

BYLAWS OF IDITAROD TRAIL COMMITTEE
(Amended Effective July 21, 2025)

ARTICLE I
NAME AND LOCATION OF CORPORATION

This corporation shall be known as the Iditarod Trail Committee but may hereinafter be referred to as the "ITC" or as the "Corporation". Its registered address shall be 2100 S. Knik-Goose Bay Rd, Wasilla Alaska 99654

ARTICLE II
PURPOSES

2.1. **Purposes.** The purposes of this Corporation shall be to further interest in sled dog racing; to re-establish and memorialize the Iditarod National Historical Trail, commonly referred to as the Iditarod Trail, in the State of Alaska; to purchase, commission, or otherwise procure, and to publish or otherwise preserve, writing logs, artifacts, journals, paintings, photographs and the like, which shed light on the history of the Iditarod Trail and surrounding areas; to re-establish and possibly purchase interests in land comprising portions of the Iditarod Trail and surrounding areas in order to preserve and memorialize the same; to establish and maintain a meeting place and museum on land owned or leased by the ITC; and to hold regular meetings and other activities, including sled dog races for the recreation, instruction and education of the Corporation's members, as well as the general public.

2.2. **Non-Profit Corporation.** This Corporation is not organized nor shall it be operated for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits or assets, and no part of the profits or net income of the Corporation shall ever inure to the benefit of any entity or individual. On the dissolution or winding up of this Corporation, its assets remaining after payment of, or provision for payment of, all debts and liabilities of this Corporation shall be distributed to a non-profit organization to be designated by the Board of Directors whose purposes are the same as or similar to the purposes of this Corporation and also has qualified for tax exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). If no such organization exists at the time, then such assets shall be transferred to any non-profit organization designated by the Board of Directors which has qualified for tax exempt status under Section 501(c)(3) of the Code.

ARTICLE III
MEMBERSHIP

3.1. **Classes.** There shall be classes of membership composed of those individuals or corporations who are interested in the purposes of the Corporation as above described. Classes shall be as determined by the Board of Directors from time to time.

3.2. Membership Fees. The Board of Directors shall from time to time review and establish membership fees for all of the members.

3.3. Membership Nontransferable. Membership in the Corporation shall not be transferable.

3.4. Termination of Membership. Any member desiring to terminate membership in the Corporation may do so by sending written notice of the member's intent to terminate to the Secretary. Failure to annually renew a membership shall constitute an automatic termination of the membership.

3.5. Persons Required to be Members. In addition to the requirement for all Directors to be members set forth in Section 5.4 of these Bylaws, all race mushers/drivers must be valid members of the Corporation.

ARTICLE IV MEETING OF MEMBERS

4.1. Annual Meeting. The annual meeting of the members shall be held at such time and place in the State of Alaska as the President shall designate with the concurrence of a majority vote of the Board of Directors at a duly called meeting of the Board of Directors; however, such meeting must be held between May 1 and July 30 each year. At least forty-five (45) days prior written notification of said meeting shall be given to the membership. At such annual meeting, the members shall transact such business of the Corporation as may properly come before them.

4.2. Special Meetings. Special meetings of the members may be called at any time by the President, fifty percent (50%) or more of the voting Directors, or at least one hundred (100) members of the Corporation. At least forty-five (45) days prior written notice of all special meetings shall be transmitted to the membership by the Secretary of the Board of Directors. Such notice shall include the purpose of the special meeting.

4.3. Quorum. The presence, either in person or by proxy, of at least ten percent (10%) of the members of record of the Corporation shall constitute a quorum for the transaction of business of all meetings of the members.

4.4. Adjourned Meetings. If any meetings of members cannot be called to order because a quorum is not in attendance, the members who are present may adjourn the meeting to a time not more than forty-eight (48) hours from the time the original meeting was called.

4.5. Parliamentary Procedure. Robert's Rules of Order (in the edition selected by the President) shall govern all meetings of the members of the Corporation unless otherwise provided in these Bylaws.

4.6. Voting. At each meeting of the members, each member shall have the right to cast one (1) vote on each question properly coming before the members. The vote of a majority of those present in person or by proxy shall decide any question properly brought before the members at such meeting unless the question is one upon which, by express provisions of statute, the Articles of Incorporation or these Bylaws, a vote by a different percentage is required in which case such express provisions shall govern and control.

4.7. Closing of Membership Records. For the purpose of determining the number of members in good standing entitled to vote at any meeting of the members, the membership records shall be closed forty-five (45) days prior to the members' meeting.

4.8. List of Members. At least ten (10) days before each annual members' meeting and at least three (3) days before any other meeting of the members, the Secretary shall prepare a current list of all members in good standing entitled to vote at the meeting, arranged in alphabetical order and showing the address of each member. This list shall be subject to inspection by all classes of membership composed of those individuals or corporations who are interested in the purposes of the Corporation, at any time during normal business hours within the respective three (3) or ten (10) day period prior to a meeting.

4.9. Proxies. Every member entitled to vote or execute consents or waivers shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such member and filed with the Secretary. Any proxy duly executed is not revoked and continues in full force and effect until an instrument revoking it or a duly executed proxy bearing a later date is filed with the Secretary; provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution. The granter of the proxy may limit it to specific issues. All valid proxies count towards a quorum.

ARTICLE V GOVERNING BODY

5.1. Board of Directors. The Corporation shall be governed by a Board of Directors which shall have and exercise all the power and authority granted by law. The Board of Directors shall consist of up to fifteen (15) Directors, one of which is designated as the ex-officio, non-voting IOFC Director described in Section 5.2 of these Bylaws, and the remaining eleven (11) of which shall be elected by the Board of Directors. The Board of Directors honors and recognizes the historic importance of the role Joe Redington, Sr., the "Father" of the Iditarod, played prior to his death.

5.2. IOFC Director. The Iditarod Official Finishers Club ("IOFC") shall provide the name of one of its members to the Board of Directors at least thirty (30) days prior to the expiration of the term of the person currently serving in this capacity on the Board of Directors or not more than thirty (30) days after the resignation, death or removal of the person then serving in this position. If the IOFC Director is unable for any reason

to complete a three (3) year term, it is the responsibility of the IOFC to provide the Board of Directors with the name of the person selected to fill the unexpired term of the IOFC Director. The IOFC Director shall be advisory only, shall not have the right to vote on any matter coming before the Board of Directors and shall not be counted for quorum purposes.

5.3. Director Conflicts of Interest. All Directors owe a duty of loyalty to the ITC, which includes a duty to advance the ITC's legitimate interests when the opportunity to do so arises and the obligation to comply with the Corporation's Statement of Principles on Ethical Behavior and Conflict of Interest policy. Accordingly, a Director may not use his or her position, or the ITC's name, property, information or good will, for personal gain or for the gain of a family member (as such term is defined by the Internal Revenue Service from time to time) or entity in which such Director has a legal or financial interest. Each Director is further prohibited from taking advantage, at any time, of an opportunity that is discovered while a Director is serving on the Board of Directors. While serving on the Board of Directors, a Director may not participate as a musher in a race sponsored by the Corporation or be a family member of a musher who has paid an entry fee to run in the next race.

5.4. Directors Must be Members. Every Director must be a valid member of the Corporation.

5.5. Composition of the Board of Directors. The Board of Directors will seek out qualified candidates in various professional fields. Professional fields will emphasize legal, accounting, public relations, governmental and other needs as determined by the Board of Directors. When considering candidates of equal talent for a Director's seat, diversity in the makeup of the Board of Directors will be the deciding factor. The Board of Directors shall endeavor to ensure at all times that at least one Director is a resident of the City of Nome.

5.6. Term of Office. Directors shall serve staggered terms of three (3) years with the intent of having the term of one-third ($1/3^{\text{rd}}$) of the terms of the Directors expire each year. A Director may not serve more than three (3) consecutive terms of three (3) years each unless at least two-thirds ($2/3^{\text{rds}}$) of the voting Directors agree to waive term limits for that Director. Partial terms of less than three (3) years are not counted for purposes of term limits. A Director who has exhausted term limits is not eligible to serve on the Board for a period of one (1) year. Each Director, with the exception of the IOFC Director, shall hold office until the date of the organizational meeting of the Board of Directors described in Section 5.11 first occurring after his or her successor is elected. In the case of the IOFC Director, the Board shall seat the IOFC Director at the first meeting held after receipt of the name of such Director from the IOFC. The 2018 amendments to this Section 5.6 which add term limits will take effect upon the expiration of the term of each director then serving on the Board.

5.7. Election Process. The Board of Directors shall follow the process set forth in this Section 5.7 to elect Directors each year.

5.7.1. Nominating Committee. Not more than thirty (30) days after the annual members' meeting each year, the President shall designate a Nominating Committee consisting of no fewer than three (3) members of the Corporation who are not seeking to be elected to the Board of Directors. A Director who is running for reelection may not serve on the Nominating Committee. At least 30 days prior to the annual meeting, the Nominating Committee shall designate at least one (1) and not more than two (2) nominees for each seat being elected. This Section 5.7.1 shall take effect on July 1, 2018.

5.7.2. Election by Balloting. The Board of Directors shall hold a meeting prior to the annual members' meeting for the purposes of holding elections to fill the open seats on the Board of Directors and conduct such other business as may come before it. Ballots must contain only the names of the persons selected by the Nominating Committee, and secret ballots shall be used unless every Director present agrees to a voice vote.

5.7.3. Votes to Elect. The candidate receiving the greatest number of votes cast for a seat shall be elected to that seat. A majority of the votes is not required to elect a candidate. Cumulative voting is not allowed.

5.7.4. Election and Installation. Directors shall be deemed elected upon completion of the counting of the ballots and shall be installed and take office at the next meeting of the Board of Directors.

5.7.5. Modification, Specific Date. If any date specified above falls upon a legal holiday or Sunday, then such date shall be postponed until the next business day or thereafter. The failure of this Corporation to complete any portion of the nominating or election procedure upon the specific date or dates specified in this Article shall not invalidate an election, provided that if any date is delayed or postponed, then all subsequent dates shall be automatically postponed by a like period.

5.8. Vacancies. Vacancies on the Board of Directors resulting from a Director's death, resignation, inability or failure to serve, or removal from the Board of Directors shall be filled by the Board of Directors, but nothing herein contained shall be construed as requiring the Board of Directors to fill any such vacancy until it sees fit to do so, and during the continuance of any vacancy or vacancies, the remaining Directors shall possess and exercise all the powers and authority vested in the Board of Directors by the Articles of Incorporation and by these Bylaws. The person elected to fill a vacancy shall hold his or her seat as a Director for the remainder of the unexpired term of his or her predecessor.

5.9. Removal for Cause. To the extent permitted under applicable law, two-thirds (2/3^{rds}) of the voting Directors present at any duly constituted meeting at which a quorum is present shall have the right to remove a Director if such Director shall have (i) failed to attend regular meetings of the Board of Directors, (ii) violated the conflict of interest provisions set forth in these Bylaws or otherwise applicable to Directors by law

or the Corporation's policies, or (iii) engaged in conduct determined to constitute good and sufficient cause for removal; provided, however, that such Director shall be entitled

to at least fifteen (15) days prior written notice (delivered personally or by registered mail, return receipt requested) of the meeting at which his or her disqualification is to be voted upon (which notification shall state such fact) and shall be entitled to attend such meeting and speak on his or her behalf. Any Director who does not attend at least two (2) duly called meetings of the Board of Directors during any twelve (12) month period shall have his or her term automatically terminated. Each Director may not have more than four (4) unexcused absences during his or her term on the Board of Directors. In the event of more than four (4) unexcused absences during a Director's term on the Board of Directors, such Director's term shall be automatically terminated. The President of the Corporation may, at his or her discretion, allow Directors excused absences from Board meetings. A "Statement of Principles on Ethical Behavior and Conflict of Interest" will be given to each Director upon election to the Board of Directors. Any behavior/action by a Director which is found by two-thirds ($2/3^{\text{rds}}$) of the voting Directors present at any duly constituted meeting of the Board of Directors at which a quorum is present, to violate the intent of the "Statement of Principles on Ethical Behavior and Conflict of Interest" may result in either censure or removal of that Director from the Board of Directors. It is intended that such disciplinary action be progressive, with a first offense to result in censure for a time period not to exceed sixty (60) days or two (2) Board meetings. Censure is defined as an action taken by the Board of Directors which will in effect temporarily remove a Director for a period of time. The censured Director shall remain a member of the Corporation with all rights and privileges thereto. Any Director may resign from the Board of Directors at any time by giving written notice to the President or Secretary of the Corporation, which resignation shall be effective upon receipt by such officer unless a later date is set forth in the resignation. The acceptance of a resignation shall not be necessary to make it effective.

5.10. Compensation. No compensation shall be paid to a Director for his or her services as a Director with the exception of reimbursement for all reasonable expenses relating to travel for the meetings of the Board which reimbursement must be approved annually by a majority vote of the Board of Directors. No remuneration shall be paid to a Director for services performed by him or her for the Corporation in any other capacity, or for expenses incurred by him or her on behalf of the Corporation, unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors before such services are undertaken or such obligation has been incurred. This requirement for prior approval may be waived by two-thirds ($2/3^{\text{rds}}$) of the voting Directors present at a duly constituted meeting of the Board of Directors at which a quorum is present.

5.11. Organizational Meeting. During each operational year, the Board of Directors shall hold an organizational meeting not more than ten (10) days after each annual members' meeting at such place, date and time as shall be fixed by the Directors at such annual members' meeting. Notice of the organizational meeting shall not be

necessary in order for the organizational meeting to constitute a legally called meeting if a quorum is present. Notwithstanding the time period for holding such meeting set forth herein, such meeting may be delayed for good cause.

5.12. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by a majority of the Directors; provided, however, that at least three (3) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director personally or by mail, telephone or e-mail, and posted on the Corporation's website at least fourteen (14) days prior to the day named for such meeting; provided that the failure to post such information on the website shall not invalidate the actions taken at any regular meeting of the Board of Directors.

5.13. Special Board Meetings. Special meetings of the Board of Directors shall be called by the President or Vice President and at least two (2) other Directors. Notice of special meetings of the Board of Directors shall be given to each Director personally or by mail, telephone or e-mail, and posted on the Corporation's website at least twenty-four (24) hours prior to the day named for such meeting unless the Board gives unanimous consent for a lesser period of notice; provided that the failure to post such information on the website shall not invalidate the actions taken at any special meeting of the Board of Directors.

5.14. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may waive notice of such meeting in writing and such written waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall constitute a waiver of notice by him or her of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

5.15. Quorum. At all meetings of the Board of Directors, a majority of the voting Directors shall constitute a quorum for the transaction of business, and the act of the majority of the voting Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless a larger percentage is required by law or by these Bylaws for such action. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting originally called may be transacted without further notice once a quorum has been attained. Determination of a quorum shall not require or count the attendance of the nonvoting IOFC Director.

5.16. Acting Without Assembling. Any action that may be taken at a meeting of the Board of Directors or of a committee thereof may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by all of the Directors or all of the members of the committee, as the case may be. Without assembling its members, the Board of Directors or any committee thereof may conduct a meeting by communicating simultaneously with each other by means of conference telephones, radios, or similar communications equipment. Because of fiduciary duties owed to the Corporation by each Director, a Director may not designate a proxy to attend a Board or committee meeting.

5.17. Conduct of Business. All business transacted at meetings of the Board of Directors shall be conducted in accordance with Robert's Rules of Order (in the edition selected by the President) unless otherwise provided in these Bylaws.

ARTICLE VI OFFICERS

6.1. Officers. The principal officers of the Corporation shall be a President, Vice President, a Secretary and a Treasurer, each of whom must be currently serving as a voting Director.

6.2. Election of Officers. The officers of the Corporation shall be elected annually by the Board of Directors and shall hold office at the pleasure of the Board. Said election shall take place at the annual organizational meeting of the Board of Directors.

6.3. President. The President shall preside at all meetings of the members and of the Board of Directors. The President shall have all the general powers and duties which are usually vested in the office of President or chairman of a Corporation, including, but not limited to, the power to appoint persons to serve on committees from time to time as the President may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Corporation.

6.4. Vice President. The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If neither the President nor Vice President is able to act, the Board of Directors shall appoint some other Director to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Directors.

6.5. Secretary. The Secretary shall be responsible for the minutes of all meetings of the Board of Directors and the Executive Committee and shall perform such other duties as are incidental to the office. The Secretary shall be responsible for an annual review of the service marks registered to the Corporation and the filing of necessary proof of use and/or the making of renewal application per the laws of the United States governing copyrights, patents, and trademarks, and shall review annually, not more than 60 days prior to the new fiscal year, all leases and legal documents for renewal clauses and other pertinent information deemed necessary for consideration for the Board of Directors. The Board of Directors and/or Executive Committee by resolution may authorize any one or more functions of the Secretary to be delegated, in which case the Secretary shall be absolved of the responsibility of the performance thereof.

6.6. Treasurer. The Treasurer shall be accountable for the funds, financial records and books of account of the Corporation. The Treasurer shall cause the moneys of the Corporation to be deposited in the Corporation's name and shall be responsible for the

submission of financial statements to the Board of Directors and Executive Committee.

The Board of Directors and/or Executive Committee by resolution may authorize any one or more functions of the Treasurer to be deleted, in which case the Treasurer shall be absolved of the responsibility of the performance thereof. The Treasurer shall submit to the Board of Directors and the Executive Committee a statement reflecting the financial condition existing at the close of the preceding month with the exception of the year-end financial report which is to be presented at a regular Board of Director's meeting, and shall perform such other duties as are incidental to the office. The Treasurer must be bonded in an amount determined by the Board of Directors.

6.7. Vacancy of Office. In the event of a vacancy of any office, the vacated office will be filled by a majority vote of the Board of Directors present at the next duly called meeting of the Board of Directors.

6.8. Term of Office. Officers shall serve one-year terms, coincidental with their term of service on the Board of Directors and until their successors are elected. Any or all officers of the Corporation can be removed from their office by a majority vote at a duly called meeting of the Board of Directors.

6.9. Written Ballots. Election of officers in any contested election shall be by written ballot. In an uncontested election, the Board of Directors may elect to waive such a requirement.

ARTICLE VII CORPORATE SEAL

The Board of Directors shall provide a suitable corporate seal containing the name of the Corporation, which seal shall be in the charge of the Secretary.

ARTICLE VIII FISCAL POLICIES

8.1. Fiscal Year. The fiscal year of the Corporation shall commence on July 1 and end on June 30 every year except that the first fiscal year of the Corporation shall begin at the date of incorporation. The fiscal year herein established shall be subject to change by the Board of Directors should corporate practice subsequently dictate.

8.2. Books and Accounts. Books and accounts of the Corporation shall be kept under the direction of the Treasurer and in accordance with standard practices of accounting.

8.3. Depositories and Petty Cash. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

8.4. Inspection of Books. Fiscal reports and the membership records of the

Corporation shall be available at the principal office of the Corporation for inspection at reasonable times by any member or members for a proper purpose and in accordance

with rules established by the Board of Directors consistent with AS 10.20.131(b) and common law interpretations thereof.

8.5. Audit. At the close of business of each operating year, the books and records of the Corporation shall be subject to an audit by a certified public accountant, whose report shall be prepared and certified accordingly. The Board of Directors shall approve the selection of the auditor each year. Based on such report, the Corporation will make available to the members a statement of income and disbursements of the Corporation for each fiscal year.

8.6. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, designated representative(s), in addition to the officers so authorized by these Bylaws, to enter into any such contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Such authorization will be in writing.

8.7. Checks, Drafts, Etc. All checks, drafts or orders for payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, designated representatives, and in such manner as shall from time to time be determined by the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President, Vice President or the Secretary of the Corporation.

8.8. Gifts. The Board of Directors may accept on behalf of the Corporation a contribution, gift, bequest or device for the general purpose or for any special purpose of the Corporation.

ARTICLE IX INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

Every Director, officer, or employee of the Corporation shall be indemnified by the Corporation against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon such Director, officer, or employee in connection with any action, suit or proceeding to which such Director, officer, or employee may become involved, by reason of such Director, officer, or employee being or having been a Director, officer or employee of the Corporation, or any settlement thereof, except in relation to matters in which that person was adjudged, in the action, suit or proceeding, to be liable for negligence or misconduct in the performance of corporate duties. In the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director, officer, or employee may be entitled.

ARTICLE X EXECUTIVE COMMITTEE

10.1. **Composition.** There shall be an Executive Committee of the Board of Directors, which shall be composed of the officers of this Corporation and, at the discretion of the President, as many as three (3) additional Directors who shall be appointed by the President from the voting members of the Board of Directors. In appointing additional Directors to serve on the Executive Committee, the President shall appoint a number which results in an uneven number of voting Directors serving on the Executive Committee, in the aggregate, including the President.

10.2. **Powers.** The powers of the Executive Committee shall be determined by the Board of Directors, except as may be limited by law, and subject to the Executive Committee's obligation to report to the Board of Directors with respect to its activities. The Executive Committee shall have all of the powers of the Board of Directors and may act in the place and stead of the Board of Directors with respect to the transaction of any business of this Corporation. The Executive Committee shall not have the authority to alter decisions made by the Board of Directors.

10.3. **Meetings.** The Executive Committee shall make its own rules as to times, places and notices of meetings and its own rules of procedure. A majority of the Executive Committee shall constitute a quorum for the doing of business.

ARTICLE XI STANDING COMMITTEES

11.1. **Establishment.** Standing committees of the Corporation are: (a) Bylaws Committee; (b) Rules Committee; (c) Budget Committee; (d) Nominating Committee; (e) Qualifying Review Board, and (f) Personal Conduct Committee. The President will annually appoint the chairperson for each committee.

11.2. **Committee Composition.** The Board will adopt charters for each standing committee setting forth the composition, duties and responsibilities of each such committee, and shall amend such charters from time to time as deemed necessary by the Board of Directors. Committee charters will address composition, structure and duties of each standing committee.

11.3. **Special Assignment Committees.** The President may appoint one or more special purpose committees as the President may deem to be appropriate from time to time. The President shall appoint the chairperson of such committees. A special assignment committee is not considered a standing committee and may include Directors and members of the Corporation in good standing.

11.4. **Meetings.** The meetings of all committees shall be held at the call of the chairperson at such times and such places as may be determined by the respective

chairperson. Committee meetings shall be governed by Robert's Rules of Order (in the edition selected by the chair of such committee).

ARTICLE XII RACES

12.1. **Rules.** The Board of Directors, no later than four (4) months before each race sponsored by the Corporation, shall by resolution adopt racing rules to govern such race. The Board of Directors may adopt new rules or amend existing rules less than four (4) months prior to a race if two-thirds ($2/3^{\text{rds}}$) of the voting Directors find that exigent circumstances exist requiring such action to be taken in order to prevent potential or actual harm to the Corporation.

12.2. **Content of Rules.** The racing rules shall include, but not be limited to, the following subjects: entry fee, distribution of proceeds of the race, fees and other contributions to the Corporation with respect to such race, rules governing participants in the race, starting time, date and place of the race, disqualifications, and determination of place of the finish of the race. An official manual shall be approved by the Board to assist in interpreting and enforcing race rules.

12.3. **Race Purse.** The purse amount of any race sponsored by the Corporation shall be determined by the Board of Directors by a two-thirds ($2/3^{\text{rds}}$) majority vote of the voting Directors present at any regular or special meeting, provided that a quorum as prescribed herein is present at any such meeting. The purse amount will remain the same as the prior year's purse amount if a two-thirds ($2/3^{\text{rds}}$) vote specified in this Section 12.3 is not obtained on amounts being voted upon.

12.4. **Priorities.** When a conflict occurs between written instruction in the official manual and verbal interpretation by an official, the written interpretation shall govern.

ARTICLE XIII AMENDMENTS

13.1. **Procedure.** These Bylaws may be altered or amended in whole or in part with the approval of two-thirds ($2/3^{\text{rds}}$) of the voting Directors present at a meeting duly called and held for such purpose at which a quorum is present. Amendments may be proposed by any member of the Board of Directors or by petition signed by at least ten percent (10%) of the members. A general description of the nature of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment shall be voted upon.

13.2. **Effective Date.** Unless otherwise specified in these Bylaws, amendments

become effective immediately after approval in accordance with the process set forth in Section 13.1.