

BY-LAWS
MASSACHUSETTS THOROUGHBRED BREEDERS ASSOCIATION

PURPOSES

The purpose of the Massachusetts Thoroughbred Breeders Association is to promote the business of Thoroughbred horse breeding in the Commonwealth of Massachusetts in order to improve the Thoroughbred race horse and to foster such programs as will ensure the benefit of the Association's members. To this end the Association shall encourage the funding of the Massachusetts Incentive Breeding Fund and the holding of restricted stakes racing as provided in the existing Massachusetts Legislation. The Association shall, at all times, strive to promote the breeding of quality Massachusetts Thoroughbred race horses and to improve the breed. The Association shall further endeavor to promote the holding of restricted non stakes races for Massachusetts Bred Thoroughbred horses.

As Amended by membership meeting on October 26, 2010.

ARTICLE 1
Offices

1. The principal office shall be located in the Commonwealth of Massachusetts.

ARTICLE 2
Annual Meetings of Members

1. All meetings of members for the election of Directors shall be held in the Commonwealth of Massachusetts, such places to be fixed by the Board of Directors.
2. Annual meetings of members shall be held on the fourth Tuesday in October for the purposes of electing a Board of Directors and transacting proper business brought before the meeting. The Board of Directors shall be elected by a plurality.
3. Written notice of the annual meeting stating the date, time and location shall be given to each voting member not less than 21 days before the date of the meeting.

ARTICLE 3
Special Meetings of Members

1. Special meetings of members may be called at any time or for any purpose by the Board of Directors or by such persons authorized by law to do so.
2. Special meetings of members for any purpose, other than the election of Directors may be held at such time and place within the Commonwealth of Massachusetts as shall be stated in the notice of the meeting.
3. Written notice of a special meeting, stating the time, place and purpose shall be given to each member entitled to vote at least 10 days before the date of such meeting.

ARTICLE 4
Quorum and Voting Rights of Members

1. A minimum of fifteen (15) members in good standing and entitled to vote, represented in person only, shall

constitute a quorum at all meetings of the members for the transaction of business except as otherwise provided by statute or by the Articles of Organization. If, however, such quorum shall not be present at any meeting of the members, those members present in person shall have power to adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum shall be present. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

As Amended by membership meeting on October 26, 2010.

2. If a quorum is present, the affirmative vote of a majority of the members represented at the meeting shall be the act of the Association's members as a whole unless the vote of a greater number of members is required by law or the Articles of Organization.
3. Each member in good standing shall be entitled to one vote on each matter submitted to a vote at a meeting of members,
4. Any action required to be taken at a meeting of the members may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all the members entitled to vote with respect to the subject matter thereof.

As Amended by membership meeting on October 26, 2010.

ARTICLE 5 Directors

1. The number of Directors shall be twelve (12). The Directors shall be elected at the annual meeting of members by the regular members, and shall hold office for a period of three years. In addition, there shall be two Alternate Directors, each elected for a one (1) year term, determined in order of number of votes received by nominees following the election of Directors. The Alternate Director receiving the greatest number of votes will be designated as Alternate Number 1; the Alternate Director receiving the second highest number of votes will be designated as Alternate Number 2. In the case of tie votes, the order shall be determined by lot. Alternate Directors shall be entitled to attend all Directors' meetings but shall not be entitled to vote; provided, however, in the event a quorum is not present, one or more Alternate Directors, in the order of their election as set forth above, shall be considered a director for purposes of such meeting and shall be permitted to vote.

Election procedures: At the May meeting of the Board of Directors, the Board shall elect a nominations committee of no less than three Directors, or if an insufficient number of Directors agree to serve, then the President shall appoint sufficient Directors or alternate directors or members to serve on the Committee. The job of Nominating Committee shall be to solicit nominations for Director Positions, to obtain candidate statements from the candidates, and to publish a booklet of candidate statements which shall be furnished and available not later than the August meeting of the Board of Directors, and mailed to members prior to the annual meeting. Board of Director members who are coming up for re-election are not eligible to serve on the Nominating Committee for that year.

Eligibility: A member of the Massachusetts Thoroughbred Breeders Association may nominate himself or herself as a candidate for election if they have been a member for not less than one full year prior to the year of nomination. Directors and Alternate Directors need not be residents of Massachusetts, but shall be members in good standing of the Association and shall have a financial interest in thoroughbred racing through Thoroughbred ownership or ownership of a farm providing services to thoroughbreds. Further, the candidate must have freedom from a history of moral turpitude and must have freedom from conflicts of interest. Issues of eligibility shall be decided by the Board by a majority vote before the Annual meeting, with notice of the Board's decision to be provided to the candidate within 5 business days of the decision. The

candidate may appeal the decision by nominating himself or herself for a Director position in the following calendar year and addressing the Board's concerns. The decision of the Board is final in such issues.

As Amended by membership meeting on October 26, 2010.

2. In the event of any vacancy occurring during a director's term, such vacancy shall be filled from among the Alternate Directors by a 2/3 vote of the directors in office when the vacancy occurs. Any vacancy during an Alternate Director's term shall be filled by a 2/3 vote of the directors in office when the vacancy occurred. In each case the replacement Director or Alternate Director shall hold office for the expired term.
As Amended by membership meeting on October 23, 2007
As Amended by membership meeting on October 26, 2010.
3. The business affairs of the Association shall be managed by its board of Directors who shall exercise all powers of the corporation and do such lawful acts as are not by statute or by the Articles of Organization or by these By-laws directed or required to be exercised or done by the members.
4. The Board of Directors, by a vote in the affirmative of a majority of the Directors shall have authority to establish reasonable compensation of all Directors for service to the corporation as Directors, officers or otherwise.
5. The Board of Directors, by a vote in the affirmative of a majority of the Board of Directors, shall have the authority to remove any Director who fails to attend three (3) consecutive meetings of the Board of Directors without good reason as determined in good faith by the Board of Directors.

As Amended by membership meeting on October 23, 2007
As Amended by membership meeting on October 26, 2010.

ARTICLE 6

Meetings of the Board of Directors

1. Meetings of the Board of Directors, regular or special, shall be held within the Commonwealth of Massachusetts. The Board of Directors, in their discretion, may permit members in good standing to attend meetings of the Board of Directors; provided, however, that at any such meeting at which members are present, the Board of Directors may require such members to leave such meeting. Nothing contained herein shall grant a right to any member to so attend meetings of the Board of Directors.
As Amended by membership meeting on October 23, 2007
2. There shall be a meeting of the Board of Directors, in executive session immediately following the annual meeting of Members for the purpose of electing officers. Thereafter, regular meetings of the Board of Directors shall be held at least quarterly.

As Amended by membership meeting on October 23, 2007
3. Special meetings of the Board of Directors may be called by the Chairman, on five (5) days notice to each Director by written notice. Special meetings shall be called by the Chairman or Secretary in like manner and on like notice upon the written request of two or more Directors.
4. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.
5. Seven (7) Directors shall constitute a quorum for the transaction of business unless a greater number is required by law or by the Articles of Organization. A Director must act in person and not by proxy. The act of a majority of the Directors present at any meeting at which a quorum is present shall be the act of the

Board of Directors, unless the act of a greater number is required by statute or by the Articles of Organization or these By-laws. If a quorum shall not be present at any meeting of the Directors, the Directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

6. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof.
7. Notwithstanding the provisions of Section 5, there shall be required a 2/3 vote of the quorum to take the following actions:
 - a. Raising of dues and fees;
 - b. Naming or firing of any employees or agents; and
 - c. Authorization of expenditures more than Five Thousand Dollars (\$5000.00).
8. Committees: The Director may, by vote of a majority of the Directors then in office, elect from their number an executive or other committees and may by like vote delegate thereto some of or all of their powers except those which by law, the Articles of Organization or these By-laws they are prohibited from delegating. Except as the Directors may otherwise determine, any such committee may make rules for the conduct of its business, but unless otherwise provided by the Directors or in such rules, its business shall be conducted as nearly as may be in the same manner as is provided by these By-laws for the Directors. The Chairman of the Board shall, ex-officio, be a member of each committee so established.

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ARTICLE 7
Notice

Notice given to the board of Directors shall be written and not verbal. Such written notice may be given by mail addressed to such Director or member at his/her address as it appears on the records of the corporation with postage prepaid and notice shall be given at the time it is deposited in the United States mail.

ARTICLE 8
Officers

1. The officers shall be a Chairman, Vice Chairman and Secretary-Treasurer and all shall be residents of the Commonwealth of Massachusetts. There also may be one or more assistant Treasurers and Assistant Secretaries. All of the officers shall be members of the Board of Directors and members of the corporation except for Assistant Treasurers and Assistant Secretaries.
2. At the first meeting after each annual meeting of members of the Board of Directors shall choose the officers for the ensuing year.
3. The Board of Directors may appoint such other officers and agents as it shall deem necessary who shall hold their office for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.
4. The Board of Directors shall determine the salaries of all officers and agents of the corporation.
5. Any officer elected or appointed by the Board of Directors may be removed at any time by affirmative vote of 2/3 majority of the Board of Directors. The Board of Directors of the corporation shall be authorized by a 2/3 majority vote of the Board to fill any vacancy occurring in any office of the corporation. The officers of the corporation shall hold their offices until their duly elected successors are elected and qualify for office.

OFFICERS DESCRIPTION AND DUTIES

Chairman of the Board

6. The Chairman of the Board as Chief Executive Officer shall preside at all meetings of the Members and the Board of Directors. He/she shall have general and active management of the Association and shall have the responsibility to execute all orders, policies, resolutions and other actions of the Board of Directors enacted.
7. The Chairman of the Board shall execute all bonds, mortgages, and other contracts requiring the seal, under the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent of the corporation.

Secretary-Treasurer

8. The Secretary-Treasurer shall attend all meetings of the Board of Directors and all meetings of the members. He/she shall be supervised by the Chairman. The Secretary-Treasurer shall have custody of the record books and of the corporate seal. The Secretary-Treasurer shall have authority to affix the seal to any instrument so requiring it and when so affixed it may be attested by his/her signature. The Board of Directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his signature.

As Amended by membership meeting on October 23, 2007

9. All receipts by the Association from the One Per Cent (1%) of the daily handle deposited at Massachusetts race tracks, less Eight Per Cent (8%) of such amount, shall be deposited by the Secretary-Treasurer in the Bank Account to be used exclusively for the payment of Incentive Awards under Chapter 112 of the Acts of 1991. The name of this account shall be styled "Massachusetts Thoroughbred Breeders Fund."
10. Except as provided in section 9 above, all funds of the Association, including said Eight Per Cent (8%) referred to in the next preceding Section, shall be deposited in a bank Account styled "Massachusetts Thoroughbred Breeders Association – General Account" and shall be used for the proper purposes of the Association, including the payment of expenses and additional deposits to the Massachusetts Thoroughbred Breeders Fund.

As Amended by membership meeting on October 23, 2007

ARTICLE 9 Certificates of Membership

1. The membership of the corporation shall be represented by certificates signed by the President and Treasurer of the corporation. The signatures of the officers upon a certificate may be facsimiles and if an officer is no longer serving his/her signature or facsimile shall have the same effect as if he/she were still serving as an officer.
2. If there is to be more than one class of membership this information shall be set forth upon the face of the certificate of membership and the certificate shall have a statement conspicuously displayed that the corporation will furnish to any member upon request and without any charge a complete statement of the rights limitations and preferences of the members of each class of membership. Any membership certificates subject to such limitations or preference shall so state on the face of the certificate of membership. Lost certificates of membership shall be replaced by the Board of Directors who shall consider and require such terms and conditions as may be deemed necessary to protect the corporation from any claim resulting from the production of said lost certificate or destroyed certificates of membership.

3. Eligibility for membership: Those engaged or interested in the breeding, owning, racing, training of thoroughbred race horses in Massachusetts.
4. If dues are not paid within 90 days from due date of such dues or membership fees, then at the discretion of the Board of Directors, the membership of person or entity may be suspended along with all rights and privileges afforded a member.

As Amended by membership meeting on October 26, 2010.

5. The Corporation shall be able to recognize the exclusive right of a person registered on its books as a member in good standing and to vote as such an owner, and shall not be bound to recognize any equitable or other claim to or interest in such membership on the part of any other person, thereof, except as otherwise provided by the laws of Massachusetts.

ARTICLE 10 Fiscal Year

The Fiscal year of the corporation shall be the year ended December 31.

ARTICLE 11 Seal

The corporation seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal, Massachusetts". The seal may be used by causing it or a facsimile thereof to be affixed in any manner.

ARTICLE 12 Indemnification of Organizational Officers

Each Director, officer and employee shall be indemnified by this corporation against any cost, expense, including attorneys' fees, judgment, liability reasonably incurred by or imposed upon him/her in connection with any action, suit or proceeding, to which he/she may be made a party or with which he/she be threatened, by reason of his/her being a Director, officer or employee of this corporation or of any other corporation which he/she serves or has served as Director, officer or employee at the request of this corporation, whether or not he/she continues to be a Director, officer or employee of this corporation or other corporation at the time such action, suit or proceeding is brought or threatened, except with respect to matters as to which he/she be finally adjudged in any such action, suit or proceeding not to have acted in good faith in the reasonable belief that his/her action was in the best interest of the corporation; in the event of settlement of an action, suit or proceeding brought or threatened, such indemnification shall be limited to matters covered by the settlement as to which this corporation is advised by independent counsel that such Directors, officers and employees in the opinion of such counsel acted in good faith in the reasonable belief that his/her action was in the best interest of the corporation. The foregoing right of indemnification shall be in addition to any rights to which any Director, officer or employee may otherwise be entitled.

ARTICLE 13 Amendments

These By-laws may be altered, amended or repealed or new By-laws may be adopted at any regular or special meeting of the members at which a quorum is present, by the affirmative vote of 2/3 of the members entitled to vote, provided notice of the proposed alteration, amendment or repeal be contained in the notice of such meeting.