

*American Stock Horse Association Affiliate Incorporation Papers TEMPLATE*

***This template is intended to assist in writing Incorporation Papers for an American Stock Horse Association Affiliate. It is a reference only and should be modified and changed to meet specific requirements of the state in which the affiliate is incorporated. The ASHA Please consult an attorney for specific wording and requirements..***

**Certificate of Formation**

**Non Profit Corporation**

\_\_\_\_\_ **Association, Inc**

I, the undersigned natural person over the age of eighteen (18), acting as an incorporator, adopt the following Certificate of Formation of the \_\_\_\_\_, under the (state)\_\_\_\_\_ Non-Profit Corporation Act (referred to as the "Act"):

**Article I – NAME**

The filing entity being formed is a nonprofit corporation. The name of the Corporation is \_\_\_\_\_.

***(Suggestion: It would be helpful if the name of the State or region were included in the name of the association. This leaves no question as to the location of the association.)***

**Article II – REGISTERED AGENT AND REGISTERED OFFICE**

The initial registered agent is an individual resident of the state whose name is set forth below:

**Article III – MANAGEMENT**

The management of the affairs of the Corporation shall be vested in a Board of Directors.

The number of directors, their qualifications, and manner of election, terms, and other matters relating to the Board of Directors shall be provided in the Bylaws.

The initial Board of Directors shall consist of three persons:

Name of Director

Address

#### **Article IV – MEMBERS**

Membership is open to all persons interested in promoting the purposes of this corporation. The requirements, qualifications, rights, limitations, and obligations of member's shall be provided in the Bylaws.

#### **Article V – PURPOSE**

The Nonprofit Corporation is formed for any lawful purpose or purposes not expressly prohibited under chapters \_\_\_ of the \_(state)\_\_\_\_\_ Business Organizations Code, including any purpose, described by section \_\_\_\_\_ of the Code. The Corporation will stress, but is not limited to, the following more specific purposes:

- 1) Promoting education for western stock horse enthusiasts to ride and train a versatile western stock horse,
- 2) Teaching rider knowledge and skills to maximize horse trainability, performance and safety,
- 3) Offering affordable, fun, and standardized versatile western stock horse educational programs and competitions,
- 4) Perpetuating and preserving the western tradition and heritage of working stock and ranch horses,
- 5) Encouraging the use of standard rules for conducting and judging contests for the versatile western stock horse,
- 6) Defining, promoting and improving the quality of the versatile western stock horse, and to
- 7) Encourage honesty, integrity, respect, sportsmanship and family values

#### **Article VI – MANNER OF DISTRIBUTION**

The Corporation is authorized on its winding up to distribute the assets in a manner other than as provided by section \_\_\_\_\_ of the Code. The manner of distribution is as follows:

Upon dissolution, all of the Corporation's assets shall be distributed to other non-profit corporations with similar goals and objectives if they exist, if not, to the State of \_\_\_\_\_, and in accordance with this Article Six.

The Corporation is organized exclusively for purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under section 501(c)(6) of the Internal Revenue code of 1986 (or the corresponding provision of any future United States Internal Revenue law) or (b) by a corporation contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986 (or corresponding provision of any future United States Internal Revenue law). Upon the dissolution of this Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(6) of the Internal Revenue Code (or corresponding section of any future tax code), or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed by the

Court of Common Pleas of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine which are organized and operated exclusively for such purposes.

The Corporation shall not pay dividends or other corporate income to its members, directors or officers or otherwise accrue distributable profits or permit the realization of private gain. The corporation shall have no power to take any action prohibited by the Act. The corporation shall not have the power to engage in any activities, except to an insubstantial degree, that are not in furtherance of the purposes set forth above.

The Corporation shall have no power to take any action that would be inconsistent with the requirements for a tax exemption under Internal Revenue Code Section 501(c) (6) and related regulations, rulings, and procedures. The Corporation shall have no power to take any action that would be inconsistent with the requirements for receiving tax deductible charitable contributions under Internal Revenue Code Section 170(c)(2) and related regulations, rulings, and procedures. Regardless of any other provision in these Articles of Incorporation or state law, the Corporation shall have no power to:

1. Engage in activities or use its assets in manners that are not in furtherance of one or more exempt purposes, as set forth above and defined by the Internal Revenue Code and related regulations, rulings, and procedures, except to an insubstantial degree.
2. Serve a private interest other than one that is clearly incidental to an overriding public interest.
3. Devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, except as provided by the Internal Revenue Code and related regulations, rulings, and procedures.
4. Participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. The prohibited activities include the publishing or distributing of statements and any other direct or indirect campaign activities.
5. Have objectives that characterize it as an “action organization” as defined by the Internal Revenue Code and related regulations, rulings, and procedures.
6. Distribute its assets on dissolution other than for one or more exempt purposes; on dissolution, the Corporation’s assets shall be distributed to the state government for a public purpose, or to an organization exempt from taxes under Internal Revenue Code Section 501(c) 3 or 501(c) (6) to be used to accomplish the general purposes for which the Corporation was organized.
7. Permit any part of the net earnings of the Corporation to inure to the benefit of any private shareholder or member of the Corporation or any private individual.
8. Carry on an related trade or business except as a secondary purpose related to the Corporation’s primary, exempt, purposes.

**ARTICLE VII - LIMITATION ON LIABILITY OF DIRECTORS**

A Director is not liable to the Corporation or members for monetary damages for an act or omission in the Director's capacity as Director except to the extent otherwise provided by a statute of the State of Texas.

**ARTICLE VIII - INDEMNIFICATION**

The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a Director or other person related to the Corporation as provided by the provisions in the Act governing indemnification. As provided in the bylaws, the Board of Directors shall have the power to define the requirements and limitations for the Corporation to indemnify directors, officers, or others related to the Corporation.

**ARTICLE IX - CONSTRUCTION**

All references in this Certificate of Formation to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

**ARTICLE X – ORGANIZER**

The name and address of the organizer:

**ARTICLE XI - EFFECTIVENESS OF FILING**

This document becomes effective when the document is filed by the secretary of state.

**ARTICLE XII - EXECUTION**

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.

Date:

\_\_\_\_\_

Organizer