate Organizations

A. Identity

Al Khamsa may grant recognition to affiliate organizations (amended 10/05), which shall be separate and distinct organizations from Al Khamsa Inc. There shall be no legal relationship between the Affiliate Organizations and Al Khamsa Inc. The assets and liabilities of Al Khamsa Inc. shall be separate from those of any Affiliate. Neither Al Khamsa Inc. nor any of its officials or supporters shall have any liability for any actions of an Affiliate, its officials or participants. Neither an Affiliate nor any of its officials or participants shall have any liability for the actions of Al Khamsa Inc. nor of any other Affiliate.

B. Recognition

It will be the responsibility of the Board of Directors of Al Khamsa to recognize only those affiliate organizations that in their functions and organizational structures are in continuing harmony with the purpose of Al Khamsa as described in these bylaws.

Affiliate organizations will submit their bylaws to the Board, which may recognize those affiliates holding at least one(1) meeting a year at which at least ten(10) persons are present who are eligible to vote on Al Khamsa matters and who do not vote in other Al Khamsa affiliate organizations.

The Board may assign more stringent requirements for meetings and attendance. Prior to the assumption of any of the privileges of an Affiliate, an organization shall be approved by the Board of Directors. The continued standing of each Affiliate shall be subject to review by the Board. Failure to meet any of the obligations of an Affiliate may result in withholding or withdrawal of the privileges of an Affiliate by the Board of Directors. (Amended 9/90)

C. Privileges

An Affiliate shall have the privilege of using "Al Khamsa" as a part of its name, and the corresponding obligation to conduct its affairs in harmony with the spirit and policies of Al Khamsa, and in a manner which safeguards the reputation and integrity associated with the name of Al Khamsa. (Amended 9/90)

Each recognized affiliate may send a delegate to serve on the Board of Delegates. Affiliate organizations not recognized by the Board of Directors may send a non-voting representative to meetings of the Board of Directors. The representative may request information normally supplied to directors which may be supplied at the pleasure of the Board.

When an affiliate organization's application to host the annual meeting has been accepted by the Board of Directors, it will work cooperatively with the Board and the President to develop an appropriate and satisfying context for the meeting. All expenses of any such meeting will be the responsibility of the host organization. Profits over expenses in excess of \$500 will be furnished to Al Khamsa.

VII. Committees

A. Advisory Committees

Advisory Committees may be established, organized and assigned duties as needed by the President, Executive Committee or the Board of Directors. Each advisory committee will terminate at the annual meeting unless specifically reappointed. An advisory committee may be terminated by its establishing authority.

B. Committees of the Board

Committees with executive and/or administrative function will be Committees of the Board, will be appointed and organized by the Board of Directors and have at least one(1) director as a committee member. Committees of the Board will follow the same procedures for meetings, quorum, and notice as the Board, except that the Committee Chair or any two(2) committee members may call for a special meeting. Action by a Committee of the Board will require a majority affirmative vote of its members. As a condition of accepting appointment, each member of a Committee of the Board should agree to resign from

the committee in the event of missing any combination (totaling three(3) or more) of official committee meetings and/or requests for permission to take votes by mail. Said member may be re-instated by the Board.

C. Assistance (Addition 9/90)

Since participation by its supporters is important to the functioning of Al Khamsa, any supporter may provide information or suggestions, or offer his services to any Committee, which may request and/or accept such assistance or service from any supporter. However, such supporters shall have neither the responsibility nor the authority of voting members of the Committee.

VIII. Policies

A. Correspondence

Official correspondence to Al Khamsa will be received only by the President or the official representative of the office, or as prescribed by statute. (Amended 9/90)

B. Official Policy

The policies and positions of Al Khamsa shall be those prescribed by the charter, bylaws, and resolutions of the Board of Directors. No Affiliate, Officer Director, agent, employee, or any other person shall have the authority to formulate Al Khamsa policy. Al Khamsa shall not be responsible for unauthorized statements made by any person, regardless of the office or position which may be held within Al Khamsa. (Amended 9/90)

C. Publications

In addition to sequels to The Al Khamsa Directory, Al Khamsa may publish, in print or otherwise, material in harmony with the purpose of Al Khamsa. Without approval of the Board of Directors and the inclusion of any necessary disclaimers, Al Khamsa will not publish or allow to be published as of official nature material which is contrary to or apart from matters of substance in whatever sequel of The Al Khamsa Directory is current at time of such publication. The purpose of this provision is not to prevent publication of other material but to insure that such publication is established as private in nature and not considered to be an official act of Al Khamsa. (Amended 9/90)

D. Protection of Name

It will be a responsibility of the President and the Board of Directors of Al Khamsa to prevent inappropriate use of the name "Al Khamsa," symbols associated with Al Khamsa, and concepts identified in the public mind with Al Khamsa. Where practical, publications generated by Al Khamsa will be protected by copyright.

E. Offices (Addition 9/90)

In addition to its principal office, Al Khamsa may have such other offices as the Board of Directors may from time to time designate, and as the business of the corporation may require. The principal office of the corporation shall be located at 1736 South Farmingdale Road, New Berlin IL 62670 (amended 10/05).

IX. Amendments (Amended 9/90)

A. Except as otherwise indicated, these bylaws may be amended by a two-thirds(2/3) affirmative vote of the Board of Directors at an official meeting, provided that a copy of the proposed amendment(s) has been received by the President not less than seventy (70) days prior to such meeting. The President will forward any proposed amendment(s) to the Board of Directors not less than sixty (60) days prior to such meeting.

B. The Board will then report to the Advisory Council its approval of the proposed amendment with the vote of each director indicated. The proposed amendment will not be subject to amendment from the floor. It may be withdrawn by its originator from consideration by the organization at any time prior to vote upon its Third Person Approval by the Advisory Council.

C. The amendment(s) may be considered to be approved if a two-thirds (2/3) affirmative vote of the Advisory Council is received, provided notice of such a vote is accomplished as in III.B.1. above.

D. The Board may elect to modify the proposed amendment. If such modification is not approved by the originator of the amendment, the original amendment will be voted upon. If such modification is approved by the originator of the amendment and is not contrary in essence to information concerning the amendment furnished in the notice of the meeting, the modified amendment may be voted upon.

E. An amendment to the charter, to Article I, to the Roster, a motion to change the state of jurisdiction, or a motion of dissolution will follow the same procedure as an amendment to the bylaws, except that an affirmative vote will require a three-quarters (3/4) vote of the Board and Third Person Approval by a three-quarters (3/4) vote of the Advisory Council. In the case of a Roster amendment, such affirmative vote must be repeated at the next annual meeting at which a quorum is present. (Amended 10/05)

X. Approval and Effective Date

These bylaws replace all previous bylaws, rules and regulations. They will go into effect September 16, 1989. At that time, debts, assets, and obligations for which AL KHAMSA has been responsible under previous bylaws are acknowledged as subject to responsibility under these present bylaws as though there had been no change.