

BYLAWS OF USA WORKING EQUITATION



Adopted: October 13, 2020

NOTE: The Colorado Revised Nonprofit Corporation Act both establishes and limits the powers and procedures available to nonprofit corporations. Where any questions arise about the meaning of these bylaws, or where these bylaws are silent on an issue, the Colorado Revised Nonprofit Corporation Act should be consulted.

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BYLAWS
OF
USA WORKING EQUITATION
(USAWE)

ARTICLE I
NAME

SECTION 1. NAME

The name of this corporation shall be USA Working Equitation. The business of the corporation may be conducted as USA Working Equitation or USAWE.

ARTICLE II
PURPOSE AND POWERS

SECTION 1. PURPOSE

USAWE is a non-profit corporation. The purposes of USAWE are exclusively those educational and charitable purposes allowed for organizations defined under §501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

Within these limits, the purposes of USAWE include the following:

To promote the sport of Working Equitation through educational initiatives, community outreach, and the organization of Working Equitation competitions throughout the United States in a way that promotes the welfare of the horse and the practice of good horsemanship.

SECTION 2. POWERS

The corporation shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to affect the charitable purposes for which the corporation is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes. The powers of the corporation may include, but not be

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limited to, the acceptance of contributions from the public and private sectors, whether financial or in-kind contributions.

SECTION 3. NONPROFIT STATUS AND EXEMPT ACTIVITIES LIMITATION

A. Nonprofit Legal Status. USAWE is a Colorado non-profit public benefit corporation, and at the earliest opportunity shall apply to be recognized as tax exempt under Section 501(c)(3) of the United States Internal Revenue Code.

B. Exempt Activities Limitation. Notwithstanding any other provision of these Bylaws, no Director, Officer, employee, member, or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt

under Section 501(c)(3) of the Internal Revenue Code as it now exists or may be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the corporation shall inure to the benefit or be distributable to any Director, Officer, member, or other private person, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

C. Distribution Upon Dissolution. Upon termination or dissolution of USAWE, any assets lawfully available for distribution shall be distributed to 1 (one) or more qualifying organizations described in Section 501(c)(3) of the 1986 Internal Revenue Code (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving corporation.

The organization to receive the assets of the USAWE hereunder shall be selected at the discretion of a majority of the managing body of the corporation, and if its members cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against the USAWE, by 1 (one) or more of its managing body which verified petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets to be distributed, giving preference if practicable to organizations located within the United States of America.

In the event that the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose, which, at

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least generally, includes a purpose similar to the USAWE, then the court shall direct the distribution of its assets lawfully available for distribution to the Treasurer of the State of Colorado to be added to the general fund.

ARTICLE III **DEFINITIONS**

SECTION 1. DEFINITIONS

A. Full Board of Directors. The term Full Board of Directors refers to all Executive Committee Members and Regional Directors as a group. This includes all of the following: President, President Elect, Secretary, Treasurer, At-Large

Directors, and Regional Directors.

B. Board of Directors. The term Board of Directors refers to the Full Board of Directors as defined above.

C. Director(s). The term Director(s) refers to any of the members of the Full Board of Directors as defined above.

D. At-Large Director(s). The term At-Large Director(s) refers to the representatives of the general membership at-large elected to serve on the Board of Directors of the corporation. The At-Large Directors are Officers of the corporation and are members of the Executive Committee of the Board of Directors.

E. Executive Committee. The term Executive Committee refers to the Officers of the corporation as a group. This includes all of the following: President, President Elect, Secretary, Treasurer, and At-Large Directors.

F. Officers. The term Officer refers to any member of the Executive Committee.

G. Regional Director(s). The term Regional Director(s) refers to any of the geographic representatives of the membership elected to serve on the Board of Directors of the corporation.

H. Member(s). The term Member(s) refers to individuals who submit an application along with the associated fee and are approved for membership in USAWE. Membership Classes are defined as the following:

1. U.S. Adult - Open to U.S. citizens and legal residents of the United States or the U.S. territories in the Pacific or Atlantic, as defined by the U.S. federal government. Members shall be considered adults if, as of January 1, they are 18 (eighteen) years of age or older.

2. U.S. Junior - Open to U.S. citizens and legal residents of the United States or the U.S. territories in the Pacific or Atlantic, as defined by the U.S. federal government. Members shall be considered juniors if, as of January 1, they are 17 (seventeen) years of age or younger.

3. International Adult - Open to non-U.S. citizens and people not legally residing in the United States or the U.S. territories in the Pacific or Atlantic, as defined by the U.S. federal government. Members shall be considered adults if, as of January 1, they are 18 (eighteen) years of age or older.

4. International Junior - Open to non-U.S. citizens and people not legally residing in the United States or the U.S. territories in the Pacific or Atlantic, as defined by the U.S. federal government. Members shall be considered Juniors if, as of January 1, they are 17 (seventeen) years of age or younger.

I. Affiliate Organization. The term Affiliate Organization (AO) refers to any independent legal entity situated in the U.S. or its territories which submits an application and the associated fee and is approved for recognition as an AO by USAWE.

J. Region(s). The term region(s) refers to the distinct geographical groupings recognized by USAWE for the purposes of representation in governance and awards.

ARTICLE IV MEMBERS

SECTION 1. RECORDS OF MEMBERS

The corporate Secretary shall ensure that the organization maintains a current, formal, alphabetical record of the names and addresses of all members.

SECTION 2. CLASSES, VOTING AND ROLES

A. Classes. USAWE is an organization of members. Membership shall be composed of 4 (four) classes of members:

1. U.S. Adult
2. U.S. Junior
3. International Adult
4. International Junior

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B. Voting. All members in good standing are entitled to attend regular meetings of the USAWE Board of Directors and to participate in activities of the organization. U.S. Adult members are deemed statutory members as defined by CO Rev Stat § 7-126-201 (2016) and may vote in the selection of the Board of Directors and in all matters for which a membership vote is permitted except that members may not amend or repeal these Bylaws or adopt new ones. All members shall abide by these Bylaws and any subsequent properly approved amendments.

C. Roles. Members in good standing are entitled to participate in the various programs, events and governance of USAWE according to their class of

membership as defined below:

1. U.S. Adult - Members of this class may serve as Officers or Regional Directors; participate in the USAWE nomination process for those offices; vote in elections of officers or any election calling for a vote of the general membership; serve on USAWE committees; show at USAWE licensed shows at member cost; record horses; participate in the USAWE awards programs; apply for licensing as a judge or technical delegate; apply to become a member of the USAWE Coaches Network; and qualify to represent the United States as a member of the official USAWE team in international competitions.

2. U.S. Junior - Members of this class may serve on USAWE committees; show at USAWE licensed shows at member cost; record horses; participate in the USAWE awards programs; and qualify to represent the United States as a member of the official USAWE team in international competitions.

3. International Adult - Members of this class may serve on USAWE committees; show at USAWE licensed shows at member cost; record horses; participate in the USAWE awards programs; apply for licensing as a judge or technical delegate; and apply to become a member of the USAWE Coaches Network.

4. International Junior -Members of this class may serve on USAWE committees; show at USAWE licensed shows at member cost; record horses; and participate in the USAWE awards programs.

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SECTION 3. APPLICATION FOR MEMBERSHIP

Application for membership shall be open to all people and shall be made in such forms as prescribed by the Board of Directors. The application form must be accompanied by the required fee for current dues for the class of membership.

SECTION 4. GOOD STANDING

A member shall be considered a member in good standing if the member's dues are paid in full for the current year and the member has not been suspended or expelled from the organization pursuant to Section 5 (Suspension or Expulsion) below.

SECTION 5. SUSPENSION OR EXPULSION

A member may be suspended or expelled with or without cause from the organization pursuant to a 2/3 (two-thirds) majority vote of the Full Board of Directors. This member shall have at least 15 (fifteen) days written notice by first class or certified mail of the termination and the reason for the termination, and an opportunity for the

member to be heard by the Full Board of Directors, orally or in writing, not less than 5 (five) days before the effective date of the termination.

Failure to pay outstanding dues will result in immediate suspension without a Full Board of Directors hearing. Membership suspended for failure to pay dues will be reinstated without prejudice immediately upon payment of said dues.

Suspended or expelled members are ineligible for USAWE awards and give up all their rights and privileges as USAWE members for the duration of their suspension or expulsion. The decision of the Full Board of Directors is final and shall not be reviewable by any court.

SECTION 6. ANNUAL MEETING

At least 1 (one) annual meeting of the members shall be held each year. This meeting shall be held the first Saturday of February at 10 a.m. Mountain Standard time unless a different time or date, not more than 14 (fourteen) months since the most recent annual meeting, is fixed by a unanimous vote of the then seated Full Board of Directors.

The annual meeting of the members may be held at a physical location, or may be conducted through use of any means of communication by which all members participating may communicate with each other during the meeting. Annual meetings may be held by telephone, video conferencing, internet based communication, or other method, so long as all participating members can hear and speak with each other. A member participating in such a meeting is deemed present for purposes of a quorum.

At the annual meeting, members shall hear and consider reports from the Board of Directors, Officers, and staff (if the organization has any) concerning the activities, management, and budget of the corporation, and conduct any other business as needed.

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U.S. Adult members will also vote on any other matters for which proper notice was given. Voting will be by secret ballot if any person so requests. Members may be given the option to vote by telephone, video conferencing, internet based communication, mail, fax, e-mail, or other method, so long as all members have equal opportunity to vote. The failure to hold an annual meeting does not affect the validity of any corporate actions already in process.

The failure to hold or schedule an annual meeting as required above will bar the Board of Directors, in full or in part, from any corporate action until such a meeting is scheduled and announced to the members as required in Section 9 (Notice of Member Meetings) below. Failure of a quorum of members as defined in Section 7 (General Membership Quorum) below to attend a properly scheduled annual meeting does not affect the validity of any corporate action already in progress or approved.

SECTION 7. GENERAL MEMBERSHIP QUORUM

A minimum of 25% (twenty-five) percent of the total current U.S Adult membership shall constitute a quorum for any meeting of the general membership, including any Special Meeting. To establish quorum, roll call shall be taken and recorded by the Secretary according to the timestamp set by the Board for this purpose by accounting for all members present by telephone, video conferencing, internet based communication, mail, fax, e-mail, or other method of being present and represented for the purposes of voting as determined by the Board in advance of the meeting. If a quorum is present, action is taken by an affirmative vote of a majority of the U.S. Adult members present in person or by proxy. If no quorum is achieved, no votes may be taken, but reports and presentations may be given.

SECTION 8. SPECIAL MEETINGS

Special Meetings of the Members may be called by the Full Board of Directors or by a minimum of 15% (fifteen) percent of U.S. Adult members. Notice for a Special Meeting must be emailed to all individual voting members, at least 30 (thirty) days in advance of the meeting and must specify the purpose(s) for which the meeting is called. Only the business for which a Special Meeting is called may be considered at the meeting. A quorum as described in Section 7 (General Membership Quorum) above must be achieved for any votes to take place. If a quorum is not achieved, the Special Meeting shall be adjourned.

SECTION 9. NOTICE OF MEMBER MEETINGS

Notice of all General Meetings of the members shall be given to each member by mail, fax or email communication at least 30 (thirty) but not more than 60 (sixty) days before the meeting. The notice must contain the date, time, location and when required, the purpose of the meeting. Notices of Special Meetings always require a statement of the purpose(s) for which the meeting is called.

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SECTION 10. RECORD DATE

The record date for determining the members entitled to receive notice of a meeting shall be the day before the day on which the notice is emailed. The record date to determine the members entitled to vote at a Members' meeting shall be the date of the meeting. Renewing members who renew membership in USAWE and new members who join USAWE after a meeting notice has been emailed to members shall receive a copy of the meeting notice at the time their membership application and payment of dues submission is processed and recorded if the meeting announced by the notice has not yet been called to order at the time of processing. This meeting notice shall be accepted by the renewing or new member as if it were received at least 30 (thirty) days before the day of the meeting, and USAWE shall not be liable for failure to give proper notice of a meeting in this case. USAWE is under no obligation to process new memberships or renewal memberships within 24 (twenty-four) hours of the start of any meeting.

SECTION 11. PROXY VOTING

U.S. Adult members may vote at a Membership meeting by written proxy. Proxies shall be in a form approved by the Full Board of Directors and executed by such person or by his or her attorney-in-fact and filed with the Secretary. All proxies shall state the date, time, and location of the General Meeting and the nature of the matter(s) subject to the proxy vote. Proxy forms shall accompany notice of meeting. The member may mail or email the proxy to the office of the Association, or may send the proxy with another member, who shall submit it to the Secretary at the beginning of the meeting. The member filing the proxy may limit the proxy in nature to only grant voting authority for specific votes and specific vote ("yes" or "no") to the votes cast or may give the proxy holder full discretion to vote on any matter presented at the General Meeting.

SECTION 12. VOTING BY BALLOT

Unless prohibited or limited by the Articles or Bylaws, any action which may be taken at any annual, regular or special meeting of the voting members may be taken without a meeting if the corporation delivers a written ballot to every member entitled to vote on the matter, by mail, fax, or e-mail.

The written ballot must:

1. set forth each nominee or proposed action; and
2. provide an opportunity to vote for each vacant Board position for which said member is eligible to vote, and for or against each proposed action.

Approval by written ballot will be valid only when the number of votes cast by ballot equals or exceeds any quorum required to be present at a meeting authorizing the action. The vote is limited to the subject specified on the ballot.

All solicitations for votes by written ballot must also include the following information:

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1. Indicate the number of responses needed to meet the quorum requirements;
2. State the percentage of approvals necessary to approve each matter other than election of Directors and Officers;
3. Specify a reasonable time by which a ballot must be received by the corporation in order to be counted.

Additionally, in the solicitation the organization shall state the manner in which a ballot may be submitted to the organization, which may include by mail, fax, email, or in person at a meeting to discuss the action. A written ballot may not be revoked.

SECTION 13. WAIVER OF NOTICE

Any voting member may waive the right to receive full advance notice of any meeting. Waivers of notice shall be in writing, signed by the person entitled to notice, and shall

be given to the Secretary to be placed in the corporate records. Waivers may be signed before or after the meeting has taken place. The attendance of a voting member at any meeting without specific objection to improper notice shall constitute a waiver of the full notice of that meeting.

SECTION 14. COUNTING VOTES FOR MEMBER MEETINGS The Full Board of Directors, in conformance with the law applicable to non-profit corporations in Colorado, shall determine the process for counting and recording the vote.

SECTION 15. TIE VOTES FOR MEMBER MEETINGS

In the event of a tie vote, the ballots shall be recounted. In the event that the result is still tied, the Full Board of Directors will break the tie by vote.

SECTION 16. MEMBERSHIP REGIONS

USAWE shall be structured into distinct geographical groupings to be referenced as Regions. The purpose of Regions is to provide geographically-based representation in the governance of the corporation as well as to provide for regionally-based awards.

Regions are defined as:

Region 1: Alaska, Washington, Oregon, Idaho, and Montana.

Region 2: California, Nevada, Utah, Arizona, Hawaii, and U.S. territories in the Pacific.

Region 3: Wyoming, North Dakota, South Dakota, Nebraska, Kansas, and Colorado.

Region 4: New Mexico, Texas, Oklahoma, Arkansas, and Louisiana. **Region 5:** Minnesota, Iowa, Missouri, Wisconsin, Illinois, Michigan, Indiana,

Ohio, and Kentucky.

Region 6: New York, Vermont, New Hampshire, Maine, Massachusetts, Rhode Island, Connecticut, New Jersey, Pennsylvania, Delaware, Maryland, West Virginia, Virginia, and the District of Columbia.

Region 7: Tennessee, Mississippi, Alabama, North Carolina, South Carolina, Georgia, Florida, and U.S. territories in the Atlantic.

International: All locations not listed above.

SECTION 17. RELATIONSHIP TO AFFILIATE ORGANIZATIONS Members may choose to affiliate or not to affiliate with a USAWE Affiliate Organization (AO) at no additional cost of dues to USAWE. An AO may independently charge a membership fee to support its organization and its functions.

ARTICLE V
FULL BOARD OF DIRECTORS

SECTION 1. DUTIES OF THE BOARD

The Full Board of Directors shall establish the corporation's policies and review and change them as necessary, oversee its programs, appoint or employ and supervise its staff, authorize its expenditures, oversee its financial affairs, and ensure the proper management and use of its assets and property. The Full Board of Directors shall also ensure that the corporation properly employs the necessary corporate formalities to make its decisions, that it prepares and submits all required state and federal reports, and that it operates in compliance with relevant state and federal laws. Members of the Full Board of Directors shall diligently prepare for, attend, and participate in the meetings of the Board of Directors and any Board committees as needed in order to carry out these tasks. The Full Board of Directors must meet at least 4 (four) times per year and shall strive to do this by meeting at least once each quarter of the year. The role of the Full Board of Directors does not include direct management or conduct of the daily operations of the organization.

SECTION 2. QUALIFICATIONS OF DIRECTORS

A. Nominees for positions on the Full Board of Directors must be U.S. Adult members in good standing at the time of nomination and must maintain their membership in good standing throughout their term of office.

B. Special Requirement for Regional Directors. A Regional Director must maintain his or her residency as defined by state or territorial law of said Regional Director, in a state or territory within the region for which he or she was elected or appointed. At any time that a Regional Director representing a

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geographic region changes his or her residency from inside to outside the region, as defined by the law of the state or territory where said Regional Director resides, he or she must resign his/her position as Regional Director. If he/she does not resign, he/she is subject to removal by the Full Board of Directors. The vacancy thus created shall then be filled as provided by these Bylaws.

SECTION 3. NUMBER OF DIRECTORS

The Full Board of Directors shall consist of no fewer than 7 (seven) members and no more than 13 (thirteen) members, consisting of:

1. The following Officers: President, President Elect, Secretary, Treasurer, and 2 (two) At-Large Directors.
2. The following Regional Directors: Not more than 1 (one) member representing each of the following geographic regions: Region 1, Region 2, Region 3, Region 4, Region 5, Region 6, and Region 7.

SECTION 4. ELECTION OF DIRECTORS AND TERMS

A. Election Policy and Procedures. The Full Board of Directors may prepare and adopt by resolution, a formal written policy regarding the details of the Board election process, including requirements for the announcement of elections and the solicitations of nominations, the role of an elections committee, and the schedule and procedures that must be used to hold elections.

B. Nominations. The initial nominations for new Board members may be made by individual members of either WE United or the Confederation for Working Equitation. The initial members of the Full Board of Directors shall be elected by the then current individual members of either WE United or the Confederation for Working Equitation or both organizations residing in the United States. Subsequent nominations will be made by U.S. Adult members of USAWE who are eligible to make nominations at the time prescribed for making nominations.

C. Election Process. The vote can be conducted through online election management services or paper ballots so long as the method shall ensure only 1 (one) ballot may be cast by each eligible voting member and shall comply with the election policy and procedures established by the corporation.

1. President, President Elect, and Secretary. In the initial election, the President, President Elect, and Secretary will be elected by a plurality of votes cast by the then current individual members of either WE United or the Confederation for Working Equitation or both organizations residing in the United States at the time of the election. In subsequent elections they will be elected by a plurality of votes cast by U.S. Adult members of

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USAWE who are residing in the United States and are eligible to vote at the time of the election.

The President Elect will rotate into the role of President upon completion of the first term in office and the President will rotate off the Board, so the office of President will not be on the ballot except in years when there is no President Elect to rotate into the office of President. When such positions are open, every U.S. Adult member of USAWE will have the right to vote for 1 (one) candidate for the office of President, President Elect, Secretary, and each open position of At-Large Director.

2. At-Large Directors. In the initial election, the At-Large Director candidate with the most votes cast by the then current individual members of either WE United or the Confederation for Working Equitation or both organizations residing in the United States at the time of the election will be elected to a 2-year (two-year) term, and the At-Large Director candidate with the 2nd most votes will be elected to a 1-year

(one-year) term. In subsequent elections, the At-Large Directors will be elected by a plurality of votes cast by U.S. Adult members of USAWE who are residing in the United States and are eligible to vote at the time of the election.

3. Regional Directors. In the initial election, all 7 (seven) Regional Directors representing geographic regions shall be elected by a plurality of votes cast by the then current individual members of either WE United or the Confederation for Working Equitation or both organizations residing in their respective regions in the United States at the time of the election. In subsequent elections they will be elected by a plurality of votes cast by U.S. Adult members of USAWE who are residing in their respective regions in the United States and are eligible to vote at the time of the election.

In both cases, every individual member as defined above who is qualified to vote at the time of the election may cast 1 (one) vote for the Regional Director position being voted on in their region of primary residence. In the case where a member maintains more than 1 (one) primary U.S. residence, a single geographic region of residence must be declared and reported to the Membership Committee prior to the deadline for voting eligibility in any given election.

D. Terms of Service. The President and President Elect will each serve 1-year (one-year) terms, in a 2-year (two-year) rotation. The Secretary and At-Large Directors will each serve 2-year (two-year) terms. The Treasurer's term is an 16 annual appointment. The Treasurer shall be appointed or confirmed at least annually by the Full Board of Directors from current USAWE U.S. Adult members. Each Regional Director shall serve a 2-year (two-year) term.

In the initial year of election (2020), the At-Large Director candidate with the most votes will be elected to a 2-year (two-year) term, and the candidate with the 2nd most votes will be elected to a 1-year (one-year) term; thereafter, the At-Large Directors will be elected to 2-year (two-year) terms in alternating years. Regional Director seats from Region 1, 3, 5 and 7 will be elected to 1-year (one year) terms and Regional Director seats from Region 2, 4, and 6 will be elected to 2-year (two-year) terms.

Expiration of Regional Directors' terms shall be staggered so that Regional Director seats from odd-numbered regions are up for election in odd-numbered years and Regional Director seats from even-numbered regions are up for election in even-numbered years.

In subsequent years, after the initial year of election (2020), the following election

pattern will prevail:

Year Regional Director Seats To Be Filled

2021 1, 3, 5, 7

2022 2, 4, 6

2023 1, 3, 5, 7

2024 2, 4, 6

etc.

E. Term Limits. Elected members of the Executive Committee may serve a maximum of 4 (four) consecutive years on the Executive Committee. The President must have a minimum of a 1 (one) year break from Executive Committee service after serving in the office of President. Elected Executive Committee members must have a minimum of a 1 (one) year break after reaching their term limit prior to returning to a seat on the Executive Committee. The Treasurer shall have no limit on terms of service as long as performance is satisfactory. The Treasurer's performance shall be evaluated by the Full Board annually. If performance is satisfactory, the Board shall vote to confirm the annual appointment. If performance is unsatisfactory, the Board shall vote to rescind the appointment and a new Treasurer shall be appointed. If a Regional Director is elected to serve as an Officer, previous consecutive terms of service do not count toward their term limit as an Officer. There shall be no limit on the number of terms a Regional Director may serve.

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F. Vacancies. If any Executive Committee office of the corporation becomes vacant by death, resignation, retirement, removal, disqualification, or any other cause, the remaining Directors still in office, even if less than a quorum, shall elect by majority vote Officers to fill such vacancies until the minimum number of prescribed Officers is met. The then seated Full Board of Directors shall make these appointments at the next meeting of the Board and within 30 (thirty) days from the time the number of Officers falls below the required minimum. The then seated Full Board of Directors must achieve the minimum number of Officers required before it conducts other business. The then seated Full Board of Directors shall appoint Directors to vacant Officer positions first, then to vacancies caused by resignation or removal, per procedures described in these Bylaws. If, after all such vacancies are filled, the required minimum number of Officers is still not satisfied, the then seated Full Board of Directors shall then appoint members to fill vacancies due to non-election, but only enough to satisfy the required minimum. Any Officers appointed pursuant to this section shall serve until the next election is held.

G. Continuity of Government. Unless they formally resign or are removed from

office, Officers will remain in office until their successors are properly elected, designated, or appointed. Subsection F (Vacancies) above shall prevail over subsection E (Term Limits) above in any case where the consecutive term limits defined in subsection E (Term Limits) above would interfere with the filling of a vacancy on the Executive Committee or cause the sitting Directors to remain below the minimum number as defined in Article V, Section 3 (Number of Directors), or subsequent amendments thereof.

H. Unfilled Regional Director Seats. If any region is not represented by a Regional Director because of non-election, removal, or resignation, it shall not constrain the Board from conducting business.

SECTION 5. REMOVAL OF DIRECTORS

Any Officer may be removed, with or without cause, by the Full Board of Directors by a vote of 2/3 (two-thirds) of the seated Full Board of Directors at the time the vote is called when in its judgment the interests of the corporation would be best served by such removal. Removal will be without prejudice to the contract rights, if any, of the Officer so removed. The Officer being considered for removal has no vote in the process of removal.

Any Regional Director may be removed, with or without cause, at a meeting called for that purpose, by a 3/4 (three-fourths) majority of the Full Board of Directors. Any Regional Director may be removed, with or without cause, at a special meeting called for that purpose, by a simple majority vote of the members entitled to vote for that Regional Director position in a regular election. Proper notice must be given in advance, 18 as required for a special meeting of the members, stating that the removal of a Regional Director is to be considered.

SECTION 6. RESIGNATION OF DIRECTORS

A Director may resign at any time. The resignation of a Director must be in writing and be delivered via email or standard mail to either the Board of Directors' current presiding officer, the President, or the Secretary. Once delivered, a notice of resignation is irrevocable. Acceptance of the resignation by the Board of Directors or the corporation shall not be necessary to make it effective. The resignation shall take effect at the time specified within the resignation notice, or if no time is specified, at the sending timestamp of the emailed notice or at midnight of the date of postal processing mark. In the case of multiple postal mark dates, the earliest date will be the official effective date of the resignation.

SECTION 7. ATTENDANCE

Any Director who is absent from 3 (three) or more regular meetings within a calendar year shall be subject to removal. The Secretary shall track all Director meeting attendance. After 3 (three) missed meetings, the Secretary shall notify the Executive

Committee and then at the next Board meeting the Director will be removed by motion. The removed Director may submit an appeal with written evidence of extenuating circumstances within 14 (fourteen) days. At the next meeting of the Board of Directors, the first order of new business shall be the hearing of the appeal. The Board of Directors, by a 2/3 (two-thirds) majority vote, may nullify the removal and the absence shall be excused. If no appeal is filed, the Board of Directors may fill the vacancy after 14 (fourteen) days, or after the hearing of the appeal if the removal is not nullified.

If any Director who has had his or her removal nullified as described in this section is absent from an additional regularly scheduled Board of Directors meeting within that same calendar year, he/she shall be finally removed. Final removal is effective at the conclusion of the additional meeting for which the Director is absent. There shall be no appeal of final removal due to an additional absence.

Any Director who is removed for lack of attendance shall be ineligible for election or appointment to any elected position in USAWE for a period of 1 (one) year from the date of final removal.

SECTION 8. QUORUM AND ACTION

A quorum at a board meeting shall be a simple majority of all Directors in office immediately before the meeting begins. If a quorum is present, action is taken by a majority vote of Directors present. Where the law requires a majority vote of Directors in office to establish committees that exercise Board functions, to amend the Articles of Incorporation, to sell assets not in the regular course of business, to merge, to dissolve, or for other matters, such action is taken by that majority as required by law. 19 If a quorum is present when a meeting is convened but is subsequently lost, the remaining Directors may continue meeting and conduct business. Any vote taken at said meeting shall be a valid and legally-binding vote if the vote is confirmed by a majority of Directors needed to constitute a quorum. If a quorum is not achieved, said meeting shall be adjourned.

SECTION 9. REGULAR MEETINGS OF THE BOARD OF DIRECTORS The Board of Directors shall meet quarterly or more often when deemed necessary by the President or a majority of the Board of Directors.

SECTION 10. ALTERNATIVE MEETING VENUE

Any regular or special meeting of the Board of Directors may be conducted through use of any means of communication by which all Directors participating may communicate with each other during the meeting. Meetings may be held by telephone, video conferencing, internet based communication, or other method, so long as all participating directors can simultaneously hear and speak with each other. A Director participating in such a meeting is deemed present for purposes of a quorum.

SECTION 11. CONDUCT OF DIRECTORS

Directors must discharge their duty of loyalty and their duty of diligence in good faith with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner the director reasonably believes to be in the best interest of the corporation.

SECTION 12. DECISION-MAKING AND VOTING

The Directors must diligently and conscientiously attempt to make decisions by consensus and give careful consideration to minority views. All decisions require a clearly stated motion, a second, and a vote that must be recorded in the written minutes. Each member of the Board of Directors will have 1 (one) vote. At the request of any Director, the names will be recorded in the minutes of each Director who voted for, voted against, or abstained on a particular motion. The affirmative vote of a majority of the Directors in attendance is necessary and sufficient to make a decision of the Board of Directors unless a greater proportion is required by law or by these Bylaws. An abstention counts as part of the total number of votes cast, and does not reduce the number of affirmative votes required to pass a motion.

Robert's Rules of Order, Revised may be consulted for guidance but shall not be binding.

SECTION 13. NO PROXY VOTING

No proxy voting is allowed at any meeting of the Board of Directors or as part of reaching any decision of the Board.

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SECTION 14. DECISIONS BY MAIL OR EMAIL

Any decision that the Board of Directors may make at a meeting may be made without a meeting if the decision can be made and approved by U.S. mail or electronic means via email or some other electronic method, by the affirmative vote of all of the members of the Board. A clearly stated motion must be sent to all of the Directors on the Board by U.S. mail, email or some other electronic means with clear instructions that this process requires 100% (one hundred percent) of the Directors to vote "yes" for the motion to pass. If the motion is sent by email or some other electronic method, then each Director must send their vote by that same method in reply, in which case no signature is necessary. Motions are adopted and effective on the date that all Directors in office have responded with an affirmative "yes" vote. If any Director votes "no," abstains, or fails to vote, then the motion fails to pass. A printed record of each Director's vote must be kept in the corporate records.

SECTION 15. EXECUTIVE SESSION MEETINGS

The Board President or the Board by a 2/3 (two-thirds) vote of the Directors present may at any time decide to hold or go into an Executive Session meeting. Executive Session shall be used when the Board of Directors deems it is necessary to protect the confidentiality of the matters that will be considered there. Executive Session meetings may be attended only by members of the Board of Directors and any guests the Board

invites to join the meeting, which may include the clerical assistant, other staff, or any other person the Board wishes to invite. A Director may only be excluded from any portion of Executive Session meetings if matters will be considered that constitute a conflict of interest for that Director. However, all Directors must be given notice of all Board meetings even if a Director will be excluded from all or part of that Board meeting. Minutes shall be properly recorded, and the Secretary shall take care to record in the minutes only the motions passed and information essential to comply with the law, in order to protect the confidential nature of Executive Sessions. In the event that the Secretary must be excluded from the Board meeting, another board member shall be appointed to record the required information of the meeting in his/her absence. The requirements for regular Board meetings concerning notice, quorum, and voting apply to all Board meetings, including Executive Sessions.

SECTION 16. NOTICE OF MEETINGS

Notice must be given to every member of the Board of every meeting of the Board of Directors, stating the date, time, and location of the meeting, and the purpose of the meeting if so required by law or these Bylaws. The notice must be given not less than 48 (forty-eight) hours in advance of the meeting for Special Meetings of the Board.

Regular meetings: After the initial notice is given of the schedule for a series of regular meetings, which will occur at a fixed time and place, no further separate notice is required for each of those regular meetings. Notice must state the time, date, and

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location of the meeting. The Board of Directors may by resolution establish or change the dates of regularly scheduled meetings, with proper notice given to all Directors.

SECTION 17. WAIVER OF NOTICE

Any director may waive the right to receive full advance notice of any meeting. Waivers of notice must be in writing, signed by the person entitled to notice, and must be given to the corporate Secretary to be placed in the corporate records. Waivers may be signed before or after the meeting has taken place. The attendance of a Director at any meeting without specific objection to the notice constitutes a waiver of the full notice of that meeting.

SECTION 18. AUTHORITY OF DIRECTORS

The President shall be the official spokesperson for the organization and may represent the organization and its positions whenever appropriate. No member of the Board of Directors may officially represent the positions of the organization or make agreements on behalf of the organization without specific approval by the Board of Directors to do so.

ARTICLE VI

OFFICERS AND STAFF

SECTION 1. OFFICERS

The Officers of USAWE shall carry out the policies and decisions of the Full Board of Directors as directed by the Board. The officers must include a President, President Elect, Secretary, Treasurer, and 2 (two) At-Large Directors. The same person may not hold more than 1 (one) office at the same time. All Officers are members of the Board of Directors and thus have full voting rights on the Board of Directors.

SECTION 2. PRESIDENT

The President is the principal officer of the corporation and shall, in general, supervise or oversee the supervision of all of the affairs of the corporation. The President generally shall preside at all meetings of the Board of Directors, unless the Board selects another person to preside. The President shall have the authority to enter into contracts on behalf of the corporation, if authorized to do so by the Full Board of Directors. The President shall also perform other duties as may be assigned by the Board of Directors.

SECTION 3. PRESIDENT ELECT

In the absence of the President or in the event of the President's inability to act, the President Elect shall perform the duties of the President. The President Elect, when acting as President, shall have all the powers of and be subject to all the restrictions on the President. The President Elect shall also perform other duties assigned by the Board of Directors.

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SECTION 4. SECRETARY

The Secretary shall perform or oversee the performance of the following duties:

1. record and keep the minutes of the meetings of the members and of the Board of Directors and of any Board committees, in 1 (one) or more books provided for that purpose;
2. see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;
3. be custodian of the corporate records;
4. keep a register of the mailing address of each voting member as provided by such member;
5. ensure that all required state and federal reports are prepared and filed in a timely fashion;
6. record all votes and the proceedings of the meetings of the Board, such votes to be permanently saved in such a method for easy retrieval and
7. perform or oversee all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

The Secretary may delegate some or all of these tasks but remains responsible for their proper completion.

SECTION 5. TREASURER

The Treasurer shall perform or oversee the performance of the following duties: 1. be responsible for the proper management and control of all funds of the corporation;

2. prepare full and accurate financial records on a timely basis of all the income, expenses and assets of the corporation;
3. present reports at every meeting of the Board of Directors and the annual general member meeting on the financial affairs of the corporation; and 4. provide financial information necessary to prepare and file the required reports to state and federal government agencies, showing the income, disbursements, and assets of the corporation.

The Treasurer may delegate some or all of these tasks but remains responsible for their proper completion.

SECTION 6. AT-LARGE DIRECTORS

At-Large Directors are officers of the corporation and as such shall serve as full voting members of the Executive Committee and the Full Board of Directors. They shall attend Board and Executive Committee meetings and perform other duties assigned by the Board of Directors. The At-Large Directors are responsible for representing the general membership.

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SECTION 7. CLERICAL ASSISTANT AND STAFF

The Board of Directors may appoint or employ a clerical assistant or other staff, whether paid or unpaid, to perform and conduct the programs and activities of the organization. The Board of Directors shall evaluate the performance of the clerical assistant, if one exists, on an annual basis.

The clerical assistant shall receive notice of all meetings of the Board of Directors and Executive Committee meetings, and shall ordinarily attend all Board meetings, except when the Board goes into Executive Session to meet without the clerical assistant's presence. The clerical assistant shall have no vote on the Board of Directors or Executive Committee.

ARTICLE VII **COMMITTEES**

SECTION 1. ESTABLISHMENT

The Board may establish and abolish any committee, including standing committees or temporary committees, by a resolution of the Board. Such resolutions must name the committee and the purpose of the committee. The Executive Committee shall function in accordance with the procedures stated in Section 2 (Executive Committee) below.

SECTION 2. EXECUTIVE COMMITTEE

A. The Executive Committee consists of the following officers: President, President Elect, Treasurer, Secretary, and 2 (two) At-Large Directors.

B. The Executive Committee must comply with the provisions of the Bylaws concerning the meetings and decision of the Full Board of Directors, including the requirements for notice, quorum, voting and decision-making, the preparation and subsequent adoption of minutes of Executive Committee meetings, and the permanent storage of those minutes. All Executive Committee decisions must be recorded in official minutes, which must be provided to the Full Board of Directors.

C. The Executive Committee of the Board of Directors shall be empowered to conduct all necessary business between Board of Directors' meetings. All actions upon such business shall be considered ratified by the Board of Directors unless the Board of Directors specifically disapproves such action within 14 (fourteen) days of delivery of draft minutes describing such actions.

D. Disapproval of Executive Committee Actions. Any Director, within 10 (ten) days after delivery of the Executive Committee meeting draft minutes where 24 such action was taken, may call for a vote of disapproval by the Board of Directors for any specific action taken by the Executive Committee. Notice by email, facsimile, or other such electronic means shall be sufficient. If such notice is filed, the members of the Board of Directors have until the expiration of the 14th (fourteenth) day after delivery of the draft minutes to cast a vote for disapproval via email, facsimile, or other such electronic means sent to the President. A majority of sitting Directors is required to overturn any specific action of the Executive Committee. If less than a majority of votes for disapproval have been received by the President by the expiration of the 14th (fourteenth) day, the action will be considered ratified, unless other options for disapproval outlined in this section are taken by the Board of Directors.

E. The Board of Directors may, at any meeting within the 14 (fourteen) day requirement of this section, take up a motion for disapproval. Disapproval requires a majority vote. Vote of disapproval need not be included on notice of meeting to be considered and voted upon at any meeting.

F. All Executive Committee meetings shall be open to all members of the Board of Directors.

G. Members of the Executive Committee and the Board of Directors shall be notified of any Executive Committee meeting at least 48 (forty-eight) hours prior to the beginning of said meeting. Notice by email shall be sufficient.

SECTION 3. REGIONAL COMMITTEES

The Board may establish Regional Committees composed of 3 (three) or more USAWE Members from a given Region, chaired by that Region's elected Regional Director.

Regional Committees shall provide a point of contact for State Sub-Committees, Local Affiliate Organizations, Members, and potential members in their area. These committees shall be responsible for providing the Board of Directors with monthly updates of working equitation events in their region, and working with the Regional Director to organize and/or promote at least 1 (one) USAWE licensed competition and at least 3 (three) schooling shows and/or clinics in their region each year.

Each Regional Committee shall have the authority to appoint State Sub-Committees, composed of USAWE members from their Region. State sub-committees should be created when there is sufficient activity within a state and a sufficient number of USAWE members in that state to warrant creation of a sub-committee to assist the Regional Committee with the work of USAWE specific to that state.

The Regional Committees do not have the power to make Board-level decisions or authorize expenditures; the Board of Directors retains the responsibility and authority

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for such matters. Members of the Regional Committees shall be appointed by the Board of Directors. Committee Chairs are responsible for making recommendations for committee appointments to the Board of Directors.

SECTION 4. FINANCIAL OVERSIGHT COMMITTEE

As soon as reasonably possible the Board of Directors shall establish a committee responsible for financial oversight of the organization's income and expenses, which shall be named the Financial Oversight Committee. The committee must consist of 2 (two) or more persons, including at least 1 (one) person with some financial experience or experience with bookkeeping, who are not the organization's check signers or bookkeepers.

The committee shall be responsible for overseeing the organization's financial transactions and the implementation of the organization's financial policies. As part of its mission, the committee shall review on a quarterly basis, or oversee a quarterly review of, the organization's expenditures, financial transactions, bank statements, returned checks, and credit card statements. The committee shall report any questions or concerns about the organization's finances to the Board of Directors. The committee shall also make the necessary arrangements for and oversee the organization's annual audit or annual financial review, which is described in these bylaws.

The Financial Oversight Committee does not have the power to make Board-level decisions or authorize expenditures; the Board of Directors retains the responsibility and authority for such matters. Members of the Financial Oversight Committee shall be

appointed by the Board of Directors. Committee Chairs are responsible for making recommendations for committee appointments to the Board of Directors.

SECTION 5. RULES COMMITTEE

The Rules Committee shall be responsible for maintaining the rules under which working equitation competitions shall be conducted in the United States, including designation of the dressage tests for each level. This committee shall consist of 4 (four) or more persons, including at least 1 (one) USAWE Licensed Official (Judge or Technical Delegate).

The Rules Committee shall solicit and review rule change proposals on an annual basis and shall ensure that a current version of the Rules is available for dissemination on the USAWE website or via email at all times.

The Rules Committee does not have the power to make Board-level decisions or authorize expenditures; the Board of Directors retains the responsibility and authority for such matters. Members of the Rules Committee shall be appointed by the Board of Directors. Committee Chairs are responsible for making recommendations for

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committee appointments to the Board of Directors.

SECTION 6. LICENSED OFFICIALS COMMITTEE

The Licensed Officials Committee shall be responsible for overseeing the education and tracking the licensing of USAWE Judges and Technical Delegates. This committee shall consist of four or more persons, no more than 2 (two) of whom may be USAWE Licensed Officials (Judges or Technical Delegates).

The Licensed Officials Committee shall be responsible for developing and providing programs to train judges and technical delegates; maintaining complete and accurate records of all relevant applications and continuing education documentation; and making recommendations to the Board of Directors for licensing of officials.

The Licensed Officials Committee does not have the power to make Board-level decisions or authorize expenditures; the Board of Directors retains the responsibility and authority for such matters. Members of the Licensed Officials Committee shall be appointed by the Board of Directors. Committee Chairs are responsible for making recommendations for committee appointments to the Board of Directors.

SECTION 7. ELECTIONS COMMITTEE

The Elections Committee shall be responsible for conducting USAWE elections, following the approved USAWE Elections Policy. This committee shall consist of 3 (three) or more persons, the majority of whom must not be running for office in the same year during which they are serving on the Elections Committee.

The Elections Committee does not have the power to make Board-level decisions or authorize expenditures; the Board of Directors retains the responsibility and authority for such matters. Members of the Elections Committee shall be appointed by the Board of Directors. Committee Chairs are responsible for making recommendations for committee appointments to the Board of Directors.

SECTION 8. COMPETITIONS COMMITTEE

The Competitions Committee shall be responsible for overseeing all aspects of USAWE competition licensure and support. This committee shall consist of 1 (one) or more persons.

The Competitions Committee shall be responsible for processing show license applications; communicating with show managers/organizers to clarify requirements, answer questions, and facilitate operation; notifying the Licensed Officials Committee, Awards Team, and Website team of pertinent details on upcoming shows; ensuring all reports, evaluations, results, and fees are submitted by show management according to schedule and to the intended recipients (results to Awards Team; evaluations to Licensed Officials Committee; fees to Treasurer); reviewing reports and evaluations for

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actionable items and following through with appropriate teams; encouraging local groups to develop the sport, answering questions and identifying available resources; developing and maintaining a show licensing guide for show managers/organizers; developing and maintaining a schooling show/play day guide to provide tips on setting up WE activities; and conducting periodic process effectiveness reviews (Awards, Competitions, Licensed Officials Committee, Finance) to ensure organizational elements are functioning and working together effectively.

The Competitions Committee does not have the power to make Board-level decisions or authorize expenditures; the Board of Directors retains the responsibility and authority for such matters. Members of the Competitions Committee shall be appointed by the Board of Directors. Committee Chairs are responsible for making recommendations for committee appointments to the Board of Directors.

SECTION 9. OTHER COMMITTEES

The Board may establish any other committees it deems appropriate, including any number of working committees and advisory committees. These shall all be “non-Board committees” which shall not have the power to make Board-level decisions, authorize expenditures, adopt budgets, set policy, or establish programs. Such committees shall be established by a resolution adopted by the Directors present at a properly called meeting. Any qualified USAWE member may be appointed as a member of such a committee, whether or not that person is a member of the Board of Directors. Chairs of these committees are responsible for making recommendations for committee appointments to the Board of Directors.

SECTION 10. COMMITTEE MEMBERS

The Board shall appoint the members of committees. Committee Chairs are responsible for making recommendations for committee appointments to the Board of Directors. The term of office of a member of a committee shall continue until his or her successor is appointed unless the committee is terminated, the member resigns or is removed from the committee, or the member ceases to qualify as a member of the committee. All qualified USAWE members shall be eligible to serve as voting members on committees.

SECTION 11. COMMITTEE CHAIRS

1 (one) member of each committee shall be selected or appointed committee chair by the Board, or if the Board wishes, it may delegate that power to the Board President or to the members of the committee.

SECTION 12. LIMITATION OF POWERS

No committee may:

1. elect, appoint, or remove any member of the Board of Directors; 2. authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the corporation;
3. authorize the dissolution of the corporation or revoke proceedings therefore;
4. amend, alter, or repeal the Articles, the Bylaws, or any resolution of the Board of Directors; or
5. authorize the payment of a dividend or any part of the income or profit of the corporation to its Directors or Officers.
6. perform any other action or responsibility that is already included in the powers of the Board.

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The Board of Directors shall always have the power to amend, alter or repeal the decisions of committees, subject to limitations on the unilateral amending of contracts, interference with third party rights, and other legal limitations.

ARTICLE VIII **AFFILIATE ORGANIZATIONS**

SECTION 1. AFFILIATION

Groups may affiliate with USAWE in order to give USAWE members the opportunity to organize locally for the promotion of educational and social activities and competitions in their local areas designed for their particular needs while participating in working equitation on a statewide and regional level.

Affiliate Organizations may overlap in the geographic area covered by their membership or activities. The geographical area of an Affiliate Organization may span

multiple states and regions. USAWE shall not regulate or assign exclusive rights over any geographical area to any Affiliate Organization.

The Affiliate Organizations shall be independent legal entities (non-profit corporations, LLCs, etc.) located within the United States of America.

SECTION 2. APPLICATION

To become a recognized Affiliate Organization, an application describing the Affiliate Organization and providing contact information and a website (if available) must be submitted, along with the annual fee, as set by the Board.

SECTION 3. RELATIONSHIP BETWEEN USAWE AND AFFILIATE ORGANIZATIONS

Affiliate Organizations shall be responsible for providing current descriptions and contact information that USAWE can share with members and potential members via the USAWE website and promotional materials. In addition, Affiliate Organizations shall be responsible for providing the USAWE Board of Directors with regular updates

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about AO events, to better enable USAWE to promote such events with the membership at large.

SECTION 4. REMOVAL OF AFFILIATE ORGANIZATIONS

An Affiliate Organization may decide to disaffiliate on its own volition or may have its affiliation terminated, with or without cause, by action of the USAWE Board of Directors.

In the event that an Affiliate Organization decides to disaffiliate, the AO must notify either the Board of Directors' current presiding officer, the President, or the Secretary in writing within 30 (thirty) days of the decision to disaffiliate delivered via email or standard mail. Acceptance of the disaffiliation notice by the Board of Directors or the corporation shall not be necessary to make it effective. The disaffiliation shall take effect at the time specified within the disaffiliation notice, or if no time is specified, at the sending timestamp of the emailed notice or at midnight of the date of postal processing mark. In the case of multiple postal mark dates, the earliest date will be the official effective date of the disaffiliation.

In the event the USAWE Board of Directors decides to consider termination of an Affiliate Organization's affiliation, with or without cause, written notice shall be given to the Affiliate Organization's designated contact person via email 30 (thirty) days in advance of the proposed action. Decisions of the Board of Directors are final and not subject to court review. No fees will be returned in the event that an Affiliate Organization decides to disaffiliate or has its affiliation terminated.

ARTICLE IX
CONTRACTS, CHECKS AND LOANS

SECTION 1. CONTRACTS AND OTHER WRITINGS

Except as otherwise provided by resolution of the Board or Board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the corporation shall be executed on its behalf by the Treasurer or other persons to whom the corporation has delegated authority to execute such documents in accordance with policies approved by the board.

SECTION 2. CHECKS, DRAFTS

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by no less than 2 (two) Officers of the Board and such Officer or Officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Board.

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SECTION 3. DEPOSITS

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depository as the Board or a designated committee of the Board may select.

SECTION 4. LOANS

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board. Such authority may be general or confined to specific instances.

ARTICLE X
MISCELLANEOUS PROVISIONS

SECTION 1. COMPENSATION OF OFFICERS AND DIRECTORS No officer or member of the Board of Directors shall receive any compensation for fulfilling the responsibilities of a member of the Board of Directors or of an Officer as defined in these Bylaws. However, the corporation may pay compensation to Officers and members of the Board of Directors for other services performed as employees or independent contractors as long as the required rules for conflicts of interest are followed. Members of the Board of Directors and their relatives who receive regular compensation from the corporation must always constitute less than a majority of the Board. Officers and members of the Board of Directors may be given reimbursement for actual expenses incurred in the course of fulfilling their responsibilities, subject to Board approval.

SECTION 2. CONFLICT OF INTEREST

A conflict of interest is always present whenever the corporation pays money or other compensation, or provides any tangible benefits, to an Officer or member of the Board of Directors or to a member of a Director's or Officer's family. All transactions involving conflicts of interest must be approved using the following procedures:

1. Conflict of interest transactions must be approved by the Full Board of Directors; they cannot be approved by the President, Executive Committee, or other staff or committees.
2. Directors and Officers who have a conflict of interest in any matter must:
 - (a) declare the existence of any direct or indirect conflict of interest;
 - (b) disclose the details of the proposed transaction on the record;
 - (c) abstain from voting on that matter; and
 - (d) leave the room where the vote is to take place, until the votes have been counted.
 - (e) The minutes must record this to show that it was done.

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3. The rest of the Board of Directors must analyze the transaction and sufficient information to ensure that all transactions involving a conflict of interest are fair to the corporation and that no special benefits are being given to any person. The information relied upon by the Board of Directors, and its source, must be recorded in the minutes.
4. All conflict-of-interest transactions must be approved by the affirmative vote of a majority of all of the members of the Board of Directors who do not have a conflict of interest involved in that issue, as long as no less than 2 (two) disinterested Directors vote to approve the transaction.

All Directors and Officers must sign a disclosure of all conflicts of interest, and update it from time to time as the disclosure needs to be changed.

SECTION 3. FINANCIAL CONTROLS

The Board of Directors shall adopt formal Board policies that provide a system of financial controls that are adequate to prevent the misuse, embezzlement or theft of the organization's funds and assets and that would discover it if those problems or crimes were to occur. Those financial policies shall require that there must be 3 (three) separate levels of financial operations, and that those operations shall be performed by different people:

1. those with the authority to spend the organization's money;
2. those who are the bookkeeper(s) who record and track the income and expenditures; and
3. those who oversee the bookkeeping system and the expenditure of funds.

This means that the persons who have authority to sign the corporation's checks or use its credit cards shall not be allowed to also serve as the organization's bookkeeper(s); and that the organization's bookkeeper(s) shall not be given permission or authority to spend the organization's money, sign its checks, or use its credit cards.

SECTION 4. ANNUAL FINANCIAL ASSESSMENT

The Board of Directors must require the performance of an annual audit, financial review, financial compilation, or financial assessment, which must involve the services of some trusted person or entity with bookkeeping skills and knowledge, who does not do the bookkeeping or sign checks for the organization. This need not be a formal General Accepted Accounting Principles (GAAP) audit, but must at least involve a sufficiently thorough review of the organization's financial records so that it would likely discover any misuse, embezzlement or theft of the organization's funds or assets.

The financial oversight committee described above shall select the person or entity performing the annual financial assessment and shall ensure that the resulting report is presented to the entire Board of Directors.

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SECTION 5. BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its Board of Directors, a record of all actions taken by Board of Directors without a meeting, and a record of all actions taken by committees of the Board. In addition, the corporation shall keep a copy of the corporation's Articles of Incorporation and Bylaws as amended to date.

SECTION 6. TAX YEAR

The tax year of the corporation is the calendar year.

SECTION 7. NO DISCRIMINATION

In accordance with Federal civil rights law, USAWE, in its acceptance of nominated and elected Directors; selection of committee members, staff, program participants; and in the delivery of its services to the public, does not discriminate for or against any person on the basis of race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted, sponsored or funded by USAWE.

ARTICLE XI **COUNTERTERRORISM AND DUE DILIGENCE POLICY**

SECTION 1. POLICY

In furtherance of its exemption by contributions to other organizations, domestic or

foreign, USAWE shall stipulate how the funds will be used and shall require the recipient to provide the corporation with detailed records and financial proof of how the funds were utilized.

Although adherence and compliance with the U.S. Department of the Treasury's publication the "Voluntary Best Practice for U.S. Based Charities" is not mandatory, USAWE willfully and voluntarily recognizes and puts to practice these guidelines and suggestions to reduce, develop, re-evaluate and strengthen a risk-based approach to guard against the threat of diversion of charitable funds or exploitation of charitable activity by terrorist organizations and their support networks.

USAWE shall also comply and put into practice the federal guidelines, suggestion, laws and limitation set forth by pre-existing U.S. legal requirements related to combating terrorist financing, which include, but are not limited to, various sanctions programs administered by the Office of Foreign Assets Control (OFAC) in regard to its foreign activities.

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ARTICLE XII DOCUMENT RETENTION POLICY

SECTION 1. PURPOSE

The purpose of this document retention policy is establishing standards for document integrity, retention, and destruction and to promote the proper treatment of USAWE records.

SECTION 2. POLICY

A. General Guidelines. Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records.

From time to time, USAWE may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and any other pertinent factors.

B. Exception for Litigation Relevant Documents. USAWE expects all Officers,

Directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that **all Officers, Directors, and employees should note the following general exception to any stated destruction schedule: *If you believe, or USAWE informs you, that corporate records are relevant to litigation or potential litigation (i.e. a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.***

SECTION 3. MINIMUM RETENTION PERIODS FOR SPECIFIC CATEGORIES A.

Corporate Documents. Corporate records include the corporation's Articles of Incorporation, Bylaws and IRS Form 1023 and Application for Exemption. Corporate records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.

B. Tax Records. Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning the corporation's revenues. Tax records should be retained for at least 7 (seven) years from the date of filing the applicable return.

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C. Employment Records/Personnel Records. State and federal statutes require the corporation to keep certain recruitment, employment, and personnel information. The corporation should also keep personnel files that reflect performance reviews and any complaints brought against the corporation or individual employees under applicable state and federal statutes. The corporation should also keep in the employee's personnel file all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for 3 (three) years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for 7 (seven) years.

D. Board and Board Committee Materials. Meeting minutes should be retained in perpetuity in the corporation's minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than 3 (three) years by the corporation.

E. Press Releases/Public Filings. The corporation should retain permanent copies of all press releases and publicly filed documents under the theory that the corporation should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the corporation.

F. Legal Files. Legal counsel should be consulted to determine the retention

period of particular documents, but legal documents should generally be maintained for a period of 10 (ten) years.

G. Marketing and Sales Documents. The corporation should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally 3 (three) years. An exception to the 3-year (three-year) policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least 3 (three) years beyond the life of the agreement.

H. Development/Intellectual Property and Trade Secrets. Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the corporation and are protected as a trade secret where the corporation:

1. derives independent economic value from the secrecy of the information; and

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2. has taken affirmative steps to keep the information confidential.

The corporation should keep all documents designated as containing trade secret information for at least the life of the trade secret.

I. Contracts. Final, execution copies of all contracts entered into by the corporation should be retained. The corporation should retain copies of the final contracts for at least 3 (three) years beyond the life of the agreement, and longer in the case of publicly filed contracts.

J. Correspondence. Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for 2 (two) years.

K. Banking and Accounting. Accounts payable ledgers and schedules should be kept for 7 (seven) years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for 3 (three) years. Any inventories of products, materials, and supplies and any invoices should be kept for 7 (seven) years.

L. Insurance. Expired insurance policies, insurance records, accident reports, claims, etc. should be kept permanently.

M. Audit Records. External audit reports should be kept permanently. Internal audit reports should be kept for 3 (three) years.

SECTION 4. ELECTRONIC MAIL

E-mail that needs to be saved should be either:

1. printed in hard copy and kept in the appropriate file; or
2. downloaded to a computer file and kept electronically or on disk as a separate file. The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

ARTICLE XIII **TRANSPARENCY AND ACCOUNTABILITY DISCLOSURE OF FINANCIAL INFORMATION WITH THE GENERAL PUBLIC**

SECTION 1. PURPOSE By making full and accurate information about its mission, activities, finances, and governance publicly available, USAWE practices and encourages transparency and accountability to the general public. This policy will:

1. indicate which documents and materials produced by the corporation are presumptively open to staff and/or the public;
2. indicate which documents and materials produced by the corporation are presumptively closed to staff and/or the public; and
3. specify the procedures whereby the open/closed status of documents and materials can be altered.

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The details of this policy are as follow:

SECTION 2. FINANCIAL AND IRS DOCUMENTS (Forms 1023 and 990) USAWE shall provide its Internal Revenue forms 990, 990-T, 1023 and 5227, Bylaws, Conflict of Interest Policy, and financial statements to the general public for inspection free of charge.

SECTION 3. MEANS AND CONDITIONS OF DISCLOSURE USAWE shall make "Widely Available" the aforementioned documents on its internet website: usawe.org, to be viewed and inspected by the general public.

1. The documents shall be posted in a format that allows an individual using the Internet to access, download, view and print them in a manner that exactly reproduces the image of the original document filed with the IRS (except information exempt from public disclosure requirements, such as contributor lists).
2. The website shall clearly inform readers that the document is available and provide instructions for downloading it.
3. USAWE shall not charge a fee for downloading the information.
Documents shall not be posted in a format that would require special

computer hardware or software (other than software readily available to the public free of charge).

4. USAWE shall inform anyone requesting the information where this information can be found, including the web address. This information must be provided immediately for in-person requests and within 7 (seven) days for mailed requests.

SECTION 4. IRS ANNUAL INFORMATION RETURNS (Form 990) USAWE shall submit the Form 990 to its Board of Directors prior to the filing of the Form 990. While neither the approval of the Form 990 or a review of the 990 is required under Federal law, the corporation's Form 990 shall be submitted to each member of the Board of Directors via (hard copy or email) at least 10 (ten) days before the Form 990 is filed with the IRS.

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SECTION 5. BOARD

1. All board deliberations shall be open to the public except where the board passes a motion to make any specific portion confidential.
2. All board minutes shall be open to the public once accepted by the board, except where the board passes a motion to make any specific portion confidential.
3. All papers and materials considered by the board shall be open to the public following the meeting at which they are considered, except where the board passes a motion to make any specific paper or material confidential.

SECTION 6. STAFF RECORDS

1. All staff records shall be available for consultation by the staff member concerned or by their legal representatives.
2. No staff records shall be made available to any person outside the corporation except the authorized governmental agencies.
3. Within the corporation, staff records shall be made available only to those persons with managerial or personnel responsibilities for that staff member, except that
4. Staff records shall be made available to the board when requested.

SECTION 7. DONOR RECORDS

1. All donor records shall be available for consultation by the members and donors concerned or by their legal representatives.
2. No donor records shall be made available to any other person outside the corporation except the authorized governmental agencies.
3. Within the corporation, donor records shall be made available only to

- those persons with managerial or personnel responsibilities for dealing with those donors, except that ;
4. Donor records shall be made available to the board when requested.

ARTICLE XIV
CODE OF ETHICS AND WHISTLEBLOWER POLICY FOR BOARD OF DIRECTORS, OFFICERS, STAFF AND EMPLOYEES

SECTION 1. PURPOSE USAWE requires and encourages Directors, Officers, staff and employees to observe and practice high standards of business and personal ethics in the conduct of their duties and responsibilities. The employees and representatives of the corporation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. It is the intent of USAWE to adhere to all laws and regulations that apply to the corporation and the underlying purpose of

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this policy is to support the corporation's goal of legal compliance. The support of all corporate staff is necessary to achieving compliance with various laws and regulations.

SECTION 2. REPORTING VIOLATIONS If any Director, Officer, staff, or employee reasonably believes that some policy, practice, or activity of USAWE is in violation of law, a written complaint must be filed by that person with the President, President Elect, or Secretary of the corporation.

SECTION 3. ACTING IN GOOD FAITH Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false shall be subject to civil and criminal review.

SECTION 4. RETALIATION Said person is protected from retaliation only if she/he brings the alleged unlawful activity, policy, or practice to the attention of USAWE and provides USAWE with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to individuals that comply with this requirement.

USAWE shall not retaliate against any Director, Officer, staff, or employee who in good faith, has made a protest or raised a complaint against some practice of USAWE or of another individual or entity with whom USAWE has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

USAWE shall not retaliate against any Director, Officer, staff, or employee who discloses or threatens to disclose to a supervisor or a public body any activity, policy, or

practice of USAWE that the individual reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

SECTION 5. CONFIDENTIALITY Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

SECTION 6. HANDLING OF REPORTED VIOLATIONS The President, President Elect or Secretary shall notify the sender and acknowledge receipt of the reported violation or suspected violation within 5 (five) business days. All reports shall be promptly investigated by the Board and its appointed committee and appropriate corrective action shall be taken if warranted by the investigation.

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This policy shall be made available to all Directors, Officers, staff or employees and they shall have the opportunity to ask questions about the policy.

ARTICLE XV **CORPORATE INDEMNITY**

SECTION 1. RIGHT TO INDEMNIFICATION

USAWE shall indemnify and hold harmless any person who is or was a Director, Officer, or appointed committee chair or committee member against any and all expenses, liabilities and losses (including, without limitation, attorneys' fees, judgments, fines, excise taxes or penalties and amounts to be paid in settlements approved by USAWE) reasonably incurred or suffered by such person in connection with or by reason of the fact that he or she is or was or has agreed to be a Director, Officer, or appointed committee chair or member and/or to the extent acting as a Director, Officer, or appointed committee chair or member, all to the fullest extent required or permitted by applicable law.

In addition, USAWE shall have the power to indemnify (which indemnification shall include, without limitation, advancing reasonable expenses) to the fullest extent permitted by laws such other persons as the Board may determine from time to time. Any amendment to Article X (Miscellaneous Provisions) shall be prospective and shall not reduce or eliminate the right of any person to indemnification hereunder with respect to any act or failure to act occurring on or prior to the date of any such amendment.

Notwithstanding the foregoing, USAWE shall not be required to indemnify any person for his or her own gross negligence or willful misconduct. Notwithstanding any other

provision of the Bylaws, USAWE shall neither indemnify any person nor purchase any insurance in any amount to any extent that would jeopardize or be inconsistent with the qualification of USAWE as an organization described in section 501(c)(3) of the Internal Revenue Code or that would result in the imposition of any liability under section 4941 or 4948 of the Internal Revenue Code.

SECTION 2. NONEXCLUSIVITY OF RIGHTS

The right to indemnification and the advancement and payment of expenses conferred in this Article XV (Corporate Indemnity) shall not be exclusive of any other right which any person may have or hereafter acquire under law (common or statutory), provision of the Articles of Incorporation of USAWE, Bylaws, agreement, vote of members or disinterested directors otherwise.

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SECTION 3. INSURANCE

USAWE shall have the power to purchase and maintain at its expense insurance on behalf of the persons listed in Article X, Section 1 (Miscellaneous Provisions, Compensation of Officers and Directors) to the fullest extent permitted by applicable law, whether or not USAWE would have the power to indemnify such person under this Article XV (Corporate Indemnity).

SECTION 4. SAVINGS CLAUSE

If this Article XV (Corporate Indemnity) or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then USAWE shall nevertheless indemnify and hold harmless each Director, Officer, or appointed committee chair or member, as to costs, charges and expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative to the full extent permitted by any applicable portion of this Article XV (Corporate Indemnity) that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE XVI
DISSOLUTION

SECTION 1. PAYMENT OF LIABILITIES AND DISPOSAL OF ASSETS The dissolution of the Corporation shall occur only by the majority vote of the entire Board of Directors. In the event of dissolution and after paying and adequately providing for the just debts of the Corporation, any remaining funds shall be distributed to 1 (one) or more regularly organized and qualified charitable, educational, scientific or philanthropic institution or Corporation to be selected by unanimous vote of the then-existing Board of Directors according to the state law of Colorado.

SECTION 2. PROHIBITIONS

No part of the net earning of the Corporation shall inure to the benefit of or be distributed to its Directors, Officers, members or other private person except that USAWE shall be authorized or empowered to pay a reasonable compensation for services rendered. No substantial part of the activity of USAWE shall be a carrying on of lobbying or otherwise attempting to influence legislation that USAWE shall not participate in or intervene in any political campaign on the behalf of the candidate for public office. Notwithstanding any other provisions of these articles, USAWE shall not carry on any other activities not permitted to be carried on by a Corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code.