

KENTUCKY DERBY FESTIVAL FOUNDATION, INC.

BYLAWS

ARTICLE 1: TAX QUALIFICATION

1.1 Tax Qualification. The Corporation shall be a publicly supported charity as defined and described in section 509(a)(2) of the Internal Revenue Code of 1986, as amended (and any corresponding provisions of any subsequent federal tax laws)(the “Code”). The Corporation, its officers, directors, and agents, shall do nothing which conflicts with this purpose.

1.2 Control by Disqualified Persons. The Corporation at no time may, directly or indirectly, be controlled by one or more disqualified persons, as defined and described in section 4946 of the Code.

1.3 Member. The Corporation shall be controlled at all times by its member, the Kentucky Derby Festival, Inc., a Kentucky nonprofit corporation exempt from federal income tax pursuant to section 501(c)(4) of the Code (hereinafter referred to as the “Member”).

1.4 The Foundation shall have the independent authority to manage day-to-day operations, business matters, including but not limited to financial accounts, fiscal responsibility and policies including revenue generation, expenditure allocation and fundraising to ensure the Corporation can effectively pursue it’s missions and objectives

ARTICLE 2: OFFICES

2.1 Registered Office and Agent. The initial registered office in Kentucky shall be located at 1001 South Third Street, Louisville, KY 40203. The registered agent shall be an individual who resides in Kentucky and whose business office is identical with the registered office.

2.2 Other Offices. The Corporation may also have such other offices at such other

places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE 3: STOCK

3.1 No Capital Stock. The Corporation shall have no capital stock or stockholders, and its business and affairs shall not be conducted for private pecuniary gain or profit. None of the Corporation's gain, profit, or property shall inure to the incorporator nor to any officer or director thereof, except as otherwise provided in Section (2)(a) of Article 2 of the Corporation's Articles of Incorporation with respect to compensation for services rendered. Its entire gain, profit, net earnings, and property shall be devoted exclusively to the charitable, educational and other uses and purposes set forth in Article 2 of the Articles of Incorporation.

3.2 Member. The Member shall be the only member of the Corporation and such membership shall be perpetual in duration.

ARTICLE 4: DIRECTORS

4.1 Number and Qualifications. The entire Board of Directors of the Corporation shall consist of not fewer than nine nor more than twenty-five individuals. The number of Directors may be fixed from time to time, subject to these restrictions, by the Executive Board of Directors of the Member. The Executive Board of Directors of the Member shall appoint all Directors as provided in this Article. The Board shall be comprised of these officers of the Member— Immediate Past Chair, Chairman, and Chairman-Elect.. Additionally, there shall be a Director designated by The Fillies, Inc., and a Director designated by Jefferson County Public Schools approved by the Executive Board of Directors of the Member. The remaining Directors may, but need not, be Directors or officers of the Member.

4.2.1 Classes of Directors. The Directors shall consist of one class. Additionally, as provided for in 4.2.3, individuals may be appointed to serve in an “Honorary Class” of “Advisory Board Members,” though these individuals are not considered Directors, as that term is used in these By-Laws, nor are they considered members of the Board of Directors.

4.2.2 Directors. Only Directors appointed pursuant to Article 4.1 shall be considered Directors of the Corporation who are entitled to vote on matters involving the Corporation and shall be required to attend meetings of the Board. The Directors appointed pursuant to Article 4.1, other than those who serve because they are officers of the Member, shall take office at the Annual Meeting of the Corporation to serve until the next Annual Meeting. Directors must pay an annual fee to the Corporation. Unless otherwise specifically stated, all references to “Directors” or “Board of Directors” in these By-Laws shall refer only to these Directors and not to members of the Honorary Class described in 4.2.3.

4.2.3 Honorary Class. In addition to the Directors, there shall be an Honorary Class of “Advisory Board Members” appointed by the Chairman, but subject to approval by the Executive Board of the Member, from time to time. Individuals serving in the Honorary Class are not Directors and shall not be entitled to vote on matters involving the Corporation and are not required to attend meetings of the Corporation, although they may attend such meetings if they desire. Individuals serving in the Honorary Class shall not be required to pay the annual fee required to be paid by Directors. The duties of members of the Honorary Class shall be determined by the Chairman.

4.3 Duties and Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation managed under the direction of President/CEO, their designee and the Board of Directors.

4.4 Meetings.

4.4.1 Annual and Regular Meetings. The Board of Directors shall meet each year for the election or appointment of officers and for the transaction of any other business of the Corporation. The annual meeting of the Board of Directors shall be held in the month of June unless otherwise specified by resolution of the Board of Directors. In addition to the Annual Meeting there will be 4 regular meetings of the Board of Directors in the (12) twelve month fiscal year.

4.4.2 Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, President/CEO of the Member, President of the Corporation, or upon written request of 80% of the total number of Directors of the Corporation. In the event of the call of a special meeting of the Board of Directors by 80% of the total number of Directors, the notice of such meeting shall be given no more than ten days after receipt of such request.

4.4.3 Participation. Any or all Directors may participate in any meeting, whether a regular or special meeting, or conduct the meeting through the use of any means of communication by which all Directors participating may simultaneously hear each other during this meeting. A Director participating in a meeting by this means shall be deemed to be present in person at the meeting.

4.5 Notice of Meetings. No notice need be given of any regular meeting of the Board of Directors. Notice of special meetings shall be served upon each Director in person, by electronic mail (email) or by mail addressed to the Director at his last known post office address, at least two days prior to the date of such meeting. Notices of special meetings shall contain the date, time, and place of the meeting but shall not require a description of the purpose of such special meeting.

4.6 Place of Meeting. The Board of Directors shall hold its meetings at the registered office of the Corporation unless such other place may be designated in the notice of such meeting. Meetings of the Board of Directors, upon proper notice, may be held either within or without the Commonwealth of Kentucky at such place as may be designated in the notice of such meeting.

4.7 Waiver of Notice of Meetings. A Director may waive any notice of such meeting as required by these Bylaws before or after the date and time of the meeting stated in the notice. The waiver shall be in writing signed by the Director entitled to the notice and filed with the minutes of such meetings. A Director's attendance at or participation in a meeting shall waive any required notice to him or her of the meeting, unless the Director at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. The execution of a written consent described in Section 4.8 of these Bylaws shall constitute a waiver of notice with respect to the actions taken in the consent even if the consent does not expressly contain a waiver clause.

4.8 Action Without Meeting. Action to be taken at a Board of Directors meeting may be taken without a meeting if the action is taken by all members of the Board. The action shall be evidenced by one or more written consents describing the action taken, signed by each Director, and included in the minutes or filed with the corporate records reflecting the action taken. Any action taken under this Section shall be effective when the last Director signs or acknowledges via electronic mail, the consent unless the consent specifies a different effective date. A consent signed under this Section shall have the effect of a meeting vote and may be described as such in any document.

4.9 Quorum. At any meeting of the Board of Directors, the presence of a majority of

the elected and qualified members of the Board of Directors shall be necessary to constitute a quorum for the transaction of business.

4.10 Voting. If a quorum is present when a vote is taken, the affirmative vote of a majority of Directors present shall be the act of the Board of Directors.

4.11 Vacancies. Any vacancy occurring on the Board of Directors, for whatever reason, shall be filled promptly by the affirmative vote of the Nominating Committee at any regular or special meeting or electronic call to vote and submitted for approval of the Executive Board of the Member. The Executive Board of the Member may designate an individual to fill a vacancy on the Board of Directors as they determine; provided, however, that no such Director may also be a disqualified person as defined and described in section 4946 of the Code.

4.12 Removal of Directors. Any Director may be removed either with or without cause, at any time, by majority vote of the Board of Directors and approved by Executive Board of Directors of the Member, excluding the Director sought to be removed if also a Director of the Member.

4.13 Resignation. A Director may resign at any time by delivering by electronic mail (email) or by post a written notice to the Chairman of the Board, the President/CEO or their Staff designee. A resignation shall be effective when the notice is delivered to both Boards unless the notice specifies a later effective date.

4.14 All officers shall be elected annually for a one (1) year term. The officers of the Corporation shall be elected by the Board of Directors at the annual meetings of the Board of Directors as submitted by the Nominating Committee and approved by Executive Board of the Member. If the Election of officers is not held at such a meeting, the election shall be held as soon as reasonably possible thereafter. Vacancies may be filled or new offices may be created and filled at any regular

meeting of the Board of Directors. Each officer shall hold office until his/her successor has been duly elected and qualified, or until his/her death, or until he/she resigns or has been removed from office in the manner hereinafter provided.

4.15.1 Nominating Committee. The Nominating Committee shall consist of a Chairman of the Nominating Committee and two other members of the Board of Directors to be appointed by the Chairman of the Board of Directors. On or before the annual meeting, the Nominating Committee shall submit nominations to the Board of Directors for the positions to be filled of the officers of the Foundation. No member of the Nominating Committee shall be eligible to nominate himself/herself or vote for himself/herself for that election.

4.15.2 Other Committees. The Board of Directors may create one or more committees as provided in KRS 273.221. The Chairman of the Board of Directors shall nominate a slate of proposed members for each Committee; the Board of Directors, by majority vote, shall approve or disapprove the slate. If the slate is disapproved, the Chairman shall submit a new slate which shall be voted on as previously described. The Board of Directors shall annually review the members, authority, and activities of each Committee.

4.16 Compensation. Directors shall not receive compensation for their services to the Corporation. Directors, with prior approval by the corporation, shall be reimbursed for reasonable expenses incurred while providing services to the Corporation provided such expenses are adequately documented to the Corporation. Nothing herein shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE 5: OFFICERS

5.1 Officers and Qualifications. The Corporation shall have a Chairman of the Board, Immediate Past Chair, Chairman-Elect, Secretary, and Treasurer, whose duties are set forth in

these Bylaws. In addition, the Board of Directors may appoint from time to time one or more other officers or assistant officers and prescribe to them their duties. The same individual may simultaneously hold more than one office in the Corporation.

5.2 Election. All officers of the Corporation shall be elected by the Board of Directors at its Annual Meeting or at any special meeting of the Board of Directors, except that the President of the Corporation shall be designated by the Member. Only Directors who have served as a Director for at least one year shall be eligible to be elected Secretary or Treasurer.

5.3 Removal of Officers. Any officer may be removed either with or without cause by the vote of the majority of the Board of Directors. The Directors may specify a date upon which removal shall become effective or, in the absence of any date, the removal shall become effective when the successor of the officer has been appointed.

5.4 Duties of Officers. The Chairman of the Board, President, Chairman-Elect, Secretary, and Treasurer shall perform the following duties:

5.4.1 Chairman of the Board. The Chairman shall preside at any regular or special meeting of the Board of Directors, and shall have such other powers and authority as set forth by these Bylaws and as given by the Board of Directors from time to time. The Chairman of the Board of Directors shall, with the advice and counsel of the Corporation's officers, subject to the approval by the Board of Directors, appoint members to the standing committees of the Corporation and shall serve as a member of those committees. The Chairman of the Board of Directors shall have such other powers and duties as are authorized by the Board of Directors. The Chairman of the Board shall have served as the Chairman-Elect or the Chairman of the Board in the immediately preceding term. If the Chairman of the Board should resign or is unable to serve in such a capacity, the Chairman-Elect shall assume the responsibilities of the Chairman. If the

Chairman-Elect later resigns or is also unable to serve in the capacity as Chairman, the Board of Directors shall elect a new Chairman of the Board of Directors by approval of the member. The Chairman may serve a maximum of two consecutive one-year terms.

5.4.2 President and CEO The President or his Staff designee shall be the Executive Director of the Corporation, and, in general supervise and control all of the business and affairs of the Corporation. The President/CEO shall perform all duties normally incident to the office of President/CEO and such other duties as may be prescribed by the Board of Directors and Executive Board of the Member from time to time. The President/CEO shall serve as advisor to the Chair of the Board, the Executive Board of the Member, and the Board of Directors on matters of policy. The President or their Staff designee is a non-voting position and is not a member of the Board of Directors.

5.4.3 Immediate Past Chair The Immediate Past Chair of the Board of Directors shall perform such duties as may be assigned to him or her by the Chair of the Board and shall serve as Chair of the Nominating Committee

5.4.4 Chairman-Elect. The Chairman-Elect shall fulfill the duties appointed to him/her as determined by the Chairman from time to time. The Chairman-Elect shall have served as a Director for at least two years prior to becoming Chairman-Elect. The Chairman-Elect, in the absence of the Chairman, shall assume the duties and responsibilities of the Chairman. The Chairman-Elect may serve as a Committee Chairman or member of Committees, as assigned by the Chairman. The Chair-Elect may serve a maximum of two consecutive one-year terms.

5.4.5 Secretary. The Secretary shall ensure the keeping of the minutes of the meetings of the Board of Directors, shall insure the of notice of meetings of the Board of Directors as required by these Bylaws, and shall be responsible for the authenticating of records of the Corporation in

conjunction with Staff designee. In addition to the foregoing, the Secretary shall perform such other duties and responsibilities as from time to time prescribed by the Board of Directors. The term of office for the Secretary shall be one year. The Secretary may serve a maximum of two consecutive one-year terms.

5.4.6 Treasurer. The Treasurer shall cause there to be a full and accurate account of receipts and disbursements in books belonging to the Corporation and shall cause all monies and other valuable effects deposited in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall cause the funds of the Corporation to be disbursed as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meeting of the Board, or whenever they may require it, an account of all such transactions and of the financial condition of the Corporation. The term of office for the Treasurer shall be one year. The Treasurer may serve a maximum of two consecutive one-year terms.

5.5 Compensation of Officers. The officers may receive such salary or other compensation as may be fixed from time to time by the Board of Directors. Any such salary or other compensation shall be determined by taking into account amounts paid to officers of similar charitable institutions and the amount of time the individual officer's duties require. The Corporation may reimburse the Member for any administrative costs the Member may incur.

ARTICLE 6: SEAL OF THE CORPORATION

The seal (if any) of the Corporation shall be adopted by the Board of Directors and may be changed from time to time in the discretion of the Directors. The presence or absence of the seal on or from a writing shall neither add to nor detract from the legality thereof nor affect its validity in any manner or respect.

ARTICLE 7: INDEMNIFICATION

7.1 Indemnification. The Corporation shall, to the fullest extent permitted by, and in accordance with the provisions of, Chapter 273 of the Kentucky Business Corporation Law (or corresponding provisions of any subsequent state laws), indemnify each director, officer, and employee of the Corporation against expenses (including attorneys' fees), judgments, taxes, fines, and amounts paid in settlement incurred by such person in connection with, and shall advance expenses (including attorneys' fees) incurred by such person in defending, any threatened, pending, or completed action, suit, or proceeding (whether civil, criminal, administrative, or investigative) to which such person is, or is threatened to be made, a party by reason of the fact that such person is or was a director, officer, or employee of the Corporation, or is or was serving at the request of the Corporation as a director, officer, member, partner, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, or other enterprise. Advancement of expenses shall be made upon receipt of an undertaking, with such security, if any, as the Board of Directors may reasonably require, by or on behalf of the person seeking indemnification to repay amounts advanced if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized herein.

7.2 Nonexclusivity of Indemnification. The indemnification provided for by this Article 7 shall not be deemed exclusive of any other rights to which directors, officers, or employees of the Corporation may be entitled under any statute, agreement, or action of the Board of Directors of the Corporation, or otherwise, and shall continue as to a person who has ceased to be a director, officer, or employee of the Corporation, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

7.3 Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, member, partner, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against such person and incurred by such person in such capacity or arising out of such person's status as such, whether or not the Corporation would have the power or be obligated to indemnify such person against such liability under the provisions of this Article 7 or Kentucky Revised Statutes Chapter 273 (or corresponding provisions of any subsequent state laws).

ARTICLE 8: MISCELLANEOUS

The Board of Directors may authorize any officer(s) or agent(s) to enter into any 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. No loans shall be made in the name of the Corporation, and no evidence of such indebtedness shall be issued in the name of the Corporation, unless authorized by the Board of Directors. Subject to the provisions of KRS 273.241, no loans shall be made to any director or officer of the Corporation.

ARTICLE 9: AMENDMENTS

Subject to KRS 273.191, these Bylaws may be amended, repealed, or restated upon affirmative vote of a majority of the total number of Directors and approval by the Executive Board of Directors of the Member.

Adopted: October 22, 1998.
Adopted: September 27, 2023

HISTORICAL TABLE

Bylaws initially adopted on October 22, 1998.

AMENDMENTS

<u>Date</u>	<u>Article/Section No.</u>
9/10/02	Article 4/Section 14
9/10/02	Article 4/Section 15.1
9/10/02	Article 4/Section 15.2
9/10/02	Article 5/Section 2
12/11/02	Article 4/Section 1
12/11/02	Article 4/Section 4.1
3/8/06	Article 4/Section 4.1
9/13/06	Article 4/Section 4.1
12/15/06	Article 4/Section 4.4.1
9/26/07	Article 4/Section 1 Article 4/Section 2 Article 4/Section 14 Article 4/Section 15.1 Article 5/Section 2 Article 5/Section 4
12/19/07	Article 4/Section 14.1
6/25/08	Article 5/Section 1
9/16/15	Article 4/Section 4.2 Article 5/Section 1 Article 5/Section 2 Article 5/Section 4.2 Article 5/Section 4.5