

**The American Driving Society, Inc.
("ADS")**

BYLAWS

Amended and Restated [Date__], 2021

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ARTICLE I. Offices

Section 1

Registered Office. The registered office shall be at a location authorized by the Board of Directors. The location of the office shall be reported to the Department of State of the State of New York from time to time as required by law.

Section 2

Other Offices. The ADS may also have offices at other places both in and outside the State of New York as the Board of Directors may determine or the business of the ADS may require.

ARTICLE II. Purpose

Section 1

The purposes for which the ADS is formed are purely charitable and educational, without regard to race, color or creed, as follows:

- a) To promote the best interests of the sport of driving of equines to carriages, both competitively and for pleasure,
- b) To create and maintain public interest in national and international driving events,
- c) To educate and inform the public with respect to driving methods, safety and events,
- d) To publish information on driving methods, safety and events,
- e) To organize driving events and to facilitate the organization of driving events by others, including the establishment and maintenance of a list of qualified judges, the rendering of technical assistance to event organizers, the maintenance of event records and the publishing of event calendars,
- f) To sponsor educational driving clinics and clinics for the purpose of training judges,
- g) To cooperate with organizations that are interested in equine carriage driving and related activities. To provide and pursue ways and means not prohibited by law, to solicit and receive money and property for the foregoing purposes and to receive and accept for charitable purposes gifts, donations, bequests and devises of money and property,
- h) To do all things necessary, suitable, and proper for the accomplishment of the above purposes, and

i) The ADS shall comply with Article 5 “Corporate Finance” of the New York Not-for-Profit Corporate Law "N-PCL"

ARTICLE III. Members

Section 1

The Membership of the ADS shall consist of individuals, families, businesses, and organizations as the Board of Directors may determine by resolution. Membership shall be evidenced by a digital or physical membership card.

Section 2. Dues

Dues for the various categories of Membership shall be established by the Board of Directors and published in the Policies and Procedures of the ADS.

Section 3. Termination of Membership

Membership shall be terminated as follows:

- a) Resignation - Any member may resign by filing a written resignation with the Secretary.
- b) Non-Payment of Dues - The membership of any member shall be terminated without prejudice if dues, assessments, or other charges are in default.
- c) Expulsion or Suspension – The Board of Directors may suspend or expel any member for conduct deemed to be prejudicial to the ADS in accordance with the Policies and Procedures of the ADS.

Section 4. Annual Meeting

A meeting of the members of the ADS shall be held annually for the purpose of business as may be properly brought before the members of the ADS at a place, date and time as designated by the Board of Directors.

Section 5. Special Meetings

Special Meetings of the members may be called by the Board of Directors or shall be called by the President at the request of ten percent (10%) of the members in good standing. Special meetings of the members may be held at a time and place as may be designated in the notice thereof.

Section 6. Notice of Meetings of Members

a) Notice of each meeting of members shall be given in writing by the Secretary or by or on behalf of the person or persons calling the meeting. In the case of a Special Meeting called by members entitled to cast ten percent (10%) of the total number of votes entitled to be cast at the meeting, the Secretary, upon receiving a written demand for the meeting, shall promptly give written notice of the meeting, or if the Secretary fails to do so within five business days thereafter, any member signing the demand may give the notice. Each notice of a meeting of members shall state the place, date and hour of the meeting and unless the meeting is an annual meeting, shall indicate that it is being issued by or at the direction of the person or persons calling the meeting. Notice of a Special Meeting shall also state the purpose or purposes for which the meeting is being called. A copy of the notice of each meeting shall be given personally, by first class mail, by facsimile telecommunications or by electronic mail to each member entitled to vote at the meeting not less than ten (10) nor more than fifty (50) days before the date of the meeting; if mailed by any other class of mail, it shall be given not less than thirty nor more than sixty (60) days before the date of the meeting. If mailed, the notice shall be deemed given when deposited in the United States mail, with postage prepaid, directed to the member at the member's address as it appears on the record of members, or, if the member shall have filed with the Secretary a written request that notices to the member be mailed to some other address, then directed to the member at the other address. If sent by facsimile telecommunication or mailed electronically, such notice is given when directed to the member's fax number or electronic mail address as it appears on the record of members, or, to such fax number or other electronic mail address as filed with the secretary of the ADS. Notwithstanding the foregoing, such notice shall not be deemed to have been given electronically (i) if the ADS is unable to deliver two (2) consecutive notices to the member by facsimile telecommunication or electronic mail or (ii) the ADS otherwise becomes aware that notice cannot be delivered to the member by facsimile telecommunication or electronic mail. Whenever the ADS has more than five hundred (500) members, the notice may be served by publication, in lieu of mailing, in a newspaper published in the county in the state in which the principal office of the ADS is located, once a week for three (3) successive weeks next preceding the date of the meeting, provided that any member who has filed an electronic mail address with the Secretary shall be electronically mailed a copy of the notice not less than ten (10) nor more than fifty (50) days before the date of the meeting.

b) When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and at the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting. However, if after the adjournment the Board of Directors fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given to each member of record on the new record date entitled to notice under the preceding paragraphs of this Section.

Section 7. Quorum of Members

Members entitled to cast one hundred (100) votes or one tenth (1/10) of the total number of votes entitled to be cast thereat, whichever is the lesser, shall constitute a quorum at a meeting of members for the transaction of any business, provided that a specified item of business is required to be voted on by a class of members, voting as a class, members entitled to cast a majority of the total number of votes entitled to be cast by the class shall constitute a quorum for the transaction of the specified item of business. The members who are present in person or by proxy and who are entitled to vote may, by a majority of votes cast, adjourn the meeting despite the absence of a quorum.

Section 8. Vote of Members

Each individual member of the ADS eighteen (18) years or over shall have one (1) vote on any matter for which members have votes, except that in the event the Policies and Procedures of the ADS provide for family memberships, up to two (2) adult members of the family shall be authorized to cast one (1) vote each. No other members shall have voting rights. A vote may be cast either orally or in writing. When an action, other than the election of Directors, is to be taken by vote of the members, it shall be adopted by a majority of the votes cast by the members entitled to vote thereon. Directors shall be elected in accordance with the procedure set forth in Article IX, Section 2 of these Bylaws.

Section 9. 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 the member by proxy. Every proxy must be signed by the

member. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the member executing it, except as otherwise provided by law. The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the member who executed the proxy unless, before the authority is exercised, written notice of an adjudication of the member's incompetence or of their death is received by the Secretary.

ARTICLE IV. Regions

The ADS shall be geographically divided into Regions to help achieve the purposes of the ADS as stated in the Certificate of Incorporation and in Article II of these Bylaws. The number of regions and the name by which they are known shall be established by the Board of Directors with the advice of the membership and shall be published in the Policies and Procedures of the ADS. Each Region shall have the benefit of a Regional Director to act as a liaison between the members within the Region and the ADS Board of Directors.

ARTICLE V. Directors

Section 1. Number, Election, Term and Classification of Directors

a) Directors shall be elected from the members of the ADS by members of the ADS at the annual meeting held in even numbered calendar years and shall serve without compensation. The Board of Directors shall not be less than four (4) nor more than thirty-five (35).

b) The Board of Directors shall consist of the officers (President, Vice President(s), Secretary, Treasurer), Regional Directors and Directors at Large, the total of which shall comply with section (a) of this Article V.

c) The term of office shall be two (2) years commencing January 1, of the year immediately following election.

d) Resignation of Board Members:

1. Any Officer or Director may resign at any time by written notice to the Board, the President or the Secretary, delivered by first class mail or electronic mail to ADS's office.
2. The resignation shall be effective upon receipt or on a future date designated in the written resignation.

3. In the event of permanent or long-term disability, the spouse or guardian of the Officer or Director may resign on the Officer or Director's behalf.
 4. Any Officer or Director who is absent without just cause or prior notice to the President or Secretary for two (2) consecutive meetings may be asked to resign or their position may be declared vacant by a majority of the Board of Directors.
- e) All meetings of the Board of Directors are open to all members of the ADS except when called into executive session by the President.

Section 2. Duties of Board of Directors

- a) The Board of Directors shall exercise all of the powers of the ADS subject only to the restrictions imposed by law, by the ADS's Certificate of Incorporation as amended and by these Bylaws.
- b) The Board of Directors shall elect the Officers of the ADS.
- c) The Board of Directors shall review and approve proposals submitted by committees or members of the ADS.
- d) The Board of Directors may suspend or expel any member of the ADS for conduct deemed to be prejudicial to the ADS in accordance with Article III, Section c) of these Bylaws. The Board of Directors may censure a member of the ADS for conduct deemed to be prejudicial to the ADS. Any of the actions mentioned herein will be conducted in accordance with the Policies and Procedures of the ADS.
- e) The Board of Directors may fill any position on the Board that becomes vacant midterm by a vote of a majority of the Directors then in office, regardless of their number. The individual filling the position will serve until the end of the term for which his or her predecessor was elected.
- f) Minutes of meetings of the Board of Directors shall be taken and kept in the Executive Office. The minutes shall be available to the members as soon as possible following the meeting to which they apply.
- g) The Board of Directors may elect Honorary Directors in recognition of distinguished service rendered to the ADS. An Honorary Director shall hold office for life and shall be entitled to attend meetings of the Board of Directors and to participate in discussions at meetings but shall have no vote on matters before the Board. Honorary Directors shall have all rights and privileges of individual members and shall be exempt from annual dues. Honorary Directors shall receive the same communications from the ADS as Directors except where such communications pertain to matters restricted to executive session on the Board.

- h) The Board of Directors may remove or suspend from office or censure any Director or Officer of the ADS whose performance may be detrimental to the ADS. The Director or officer shall be given the opportunity to be heard by the Board of Directors orally or in writing. A three-fourths' (3/4) vote of all Directors present is required to approve such removal, suspension or censure. Procedures for carrying out these actions shall be in accordance with the Policies and Procedures of the ADS.
- i) The Board of Directors may create new Committees as needed upon receiving a majority vote of the entire Board to do so. By a vote of the Directors present and voting, the Board of Directors may combine or dissolve any Committee if in its judgment, it does not hinder the interests of the ADS to do so.

Section 3. Quorum of Directors and Action by the Board

Unless a greater proportion is required by law or by the Certificate of Incorporation or by a Bylaw adopted by the members, one-third (1/3) of the entire Board of Directors shall constitute a quorum for the transaction of business or of any specified item of business, and, except as otherwise provided by law, the vote of a majority of the Director's present at a meeting at the time of the vote, if a quorum is then present, shall be the act of the Board. Except as otherwise permitted by the Bylaws, all corporate action to be taken by the Board shall be taken at a meeting of the Board.

Section 4. Meetings of the Board

An annual meeting of the Board of Directors shall be held in each year directly after the Annual Meeting of Members. The Board shall fix the times of regular meetings of the Board. Special meetings of the Board may be held at any time whenever called by the President, Vice President(s) or any two (2) Directors or as otherwise determined by the Board. Meetings of the Board shall be held at the places within or without the State of New York or by electronic means that allow members of the Board to hear all other Board members speak, to engage in the discussion and to vote. Participation by such means shall constitute presence at a meeting. Meetings shall be fixed by the Board for annual and regular meetings and in the notice of meeting for Special Meetings. If no place is fixed, meetings of the Board shall be held at the principal office of the ADS. The Secretary shall send notice of meetings, including electronic meetings, by electronic mail, if an electronic mail address is on file, or by first class mail to each Director and posted prominently on the website of the ADS. Such notice

shall be given no less than ninety (90) days prior to the meeting and contain the dates and location of the meeting, lodging arrangements, scheduled meals (including costs), registration fees and any other costs required to attend the meeting. If any information is unavailable at the time of the notice, that shall be stated therein with the anticipated date that it will be available. Notice of each Special Meeting of the Board shall be given to each Director either by mail not later than noon, New York time, on the third day prior to the meeting, by written message or orally to the Director not later than noon, New York time, on the day prior to the meeting. Notices shall be deemed to have been given by mail when deposited in the United States mail and by messenger at the time of delivery by the messenger. Notices by mail or messenger shall be sent to each Director at the address designated by the Director for that purpose, or, if none has been so designated, at the Director's last known residence or business address. In addition, in the event the Director has filed an electronic mail address with the ADS, the notice shall be sent to the Director's designated electronic mail address no later than noon, New York time, on the third day prior to the meeting. A notice or waiver of notice need not specify the purpose of any meeting of the Board. Notice of a meeting of the Board need not be given to any Director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice. A majority of the Director's present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment of a meeting to another time or place shall be given in the manner described above to the Directors who were not present at the time of the adjournment and, unless the time and place are announced at the meeting, to the other Directors.

Section 5. Action by the Board Without a Meeting

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

Section 6. Annual Report

The Board, pursuant to Section 519 of the N-PCL, shall direct the President and Treasurer to present at the annual meeting of the Board and file with the minutes thereof a report, verified by the President and Treasurer, or by a majority of the Directors, showing (a) the assets and liabilities, of the ADS as of the end of the fiscal year; (b) the principal changes in assets and liabilities, during the fiscal year immediately preceding the date of the report; (c) the revenue or receipts of the ADS, both unrestricted and restricted to particular expenses or disbursements of the ADS, for both general and restricted purposes, during the fiscal year immediately preceding the date of this report. Such report shall be filed with the minutes of the annual meeting of the Board. The report to the Board shall consist of a verified or certified copy of any report by the ADS to the Internal Revenue Service or the Attorney General of the State of New York which includes the information specified above. The Treasurer shall, at all reasonable times, exhibit the ADS's books and accounts to any Officer or Director of the ADS, whenever required by the Board, render a statement of the ADS's accounts, and perform all duties incident to the position of Treasurer, subject to the control of the Board of Directors. At the expiration of his/her term of office, he/she should deliver over to his/her successor all books, monies and other property, or in the absence of the Treasurer-elect, to the President.

ARTICLE VI. Officers

Section 1. The officers of the ADS shall be a President, one or more Vice Presidents, Secretary and Treasurer, each of whom shall be a Director. Officers shall be elected for a term of two (2) years concurrent with the Directors' term commencing on January 1 of the year following election. Following the Annual Meeting of Members at which the Directors are elected, all of the newly elected Directors shall, *effective as of the first day of the new term, January 1st*, consent in writing to the adoption of a resolution electing the new Officers. The resolution and the written consents thereto by the Board shall be filed with the minutes of the proceedings of the Board. Any two or more offices may be held by the same person except persons holding the offices of President and Secretary. Additional or assistant officers may be elected or appointed by the Board of Directors. Each officer shall hold office until January 1 of the year in which newly elected Officers assume office and/or until his or her successor is duly elected or appointed, whichever is later. The President

may serve only two (2) terms of two (2) years. There are no term limits for other offices.

Section 2. President

The President is the Chief Executive Officer of the ADS and a member and presiding officer of the Board of Directors and its Executive Committee. The President shall:

- a) Preside at all meetings of the membership, the Board of Directors and its Executive Committee,
- b) Call any additional meetings of the membership, Board of Directors and its Executive Committee as provided for elsewhere in the Bylaws,
- c) Be ex-officio, non-voting member of all committees except the Nominating Committee,
- d) Together with the Secretary, set and/or approve the agenda of any membership, Board of Directors or its Executive Committee meeting,
- e) Together with the Secretary, prepare and sign all documents as required by law or provided for by the Policies and Procedures of the ADS,
- f) Assure that the Bylaws and the Policies and Procedures of the ADS are properly enforced,
- g) Vote only when the vote is tied,
- h) Carry out other duties as may be requested by the Membership, the Board of Directors or its Executive Committee or as may be required to maintain the best interests of the ADS,
- i) The President shall serve as official liaison between the ADS and other equestrian organizations or may appoint another member from the Board of Directors to serve in this capacity.

Section 3. Vice President(s)

In the event that the Board of Directors appoints more than one (1) Vice President, one of these shall be designated as "First Vice President" for the sole purpose of applying the remainder of this Section. In the absence of the President or in the event of his/her death, inability or refusal to act, the First Vice President shall perform the duties of the President, and when so acting shall fulfill the duties of the President as defined in these Bylaws as described in the Policies and Procedures of the ADS. The Vice President(s) shall perform any other duties as may be assigned by the President. The Vice President(s) shall be members of the Executive Committee of the Board of Directors.

Section 4. Secretary

The Secretary shall:

- a) Be responsible for the preparation of minutes of meetings of the membership, the Board of Directors and its Executive Committee,
- b) Assure that the minutes be published or distributed in accordance with the Policies and Procedures of the ADS,
- c) Be responsible for corporate records, the Corporate Seal; and see that the Seal is affixed to all documents as necessary and/or required by law,
- d) Together with the President sign all documents as required by law or provided for by the Policies and Procedures of the ADS,
- e) Maintain records of all proxy votes,
- f) Assure that all written notices required by law, the Bylaws and/or the Policies and Procedures of the ADS are given as required, and
- g) Be a member of the Board of Directors and its Executive Committee.

Section 5. Treasurer

The Treasurer shall:

- a) Act as the Chief Financial Officer of the ADS and serve as Chair of the Finance and Audit Committee,
- b) Together with the Finance and Audit Committee and the Executive Director prepare an annual budget for the ADS,
- c) Review quarterly and annual financial reports of the ADS provided by the Executive Director and/or accountants engaged by the ADS,
- d) Provide other financial reports as required by law,
- e) At the annual meeting he or she shall render a report of the ADS as per Section 6, Article V of these Bylaws,
- f) Perform other duties as may be assigned by the President, Board of Directors and its Executive Committee or as outlined in the Policies and Procedures of the ADS, and
- g) Be a member of the Board of Directors and its Executive Committee.

Section 6. Removal

Any officer may be removed from office by the affirmative vote of two-thirds (2/3) of all Directors at any regular or special meeting called for that purpose, for nonfeasance, malfeasance, or misfeasance, for conduct detrimental to the interests of the ADS, for lack of sympathy with its objectives, or for refusal to render reasonable assistance in carrying out its purposes. Any officer proposed to be removed shall be entitled to written notice of the meeting of the Board at which such removal is to be voted

upon and shall be entitled to appear before and be heard by the Board at such meeting.

Section 7. Resignation

Any Officer may resign at any time by written notice to the Board, the President or the Secretary, delivered by first class mail or electronic mail to ADS's office.

Section 8. Sureties and Bonds

In case the Board shall so require, any Officer or agent of the ADS shall disclose all required information as needed for the ADS to obtain a bond in such sum in such surety or sureties as a Board shall determine for that Officer or agent's position.

ARTICLE VII. Committees of the Board

a) The Executive Committee and other Committees of the Board are created and may be dissolved by a majority vote of the Board of Directors and may be given the authority of the Board within the limitations of N-PCL Section 712. Each Committee of the Board shall consist of three or more Directors and may have all the authority of the Board of Directors, so long as that authority is specifically granted by Board resolution or in these Bylaws.

b) Each Committee of the Board shall serve at the pleasure of the Board. The designation of any such committee and the delegation thereto of authority shall not alone relieve any Director of his duty to the corporation under N-PCL Section 717 that sets the duty of Directors and officers. Committees of the Board, their functions and operations shall be detailed in Policies and Procedures of the ADS.

Section 1. Executive Committee

The Board of Directors shall select an Executive Committee of the Board of Directors of at least four (4) but no more than ten (10) Board members. This committee shall include the President as Chair, the Vice President(s), the Secretary, and the Treasurer. The Executive Committee shall be a Committee of the Board per N-PCL §712 and shall have the authority to bind the Board.

The Executive Committee of the Board of Directors shall meet at least two (2) times a year. Additional meetings by conference call or any other form of meeting agreeable to a majority of the committee members may be called by any member of the Executive Committee of the Board of Directors with at least twenty-four (24) hour notice to the other members. All meetings of the Executive Committee are open unless they have been called into executive session by the President. The Executive Committee of the Board of Directors shall have all of the authority of the Board of Directors except as to the following matters:

- a) The submission to members of any action with respect to which members approval is required by law,
- b) The filling of vacancies on the Board of Directors, but may nominate a person to fill a vacancy to be elected by the Board of Directors,
- c) The fixing of compensation of the Directors for serving in any capacity,
- d) The amendment or repeal of the Bylaws (unless such bylaw is unlawful on its face) or the adoption of new Bylaws,
- e) The amendment or repeal of any resolution of the Board which by its terms shall not be amendable or cannot be repealed, or
- f) The removal or indemnification of Directors.

Section 2. Finance and Audit Committee

The Board of Directors shall select this Committee of the Board of Directors that shall have the authority to bind the Board. The Finance and Audit Committee shall consist of at least three (3) Directors, one of whom shall be the Treasurer. The Treasurer shall serve as Chair of the committee. The other members of the Finance and Audit Committee shall be appointed by the President of the Board, subject to the approval of the Board. This committee will propose and oversee the ADS's Investment Policy and shall advise the Treasurer and the Board in regard to the investments policy and general fiscal policy of the ADS. The Finance and Audit Committee shall also be responsible for oversight of the ADS's outside auditors and oversight of the ADS's internal fiscal controls and financial reporting.

Section 3. Development Committee

The Board of Directors shall select this Committee of the Board of Directors that is responsible for developing and overseeing methods of attracting financial support for the ADS in accordance with the Policies and Procedures of the ADS.

Section 4. Governance & Bylaws Committee

The Board of Directors shall select this Committee of the Board of Directors that is responsible for maintaining Bylaws and the policies and procedures in accordance with the Policies and Procedures of the ADS.

Section 5. Licensed Officials Committee

This Committee shall be a Committee of the Board and is responsible for developing programs to teach officiating skills, training, testing, and licensing of carriage driving officials in accordance with the Policies and Procedures of the ADS.

ARTICLE VIII. Committees of the Corporation

a) Committees of the Corporation may not bind the ADS as per N-PCL §712. Committee members of committees of the Corporation regardless of position held, must be current ADS members in good standing and the term of commitment shall commence with appointment to the committee and end concurrently with the term of the current Directors and Officers. Members of Committees of the Corporation shall be appointed by the then Chair of each such Committee and their appointment shall be subject to review and approval by the Board of Directors in the meeting following their election or at subsequent meetings when changes to Committees are made. All committee meetings are open unless they have been called into executive session. The Board of Directors may create and dissolve committees as necessary to meet the needs of the ADS.

b) Committees of the Corporation will include special committees and are those of a permanent nature that are required to carry out the ongoing business and purposes of the ADS. Committees of the Corporation, their functions and operations shall be detailed in Policies and Procedures of the ADS.

c) Special Committees are those Committees of the Corporation that are appointed for the study and/or resolution of a specified topic. In addition to the Board of Directors, the President may appoint Special Committees to perform these same functions. Special Committees, their functions and operations shall be detailed in Policies and Procedures of the ADS.

ARTICLE IX. Nominations and Elections

Section 1. Nominating Committee

The Nominating Committee, a special committee of the ADS, will be selected and charged at the Fall meeting of the Board of Directors in the off year of elections and will disband following the presentation of the slates of Directors and Officers. The Nominating Committee's functions and operations shall be detailed in Policies and Procedures of the ADS.

Section 2. Elections

a) Election of the Board of Directors

1. Directors shall be elected and Chairs of Committees of the Corporation shall be approved by members of the ADS in accordance with Article V, Section 1 of these Bylaws.
2. The slate of nominees as provided by the Nominating Committee shall be presented to the membership at the respective meeting for elections.
3. Nominations from the floor will be requested by the President or the current presiding officer.
4. If there are no nominations from the floor, a motion may be made to elect the slate of nominees of Directors and Chairs of Committees of the Corporation by acclamation.
5. If there are nominations from the floor, a confidential written ballot will be provided to enable members to vote for the candidates of their choice for each individual Directorship or Committee Chair that is contested. In the event no candidate receives a majority on the first ballot, the two candidates with the highest votes shall have a run-off ballot. In the event of Directors-at-Large, the candidates shall be ranked according to the number of votes for each and the number of Director- at-Large positions recommended by the Nominating Committee shall be filled from the ranked list from top down, based on a single balloting for Directors-at-Large (unless a tie for the last Director-at-Large position forces a run-off). This election will be conducted in accordance with the Policies and Procedures of the ADS. All unopposed nominees may be elected by a motion to elect by acclamation.

b) Election of Officers

1. Officers shall be elected by the newly elected Board of Directors for a term of two (2) years concurrent with the Directors' term commencing on January 1 of the year following the election.

Following the Annual Meeting of Members at which the Directors are elected, all of the newly elected Directors shall, *effective the first day of the new term, January 1st*, consent in writing to the adoption of a resolution electing the new Officers. The resolution and the written consents thereto by the Board shall be filed with the minutes of the proceedings of the Board.

ARTICLE X. Eligibility of Notice and to Vote

Record Date. The Board of Directors may fix, in advance, a date as the record date for the purpose of determining the members entitled to notice of any meeting of members or any adjournment thereof. The record date shall not be more than fifty nor less than ten days before the date of the meeting.

ARTICLE XI. Procedure at Meetings

Meetings of the membership and the Board of Directors shall be conducted according to common parliamentary procedures, such as Roberts Rules of Order.

ARTICLE XII. Financial Policies

Section 1. Contracts

The Board of Directors, except as these Bylaws may otherwise provide, will authorize the President, in the name of the ADS to enter into any contract or execute and deliver any instrument, and such authority may be general or confined to specific instances; but unless so authorized by the Board of Directors, or expressly authorized by these Bylaws, no Officers, agents or employees shall have the power or authority to bind the ADS by any contract or engagement or to pledge its credit or render it financially liable in any amount for any purpose.

Section 2. Loans

No loans shall be contracted on behalf of the ADS except when authorized by a two-thirds (2/3rds) super-majority vote of the entire Board of Directors.

Section 3. Bank Checks and Drafts

All bank checks and drafts and all other such orders for the payment of monies out of the funds of the ADS, and all notes or other evidences of indebtedness of the ADS, shall be signed on behalf of the ADS by such

Officer or Officers, agent or agents of the ADS, and in such manner as shall from time-to-time be determined by resolution of the Board of Directors, in the absence of other determination by the Board of Directors, any such instruments shall be signed by the Treasurer, or an Assistant Treasurer, as appropriate, and countersigned by the President or Vice President(s).

Section 4. Bank Deposits

All funds of the ADS not otherwise employed shall be deposited from time-to-time to the credit of the ADS in such banks, savings and loan associations, trust companies or other depositories as the Board of Directors may select.

Section 5. Gifts

The Board of Directors may accept on behalf of the ADS any contribution, gift, bequest, or devise for any purpose of the ADS.

Section 6. Fiscal Year

The Fiscal Year shall be fixed by the Board of Directors.

ARTICLE XIII. Investments

The Investment Policy of the ADS will be a function of the Finance and Audit Committee. The Finance and Audit Committee will propose a written Investment Policy based upon the factors utilizing their best judgment in light of the New York State statutes and the guidance of the New York State Attorney General. The Investment Policy will address the ADS's general investment objectives; permitted and prohibited investments; acceptable levels of risk; asset allocation and diversification; procedures for monitoring investment performance; scope and terms of delegation of investment management functions; the investment manager's accountability; procedures for selecting and evaluating external agents; processes for reviewing investment policies and strategies; and proxy voting. The Finance and Audit Committee shall review the Investment Policy on a regular basis and will present any proposed changes to the Board.

ARTICLE XIV. Indemnification and Insurance

Section 1. Authorized Indemnification

Unless clearly prohibited by law or these Bylaws, the ADS shall indemnify any person (an "Indemnified Person"), including any Director, Officer or Key Employee as that term is defined by the N-PCL made or threatened to be made a party in action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by the ADS, by reason of the fact that he/she (or his/her Testator or Administrator, if then deceased), whether before or after adoption of this Article: (a) is or was a Director, Officer or Key Employee of the ADS, as that term is defined by the N-PCL, or: (b) is serving or served, in any capacity, including Committees of the Board and Committees of the corporation, at the request of the ADS, as a Director, Officer or Key Employee as that term is defined by the N-PCL of any other corporation, or any partnership, joint venture, trust, employee benefit plan or other enterprise. The indemnification shall be against all judgments, fines, penalties, amounts paid in settlement (provided the ADS shall have consented to such settlement) and reasonable expenses, including attorneys' fees and costs of investigation, incurred by an Indemnified Person with respect to any such threatened or actual action or proceeding.

Section 2. Prohibited Indemnification

The ADS shall not indemnify any person if a judgment, or other final adjudication, adverse to any Indemnified Person, including any Director, Officer or Key Employee as that term is defined by the N-PCL, establishes, or the Board of Directors in good faith, or a Committee of the Board thereof, determines, that such person's acts were committed in bad faith or were the result of willful or intentional conduct, active and deliberate dishonest and were material to the cause of action so adjudicated or that he/she personally garnered any financial profit or other advantage to which he/she was not legally entitled.

Section 3. Advancement of Expenses

The ADS shall, on request of any Indemnified Person, including any Director, Officer or Key Employee as these terms are defined by the N-PCL, who is or may be entitled to be indemnified by the ADS, pay or promptly reimburse an Indemnified Person's reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be

made unless the Indemnified Person, including any Director, Officer or Key Employee as these terms are defined by the N-PCL, makes a binding, written commitment to repay the ADS, with interest, for any amount advanced for which it is ultimately determined that he/she is not entitled to be indemnified under the law or these Bylaws. An Indemnified Person, including any Director, Officer or Key Employee as these terms are defined by the N-PCL, shall cooperate in good faith with any request by the ADS that common legal counsel be used by the parties to such action or proceeding who are similarly situated unless it would be inappropriate to do so because of actual or potential conflicts between the interests of the parties.

Section 4. Indemnification of Others

Unless clearly prohibited by law or these Bylaws, the Board of Directors may approve indemnification by the ADS, as set forth in Section 1 of this Article, or advancement of expenses as set forth in Section 3 of this article, to a person (or his/her Testator or Administrator, if then deceased) who is or was employed by the ADS or who is or was a volunteer for the ADS, especially Key Employees as that term is defined by the N-PCL, and who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken in connection with service at the request of the ADS in any capacity for any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

Section 5. Determination of Indemnification

Indemnification mandated by a final order of a court of competent jurisdiction will be paid. After termination or disposition of any actual or threatened action or proceeding against an Indemnified Person, if indemnification has not been ordered by a court, the Board of Directors, or a Committee of the Board thereof, shall, upon written request by an Indemnified Person, including any Director, Officer or Key Employee as these terms are defined by the N-PCL, determine whether and to what extent indemnification is permitted pursuant to these Bylaws. Before indemnification can occur, the Board of Directors, or a Committee of the Board thereof, must expressly find that such indemnification will not violate the provisions of Section 2 of this Article. Only Independent Directors, as that term is defined the N-PCL, without a personal interest in the outcome, or who is a party to such actual or threatened action or proceeding

concerning which indemnification is sought, shall participate in this determination. If a quorum of such Independent Directors, as that term is defined by the N-PCL, is not obtainable, the Board of Directors, or a Committee of the Board thereof, shall act only after receiving the opinion in writing of independent legal counsel or the ADS's General Counsel, that indemnification is proper in the circumstances under then applicable law and these Bylaws.

Section 6. Binding Effect

Any person entitled to indemnification under these Bylaws has a legally enforceable right to indemnification which cannot be abridged by amendment of these Bylaws with respect to any event, action or omission occurring prior to the date of such amendment.

Section 7. Insurance

The ADS is required to purchase adequate Directors and Officers liability insurance. To the extent permitted by law, such insurance shall insure the ADS for any obligation it incurs as a result of this Article, or operation of law, and it may insure directly the Directors, Officers, Key Employees as these terms are defined by the N-PCL or volunteers of the ADS, for liabilities against which they are not entitled to indemnification under this Article, as well as for liabilities against which they are entitled or permitted to be indemnified by the ADS.

Section 8. Nonexclusive Rights

The provisions of this Article shall not limit or exclude any other rights to which any person may be entitled under law or contract. The Board of Directors or a Committee of the Board thereof, is authorized to enter into agreements on behalf of the ADS with any Director, Officer or Key Employee, as these terms are defined by the N-PCL, or volunteer to provide them rights to indemnification or advancement of expenses in connection with potential indemnification in addition to the provisions therefore in this Article, subject in all cases to the limitations of Section 2 of this Article.

ARTICLE XV. Communication

In addition to regular forms of mail and telecommunication, modern day electronic means of written and oral communications may be used for notices of meetings or votes, and if used shall have the same effect as

notices by mail or those delivered in person to the fullest extent permitted by law.

ARTICLE XVI. Statutory Compliance and Bylaw Amendment

Section 1. Conflicts of Interest Protocols

The ADS shall adopt, and at all times honor, the terms of a written conflicts of interest policy to assure that its Directors, Officers and Key Employees act in the ADS's best interest and comply with applicable legal, regulatory and ethical requirements. The Conflicts of Interest Policy of the ADS shall include, at a minimum, the following provisions:

1. Procedures. Procedures for disclosing, addressing, and documenting Conflicts of Interest and Related Party Transactions to the Board of Directors, or authorized committee, as appropriate,
2. Restrictions. Stipulations that when the Board of Directors, or authorized committee, as appropriate, is considering a real/potential conflict of interest, the interested party shall not:
 - i. be present at, or participate in, any deliberations,
 - ii. attempt to influence deliberations, and/or
 - iii. cast a vote on the matter.
3. Definitions. Definitions of circumstances that could constitute a conflict of interest,
4. Documentation. Requirements that the existence and resolution of the conflict be documented in the records of the ADS, including in the minutes of any meeting at which the conflict was discussed or voted upon, and
5. Audit-Related Disclosure. Protocols to assure for the disclosures of all real or potential conflicts of interest are properly forwarded to the Secretary of the ADS.

Section 2. Conflicts of Interest Policy

The Conflicts of Interest Policy of the ADS required in order to comply with the mandates of Section 1 of this Article has been adopted by the Board of Directors.

Section 3. Code of Ethical Conduct & Annual Potential Conflicts Disclosure Statement

The Potential Conflicts Disclosure Statement of the ADS required in order to comply with the mandates of Section 2 of this Article has been adopted by the Board of Directors.

Section 4. Whistleblower Protection Policy

The ADS shall adopt, and at all times honor the terms of a written Whistleblower Protection Policy in an effort to assure that any "Director", "Officer, employee or volunteer" who provides substantial services to the ADS shall be free of fear of intimidation, harassment, discrimination or other forms of retaliation on the part of the ADS, or any of its Directors, Officers, employees or volunteers, as a consequence of the good-faith filing of a report relative to possible violations of any statute, regulation, applicable ethical standard or policy or procedure of the ADS. The Whistleblower Protection Policy of the ADS required in order to comply with this Article has been adopted by the Board of Directors.

Section 5. Audit Oversight

If required by statute, regulation or contract, if deemed necessary and practicable by the Board of Directors, or if mandated by any empowered governmental agency or required by binding contract, the accounts of the ADS shall be subject to an annual audit report or audit review report prepared by an independent Certified Public Accountant to be overseen by the Finance and Audit Committee.

Section 6. Amendment of Bylaws

- a) The Bylaws may be amended by the members of the ADS at any meeting of the membership. The Board of Directors shall have the power to make Bylaws not inconsistent with law or the Certificate of Incorporation of the ADS and shall have the power to alter, amend or repeal the same. Members shall be notified of any amendment or repeal made by the Board of Directors.
- b) All proposed amendments to the Bylaws must follow the guidelines of the Policies and Procedures of the ADS and be published on the ADS website no fewer than ten (10) days prior to the date set for voting.
- c) Exception. As provided by N-PCL, the Board of Directors may amend the Bylaws in the event of an emergency such as a natural disaster, fire, or change in law that would render the current Bylaws out of compliance. In the event such emergency exists, bylaw changes may be only to those provisions directly affected.

ARTICLE XVII. Fiduciary Duties

Section 1. Duty of Care

All Directors and Officers shall exercise the same standard of care that a reasonable person, with similar abilities, acumen & sensibilities, would exercise under similar circumstances at all times. Each Director and Officer shall endeavor to understand all, or substantially, all of the consequences of his/her actions and/or the omissions.

Section 2. Duty of Loyalty

No Director or Officer shall be permitted to engage in, or condone, any conduct that is disloyal, disruptive, damaging or competes with the ADS. No Director or Officer shall be permitted to take any action, or establish any interest, that compromises his/her ability to represent the ADS's best interest. All Directors and Officers are expected to represent the interests of the ADS at all times while serving as members of the Board of Directors.

Section 3. Duty of Obedience

No Director or Officer shall be permitted to disobey an authorized decision of the Board of Directors and/or the Membership, if applicable.

Article XVIII. Non-Discrimination

In all of its dealings, neither the ADS nor its duly authorized agents shall discriminate against any individual or group for reasons of race, color, creed, sex, age, ethnicity, national origin, marital status sexual preference, mental or physical disability or any category protected by law.

ARTICLE XIX. Reference to Certificate of Incorporation

References in these Bylaws to the Certificate of Incorporation shall include all amendments thereto or changes thereof unless specifically accepted. In the event of a conflict between the Certificate of Incorporation and these Bylaws, the Certificate of Incorporation shall govern.

ARTICLE XX. Ethics And Conflict of Interest

a) The ADS represents the sport of driving in the United States. We, as a society, its employees, volunteers, Officers, members of the Board of Directors and Committees must always conduct our affairs and activities in conformity with the highest ethical standards and principles. The ADS, Officers, Directors, committee members, volunteers and staff members

must comply with the following ethical standards when acting in any way on the behalf of the ADS:

1. Avoid conflicts of interest, both real and perceived,
2. Conduct all dealings with honesty and fairness,
3. Never use the ADS assets or information for personal use or gain,
4. Recognize that even the appearance of misconduct or impropriety can be very damaging to the reputation of the ADS and act accordingly, and
5. Comply with procedural guidelines in Policies and Procedures of the ADS.

ARTICLE XXI. General

Section 1. Corporate Seal

The Board of Directors shall provide a Corporate Seal that shall be circular in design and contain the name of the ADS. The presence of the Corporate Seal on a written instrument purporting to be executed by authority of the ADS shall be prima facie evidence that the instrument was so executed.

Section 2. Conflicts

- a) In the event of a conflict between the provisions of the Bylaws and the Policies and Procedures of the ADS or a resolution of the members of the Board, the Bylaws shall control.
- b) In the event of a conflict between the Policies and Procedures of the ADS and a resolution of the members or the Board, the Policies and Procedures of the ADS shall control.