

BREEDERS' CUP LIMITED

(New York Not-for-Profit Corporation)

BY-LAWS

TABLE OF CONTENTS

*As amended through April 13, 2011*

ARTICLE I. OFFICES .....	1
ARTICLE II. MEMBERS. ....	1
2.1. Classes of Members .....	1
2.2. Special Assessments .....	1
2.3. Membership .....	1
2.4. Annual Meetings of Members .....	1
2.5. Special Meetings of Members .....	2
2.6. Notice of Meetings.....	2
2.7. Quorum .....	2
ARTICLE III. BOARD OF DIRECTORS. ....	2
3.1. Functions and Definitions .....	2
3.2. Qualifications, Number, and Classification .....	2
3.3. Term and Election of Directors.....	3
3.4. Ex Officio Directors.....	3
3.5. Meetings.....	3
3.6. Call and Notice .....	3
3.7. Quorum, Action and Officers .....	4
3.8. Action Without Meeting .....	4
3.9. Meeting by Conference Telephone.....	4
3.10. Resignation .....	4
3.11. Committees of the Board .....	4
3.12. Contracts or other Transactions .....	5
3.13. Avoidance by the Corporation .....	5
ARTICLE IV. ELECTION PROCEDURES. ....	5
4.1. Nomination of Candidates for Regular Member .....	5
4.2. Election of Regular Members .....	6
4.3. Vacancies and Terms .....	6
4.4. Ties.....	7
4.5. Ballots and Proxies .....	7
4.6. Inspectors at the Meetings of Members .....	7

ARTICLE V. OFFICERS.	7
5.1. Officers Required and Permitted .....	7
5.2. Term of Office; Removal.....	8
5.3. Chairman, Vice Chairman of the Board of Directors .....	8
5.4. President.....	8
5.5. Vice-Presidents .....	8
5.6. Secretary .....	9
5.7. Treasurer .....	9
5.8. Compensation .....	9
ARTICLE VI. REGISTRATION PROGRAM FOR THOROUGHBRED HORSES.	9
6.1. Registration of Stallions and Broodmares .....	9
6.2. Registration of Colts and Fillies .....	9
6.3. Other Fees .....	10
ARTICLE VII. ESTABLISHMENT OF RACES.	10
7.1. General.....	10
7.2. Purses .....	10
ARTICLE VIII. CONTRACTS, LOANS, CHECKS, DRAFTS, BANK ACCOUNTS.	10
8.1. Execution of Contracts.....	10
8.2. Loans.....	10
8.3. Checks, Drafts, etc .....	11
8.4. Deposits.....	11
8.5. General and Special Bank Accounts.....	11
ARTICLE IX. BOOKS AND RECORDS.	11
ARTICLE X. INDEMNIFICATION OF DIRECTORS AND OFFICERS.	11
ARTICLE XI. CORPORATE SEAL	12
ARTICLE XII. FISCAL YEAR	12
ARTICLE XIII. CONTROL OVER BY-LAWS.	12

# BREEDERS' CUP LIMITED

(New York Not-for-Profit Corporation)

## BY-LAWS

### ARTICLE I. OFFICES.

The offices of Breeders' Cup Limited (the "Corporation") within the State of New York shall be located at 825 Eighth Avenue, New York, New York 10019-7415. The office of the Corporation without the State of New York shall be located at 2525 Harrodsburg Road, Lexington, Kentucky 40504. Such offices may be moved and the Corporation may have other offices at such places as the Board of Directors may from time to time determine or as the business of the Corporation may require.

### ARTICLE II. MEMBERS.

2.1. Classes of Members. The Corporation shall have two classes of Members at any time there are capital certificates in the face amount of \$10,000 issued by the Corporation which remain outstanding. One class of members is designated as the Founding Members, the other class of members is designated as the Regular Members (the Founding Members and Regular Members collectively referred to as the "Members").

2.2. Special Assessments. The Corporation may not levy initiation fees, dues, or assessments on its Members.

2.3. Membership. At the annual meeting of Members, each person holding a capital certificate in the face amount of \$10,000 or more shall be entitled to elect one person to serve as a Member of the Corporation for a period of two years and until a successor is appointed, and the members so elected shall be Founding Members. The Regular Members shall be (a) the holder of any other outstanding capital certificate issued by the Corporation, (b) each former President of the Corporation who served in such capacity for at least two years and was in good standing at the time of resignation or retirement, and (c) 39 at-large Regular Members of the Corporation. The 39 at-large Members shall be divided into two classes with as equal the numbers of members as possible and with each class having staggered terms of four years. In the event any Member having a remaining term of one year or more is elected to a four-year term on the Board of Directors, the term of such Member shall be extended to coincide with the term on the Board of Directors. Otherwise, Members shall be elected in accordance with the procedures set forth in Article 4.

2.4. Annual Meetings of Members. A meeting of Members shall be held annually for election of directors and the transaction of other business during the month of July in each year at such time and place within Fayette County, Kentucky, as may be specified by the Chairman of the Board or on such other date and at such other location as may be specified by the Chairman of the Board. At the annual meeting, the Board of Directors shall present the financial

statements of the Corporation and reports required by Section 519 of the Not-for-Profit Corporation Law.

2.5. Special Meetings of Members. Special meetings of the Members, for any purpose or purposes, may be called by the Chairman of the Board, the President, or the Board of Directors, and shall be called by the President at the request in writing by Members entitled to cast 25 percent of the total number of votes entitled to be cast at such meeting. Special meetings shall be held at such time and place as may be specified by the president or Board of Directors, or if not so specified, at 10:00 a.m. local time at the offices of the Corporation within Fayette County, Kentucky. The notice for such meetings shall state the purpose or purposes thereof and indicate at whose request the meeting is being called.

2.6. Notice of Meetings. Written notice of meetings of Members, stating the place, date and hour shall be given personally, by first class mail, by facsimile transmission, electronic mail or by other generally accepted means of business communication not less than 10 nor more than 50 days before the date of the meeting to each Member entitled to vote at such meeting.

2.7. Quorum. The Members entitled to cast a majority of votes entitled to be cast by the Members at a meeting shall constitute a quorum for the transaction of any business permitted to be voted upon by the Members, voting as a single class. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any Members. The Members present may adjourn the meeting despite the absence of a quorum.

### ARTICLE III. BOARD OF DIRECTORS.

3.1. Functions and Definitions. The affairs of the Corporation shall be directed by the Board of Directors except as otherwise provided by law or by these By-laws. The phrase "entire Board" as used herein refers to the total number of directors entitled to vote which the Corporation would have at the time if there were no vacancies.

3.2. Qualifications, Number, and Classification. At the time of election, each director shall then be or shall have been elected to become a Member of the Corporation and shall be at least 18 years of age, but need not be a resident of the State of New York. The Board of Directors shall consist of 13 at large directors or such other number as shall be specified by the Members of the Corporation at the annual meeting of Members; provided, however, that no such specification shall reduce the term of any incumbent director. The directors elected at large shall be divided into four classes which classes shall be as nearly equal in number as possible and shall not have terms expiring in the same year. Any person who would not be eligible for renewal of an applicant's license under the provisions of Section 230.280(2)(f) of the Kentucky Revised Statutes or who would be subject to revocation of an owner's license under Section 220.2 of the New York Racing, Pari-Mutuel Wagering and Breeding Law shall not be qualified and may not be elected to serve as a member of the Board of Directors. If a person is serving as a member of the Board of Directors at the time of the happening of an event that disqualifies the

person from serving on the Board of Directors, the person shall automatically be suspended and at the next meeting of the Board of Directors shall be deemed removed as a director unless the Board of Directors shall defer such action pending exhaustion of judicial remedies. The provisions of this section shall apply whether or not the person has obtained or holds such licenses. Requirements for initial application of licenses, such as ownership of facilities, racing dates, or entering horses to run in specific jurisdictions shall be disregarded. Any Member of the Board of Directors serving at large may be removed at any time without cause by a majority of the Members at a duly constituted meeting.

3.3. Term and Election of Directors. Each class of directors shall have a term of four years. At each annual meeting of Members directors shall be elected to hold office until the expiration of the term for which they are elected and thereafter until a successor has been elected and qualified. Notwithstanding the provisions of Section 3.9, any director who shall fail to attend in person three consecutive duly called meetings of the Board of Directors of the Corporation for which at least four week's prior notice has been given shall cease to be a member of the Board of Directors, and the vacancy thereby created shall be filled as provided herein. In the event such absences are for good cause, as determined by the Chairman, the Board of Directors may waive the termination of the person's position on the Board of Directors.

3.4. Ex Officio Directors. In addition to the at large directors, the following persons shall be ex officio members of the Board of Directors: the President, Vice President, Treasurer, and Secretary of the Corporation; provided, however, that only the President shall be entitled to cast a vote on any action considered by the Board of Directors. In the event of a tie vote on any matter considered by the members of the Board of Directors, the vote of the President shall be disregarded and the matter again considered by the Board of Directors without a vote by the President.

3.5. Meetings. The Board of Directors shall meet for the purpose of organization, the election of officers and the transaction of other business, which meeting shall be held on the date, not later than September 30, that the Board of Directors holds its first meeting after the annual meeting of members. Such meeting may be held at any other time or place which shall be specified in a notice thereof given as provided herein. Other meetings shall be held at such time as the Board of Directors shall fix. Meetings shall be held at such place within or without the State of New York as shall be fixed by the Board of Directors.

3.6. Call and Notice. No call or notice shall be required for regular meetings for which time and place have been fixed by the Board of Directors or for the Annual Meeting. Special meetings may be called by the Chairman of the Board, the Vice Chairman of the Board, the President or by any two other officers jointly. Written, oral (by telephone or otherwise), or other mode of notice of the time and place shall be given for special meetings at least 24 hours prior to the meeting. The notice of any meeting need not specify the purpose for the meeting. Any requirement of notice shall be deemed effectively waived by any director who signs a

waiver of notice before or after the meeting, or who attends the meeting without protesting the absence of notice to him either before or at commencement of the meeting.

3.7. Quorum, Action and Officers. A majority of the Board of Directors or of any committee thereof (or such greater number as may be required by the New York Not-for-Profit Corporation Law) shall constitute a quorum, provided, however, that in the event the notice of meeting included a statement that urgent action was required, the Chairman of the Board, or in his absence the Vice Chairman of the Board may reduce the number required for a quorum to not less than five. The directors present at any meeting may adjourn such meeting without a quorum present. The Chairman of the Board, if present, and in the absence of the Chairman, the Vice Chairman, if present, shall preside at all meetings. Otherwise, the President or any director chosen by the directors present at any meeting shall preside. The secretary, or in his absence, a person approved by the chairman of the meeting, shall act as secretary of each meeting.

3.8. Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board of Directors consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board of Directors shall be filed with the minutes of the proceedings of the Board of Directors.

3.9. Meeting by Conference Telephone. Any one or more members of the Board of Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

3.10. Resignation. Any director may resign by delivering his written resignation to the president or the secretary, and such resignation shall take effect on the date specified in such resignation, or if not specified, upon receipt by such officer. Acceptance of such resignation shall not be required for it to be effective.

3.11. Committees of the Board. The Corporation shall have an Appeals Board, an Audit Committee, a Compensation Committee, an Investments Committee, and a Racing and Nominations Committee. The Compensation Committee shall be a standing committee of the Board of Directors and shall have all authority of the Board of Directors with respect to the salaries, wages, and benefits of employees of the Corporation; provided, however, that the compensation of employees of the Corporation who are officers or directors of the Corporation shall be presented to the Board of Directors for approval; and provided, further, however, that incentive and bonus compensation plans shall be submitted to the Board of Directors for approval. The Appeals Board shall have all authority of the Board of Directors with respect to appeals made in accordance with the nominating and racing programs operated by the Corporation. The Investments Committee shall have all authority of the Board of Directors with respect to the Corporation's funds and their investment on a long or short term basis, including

the professional managers to be retained with respect to such matters. The Board of Directors by resolution adopted by a majority of the entire Board, may designate from among its members other committees from time to time. All committees established hereunder or by the Board of Directors shall consist of three or more directors and such other persons as the Board of Directors shall approve; provided, however, that only the Appeals Board, the Compensation Committee, and the Investments Committees shall have, to the extent provided herein or in resolutions adopted by the Board of Directors, the authority of the Board and no committee shall have authority as to the matters prohibited by Section 712 of the Not-for-Profit Corporation Law.

3.12. Contracts or other Transactions. No contract or other transaction between the Corporation and one or more of its directors or officers, or between the corporation, firm, association or other entity in which one or more of its directors are directors or officers, or have a financial interest, shall be either void or voidable for this reason alone or by reason alone that such director or directors or officer or officers are present at the meeting of the Board, or of a committee thereof, which authorizes such contract or transaction, or that his or their votes are counted for such purpose: (i) if the material facts as to such director's or officer's interest in such contract or transaction and as to any common directorship, officership or financial interest are disclosed in good faith or known to the Board or committee, and the Board or committee authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of such interested director or officer; or (ii) if the material facts as to such director's or officer's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the members entitled to vote thereon, if any, and such contract or transaction is authorized by vote of such members. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes such contract or transaction.

3.13. Avoidance by the Corporation. If there was no disclosure, knowledge or vote as provided in the preceding section, the Corporation may avoid the contract or transaction unless the party or parties thereto establish affirmatively that the contract or transaction was fair and reasonable to the Corporation at the time it was authorized by the Board, committee or the members.

#### ARTICLE IV. ELECTION PROCEDURES.

4.1. Nomination of Candidates for Regular Member. In each even numbered calendar year, each person who nominated a stallion for the breeding season in the prior year and each person who nominated a weanling or older Thoroughbred in the prior year shall be entitled to propose candidates for election as a Member of the Corporation but may not propose more candidates than there are vacancies to be filled at the next annual meeting of Members. For each vacancy, each program nominator shall have one vote for each weanling and older Thoroughbred nominated and one vote for each \$500 paid in stallion nomination fees. Each person receiving 50 votes or more and who consents to run for membership shall be included on a ballot unless the Board of Directors elects to exclude such person from the ballot in the interests of the

Corporation. If fewer than 20 persons receive 50 votes for candidacy, the Board of Directors of the Corporation may add additional nominees to the ballot. A ballot listing the candidates together with a biographical summary shall then be sent to each person who nominated a stallion for the breeding season in the prior year and to each person who nominated a weanling or older Thoroughbred in the prior year, and each such program nominator shall have one vote for each weanling or older Thoroughbred nominated and one vote for each \$500 paid in stallion nomination fees. The biographical summary may be limited or edited in accordance with standards established from time to time by the Board of Directors, which may include substantiation of current and former employment, professional associations, and the like. If requested by a person listed on the ballot, the Corporation may, at its option, mail solicitation materials to program nominators when appropriate as determined by the Corporation's legal counsel, at the expense of the person requesting the same. The ballots shall be tabulated by an independent firm selected by the Corporation.

4.2. Election of Regular Members. At the annual meeting of Members, the names of the persons receiving the most votes from the program nominators up to the total number of vacant memberships (whether created by death, retirement, alteration of the term of a Member pursuant to Section 2.3 as the result of an election to the Board of Directors, or otherwise) plus the number of memberships scheduled to expire at the annual meeting shall be presented to the Members and nominated for election as Regular Members. Such persons may also attend the annual meeting as observers until elected. The Members shall also be entitled to nominate additional candidates from the floor at the annual meeting. After nominations have closed, the election of the new Members shall be conducted. The Founding Members and the Regular Members, voting as a single class, shall be entitled to elect at large by a plurality of the votes cast at a meeting at which a quorum is present for the transaction of such business the at large Regular Members of the Corporation. For this purpose the election of each Member shall be a separate action of the Members. The annual meeting of Members shall first elect the new at large Regular Members of the Corporation with the newly elected Regular Members of the Corporation taking office immediately, and thereafter the Members of the Corporation as so newly constituted shall elect the members of the Board of Directors by a plurality of the votes cast. The ballots shall be tabulated by an independent firm selected by the Corporation.

4.3. Vacancies and Terms. Vacancies occurring among the Regular Members may be filled by the remaining Members at the next annual meeting. In the event the term of a Member is extended pursuant to Section 2.3 as the result of an election to the Board of Directors, such Member shall first be designated to serve any vacancy in the next class of Members so that each class continues to have the same number of Members and otherwise shall be added to the next class of Members. Other vacancies shall be filled with the candidates receiving the largest number of votes becoming newly elected members with four-year terms, and other vacancies shall be filled so that the remaining candidates with the largest number of votes are elected in order for the longer terms. Vacancies occurring among the directors may be filled by the remaining directors; except that, if a vacancy remains unfilled for six months after it occurs, and by reason of the absence, illness or other inability of one or more of the remaining directors a



quorum of the board cannot be obtained, the remaining directors, or a majority of them, may appoint a director to fill such vacancy. A director elected or appointed to fill a vacancy shall hold office until the next annual meeting at which the election of directors is in the regular order of business and thereafter until his successor is elected and qualified.

4.4. Ties. In any election for Members or for the Board of Directors in which a tie shall occur for the final position, a run-off election shall be held among the candidates who received the same number of votes. In the event of ties in a run-off election, the process shall be repeated until the same result occurs on successive ballots, in which case the Chairman or Vice Chairman of the Board of Directors shall select a candidate by lot and cast the deciding vote.

4.5. Ballots and Proxies. Every Member entitled to vote at a meeting of Members or to express consent or dissent without a meeting may authorize another person or persons to act for him by proxy. Every proxy must be in writing and signed by the Member or his attorney in fact. No proxy shall be valid after the expiration of 11 months from the date thereof unless otherwise provided in proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except as otherwise provided by law.

4.6. Inspectors at the Meetings of Members. The Board of Directors, in advance of any meeting of Members, may appoint one or more inspectors to act at the meeting or any adjournment thereof. If inspectors are not so appointed, the person presiding at a meeting of Members may, and on the request of any Member entitled to vote thereat shall, appoint one or more inspectors. In case any person fails to appear or act, the vacancy may be filled by appointment made by the Board of Directors in advance of the meeting or at the meeting by the person presiding thereat. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors shall determine the number of Members and the voting power of each represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result, and do such acts as are proper to conduct the election or vote with fairness to all Members. On request of the person presiding at the meeting or any Member entitled to vote thereat, the inspectors shall make a report in writing of any challenge, question or matter determined by them and execute a certificate of any fact found by them. Any report or certificate made by them shall be prima facie evidence of the facts stated and of the vote as certified by them.

#### ARTICLE V. OFFICERS.

5.1. Officers Required and Permitted. The Board of Directors shall elect a Chairman of the Board, a president, a treasurer, and a secretary. The Board of Directors may elect a Vice Chairman and such subordinate officers as it shall deem appropriate. Except for the offices of president and secretary, any two or more offices may be held by the same person.

5.2. Term of Office; Removal. Unless otherwise provided in the resolution of election or appointment, each officer shall hold office until the next annual meeting of the Board of Directors and thereafter until his successor has been elected and qualified. The Board of Directors may remove any officer for cause or without cause.

5.3. Chairman, Vice Chairman of the Board of Directors. The Chairman of the Board of Directors may be chosen by the Board of Directors at any meeting of the Board from among the elected members of the Board of Directors, and his tenure shall commence immediately upon election and continue until the next annual meeting of the Board of Directors following the second anniversary of the election, or until his successor is chosen, whichever occurs first. The Vice Chairman of the Board of Directors may be chosen by the Board of Directors at any meeting of the Board from among the elected members of the Board of Directors, and his tenure shall commence immediately upon election and continue until the next annual meeting of the Board of Directors following the second anniversary of the election, or until his successor is chosen, whichever occurs first. No person may, however, be elected to serve as Chairman of the Board for more than two (2) consecutive terms, and no person may be elected to serve as Vice Chairman of the Board for more than two (2) consecutive terms. The Chairman of the Board of Directors, or in his absence the Vice Chairman of the Board of Directors shall preside at all meetings of the Board of Directors and at meetings of the Members. In addition, the Chairman of the Board shall have such powers and perform such duties as the Board may prescribe. Except as otherwise provided by law, the corporate charter, these By-laws, or the Board, the Chairman shall have plenary authority to perform all duties as may be assigned to him from time to time by the Board of Directors. In the event of the death, disability or absence of the Chairman of the Board of Directors from the United States, the Vice Chairman shall have the authority of the Chairman.

5.4. President. The president shall be the chief executive officer of the Corporation and, in the absence of the Chairman of the Board and Vice Chairman of the Board, shall preside at all meetings of Members and at all meetings of the directors. The president shall be an ex-officio member of the Board of Directors, and all standing and other committees and shall, in general, supervise and manage all the business and affairs of the Corporation, subject to the control of the Board of Directors. The president shall have power to sign capital certificates of the Corporation and to sign and execute all contracts and instruments of conveyance in the name of the Corporation, to sign checks, drafts, notes and orders for the payment of money, and to appoint and discharge agents and employees, subject to the approval of the Board of Directors. The president shall perform all the duties usually incident to the office of president.

5.5. Vice-Presidents. The vice-presidents, in the order of their election, shall in the absence or the disability of the president, perform the duties and exercise the powers of the president. Each vice-president shall have such powers and perform such duties as may be delegated by the president or prescribed by the Board of Directors. The first elected vice president in the event more than one vice president shall be elected shall be an ex-officio member of the Board of Directors.

5.6. Secretary. The secretary shall, if present, keep the minutes of all meetings of the Board of Directors in one or more books provided for that purpose; shall see that all notices are duly given in accordance with these By-laws and as required by law; shall be custodian of the seal of the Corporation and shall affix and attest the seal to all documents to be executed on behalf of the Corporation under its seal; and, in general, the secretary shall perform all the duties incident to the office of secretary and such other duties as may from time to time be assigned by the Board of Directors. The secretary shall be an ex-officio member of the Board of Directors.

5.7. Treasurer. The treasurer shall have the general care and custody of the funds and securities of the Corporation, and shall deposit all such funds in the name of the Corporation in such banks, trust companies or other depositories as shall be designated in accordance with these By-laws; and shall receive and give receipts for money due and payable to the Corporation from any source whatsoever. The treasurer shall, in general, perform all other duties incident to the office of treasurer and such other duties as from time to time may be assigned or delegated by the Board of Directors. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. The treasurer shall be an ex-officio member of the Board of Directors.

5.8. Compensation. Neither the Chairman of the Board of Directors nor the Vice Chairman of the Board of Directors shall be an employee of the Corporation or be compensated for serving in such position. The compensation, if any, to be paid by the Corporation to others for serving as officers of the Corporation shall be fixed from time to time by the Board of Directors. No officer shall be prevented from receiving such compensation because he is also a director of the Corporation.

#### ARTICLE VI. REGISTRATION PROGRAM FOR THOROUGHBRED HORSES.

6.1. Registration of Stallions and Broodmares. The Board of Directors may by resolution establish a register for stallions and/or a register for broodmares. Registration shall be on such terms and conditions, and upon such payment of fees, as such resolution shall specify. The get of registered stallions and the get of registered broodmares may be permitted to race for purses to which contribution shall be made by the Corporation in such manner and on such terms and conditions as the Board of Directors may from time to time specify.

6.2. Registration of Colts and Fillies. The Board of Directors may permit the registration of colts and fillies upon payment of registration fees to be specified by the Board of Directors, and upon such other terms and conditions as the Board of Directors by resolution may specify. Such registration fees may be on a sliding scale basis, with larger fees payable by older Thoroughbreds than by younger Thoroughbreds. All such colts and fillies that may be registered may be permitted to participate in races on the same basis as the get of registered stallions and registered broodmares.

6.3. Other Fees. The Board of Directors may by resolution require the payment of weanling fees, yearling fees, two-year old fees, three-year old fees, and/or four-year old and up fees by registered colts and registered fillies in order that such colts and fillies remain eligible on the same basis as the get of registered stallions and/or registered broodmares to compete for purses to which the Corporation shall contribute, all on such terms and conditions as the Board of Directors by resolution may set forth. In addition, the Board may by resolution require the payment of fees, in amounts equal to or less than the fees specified in the previous sentence, in order to establish and/or maintain in effect the registrations of the get of registered stallions and/or registered broodmares, all on such terms and conditions as the Board of Directors by resolution may set forth.

#### ARTICLE VII. ESTABLISHMENT OF RACES.

7.1. General. The Corporation shall establish a race or races for Thoroughbred horses (the "Races") in which the get of registered stallions and/or registered broodmares, and registered colts and fillies may be permitted to compete. In addition, the Board of Directors may by resolution specify whether, and on what conditions, the get of registered stallions and/or registered broodmares, registered colts and fillies, and other Thoroughbred horses, respectively, may compete in any Race. Such conditions on competitors for a Race may include such matters as the Board of Directors shall, in its sole discretion, deem relevant including, without limitation, the age, gender or parentage of the competitors.

7.2. Purses. The Corporation may contribute to purses for Races and may solicit contributions to such purses from others including, without limitation, owners of Thoroughbreds competing in a Race, all as the Board of Directors by resolution may specify.

#### ARTICLE VIII. CONTRACTS, LOANS, CHECKS, DRAFTS, BANK ACCOUNTS.

8.1. Execution of Contracts. Except as otherwise required by law or by these By-laws, the president or the chief operating officer, subject to the control of the Board of Directors, may execute and deliver any contract or other instrument in the name and on behalf of the Corporation, and the Board of Directors may authorize any other officer or officers, assistant or assistants, agent or agents, or attorney or attorneys, to execute and deliver any contract or other instrument in the name and on behalf of the Corporation, and such authority may be general or confined to specific instances.

8.2. Loans. No loan or advance shall be contracted on behalf of the Corporation, and no negotiable paper shall be issued, endorsed or accepted in its name, unless authorized by the Board of Directors. Any such Board authorization may be general or confined to specific instances. Any officer, assistant, agent or attorney of the Corporation so authorized may effect loans and advances at any time for the Corporation from any bank, trust company or other institution, or from any firm, corporation or individual, and when authorized as aforesaid, as security for the payment of any and all loans, advances, indebtedness and liabilities of the

Corporation, may mortgage, pledge, hypothecate or transfer any property then owned or held or thereafter acquired by the Corporation, and to that end execute instruments of mortgage or pledge or otherwise transfer such property.

8.3. Checks, Drafts, etc. All checks, drafts, bills and other negotiable instruments and orders for the payment of money issued in the name of the Corporation, and all notes or other evidences of indebtedness of the Corporation, shall be signed by such officer or officers, assistant or assistants, agent or agents, attorney or attorneys of the Corporation as shall from time to time be determined by resolution of the Board of Directors. Each such officer, assistant, agent or attorney shall give such bond, if any, as the Board of Directors may require.

8.4. Deposits. All funds of the Corporation not otherwise employed or invested 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 designate, or may be designated by any officer or officers, agent or agents, or attorney or attorneys of the Corporation to whom such power shall have been delegated by the Board of Directors. For the purpose of deposit and for the purpose of collection for the account of the Corporation, the president, the executive director or the treasurer (or any other officer or officers, assistant or assistants, agent or agents, or attorney or attorneys of the Corporation as shall from time to time be determined by the Board of Directors) may endorse, assign and deliver checks, drafts and other orders for the payment of money which are payable to the order of the Corporation.

8.5. General and Special Bank Accounts. The Corporation may from time to time authorize the opening and keeping of general and special bank accounts with such banks, trust companies or other depositories as the Board of Directors may designate or as may be designated by any officer or officers, assistant or assistants, agent or agents, or attorney or attorneys of the Corporation to whom such power shall have been delegated by the Board of Directors. The Board of Directors may make such special rules and regulations with respect to such bank accounts, not inconsistent with the provisions of these By-laws as it may deem expedient.

#### ARTICLE IX. BOOKS AND RECORDS.

The Corporation shall maintain correct and complete books and records of account and shall keep minutes of the proceedings of the Board of Directors, or any committee which the Board of Directors may appoint. Except for books and records required by law to be kept in New York, the books and records may be kept within or without the State of New York, at such place as the Board of Directors shall determine.

#### ARTICLE X. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Any director or officer of the Corporation (or the heirs, executors and administrators of such person) shall be indemnified by the Corporation to the full extent permitted under the

provisions of the Not-for-Profit Corporation Law of the State of New York or other applicable law.

ARTICLE XI. CORPORATE SEAL.

The corporate seal, if any, shall be in such form as the Board of Directors shall prescribe.

ARTICLE XII. FISCAL YEAR.

The fiscal year of the Corporation shall end on December 31. The fiscal year may be changed by the Board of Directors.

ARTICLE XIII. CONTROL OVER BY-LAWS.

By-laws may be amended, modified or adopted by a majority of the Members, except that Article 2 of the By-laws and any other provision relating to membership may only be amended, modified, or adopted by action of a majority of all the Members of the Corporation and so long as any \$10,000 capital certificates outstanding, a majority of the Founding Members voting as a class.

The undersigned, Robert M. Watt, III, Secretary of Breeders' Cup Limited, hereby certifies that the foregoing is a true and correct copy of the By-Laws of Breeders' Cup Limited duly adopted by the Members of Breeders' Cup Limited.

Robert M. Watt, III, Secretary