

IRISH DRAUGHT HORSE SOCIETY of NORTH AMERICA

Bylaws

ARTICLE I: Name and Objectives

Section 1

The name of the Society shall be Irish Draught Horse Society of North America, hereinafter referred to as the "IDHS(NA)" OR "The Society". The IDHSNA is organized under the North Carolina Non-Profit Corporation Act.

Section 2

The objectives of the Society shall be:

- a. To preserve the Registered Irish Draught Horse;
- b. To increase the gene pool worldwide;
- c. To promote and maintain a high standard of breeding, conformation, quality and soundness;
- d. To further educate the public about this rare and endangered breed;
- e. To publicize the contributions of the Registered Irish Draught Horse to the breeding of the Irish Draught Sport Horse;
- f. To set up registers in respect to the breed and to do all such things as are necessary in furtherance of the above stated objectives. The same objectives apply to the Irish Draught Sport Horse.

Section 3

The Society shall have all the powers granted non-profit corporations under the laws of North Carolina. Notwithstanding any other provision of these Bylaws, the Society shall not carry on any activities not permitted to be carried on by (a) a corporation exempt from Federal Income Tax under Section 501(c)(3) 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 the corresponding provision of any future United States Internal Revenue Law).

In the event of the dissolution of the Society, no Director or Officer shall be entitled to any distribution or division of its remaining property or its proceeds, and the balance of all money and all property received by the Society from any source, after the payment of all debts and obligations of the Society shall be disposed of exclusively for the purposes of the Society in such manner or to such organization or organizations organized and operated for substantially the same purposes as the Society or exclusively for charitable educational, or scientific purposes as shall at that time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) as the Board of Directors shall determine.

No part of the income of the Society shall inure to the benefit of any Director or Officer of the Society or any private person (except as reasonable compensation may be paid for services rendered to or for the Society affecting one or more of its purposes). No substantial part of the activities of the Society shall be the carrying on of propaganda, or otherwise attempting to influence legislation and the Society shall not participate in or otherwise intervene (including the publishing or distribution of statements) in any political campaign on behalf of any candidate for public office.

ARTICLE II: Principal Office

The Society continuously shall maintain in North Carolina a registered office at such place as may be designated by the Board of Directors. The principal office of the Society and such other offices as it may establish shall be located at such place(s) either within or without North Carolina as may be designated by the Board of Directors.

ARTICLE III: Membership

Section 1. Eligibility

Membership in the Society is by application. Membership shall be open to all persons who subscribe to the objects of the Society. Membership may be terminated, suspended or refused by the Board of Directors for any conduct that has or may be considered likely to prejudice or damage the image of, or interfere with the efficient running of the Society, or compromise the breed in any way.

Section 2. Classes of Membership

The Society shall have such classes of Membership as the Board of Directors may establish from time to time.

Section 3. Dues

Each Member shall pay dues in such amounts and at such times as shall be determined by the Board of Directors; provided that the Board of Directors shall have the right to designate Honorary Members who shall not be required to pay dues.

Section 4. Application for Membership

Each applicant for Membership shall apply on a Membership form approved by the Directors. The applicant shall submit dues payment with application as provided by current policy. Any application containing false or misleading information provided by the prospective applicant will be cause for suspension or refusal of Membership under Article III.

Section 5. Termination of Membership

Membership may be terminated in the following ways:

- a. By Resignation.
A Member in good standing may resign from the Society upon written notice to the Secretary.
- b. By Lapsing.
A Member shall be considered lapsed and shall be automatically terminated if such Member's dues remain unpaid as of such date as the Board of Directors shall determine for the payment of dues and shall also lapse if the Board of Directors shall determine that a Member is in debt to the Society and has failed after 45 days notice of such determination to satisfy such debt.
- c. By Expulsion.
A Member may be terminated or suspended as provided in Article III, Section 1. The procedure for expulsion shall be consistent with the laws of the State of North Carolina.

ARTICLE IV: Board of Directors

Section 1. Board of Directors

The Board of Directors (hereinafter "Directors") shall be composed of the following:

- a. Officers
- b. The Officers shall be elected by the Members as provided in Article V of these Bylaws. The same person, other than the President may occupy more than one office.
- c. Directors at Large
- d. Three Directors at Large constituting Members elected by the Membership as provided by Article VII.
- e. Regional Chairs
- f. The Chair of each region as provided in Article VI.

Section 2. Terms

Directors including Officers as provided in Article V shall serve terms of two years each. Each At Large Director and Regional Chair in office as of the date of adoption of these Bylaws shall serve the two year terms for which elected and their successors shall be elected upon expiration of such terms. Any vacancy caused by a Director, other than an Officer ceasing for any reason to be a Director, shall be filled by the Board of Directors and the person elected to fill such vacancy shall serve the full term of the person who vacated the position.

Section 3. Voting

Each Member of the Board shall have one vote.

Section 4. General Responsibilities of the Board

The property, business and affairs of the Society shall be managed, controlled, and directed by the Board of Directors. The Board of Directors shall have and may exercise any and all powers provided in these Bylaws, the Articles of Incorporation or the North Carolina Non-Profit Corporation Act that are necessary and convenient to carry out the purposes of the Society.

Section 5. Action by Directors

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

- b. Action which could be taken at a Board of Directors' meeting may be taken at an electronic meeting in accordance with Article VIII Section 1.
 - i. Action taken under this section is effective when electronic voting conducted under the conditions specified in ARTICLE VIII is complete, unless the action specifies a different effective date.
 - ii. An action taken by electronic vote has the effect of a meeting vote and may be described as such in any document.
 - iii. An electronic vote is placed and valid when entered from an electronic mail address previously identified to and recognized by the Secretary.
 - iv. Discussion and voting periods shall be defined as two 84 hour periods; Sunday 00:00 through Wednesday 12:00 noon and Wednesday 12:01 noon through Saturday 23:59.
 - v. Any board member may make a motion for electronic vote.
 - vi. Notice of an electronic meeting is considered given at the time an item placed before the board for an electronic vote receives a second from another member of the board.
 - vii. An item placed before the board for discussion and vote in one period shall be eligible for voting in the next full voting period. No voting may be ended early; each board member has the full 84 hours to enter their vote and they may do so at any time during the voting period.
 - viii. All electronic votes must include the option to "table" the issue until a Regular Board Meeting.
 - ix. At item submitted for electronic voting may not be altered or amended once any vote has been cast
 - x. Attendance at an electronic meeting is determined by placing a vote and may occur at any time during the voting period. Board members are expected to regularly check for and participate in electronic meetings.

- c. Action which could 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 signed by each Director before or after such action, describing the action taken, and included in the Minutes or filed with the corporate records reflecting the action taken.
 - i. Action taken under this section is effective when the last Director signs the consent, unless the consent specifies a different effective date.
 - ii. A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

- d. A written consent may be signed by manual signature or by electronic signature from an electronic mail address previously identified to and recognized by the Secretary and any such consent whether signed manually or by electronic signature may be transmitted physically by mail or by similar means, by facsimile machine or by electronic mail.

ARTICLE V: Officers

Section 1. Duties of Officers

Each Officer has the authority and duties set forth herein or, to the extent consistent with these Bylaws, the authority and duties prescribed by the Board of Directors or by direction of an Officer authorized by the Board of Directors to prescribe the authority and duties of other Officers. The same individual, except the President, may simultaneously hold more than one office in the Society, but no individual may act in more than one capacity where action of two or more Officers is required. Each Officer must be a Member in good standing of the Society at the time of election and at all times such person shall hold office. Failure to remain a Member in good standing shall cause the office of such Officer to be automatically vacated. Upon expiration of the term of office of an Officer each retiring Officer shall turn over to his successor in office all the properties and records relating to that office within thirty days. A person holding more than one office shall have one vote as a Director.

Section 2. The Officers of the Society shall be as follows

- a. The President shall preside at all meetings of the Directors, coordinate the ongoing business of the Society, monitor the performance of Officers and Directors in their duties, and have the duties and powers normally accorded to the office of President in addition to those particularly specified in these Bylaws.
- b. The Vice President shall act as an aide to the President and in the absence of the President shall assume the duties of the duties of the same. The Vice President shall also perform such other duties as may be assigned by the President or Directors.

- c. The Secretary shall keep a record of all official documents and correspondence originated and received by the Society and shall be responsible for other administrative responsibilities as stipulated by the Board including, but not limited to: keeping minutes of meetings, maintaining voting records, ballots and meeting notices, collecting Board and committee reports and maintaining historical documentation.
- d. The Treasurer shall keep an accurate record of receipts and disbursements and shall present a statement of accounts to the Board quarterly. The Treasurer shall have the care and custody of, and shall be responsible for, the funds and assets of the Society. The books shall at all times be open to inspection of the Board of Directors or its designees and to the Members as provided by law. At the end of the fiscal year the Treasurer shall render a complete account of monies received and expended during that year with a complete accounting at the Society's Annual General Meeting. The Treasurer shall be bonded in such amount as the Directors shall determine. The Directors shall serve as an Auditing Committee for the Society's books, reviewing the yearly financial report in detail. An audit to be conducted by an accountant may be ordered at any time by majority vote of the Directors. The accountant who will carry out such an audit will be chosen by majority vote of the Directors. The Treasurer and such other persons, if any, as the Board of Directors may designate, shall be signatories on bank accounts of the Society.

Section 3. Term of Office

Each Officer shall serve for a term of two years. The President in office at the date of adoption of these Bylaws shall serve until December 31, 2004. The Vice President and Secretary in office at the time of adoption of these Bylaws shall serve for the one year term for which elected and for an additional term of office terminating on December 31, 2005. The Treasurer in office at the date of the adoption of these Bylaws shall serve until December 31, 2004. Upon termination of the term of the existing Officers the successor of each Officer shall be elected for a term of two years pursuant to the provisions of Article VII. Each Officer shall serve for the term specified and until such Officer's successor is elected and qualified.

Section 4. Vacancies

Any vacancy in an office shall be filled by the Board of Directors and the person elected to fill such vacancy shall serve the full term of the person who vacated that office.

Section 5. Resignation and removal of Officers

- a. An Officer may resign at any time by communicating his or her resignation to the Secretary. A resignation is effective when it is communicated unless it specifies in writing a later effective date. If a resignation is made effective at a later date and the Society accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.
- b. The Board of Directors may remove any Officer at any time with or without cause. Removal of an Officer shall not constitute removal of such Officer as a Member of the Board of Directors unless permitted by the Statute under which the Society is organized.

ARTICLE VI: Regions, Regional Chair

Section 1. The Board of Directors shall divide North America into geographical regions ("Regions") for each of which there shall be a Regional Chair who shall serve on the Board of Directors. The Regions shall be established according to criteria adopted from time-to-time by the Board of Directors in order to facilitate the accomplishment of the purposes of the Society.

Section 2. The Regional Chair of each Region shall be elected for a term of two years by the Membership of that Region. Each Regional Chair must be a Member in good standing of the Society throughout their term. Regional Chairs must reside in the region represented.

Section 3. It shall be the general duty of each Regional Chair to remain current on the matters within his or her region that relate to the purposes of the Society, to report on such matters to the President and periodically report on such matters at meetings of the Board of Directors. It shall also be the duty of each Regional Chair to act as the liaison between the Board of Directors and the Members in his or her Region.

ARTICLE VII: Society Year, Voting, Nominations, and Elections

Section 1. Fiscal year

The Society's fiscal year shall begin on the first day of January and end on the 31st of December.

Section 2. Voting

All action to be taken by the Members shall be by mail ballot. The Board of Directors shall with respect to any such action specify a record date.

Section 3. Annual Election of Officers and Directors

The record date for the Annual election of Officers and Directors in each year shall be no later than November 1st. Each Member in good standing shall be entitled to vote and sent a ballot within ten days of the record date. The ballot may be sent by special mailing or in a regular Society publication that is addressed to all Members entitled to vote. The Board of Directors shall specify a date which shall not be sooner than 30 days after the mailing of the ballot by which all ballots to be counted shall be returned. Except as otherwise required by law or these Bylaws a quorum for a vote of the Members shall require return of ballots by Members having the right to 25% of the votes and approval of any such item shall be by the vote of a majority of those Members voting. If the vote shall be for election of an Officer for which more than two persons have been nominated then that person receiving the highest number of votes shall be elected. If the vote shall be for election of At-Large-Directors and there shall be more than one position for which a Director is to be elected then those persons equal to the number of positions to be filled receiving the highest number of votes shall be elected. Voting by proxy shall not be permitted.

Section 4. Nominations

The Nomination of candidates for Officers and At-Large-Directors will be conducted by a Nominating Committee of three (3) Members in good standing appointed by majority vote of the Directors. The Nominating Committee may include Officers and Directors of the Society provided that no Officer or Director whose position is to be filled at the election with respect to which the Nominating Committee is acting shall be a Member of the nominating Committee with respect to that election.

The Board of Directors shall appoint the Nominating Committee no later than June 30th in each year. The Nominating Committee shall provide to the Board of Directors through the Secretary, a list of the nominees for the elections to be held in that year no later than August 1 in each year. The Nominating Committee shall nominate at least one and may nominate up to two persons for each Officer and At-Large Director positions to be filled. Notice of the names and offices of those nominated shall be provided to the Members no later than 30 days prior to the record date for an election. Such notification may be by special mailing or in a regular Society publication. Such notice shall also contain a nominating form by which any other person may be nominated for each position to be voted on.

If the Secretary shall receive prior to the record date for election a nominating form signed by 5 Members in good standing nominating a person for a position as an Officer or At-Large-Director then such person shall be included on the Ballot. Any such nominating form must be accompanied by a written acknowledgment of the person nominated indicating a willingness to accept such nomination. Votes may be counted by such Officer or Officers of the Society or such independent person or persons as the Board of Directors may determine. If no more than one person is nominated for a position then there shall be no election for that position and that person shall be deemed to have been elected.

Each person elected in a year shall take office on January 1 of the year succeeding the year of election as outlined in Article VI, Section 4.

Section 5. Other Action by the Members

From time to time the Board of Directors may submit matters required by law or these Bylaws to a vote of the Members. The Board of Directors may in its discretion submit other matters for a vote of the Members. Any such discretionary item may be submitted as a binding vote on the matter or as an advisory vote as the Board of Directors may determine.

Upon request of 25% of the Members in good standing a proposal shall be submitted for vote of the Members. Any such request shall be in writing and may be in one or more documents. If in more than one document each document shall be identical except for the names of those signing the request. The date of the signature of each person executing a request shall be set forth opposite such person's name. A signature shall cease to be valid 180 days after the signing. Any such request shall be submitted to the Secretary.

Upon submittal of the request to the Secretary and certification that it has been signed by 25% or more of the Members of the Society as of the date of receipt by the Secretary all of which signatures are dated within 180 days of the receipt of such request by the Secretary, the Board shall establish a record date for submittal of the proposal to the Members. Such record date shall not be later than 10 days prior to mailing of the next regular Society publication to be mailed to all Members unless such date would be less than 30 days after

receipt of the request by the Secretary in which case such record date shall be 10 days before the date of mailing of the next subsequent regular Society publication to be mailed to all Members.

The Board of Directors shall not be required to submit a matter for a vote of the Members if it shall determine that the request has not been submitted in good faith, or would be detrimental to the Society.

ARTICLE VIII: Meetings of the Board or Membership

Section 1. Regular Board Meetings

- a. Periodic Board meetings shall be held at such time and place as the Board of Directors shall determine. Meetings of the Board of Directors shall be for the purpose of conducting the business of the Board of Directors. Notice of a meeting shall be given not less than 24 hours prior to a meeting by electronic mail or by posting to an electronic list to which a Director has access. If a Director does not have access to either electronic mail or an electronic list then such notice shall be given in a manner which may be by facsimile transmission, mail, personal delivery or telephone such that the Director will have notice 24 hours prior to the meeting.
- b. Not less than two Officers, and one-half of the Directors shall constitute a quorum at a Board Meeting.

Section 2. Meetings of the Members

- a. Annual General Meeting (AGM)
- b. An Annual General Meeting of the Members shall be held at such time and place as the Board of Directors shall determine. All Annual General Meetings of the Society will be conducted under Robert's Rules of Order.
- c. Special Meetings may be called by a majority of the Board of Directors to consider matters provided in Article VII, Section 4. Such matters may also be considered by mail ballot at the discretion of the Board of Directors.
- d. Written or printed notice of any meeting of the Members shall be sent by the Secretary to all Members as of a record date established by the Board of Directors which shall not be less than 30 days prior to the date of the meeting, addressed to such Members at their respective address as recorded on the books of the Society.
- e. 10% of the Members shall constitute a quorum at any meeting of the Members of the Society.

ARTICLE IX: Committees & Chairs

The Board of Directors may appoint standing committees to advance the work of the Society. The committees shall be made up of Members in good standing of the Society and shall have such authority and shall be in existence for such period of time as the Board of Directors shall determine in the resolution establishing the Committee. The existence of any such Committee or the Membership of any person thereon may be terminated by action of the Board of Directors.

ARTICLE X: Records

Records required by these Bylaws shall be open for inspection by Members as provided by North Carolina law.

ARTICLE XI: Parliamentary Procedure

Roberts Rules of Order Newly Revised shall be used as a guideline on procedures not specified in the Bylaws and/or other governing documents of the Society. At no time will Roberts Rules of Order supercede Society documentation or the laws in the State of North Carolina.

ARTICLE XII: Amendments

Section 1.

Amendments to the Bylaws may be proposed by the Directors or by written petition addressed to the Secretary signed by twenty-five percent (25%) of the Members in good standing. Amendments proposed by such petition shall be submitted to the Members pursuant to the provisions of Article VII, Section 4.

Section 2.

Any election with respect to amendment of the Bylaws shall be held pursuant to the provisions of Article XII, Section 2. The ballot for such election shall be accompanied by a copy of the proposed amendment identifying the proposed changes. A favorable vote of two-thirds (2/3) of the Members in good standing who return valid

ballots within the specified time frame shall be required to effect any such amendment.

ARTICLE XIII: Indemnification

Any person who at any time serves or has served as a Member of the Board of Directors or as an Officer of the Society or in such capacity (as Officer or Director) at the request of the Society for any other corporation, whether for profit or nonprofit, shall have the right to be indemnified by the Society to the fullest extent permitted by law against (a) reasonable expenses, including attorney's fees actually and necessarily incurred by him or her in connection with any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether or not brought by or on behalf of the Society, seeking to hold him or her liable by reason of the fact that he or she is or was acting in such capacity and (b) reasonable payments made by him or her in satisfaction of any judgment, money decree, lien, penalty, or settlement for which he or she may have become liable in any such action, suit, or proceeding.

The Board of Directors shall take all such action as may be necessary and appropriate to authorize the Society to pay the indemnification provided by this Bylaw, including without limitation, to the extent necessary, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him or her.

ARTICLE XIV: Code of Conduct

Section 1 Officials' Code of Conduct

The following Code of Conduct (this "Code") applies to all IDHS(NA) officials (including Board members, officers, directors, and committee members) (hereinafter "Officials"). Violations may result in disciplinary action in accordance with Article III of the IDHS(NA) Bylaws.

No policy can replace the thoughtful behavior of an ethical Official. Adherence to this Code will help to ensure decisions that reflect care for the breed and all of our members. In order for the Officials to function effectively, certain elemental concerns must be met. Officials must feel they can participate without fear of backlash due to conflicting personalities or differences of opinion. Differences of opinion are valuable and reflect the diversity of members. Officials are expected to behave in a professional and respectful manner towards each other and the membership.

This code is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

Officials shall:

- a. Place my horse's welfare above all other considerations and faithfully observe this Code;
- b. Conduct themselves with honesty and fairness, as if they were trustee of a corporation, and do their best to ensure it is well-maintained, financially secure, and always operating in accord with our stated objectives;
- c. Ensure that all corporate transactions are handled honestly and recorded accurately;
- d. Read, understand, and comply with the Bylaws, rules and regulations, and policies governing the business and events of the IDHS(NA);
- e. Actively participate in appropriate meetings and actions and strive to keep well-informed of developments relevant to issues that may come before Officials;
- f. Respect the opinions and decisions of fellow Officials;
- g. Recognize that all IDHS(NA) Officials are representatives of the IDHS(NA). Maintain awareness that personal opinions may reflect upon other Officials, the Board and/or the IDHS(NA). Personal opinions should be stated as such;
- h. Express their own views and opinions without intentionally demeaning the views and opinions of other Officials or the Board either publicly, in print or Internet postings;
- i. Recognize the authority vested in the Board, including, but not limited to accepting all decisions of the Board provided such decisions are in accordance with the Articles, Bylaws, rules and regulations, and policies of the IDHS(NA) and any laws applicable to North Carolina non-profit corporations;
- j. Protect the confidentiality, as appropriate, of sensitive information that comes before them in service to the Board, committees or through volunteer positions with the IDHS(NA);
- k. Bring to the attention of the Board any issues believed likely to have significant effect on the IDHS(NA);

- l. Be responsive to the membership by referring comments and/or inquiries to the Board or appropriate Official in accordance with current policy;
- m. Represent all members that this organization serves rather than special interest groups;
- n. Refrain from interfering, or undermining, the duties or authority of appointed officials or others serving the IDHS(NA);
- o. Recognize, acknowledge and abstain from voting or attempting to influence issues in situations where they, or a person closely associated with them, could receive improper benefit as a result of the actions to be taken;
- p. Recognize that ownership of a horse registered with the IDHS(NA) does not automatically constitute a conflict of interest;
- q. Recognize the appearance of misconduct or impropriety can be as damaging as actual misconduct or impropriety and avoid such conflicts. Officials who become aware of a conflict, or potential conflict, should promptly, but discreetly, bring it to the attention of the Board who should make every attempt to resolve the matter;
- r. Refrain from improper use of position or information acquired to gain personal advantage for oneself or others or to cause detriment to the IDHS(NA);
- s. Issue public statements only in an objective and truthful manner and, in order to ensure a unified and consistent voice, with the prior authorization of the Board of Directors;
- t. Encourage consensus decisions on important issues and seek collaborative rather than compromise solutions;
- u. Ensure that my employees who accompany me to IDHS(NA) events also abide by this Code.
- v. Recognize that serious or repeated transgressions of this Code may be grounds for appropriate disciplinary action.

ARTICLE XV: GRIEVANCE PROCEDURE

Section 1. Parties To The Procedure

The enrollment as a member of the Irish Draught Horse Society of North America (the "Society") or the participation in Society-sponsored events or programs constitutes acceptance of these Grievance Procedures—including, but not limited to, the mandatory and exclusive arbitration provisions hereof—and a waiver of rights and remedies not set forth herein.

- a. **REVIEW BOARD.** The Board of Directors of the Society shall appoint a Review Board of five (5) Society members in good standing as well as one (1) alternate member thereof from the membership and one (1) alternate member thereof from the Board of Directors of the Society to serve in event of a conflict of interest or unavailability by a member of the Review Board, which Review Board shall serve for a term of one (1) year unless otherwise extended by the Board of Directors, of which at least one (1) member shall be a member of the Society Board of Directors and shall serve as liaison thereto.
- b. **ALLEGING PARTY** is any person or entity alleging that he has been aggrieved by violation of any of the Society's Bylaws, policies adopted pursuant to the Bylaws, or registration policies or any other matter within its jurisdiction as determined by the Review Board.
- c. **ACCUSED PARTY** is any person or entity alleged to have committed a violation of any of the Society's Bylaws, policies adopted pursuant to the Bylaws or registration policies or any other matter within its jurisdiction as determined by the Review Board.

Section 2. Submission Of Grievance, Activation Of Review Board

- a. **SUBMISSION.** Any grievance must be made in writing over the signature of the Alleging Party and must be submitted to the Executive Secretary of the Society and state the full name and address of the Alleging Party and must include, with specificity, a complete statement of the acts that constitute the grievance including the requested relief sought. The Alleging Party shall be prepared to substantiate the grievance at a hearing of the Review Board (the "Hearing") by a preponderance of the evidence including by personal testimony of witnesses with personal knowledge, subject to cross-examination, and by sworn statements, other witnesses, and other competent evidence. The requirement of personal testimony may be excused by the Review Board if the parties to the grievance stipulate to the relevant facts. The statement must be sent to the Executive Secretary of the Society by certified mail, return receipt requested, as soon as practicable after the occurrence of the event that precipitated the grievance and shall be accompanied by the Grievance Fee as specified in the Society fee schedule.

- b. REFERRAL. The Executive Secretary of the Society shall send the grievance to the Review Board by certified mail, return receipt requested, for inclusion in the corporate files and provide copies thereof to all members of the Board of Directors.
- c. NOTICE. A notice stating a grievance has been filed including the name of the Alleging Party and the Accused Party will be forwarded to the Accused Party. The notice will not disclose details of the Grievance. Such notice will be published in an official publication of the Society.

Section 3. *Actions By Review Board.*

- a. TIMELINESS OF ACCEPTANCE; GRIEVANCE COORDINATOR. The Initial Review of the grievance for acceptance or denial shall be done within thirty (30) days of referral of the grievance of the Review Board. The Review Board shall, if it determines that reasonable grounds exist to support the Grievance, (i) elect a Grievance Coordinator therefor to coordinate the applicable procedures hereunder and (ii) provide notice of its acceptance of the Grievance by certified mail to the Alleging Party, the Accused Party, and the Executive Secretary of the Society and provide notice thereof to all members of the Board of Directors.
- b. DENIAL OF GRIEVANCE. If the Review Board shall determine at its Initial Review that the grievance is not within its jurisdiction or that no reasonable grounds for a grievance exist, it shall make its determination in writing giving the reasons for such determination and shall deliver a copy by certified mail, return receipt requested, thereof to the Alleging Party; provided, however, the Alleging Party shall be entitled to a refund of the Grievance Fee, less expenses, if the Alleging Party withdraws the Grievance prior to Initial Review.
- c. RESPONSE; HEARING DATE. The Accused Party shall, to the extent that it responds to the Grievance, if at all, respond thereto within thirty (30) days of notice thereof, in writing, by certified mail, return receipt requested, to the Grievance Coordinator and the Alleging Party. The Hearing shall take place no fewer than thirty-five (35) days after the Initial Review and not more than fifty (50) days thereafter so as to ensure that the Accused Party possesses sufficient time to prepare a defense.

Section 4. *Mediation Of Grievance.*

The Grievance Coordinator shall, at any time prior to the Hearing, attempt to facilitate settlement of the grievance between the parties through non-binding and voluntary mediation.

Section 5. *Hearing.*

If mediation is unsuccessful, the Review Board shall set a place, date and time for the Hearing that is reasonably convenient for all parties. This Hearing may be conducted via conference call or other suitable remote attendance methods. The costs of the Hearing shall be borne by the Alleging Party except as hereinafter set forth.

- a. EVIDENCE. At the Hearing, each party shall be entitled to call witnesses, to produce evidence, and to submit memoranda supporting his or her position and shall be entitled to be represented by counsel. Any written supporting evidence presented in lieu of a person's presence must be signed and notarized. Evidence and memoranda to be presented in the Hearing must be provided to the Complaint Coordinator via certified mail, return receipt requested, to all parties at least seven (7) days prior to the Hearing.
- b. RECORD OF HEARING. The Grievance Coordinator shall arrange for an audio-recording of the Hearing, and, if either party thereto requests a transcript thereof, the costs thereof shall be borne thereby.
- c. DECISION. The decision of the Review Board shall be delivered to the parties, in writing, by certified mail, return receipt requested, and shall state the grounds for the decision.

Section 6. *By-Laws Article Iii Proceedings.*

The Board of Directors may institute proceedings as the Alleging Party using the grievance procedure about matters arising under Article III of the By-Laws or arising from disciplinary action taken by the United States Equestrian Federation or Canadian Equestrian Federation or any other organization sanctioning or holding competitive events for horses against any member or members of the Society, or arising from conviction in any court of offenses against humane laws or criminal laws by members of the Society, any disciplinary matter or any such other matter as they may deem proper. Any such matter may be referred by the Board of Directors to the Review Board, which shall have jurisdiction over such matter and continue such proceedings with notice to all parties involved, in accordance with these Grievance Procedures.

Section 7. *Appeal of Review Board Decision.*

Any adjudication of the Review Board may, within thirty (30) days of notice thereof, be appealed—in writing by certified mail, return receipt requested, including a detailed assertion of the basis for appeal—to the Chair of

the Board of Directors. The Board of Directors of the Society shall review the record and shall render its decision, which shall be final and shall be deemed to have the force and effect of a ruling in arbitration, pursuant to which it may (a) dismiss the appeal, (b) amend or reverse the decision of the Review Board or (c) remand the matter to the Review Board for further proceedings consistent therewith.

Section 8. *Arbitration.*

- a. The submission of a Society membership application or membership renewal or participation in a Society event constitutes agreement by a Society member that any and all disputes, except as hereinafter set forth, to which the Society is—or becomes—a party, shall be settled by binding arbitration, to be conducted in North Carolina, at a location therein designated by the Board of Directors, before an impartial and neutral mediator selected by JAMS from its Roster of Neutrals in accordance with the applicable rules of the American Arbitration Association.
- b. Arbitration shall be brought upon the written notice of one party to the other of a demand for arbitration including a recitation of the claim or dispute for which arbitration is sought. The arbitrator shall promptly obtain all information related to the matters in dispute as deemed advisable thereby, and, upon a showing of good cause, the arbitrator shall permit document discovery. Further, all direct testimony shall be offered by affidavit, and the parties shall make all affiants available for cross-examination before the arbitrator upon request thereby. The parties shall perform all acts—including, but not limited to, execution and delivery of further documents—as the arbitrator determines is reasonably necessary or desirable to confirm and carry out the terms of the award rendered. The arbitrator shall promptly—but, under no circumstances, in more than one hundred twenty (120) days from his appointment—render a decision and a written award to be delivered to the parties. The award of the arbitrator shall be a conclusive determination of the matters in dispute and shall be final, unappealable, and binding upon the parties and their successors in interest. The judgment upon any arbitration award may be entered and enforced in any court of competent jurisdiction.
- c. The arbitrator shall, at the time of rendering the award, establish his fees and expenses in connection therewith. His fees and expenses shall be allocable by the arbitrator in his award or, if no payment obligation is determined by the arbitrator, shall be equally divided between the parties. The arbitrator shall have the right, in addition to any other relief permitted at law or in equity, to award counsel fees to any party and to grant temporary or permanent injunctive relief; provided, however, each party shall bear its own costs with respect to its own legal counsel and consultants and as otherwise individually incurred as a result of its participation in an arbitration hereunder.
- d. No party to any arbitration hereunder shall have the right to recover—nor shall the arbitrator have the right to award—consequential or punitive damages in any proceeding.
- e. Compliance with the provisions hereof shall not be construed under the doctrines of laches, waiver or estoppel to affect adversely the rights of any party to arbitration hereunder and that matters excluded from the requirements hereof include controversies related to (i) the existence or validity of any intellectual property right and/or the infringement or unauthorized use of any intellectual property right, (ii) efforts to obtain possession of any real or personal property (including, but not limited to, money owed), and (iii) the receipt and enforcement of a temporary restraining order, preliminary injunction, permanent injunction or other equitable relief.
- f. THE PARTIES TO ARBITRATION HEREUNDER HEREBY WAIVE ANY RIGHT TO A JURY TRIAL OR A TRIAL IN COURT. The parties understand that the rules applicable to arbitrations and the rights of parties in arbitrations differ from the rules and rights applicable in court.
- g. The Society is incorporated under the laws of the State of North Carolina, which thus possesses a substantial relationship to the Society, and all questions with respect to the construction hereof and the rights and liabilities of the parties to arbitration hereunder hereto shall be determined in accordance with the applicable provisions of the internal laws of the State of North Carolina; provided, however, that, if any applicable conflict or choice of law rules would choose the law of another State, the parties hereto hereby waive the effect of such rules and agrees that the substantive, procedural, and constitutional law of the State of North Carolina shall nonetheless govern.