

BY-LAWS

OF

CAIRN RESCUE USA

(A New York Not-For-Profit Corporation)

ARTICLE I

Membership

1. General. The membership of the Corporation shall consist of such persons as may be admitted to membership in accordance with the provisions set forth in this Article I. All memberships shall be non-transferable. No person whom shall have been convicted of animal cruelty, neglect or abandonment by a court of law or other appropriate governmental authority may be a member of the Corporation.

2. Types of Membership. There shall be the following classes of members: Honorary Members, who shall pay no admission fees or dues; Life Members, who shall pay a one-time dues fee; and Annual Members, who shall pay annual dues. Annual Memberships may be further subdivided for fundraising purposes by action of the Board into categories that reflect different levels of financial support to the Corporation. The dues fee for life memberships shall be \$1,000 and may be paid either as a lump sum at the time of admission or in 4 equal quarterly installments over the 12-month period following admission. The annual dues for Annual Memberships shall be as determined from time to time by the Board of Directors. Honorary Members may be admitted at the discretion of the Board in recognition of their service to the Corporation.

3. Membership Cards. The Corporation may issue non-transferable membership cards to evidence membership. The fact that the Corporation is a not-for-profit corporation and that the membership card is non-transferable shall be noted conspicuously on the face or back of each such card.

4. Voting. The Members shall have one vote per type of Membership held and shall vote together as one class, regardless of the type of membership held. In order to be eligible to vote, a Member shall be in good standing at the time that the voting takes place and been a Member during the 30 days immediately preceding the vote, or if the voting is for the election of Directors, shall have been a Member during the 60 days immediately preceding the election. Members who do not act in person may designate representatives or proxies to act for them in meetings of this Corporation. Proxies may

be granted by any legally permissible means, including by electronic transmission. For purposes of these bylaws "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process. A proxy, consent or ballot transmitted by electronic transmission by a Member from the email address provided by such Member to the Corporation as shown on the records of the Corporation shall be deemed to be written and signed by that Member. A proxy, consent or ballot may also be executed by electronic signature. In addition, any one or more Members may participate in a meeting by means of a telephonic or video conference or similar communications equipment or media or by any other technological method that enables Members to see, hear, and discuss, or read and discuss, all business before the Members. Participation by such means shall constitute presence in person at a meeting. Action may also be taken by written consent of the Members casting a majority of all votes that could have been casted at an in-person meeting.

5. Resignation by Member(s). Any Member may resign in writing addressed to the Board of Directors, but such resignation shall not relieve a Member from liability for dues accrued and unpaid at the time such resignation is submitted.

6. Involuntary Termination of Member(s). By unanimous vote of the Board of Directors, the Board of Directors may terminate the membership of any Member for acts or conduct prejudicial to this Corporation or for conflicts of interest. Such acts include being convicted of animal cruelty, neglect or abandonment by a court of law or other appropriate governmental authority, or in the case of conflicts of interest, launching a competing cairn rescue organization or joining a competing cairn rescue organization as an officer or director thereof.

7. Membership Years; Payment of Dues. The membership year for Annual Members shall be the calendar year. Annual Members' dues for the first membership year shall be payable at the time such Members are admitted to membership, and dues for subsequent (renewal) years shall be payable on the first business day of January in the membership year. Any Annual Member whose dues shall remain unpaid for 30 days after becoming due shall ipso facto cease to be a Member, but they may restore their membership for the remaining months of the calendar year by paying their dues. Life Members shall not be subject to the payment of any dues or other amount beyond the original fee set forth in Section 2 of this Article I.

8. Meetings of the Members. The Members may meet in person, by telephone or video conference call, or by any other technological method that enables Members to see, hear, and discuss, or read and discuss, all business before the Members. Meetings in person shall be held at such place within or without the State of New York as is determined by the Board of Directors. Annual meeting of the Members (the "Annual Meeting") for the election of Directors and for the transaction of such other business

assigned to the Members under these by-laws may be held in the month of July, at such place within or without the State of New York, time and date as are fixed by the Board of Directors. Special Meetings of the Members may be held whenever called by resolution of the Board of Directors, by the Chairman, or by a written demand to the Secretary made by Members representing at least 10% of all Members eligible to vote. The annual report of directors required by Section 519 of the Not-For-Profit Corporation Law may be presented to the Members at the Annual Meeting or posted on the Corporation's website prior to such meeting. The annual report may also be presented instead at a Special Meeting held after the date in which the Corporation shall have filed its Form 990EZ or Form 990 report with the Internal Revenue Service, and the Board may cause to be distributed to the Members concurrent or in advance of such meeting copies of such report by electronic transmission or by posting the report to the Corporation's website.

9. Honorary Members. Honorary Members may be nominated by the Board or by at least 10 Members in good standing and may be elected at the Annual Meeting by the affirmative vote of a majority of the Members present in person or by proxy at such meeting, voting together as one class, a quorum being present at such time. No more than 10 Honorary Members may be elected per year. If more than 5 nominees receive the required number of votes cast, the 10 nominees with the largest number of votes received shall be elected. An Honorary membership is intended to recognize individuals who have made significant contributions to advance the Corporation's activities, purposes and goals, including without limitation, by fostering, transporting, pulling dogs from shelters, doing home inspections, volunteering in the various committees of the Corporation, performing administrative tasks, serving as an officer, etc.

10. Notice of Meetings. Written notice of the place, date and hour of any meeting shall be given to each Member entitled to vote at such meeting by electronic transmission to the email address shown for that Member in the records of the Corporation no less than ten (10) nor more than thirty (30) days before the date of the meeting. Notice of Special Meetings shall indicate the purpose for which they are called and the person or persons calling the meeting. The Corporation also shall post notices of all meetings of the Members on its website. Notice need not be given to any Member who submits by electronic transmission or otherwise a signed waiver of notice, either before or after the meeting. In addition, the attendance of any Member at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by such Member.

11. Quorum and Action by Members. At all meetings of the Members, the lesser of (i) 10% of the Members entitled to vote or (ii) 100 Members, present in person or by proxy, shall constitute a quorum for the transaction of business. In the absence of a quorum, a majority of the Members present in person or by proxy may adjourn the meeting to another time and place. Except as otherwise provided by the Not-For-Profit Corporation Law and except as otherwise provided in these by-laws, the act of the Members shall be the act, at a meeting duly assembled, by vote of a majority of the Members present at the time of the vote, a quorum being present at such time.

12. Organization. The Chairman shall preside at all meetings of the Members or, in the absence of the Chairman, an acting chairman shall be chosen by the Members present. The Secretary shall act as secretary at all meetings of the Members, or in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

ARTICLE II

Board of Directors

1. Functions and Definitions. The Corporation shall be managed by a governing board, which is herein referred to as the “Board of Directors,” “Board” or “directors”. The use of the phrase “entire Board” herein refers to the total number of directors which the corporation would have if there were no vacancies.

2. Qualifications. Each director shall be at least 18 years of age. A director need not be a citizen of the United States or a resident of the State of New York. No person whom shall have been convicted of animal cruelty, neglect or abandonment by a court of law or other appropriate governmental authority may be a director.

3. Election, Term of Office, Classification.

(a) The Board of Directors shall consist of four (4) directors, classified into two (2) classes of two (2) directors each and elected by the Members as provided in clause (b) of this Section 3. The Board may also appoint up to 3 additional directors in its sole discretion.

(b) Member-elected directors are elected by the Members, voting together as one class, by a plurality of the votes cast at the Annual Meeting, with the date of the meeting to be determined by the Board of Directors. The term of each director in a class shall be two (2) years or until his/her successor has been elected and qualified. Any director may be elected to serve additional terms or appointed by the Board as contemplated in clause (a) of this Section 3.

(c) Nothing in these by-laws is intended to prevent the reelection, appointment or reappointment of a director. Candidates for director shall have their name included in the ballot or proxy that is sent to the Members if at least one of the following conditions is met: (i) the candidate is an incumbent director (i) who has informed the Chairman, Secretary, or the Board as a whole that he/she wishes to run for reelection; (ii) the candidate has been nominated to run for the position of director by a majority of the entire Board; or (iii) the candidate has been nominated to run for the position of director by at least 10 Members eligible to vote at such election, with self-nominations counting as one of the 10 required nominations.

(d) The number of directors may be increased or decreased by unanimous action

of the Board of Directors but may not be less than three (3) directors. No decrease in the number of directors shall shorten the term of any incumbent director.

(e) In the interim between Annual Meetings of the Members or Special Meetings of the Members called for the election of directors, newly created directorships and any vacancies in the Board of Directors, including vacancies resulting from the death, resignation, or removal for cause of a director, may be filled by the vote of the remaining directors then in office, although less than a quorum.

4. Meetings.

(a) Time. The Board shall hold its annual meeting as soon after the Annual Meeting as the directors may conveniently assemble. Additional meetings of the Board may be held at such time as the Board shall fix.

(b) Place. Meetings may be held at such place within or without the State of New York as shall be fixed by the Board. Meetings of the Board may be held in person, by telephone or video conference call, by electronic transmission, or by any other technological method that enables Board members to see, hear, and discuss, or read and discuss, all business before the Board.

(c) Call. No call shall be required for regular meetings for which the time and place have been fixed. Special meetings may be called by or at the direction of any director or by any officer entitled to call a special meeting of the Board under the circumstances set forth in Article III.

(d) Notice or Actual or Constructive Waiver. No notice shall be required for regular meetings for which the time and place have been fixed. Written, oral or any other mode of notice of the time and place shall be given for special meetings in sufficient time for the convenient assembly of the directors thereat unless the lapse of such time has been waived. The notice of any meeting need not specify the purpose of the meeting. Any requirements of furnishing a notice may be waived by any director by signing a waiver of notice before or after the meeting, or by attending the meeting without protesting, prior thereto or at its commencement, the lack of notice to such director. A waiver sent by electronic transmission shall be valid for these purposes.

(e) Quorum and Action. Except as hereinafter provided, a majority of the Board shall constitute a quorum. A majority of the directors present, whether or not a quorum is present, may adjourn a meeting to another time and place. Except as otherwise provided by the Not-For-Profit Corporation Law and except as herein otherwise provided, the act of the Board shall be the act, at a meeting duly assembled, by vote of a majority of the directors present at the time of the vote, a quorum being present at such time.

(f) Participation in Meetings by Telephonic or Video Conference and Similar Media. Any one or more members of the Board or any committee thereof may

participate in a meeting of the Board or committee by means of a telephonic or video conference or similar communications equipment or media, or by any other technological method that enables Board members to see, hear, and discuss, or read and discuss, all business before the Board. Participation by such means shall constitute presence in person at a meeting.

(g) Chairman and Secretary of the Meeting. Meetings of the Board shall be presided over by the Chairman of the Board, or in the Chairman's absence, by a chairman to be chosen by the Board. The Secretary shall act as secretary of each meeting of the Board. In the absence of the Secretary, the Chairman shall appoint a secretary of the meeting.

5. Committees. The Board of Directors, by resolution adopted by a majority of the entire Board (as then constituted), may designate from their number three or more directors to constitute an Executive Committee and other standing committees, each of which, to the extent provided in the resolution designating it, shall have the authority of the Board of Directors with the exception of any authority the delegation of which is prohibited by Section 712 of the Not-For-Profit Corporation Law. Additionally, the Board of Directors may provide for special committees of the Board, which shall have such powers as the Board may lawfully delegate. Members of such special committees may be appointed by the Board, or by the Chairman of the Board when so authorized by the Board. The Board also may provide for committees of the Corporation, which committees shall be appointed or elected by the Board or by one or more officers designated by the Board. Such committees shall have the power to recommend action to the Board but shall not have the power to take any corporate action.

6. Removal of Directors. Any or all of the directors may be removed for cause by the Board of Directors provided there is a quorum of not less than a majority of the entire Board present at the meeting at which such action is taken. For these purposes, "cause" shall mean one or more of the following: (a) the director breaching his/her duty of loyalty to the Corporation by launching a competing rescue organization, soliciting the Corporation's Members, donors and/or volunteers for such competing rescue organization, and/or serving as an officer or director of a competing rescue organization; (b) unexcused (by the Board) failure to attend more than one third of all regular meetings of the Board scheduled in any one calendar quarter; (c) the conviction of a director of animal cruelty, neglect or abandonment by a court of law or other appropriate governmental authority, (d) continued abusive or disruptive behavior by the director at such meetings. Disagreeing with other directors and/or voicing his/her opinion(s) if done in a respectful, non-abusive manner, shall not be cause for the removal of a director under these bylaws.

7. Resignations. Any director may resign at any time by giving written notice to the Chairman, the Secretary, or the Board of Directors. The resignation shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

8. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors or by any committee thereof may be taken without a meeting if all members of the Board of Directors or of any such committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board of Directors or of any such committee shall be filed with the minutes of the proceedings of the Board of Directors or of any such committee. Consents may be granted by any legally permissible means, including by electronic transmission or electronic signature. A consent transmitted by electronic transmission from the email address shown for a Director on the records of the Corporation shall be deemed to be written and signed by that Director.

9. Actions Requiring Board Approval. In addition to any other actions which require Board approval under the Not-For-Profit Corporation Law and Article III of these by-laws, the following actions shall require prior Board approval: (a) the approval of all applications to adopt a Cairn in the Corporation's rescue program; and (b) accepting an aggressive Cairn into the Corporation's rescue program.

10. Additional Rules. The Board may adopt such additional rules and regulations as it may deem wise and advisable for the government of the Board and the conduct of its business.

ARTICLE III

Officers

1. Election, Term of Office and Functions.

(a) The initial officers shall include a Chairman, a President, a Chief Financial Officer and a Secretary. Thereafter, the directors may elect or appoint such other officers and assistant officers as they may determine, including, without limitation one or more Vice Presidents. Any person may hold more than one office, provided, however, that the offices of President and Secretary may not be held by the same person. The Board may delegate its authority to appoint officers to the President, provided that the authority to appoint the Chairman, President, Chief Financial Officer, and Secretary, may not be so delegated.

(b) Unless otherwise provided in the resolution of election or appointment, each officer shall hold office until his/her successor has been elected and qualified (or appointed and qualified) or until such officer's death, resignation or removal. Any officer may be removed or replaced by the Board for any reason or no reason.

(c) The officers of the Corporation shall each have such powers and duties as are set forth herein and/or as generally pertain to their respective offices, and in addition shall have such powers and duties as may be conferred upon them or prescribed from time to time by the Board. Any officer other than the Chairman may delegate any one or

more of such duties to volunteers working under his/her supervision. Volunteers may but need not be, Members of the Corporation.

2. Chairman. The Chairman of the Board shall be a member of the Board of Directors, and shall preside over all meetings of the Board and of the Members. The Chairman shall be elected by majority vote of the entire Board.

3. President; Chief Executive Officer. The President shall be the chief executive officer of the Corporation and have general management responsibility over, and supervision of, the day to day business and affairs of the Corporation. The President may sign, on behalf of the Corporation, contracts and other instruments in the ordinary course of business, provided that contracts committing the Corporation to incur a liability in excess of \$5,000 shall require the concurrence of the Chief Financial Officer, and contracts committing the Corporation to incur a liability in excess of \$10,000 shall require prior Board approval.

4. Secretary. The Secretary shall attend all meetings of the Board of Directors and of the Members, and record all the proceedings of such meetings in a book to be kept for that purpose; shall give or cause to be given notice of all special meetings of the Board of Directors and of the Members; shall have custody of the corporate seal of the corporation, if any, with authority to affix the same to any instrument or document requiring it, and, when so affixed, it may be attested by her signature; and when so required, shall certify, on behalf of the Corporation, resolutions, authorizations, and other actions taken by the Board, and the incumbency of the officers of the Corporation authorized by the Board or these bylaws to execute contracts and instruments. The Secretary may, but need not be, a director. The Secretary may appoint one or more Assistant Secretaries to assist her in the performance of these duties, provided that such appointment shall require ratification by a majority of the Board to become effective.

5. Chief Financial Officer. The Chief Financial Officer shall have general supervision over the care and custody of the funds and securities of the Corporation, shall keep or cause to be kept full and accurate accounts of all receipts and disbursements of the Corporation, shall deposit or cause to be deposited all funds and securities of the Corporation in the name and to the credit of the Corporation in such depositories as may be designated by the directors, shall disburse the funds of the Corporation as may be ordered by the Board of Directors and shall present periodic financial statements to the Board of Directors. The Chief Financial Officer may sign, on behalf of the Corporation, contracts and other instruments in the ordinary course of business, provided that contracts committing the Corporation to incur a liability in excess of \$5,000 shall require the concurrence of the President, and contracts committing the Corporation to incur a liability in excess of \$10,000 shall require prior Board approval. The Chief Financial Officer may appoint a Treasurer and/or one or more Assistant Treasurers to assist him/her in the performance of his/her duties.

6. Vice Presidents. Either the President or the Board may appoint one or more Vice Presidents to be in charge of one or more functional areas of the Corporation, including Adoptions, Communications, Data Management, Foster Homes, Fundraising, Home Visits, Intakes, Legal Affairs, Marketing, Post-Adoption, Reference Checks, Transports, Volunteers, and Website Content. All Vice Presidents shall report to the President and the Vice President for Fundraising shall also report to the Chief Financial Officer. Vice Presidents may sign, on behalf of the Corporation, contracts and other instruments in the ordinary course of business, provided that contracts committing the Corporation to incur a liability in excess of \$3,000, shall require the prior approval of the President and Chief Financial Officer, and contracts committing the Corporation to incur a liability in excess of \$10,000 shall require prior Board approval. Vice Presidents may recruit assistants and other volunteers working under their supervision to help them perform their duties.

7. Regional Directors. The Corporation's rescue dogs and applicants may be divided into geographical regions for purposes of taking dogs into the Corporation's rescue program, listing such rescue dogs and matching them and adopting them to applicants, and each such region shall have a Regional Director appointed by either the President or the Board. Each Regional Director may appoint a Regional Director of Intakes, a Regional Director of Foster Homes and a Regional Placement Director, provided that if there is a Vice President of Intakes, the Regional Directors of Intakes shall be appointed by such Vice President instead; if there is a Vice President of Foster Homes, the Regional Directors of Foster Homes shall be appointed by such Vice President instead; and if there is a Vice President of Adoptions, the Regional Placement Directors shall be appointed by such Vice President instead. There shall be four (4) regions initially: Northeast, Southeast, Midwest, and West. Additional regions may be added, and existing regions may be combined by resolution of the Board. States which do not clearly fall into one of these regions shall be assigned to a region by the President.

8. Resignations. Any officer may resign at any time by giving written notice to the Chairman, the President, the Secretary, or the Board of Directors. The resignation shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The Board may fill any vacancy in any office arising from any cause.

ARTICLE IV

Books and Records

The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the Board of Directors and/or any committee which the directors may appoint, and a list or record containing the names and addresses of all directors. Any of the foregoing books, minutes, or lists or records may be in written form or in any other form capable of being converted into written form within a reasonable time. All such documents shall be retained for a period of 3 years, but the list

of donors, donations made, volunteers, dogs, adoptive homes and Members may be retained for a longer period.

ARTICLE V

Corporate Seal

The Corporation shall not have a corporate seal.

ARTICLE VI

Fiscal Year

The fiscal year of the Corporation shall be fixed and shall be subject to change by resolution of the Board of Directors. Unless otherwise fixed by the Board of Directors, the fiscal year of the Corporation shall be the calendar year and end on December 31 of each year.

ARTICLE VII

Indemnification and Insurance

(a) Except as otherwise directed by the Board of Directors, any director or officer made a party to an action or proceeding, whether civil or criminal, by reason of the fact that he is or was a director or officer of the corporation shall be indemnified by the Corporation to the full extent permitted by law.

(b) The Corporation shall obtain such insurance as the Board of Directors shall from time to time determine (i) to protect the Corporation against losses caused by the fraudulent or dishonest acts of any director, officer or employee, (ii) to reimburse the Corporation for any obligation incurred pursuant to the first paragraph of this Article, and (iii) to indemnify directors and officers under circumstances permitted by law.

ARTICLE VIII

Amendments

The Board of Directors, by vote of the majority of the directors present at a meeting duly assembled, a quorum being present at the time of such vote, may amend or repeal the By-laws and may adopt new By-laws, provided, however, that no amendment which adversely affects or diminishes the rights granted to the Members in these By-laws may be effected without the affirmative approval of a majority of the Members entitled to vote.

