

## CHAPTER 4: DELINQUENT PAYMENT SUSPENSIONS AND HEARINGS

All AHA programs and events deadlines must be met as specified, whether submitted by postal service, fax, e-mail, internet or other electronic means.

### ARTICLE 401. DEFINITIONS UNDER THIS CHAPTER.

1. Delinquent Account. Where referenced in this chapter, a "Delinquent Account" shall include any amounts due and owing directly to AHA for goods, services, dues, fees, or similar indebtedness.
2. Notice by AHA. Where provided in this chapter, "Notice" by AHA of a potential suspension, suspension, or hearing before the Hearing Board shall be in writing, sent by United States Postal Service, postage prepaid, and shall be sent to any individual or entity who may be suspended under the provisions of this chapter. Where applicable, Notices shall also be sent to owners of horses that may be suspended under Article 402. Paragraph 2.c. All Notices shall be sent to the last-known address of the individual or entity as shown in AHA's records.
3. Returned Instrument. Where referenced in this chapter, "Returned Instrument" shall mean any check or other negotiable instrument payable to AHA or to an AHA Member Organization or Recognized Competition that is dishonored and returned by a bank.

### ARTICLE 402. CONDUCT RESULTING IN SUSPENSION.

1. Delinquent Accounts With AHA.
  - a. Any individual or entity that has a Delinquent Account due to AHA for ninety (90) calendar days or more shall be suspended from membership in AHA.
  - b. The AHA office will send Notice, as defined in Article 401., of all amounts due and the due date in its monthly account statements. All monthly statements will also advise the individual or entity that a written request for a hearing disputing any amounts due must be postmarked/electronic transaction dated and submitted to the AHA office before ninety (90) calendar days from the due date, or suspension will be automatic.
  - c. If payment or a timely request for a hearing is not received by the AHA office as provided in Article 404., AHA will send Notice of the suspension once the account has remained unpaid for ninety (90) calendar days and will publish the suspension in *Modern Arabian Horse* and/or on the AHA website.
2. Payment to AHA With a Returned Instrument.
  - a. Upon notification from a bank of a Returned Instrument, as defined in Article 401., payable to AHA, a fifty dollar (\$50) (BOD 5/02) service charge will be added to each returned item. The AHA office shall send Notice of the outstanding balance due AHA resulting from the Returned Instrument and of the fifty dollar (\$50) (BOD 5/02) service charge.
  - b. The Notice referred to in the preceding paragraph shall also state that the parties will be suspended effective fifteen (15) calendar days from the date of mailing of the Notice, unless payment in full, including the service charge or a request for a hearing pursuant to Article 404., is postmarked/electronic transaction dated and submitted to the AHA office within fifteen (15) calendar days of mailing of the Notice.
  - c. If the Returned Instrument was issued in payment of horse show entries at an AHA Recognized Competition, the horse or horses which the payment was to cover will also be suspended. The name and registration number of the suspended horse(s) will also be published in *Modern Arabian Horse* and/or on the AHA website.
  - d. If payment or a timely request for a hearing is not received by AHA as provided for in Article 404., AHA shall send Notice of the suspension and publish the suspension in *Modern Arabian Horse* and/or on the AHA website.
3. Payments to AHA Recognized Competitions and Member Organizations With a Returned Instrument. AHA recommends that AHA Recognized Competitions or Member Organizations not allow show entry or provide services or products without payment. If a Competition or organization

extends credit to an individual or entity, it does so at its own risk. In the limited circumstances set forth below, AHA will assist its Recognized Competitions or Member Organizations, if payment is made to a Recognized Competition or Member Organization with a Returned Instrument.

- a. If assistance in collection is sought against a non-member, then the Member Organization or Recognized Competition must have obtained a signed, written agreement from the non-member to be bound by AHA's Rules and Regulations (specifically including this Chapter 4).
- b. The designated representative of an AHA Recognized Competition or AHA Member Organization must, on a form provided by AHA, submit a statement of receipt of a Returned Instrument, and such other information and documentation as AHA may require, postmarked/electronic transaction dated within sixty (60) days of receiving the Returned Instrument.
- c. Upon receipt of all requested information from a Member Organization or Recognized Competition, the AHA office will send Notice of both the outstanding balance and the AHA office fee of one-hundred dollars (\$100) that is due, to the owner(s), trainer(s), coach(es), rider(s), driver(s), and handler(s) listed on the entry blank and/or other forms which the payment was to cover (the "Noticed Parties"). The Notice shall also state that, unless the amount due is paid in full to both AHA and the AHA Recognized Competition or AHA Member Organization postmarked/electronic transaction dated (BOD 8/00) within fifteen (15) calendar days of the date of mailing of the Notice, AHA shall suspend all Noticed Parties and horses.
- d. The AHA office will verify with the designated contact of the Competition or organization whether payment has been received. If payment has not been received, the AHA office shall (i) send Notice of the suspension to Noticed Parties, (ii) publish the name and registration number of the suspended horse(s) and all Noticed Parties in *Modern Arabian Horse* and/or on the AHA website, and (iii) suspend all Noticed Parties and suspended horse(s) from all membership privileges which includes participation in any manner in any AHA Recognized Competition.

### ARTICLE 403. AHA DELINQUENT PAYMENT HEARING BOARD.

1. The AHA Delinquent Payment Hearing Board (the "Hearing Board") will consist of three members of AHA, at least one of whom shall be an attorney. Members of the Hearing Board will be elected by the AHA Board of Directors for three-year rotating terms each not to exceed two consecutive three-year terms. The Chair of the Hearing Board shall be determined by vote of its members. No member of the Hearing Board can also be a member of the Ethical Practice Review Board, Probable Cause Panel or the Executive Committee.
2. The Hearing Board shall only have authority to hear protests of a proposed suspension from AHA pursuant to Article 402. of this chapter. The Hearing Board shall not have authority to hear or review matters otherwise within the jurisdiction and authority of the Ethical Practice Review Board or the Registration Commission.

### ARTICLE 404. RIGHT TO PROTEST AND REQUEST A HEARING BEFORE THE HEARING BOARD.

1. Any individual or entity who receives Notice of a proposed suspension pursuant to Article 402. of this chapter may have a hearing before the Hearing Board if they file a timely, written request for hearing with AHA. A request for a hearing must:
  - a. Be in writing; and
  - b. Contain all pertinent information related to the dispute with copies of any supporting documentation; and
  - c. Be signed by the party or parties protesting the proposed suspension and notarized; and
  - d. Be postmarked/electronic transaction dated and submitted to the AHA office within fifteen (15) calendar days from mailing of Notice to the individual or entity of the proposed suspension.

2. Upon receipt by the AHA office of a timely, written request for a hearing, which conforms to the requirements of this Article 404., a hearing by the Hearing Board will be scheduled as set forth in Article 405.

#### ARTICLE 405. HEARING PROCEDURE.

1. The Executive Vice President, or other person designated by the Executive Vice President, will set the time and place of the hearing before the Hearing Board which may, from time to time, be continued or rescheduled. Notice of the hearing will be sent at least thirty (30) days before the scheduled hearing date. A continuance will be granted upon receipt by the AHA office of a written request for a continuance postmarked/electronic transaction dated at least 48 hours before the scheduled hearing from any party to the dispute, provided such party has good cause for the request as determined by the Executive Vice President.
  2. A party who has been given Notice of a hearing has the right to appear in person or by counsel to present and refute evidence through witnesses, sworn statements, or documents. Upon written request of all parties who have requested a hearing before the Hearing Board, the hearing may be conducted by telephone.
  3. Hearings relating to the suspension of multiple parties arising out of the same Delinquent Account or Returned Instrument shall be consolidated.
  4. The hearing shall be tape recorded by AHA. A party may, at its own expense, have the hearing recorded stenographically by a court reporter.
  5. Common law or statutory rules of evidence will not apply at the hearing, but the Hearing Board will determine the admissibility of offered evidence and the weight to be given to the evidence submitted.
  6. All oral testimony, documents, sworn statements, and physical exhibits that are relevant, material and have probative force, not being unduly repetitious, shall be admissible.
  7. The Chair of the Hearing Board may, subject to review by the Hearing Board, rule on all motions, objections, and other questions from the initiation of proceedings.
  8. The individual or entity seeking to have a suspension imposed by the Hearing Board shall have the burden of proof by a preponderance of the evidence.
  9. As promptly as is reasonable and practicable after the conclusion of the hearing, the Hearing Board shall decide the matter. The Hearing Board's decision, including its finding in support of its decision, shall be in writing. If a suspension is imposed, the Hearing Board's decision shall advise the parties that the suspension will be published in *Modern Arabian Horse* and/or on the AHA website.
  10. A copy of the Hearing Board's decision shall be sent by the Executive Vice President to each party who was sent Notice by AHA of the suspension.
  11. The decision of the Hearing Board shall be final (unless postmarked/electronic transaction dated within 30 days of the date of mailing of the Hearing Board's decision a party files a demand for arbitration with the American Arbitration Association to seek review of the Hearing Board's decision. Final review and appeal of the Hearing Board's decision shall be settled by binding arbitration before a single arbitrator in Denver, Colorado, conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment thereon may be entered in any court having jurisdiction thereof. Review of the Hearing Board's decision shall be limited to a determination of whether the Hearing Board has exceeded its jurisdiction or abused its discretion, based on the evidence in the record before the Hearing Board. The party requesting arbitration under this Article shall be responsible for payment, in advance, of all costs associated with the preparation of a transcript of the record of the Hearing Board proceedings for use in the arbitration. Any party requesting arbitration under this Article that does not prevail in the arbitration shall pay all of AHA's costs, expenses, and attorney's fees associated with any such proceeding.)
1. Suspension shall be effective on the date stated in the Notice of proposed suspension to the individual or entity, unless a timely request for hearing or demand for arbitration has been received by AHA. If a hearing is requested or a demand for arbitration is filed, the suspension will be postponed until the Hearing Board reaches its decision or the arbitrator's award is issued. However, if the Hearing Board or any arbitrator upholds the suspension, the suspension will become effective on the original suspension notification date, and all placings, prizes, Sweepstakes Money awarded, Achievement Award points, and Regional and National qualifications earned during the postponed suspension period will be forfeited, and any pending entry applications into AHA programs and events may be returned.
  2. Under this chapter, suspension shall include the following:
    - a. If the suspended entity is a corporation, partnership, or sole proprietorship operating as a d/b/a, suspension shall include the corporation, the partnership, and the sole proprietors, as well as all of their d/b/a's;
    - b. If the suspended entity is a general partnership, suspension shall also include all partners of the partnership;
    - c. If the suspended entity is a limited partnership, suspension shall also include the general partners; and
    - d. If the suspended entity is a corporation, suspension shall also include all officers of the corporation.
  3. Suspension includes:
    - a. Revocation of AHA membership benefits and privileges, including, but not limited to, denial of entry into AHA programs and events, the removal from AHA boards, commissions, and committees and office, termination of Achievement Award point accrual, and Regional and National qualification requirement accumulation;
    - b. Prohibition from holding a licensed official, or employee position as defined by USEF or EC in any AHA Recognized Competition;
    - c. Denial of participation by the individual or entity in any manner in any AHA Recognized Competition. In addition, the individual or entity shall not be allowed to be on the competition grounds in any capacity during an AHA Recognized Competition; and
    - d. For suspension of a horse, denial of the horse's entry into and the benefits of AHA programs and events, and denial of participation in any manner in any AHA Competition or AHA Recognized Competition.
  4. Notification of all suspensions shall be made to AHA members, Recognized Competitions, and Member Organizations through publication of the suspension in *Modern Arabian Horse* and/or on the AHA website. Such publication shall include the name of the suspended individuals and entities, as well as the name or names and registration number of any suspended horses, and the effective date of suspension.
  5. A suspension will be published in *Modern Arabian Horse* if the suspension is in effect, as provided in this chapter, on the publication deadline date for an issue of *Modern Arabian Horse* and/or will be published on the AHA website if the suspension is in effect on the deadline date for updating the AHA website. (BOD 8/04)
  6. AHA will maintain a current list of suspended individuals, entities, and horses at the AHA office, and it shall also be the responsibility of each member, horse owner, Recognized Competition, or others involved in transactions with Arabian, Half-Arabian, or Anglo-Arabian Horses to contact AHA for information concerning suspended status.

#### ARTICLE 407. REMOVAL OF SUSPENSION UNDER THIS ARTICLE.

1. The suspension of an individual, entity, or horse under this chapter will end upon receipt of good funds and acknowledgment from the AHA office of payment in full of the amounts due.
2. AHA will publish the removal of any previously published suspension in the next issue of *Modern Arabian Horse* and/or next update on the AHA website. When a suspension is removed, and only then, will privileges be reinstated. No privileges will be reinstated retroactively.

#### ARTICLE 406. EFFECTS OF SUSPENSION.

3. Upon request, the AHA office will provide an earlier notification that a suspension has been removed and is no longer in effect. However, it will be the responsibility of the suspended individual or entity to request that the AHA office send Notice of the removal of a suspension to any AHA Recognized Competition or AHA Member Organization.

**ARTICLE 408. MULTIPLE VIOLATIONS OF AHA'S POLICIES ON NON-PAYMENT.**

1. Any individual or entity who submits two Returned Instruments for payment obligations to AHA within an eighteen (18) month period, will automatically be required to submit certified funds for any future payments to AHA for the following three-year period.
2. Repeated violations of payment obligations to AHA, its Member Organizations, or Recognized Competitions or violations of the suspension enforcement obligations imposed upon Recognized Competitions under this chapter are detrimental to AHA's ability to implement its purposes and goals; therefore, it shall be a violation of AHA's Rules and Regulations, and an EPRB charge may be filed, if:
  - a. An individual or entity has any delinquent accounts due to AHA for ninety (90) days or more, issues Returned Instruments payable to AHA, or issues Returned Instruments to AHA Recognized Competitions or Member Organizations on more than two separate occasions; or
  - b. An AHA Recognized Competition or Member Organization allows a suspended individual or entity to participate in an AHA Recognized Competition in any manner or capacity.
  - c. An individual or entity files a suspension protest or demand for arbitration under this chapter that is substantially groundless and frivolous and that the individual or entity has filed in order to delay a Notice of suspension to permit attendance at an AHA Event or AHA Recognized Competition or for some other improper purpose.