

# ISHRS CODE OF ETHICS DISCIPLINARY PROCEDURES

## I. ETHICS COMMITTEE.

- A. **Duties.** The Ethics Committee (“Committee”) shall:
1. develop and maintain the International Society of Hair Restoration Surgery (“ISHRS”) Code of Ethics (“Code”);
  2. develop and maintain the ISHRS Code of Ethics Disciplinary Procedures (“Procedures”), and receive and respond to complaints against ISHRS members and pending members accused of violating the Code; and
  3. implement and enforce these Procedures in a manner best serving ISHRS.
- B. **Composition.** The Committee is a standing ISHRS committee comprised of five (5) members. The number of Committee members may be increased or decreased from time to time by the Board of Governors (“Board”), but in no event shall the Committee be comprised of less than three (3) members.
- C. **Tenure.** Committee members shall serve a one (1) year term and be eligible for consecutive terms.
- D. **Appointment.** Committee members are appointed by the President.
- E. **Resignation and Removal.** A Committee member may resign at any time upon written notice to the Board and the other Committee members. A Committee member may be removed at any time, with or without cause, by the President, or by the Chair with the Board’s approval, or as otherwise specified by statute.
- F. **Vacancies.** Any vacancy occurring in the Committee shall be filled by appointment by the President. A member appointed to fill a vacancy shall serve for the unexpired term of his/her predecessor.
- G. **Authority.** Committee members are specifically empowered by the Board to perform the duties and carry out the processes prescribed by these Procedures.
- H. **Eligibility to Serve.** Any ISHRS member in good standing, who has never been found to be in violation of the Code, may serve on the Committee.
- I. **Restrictions.** Committee members shall recuse themselves with respect to complaints in which they may have or appear to have a conflict of interest. If a potential conflict or the appearance of a potential conflict exists with respect to any Committee member, and the member does not recuse himself/herself, the Chair may require the member’s recusal with respect to said complaint. If the Committee member subject to the potential conflict is the Chair, any other Committee member, after obtaining the President’s approval, may require the Chair’s recusal with respect to said complaint.

## II. COMMITTEE AND CHAIR RESPONSIBILITIES IN GENERAL.

- A. **Chair Responsibilities.** The Chair shall receive from the ISHRS Executive Director all new complaints alleging or relating to a violation of the Code. Upon receipt, the Chair will review all complaints and, other than those asserting only a violation of ISHRS’ trademarks, render a decision in accordance with Section III.C.1. The Chair may request additional information from the person(s) who submitted the complaint (“Complainant”) if, in the Chair’s opinion, additional supporting documentation is required to make a determination in accordance with Section III.C.1. The Chair shall render a decision in accordance with Section III.C.1. either

dismissing the complaint or submitting the complaint to the Committee. The Chair is encouraged, but not required, to consult with ISHRS' legal counsel for assistance in rendering a decision pursuant to Section III.C.1.

Throughout the processes enumerated in these Procedures, it shall be the Chair's responsibility to: (i) ensure the Committee members are working in a timely manner and in accordance with their responsibilities; (ii) report to both Complainant and the ISHRS member or pending member subject to the complaint ("Respondent") in accordance with these Procedures; and (iii) archive information regarding all complaints in accordance with these Procedures.

- B. Ethics Committee Responsibilities.** Upon receipt of a complaint from the Chair, the Committee (including the Chair) shall conduct an investigation in accordance with Section III.D and render a decision in accordance with Section III.E with regard to a pending member or Section III.F with regard to an ISHRS member.

A "pending member" is any individual who submitted a completed application to the ISHRS, but the Board has not yet voted on his or her election. For purposes of these Procedures, any individual in one ISHRS membership class applying for a different ISHRS membership class is treated as an ISHRS member, rather than a pending member.

### **III. PROCESS FOR ADDRESSING ALLEGED CODE VIOLATIONS.**

- A. Applicability.** Only complaints alleging conduct by an ISHRS member or pending member in violation of the Code are subject to these Procedures. All other complaints should be dismissed by the Chair in accordance with Section III.C.1.a. In addition, complaints based on alleged malpractice (i.e., failure to comply with the applicable standard of care) shall be dismissed by the Chair in accordance with Section III.C.1.a.

Upon receipt of a complaint, ISHRS' Executive Director shall confirm Respondent is a current ISHRS member or pending member. If Respondent is a current ISHRS member or a pending member, the Executive Director shall forward the complaint to the Chair. If Respondent is neither an ISHRS member or a pending member, and therefore not subject to the Code or these Procedures, the Executive Director shall address the complaint as the Executive Director and the President deem appropriate.

**B. Complaint.**

- 1. Who can file.** Complaints may be submitted by
- a.** any ISHRS member, including an officer or Board member, having firsthand knowledge of alleged unethical conduct, or having good faith objective evidence of alleged unethical conduct; or
  - b.** any outside party having firsthand knowledge of alleged unethical conduct through direct dealings with the Respondent.

If it is determined that the ISHRS member Complainant did not have firsthand knowledge or possess and submit good faith objective evidence of the alleged unethical conduct upon which their Complaint was based, their submission of the Complaint may be a violation of the Code, and may subject that member to sanctions hereunder.

- 2. Requirements.** All complaints of alleged unethical conduct must be submitted in writing to the Chair care of the ISHRS Executive Director at ISHRS headquarters. The complaint must:
- a.** be dated and signed by Complainant;

- b. state all pertinent facts known to Complainant;
  - c. include all pertinent documentation available to support the claim; and
  - d. identify, if known, the section(s) of the Code allegedly violated.
3. **Time of Filing.** A complaint may be filed within one (1) year of the date Complainant was aware of, or in the opinion of the Chair (or of the Committee, if the matter is submitted to the Committee) should have been aware of, facts giving rise to the alleged violation of the Code. The Chair shall summarily dismiss any complaint not filed within said one (1) year period.
  4. **Officials as Parties.** If Complainant or Respondent is an ISHRS Board member, the Executive Director, an elected officer, or a member of the Committee, then the Chair shall immediately notify the ISHRS President. The President shall then issue directives to exclude named parties from participation in the process. If Complainant or Respondent is the President, the Chair shall immediately notify the ISHRS Vice President, and the Vice President shall issue directives to exclude the President from participation in the process.
  5. **Withdrawal.** A Complainant may withdraw his/her complaint in writing.

C. **Chair Review.**

1. **Complaints (Other Than Trademark Violations).** Except for alleged violations of ISHRS trademarks and/or ISHRS policies relating thereto, which are addressed in Section III.C.2, upon receipt of a complaint from ISHRS' Executive Director, the Chair shall review the same and, thereafter, in his/her discretion, render one (1) of the following determinations:
  - a. The complaint does not comply with these Procedures;
  - b. The complaint contains insufficient information to establish a violation of the Code;
  - c. The allegations contained in the complaint, if true, do not constitute a violation of the Code;
  - d. The complaint is otherwise unworthy of further consideration; or
  - e. The allegations contained in the complaint, if true, may constitute a violation of the Code, and warrant further investigation by the Committee.

The Chair is encouraged, but not required, to consult with ISHRS' legal counsel for assistance in rendering one of the above determinations. If the Chair renders determination "a," "b," "c," or "d" above, the complaint shall be considered dismissed, and the Chair shall provide notifications in accordance with Section III.K.1. If the Chair renders determination "e" above, the Chair shall submit the complaint to the entire Committee and schedule an initial meeting to review the same. If the Chair renders determination "e" above with regard to a pending member, the Chair shall also provide the Membership Committee notice that the Committee is conducting an investigation regarding the pending member.

2. **Trademark Violations.** Upon receipt of a complaint alleging a violation of ISHRS' trademarks, the Executive Director will send a letter to Complainant confirming receipt of the complaint. The Executive Director will thereafter address the complaint

in accordance with the directions, policies, and/or procedures determined by the Board from time to time.

- D. Committee Investigation.** Upon receipt of a complaint from the Chair, the Committee (including the Chair) shall conduct an investigation to determine whether Respondent violated the Code. The Chair shall schedule an initial Committee meeting (e.g., via teleconference), during which the Committee will discuss the complaint and all documents submitted therewith, and assign the tasks each Committee member will complete in connection with its investigation, in order to render a decision in accordance with Section III.E regarding a Respondent who is a pending member, or in accordance with Section III.F regarding a Respondent who is an ISHRS member. The Committee shall determine, in its sole discretion, the manner and extent of its investigations. The Committee shall meet as many times as it deems appropriate in connection with said investigation. It is anticipated, but not required, that the Chair will contact and interview Complainant and Respondent as part of its investigation. As part of its investigation, the Chair may provide Respondent with a copy of the complaint, or notify Respondent that an investigation is being undertaken and inform Respondent of the conduct alleged to be in violation of the Code. The Complainant will be notified that his or her identity will be known to the Respondent. If requested by the Committee, Respondent may provide the Committee with a written response to the complaint within twenty-one (21) days of the Committee's request. Respondent's failure to provide a response will neither prevent the Committee from proceeding with its investigation nor prejudice Respondent's case.

Following its investigation, the Committee shall render a decision in accordance with Section III.E regarding a Respondent who is a pending member, or in accordance with Section III.F regarding a Respondent who is an ISHRS member.

- E. Committee Decision (Pending Member).** Based on its investigation, the Committee, by majority vote, shall render a decision regarding whether the conduct of a pending member violates the Code. The Committee's decision will be based on the documents and information gathered during its investigation.

If the Committee determines Respondent did not violate the Code, the complaint shall be considered dismissed and the Chair shall provide notifications in accordance with Section III.K.1. The Chair shall provide the Membership Committee with the Committee's decision (i.e., the Committee's determination whether the pending member violated the Code) along with the documents and information gathered during its investigation, and its recommendation that the Board either elect the member or deny the pending member's application. The Membership Committee shall submit said documents and recommendation in the Committee's report to the Board for the Board's consideration of the pending member's election.

- F. Committee Decision (ISHRS Member).** Based on its investigation, the Committee, by majority vote, shall render a decision regarding whether the conduct of an ISHRS member violated the Code. The Committee's decision will be based on the documents and information gathered during its investigation.

If the Committee determines Respondent did not violate the Code, the complaint shall be considered dismissed and the Chair shall provide notifications in accordance with Section III.K.1. If the Committee determines Respondent violated the Code, the Committee will inform the Board in writing of its decision, provide the basis for its decision as the Committee deems appropriate under the circumstances, and recommend that the Board impose one or more of the following disciplinary actions:

- 1. Unpublished Letter of Censure.** That an unpublished letter of censure be presented to Respondent. An unpublished letter of censure will only be sent to the Respondent, and only shared with other individuals specifically designated by the Board. The Committee may, but is not required to, prepare a draft letter of censure

for the Board's consideration along with its disciplinary recommendation. The Board will determine the final content of the letter of censure.

2. **Published Letter of Censure.** That a published letter of censure be presented to Respondent. A published letter of censure will be sent to the Respondent, and published on ISHRS' website and/or other medium determined by the Board. The Committee may, but is not required to, prepare a draft letter of censure for the Board's consideration along with its disciplinary recommendation. The Board will determine the final content of the letter of censure, and if necessary consult legal counsel to ensure its publication is not defamatory.
3. **Probation.** That Respondent's ISHRS membership be placed on probation for a specified period of time. The Committee will include with its disciplinary recommendation the recommended probation period, and may, but is not required to, recommend the specific membership rights that will be limited or removed during the probation period. The Board will determine the duration of the probation period, and the membership rights that will be limited or removed during the probation period. Probation does not impact Respondent's obligation to pay dues, fees, and/or any other membership expenses.
4. **Suspension.** That Respondent's ISHRS membership be suspended for a specified period. The Committee will include with its disciplinary recommendation: (a) the recommended suspension period; and (b) whether the suspension should be reported to the Respondent's state or other licensing board(s), certifying entity(ies), accrediting body(ies), and/or professional association(s) (collectively "Professional Authorities"). If the Board's decision includes a suspension, it will determine the suspension period, during which Respondent's membership rights will cease, and whether the suspension will be reported to any Professional Authorities. Unless a later date is designated by the Board, the suspension period will commence on the date the Board's decision is deemed final pursuant to Section III.J. The suspension period will be automatically extended until such time that all issues contributing to the suspension have been resolved. Respondent is not entitled to a return or reduction of dues, fees, and/or other membership expenses paid by or due from the Respondent.
5. **Termination.** That Respondent's ISHRS membership be terminated. The Committee will include with its disciplinary recommendation whether the termination should be reported to any Professional Authorities. The Committee may, but is not required to, include with its disciplinary recommendation whether the Respondent's termination should be permanent, or whether the Respondent may reapply for membership after a specified period. The Board will determine whether the Respondent's termination should be permanent, or whether the Respondent may reapply for membership, and whether the termination will be reported to any Professional Authorities. Unless otherwise specified by the Board, Respondent will not be eligible to reapply for membership for three (3) years following the effective date of the Respondent's termination. Respondent's membership will terminate on the date the Board's decision is deemed final pursuant to Section III.J. Respondent is not entitled to a return or reduction of dues, fees, and/or other membership expenses paid by or due from the Respondent.

**G. Board Decision.** At the next regularly scheduled Board meeting, the Board shall consider the Committee's recommendation(s) regarding a Respondent who is an ISHRS member and either:

1. direct the recommended sanction be imposed on Respondent;

2. direct that different and/or additional sanction(s) be imposed on Respondent; or
3. under special circumstances, direct the Committee to provide additional information to the Board in order that it may render a decision at a future Board meeting.

**H. Notice to Parties and Imposition of Sanctions.** Upon rendering a decision in accordance with Sections III.G.1 or III.G.2, the Board shall provide written notice sent via e-mail, fax, regular mail, or courier service (e.g., FedEx) to the Chair and the parties of the Board's decision. No sanction shall be imposed within fourteen (14) days of the day the Board sends notice of its decision to Respondent, and, if an Appeal is timely filed in accordance with these Procedures, no sanction shall be imposed pending the outcome of the Appeal.

**I. Appeal Process.** If the Board renders a decision adverse to Respondent under Sections III.G.1 or III.G.2, Respondent may file a written Appeal to the Board within fourteen (14) days of receiving the written decision from the Board. Any Appeal must be signed by Respondent, may include information and documentation as deemed appropriate by Respondent, and must, at a minimum, contain a statement indicating the reason the Board's decision should be reversed. Appeals may only be based on an alleged failure by the Committee to follow these Procedures and/or exercise its duties hereunder. All other Appeals will be denied without further consideration. Without limiting the foregoing, Appeals based on the following will not be considered:

1. disagreement with the Committee's discretionary findings where its discretion is provided for in these Procedures;
2. proposed reconsideration of any aspect of the Committee's investigation; and
3. information, documentation, or evidence not previously presented to the Committee.

The Board shall review all properly and timely submitted Appeals. If the Board deems it necessary and/or appropriate, it may provide a copy of the Appeal to the Chair and request his/her written response thereto. Upon its consideration of the Appeal and any requested response from the Chair, the Board shall either:

1. affirm its decision; or
2. find that the Committee failed to follow these Procedures or otherwise abused its discretion, and therefore reverse its decision. In that event, the Board will: (i) dismiss the complaint as if no finding was made; or (ii) direct the complaint be resubmitted to the Committee to be addressed in accordance with these Procedures.

**J. Decisions Final.** All dismissals of complaints by the Chair or the Committee in accordance with these Procedures shall be final. All decisions of the Board regarding complaints, whether pursuant to Section III.G.1 or III.G.2 if no Appeal is properly submitted, or pursuant to Section III.I in response to an Appeal, shall be final.

**K. Conclusion of Process.**

1. **Dismissals.** In the event a complaint is dismissed at any stage of these Procedures, the Chair shall forward notice of the dismissal to Complainant, Respondent, and the Executive Director.
2. **Adverse Decisions.** In the event the Board renders an adverse decision against Respondent in accordance with Section III.G.1 or III.G.2, and the decision is either not appealed or is affirmed on Appeal, the Board shall direct the Executive Director to notify the Chair, Complainant, and Respondent of the Board's decision and the specific sanction imposed on Respondent, and proceed as follows:

- a. If the Board's decision calls for a letter of censure, the Executive Director will work with the Chair and ISHRS legal counsel to prepare a draft letter of censure for the Board's approval. All letters of censure must be approved by ISHRS' legal counsel. Once approved by legal counsel and the Board, the Executive Director shall forward the letter of censure to Respondent. If the Board's decision includes a public censure, the Executive Director shall disseminate the letter of censure in accordance with the Board's decision and any specific direction.
  - b. If the Board's decision calls for the suspension or revocation of Respondent's membership, the Executive Director must notify Respondent of the imposed sanction in writing. The revocation may be disclosed as ISHRS deems appropriate in order to make others aware that Respondent is no longer an ISHRS member.
3. **Closure.** Upon completion of all actions related to a complaint, the Chair will seal all documents, notes, computer diskettes, and any other tangible information, and deliver the sealed case file to ISHRS headquarters for permanent storage.

#### **IV. BOARD RESPONSIBILITIES.**

Except for the Board's decision in accordance with Section III.F, III.G, and/or III.I, all other Board responsibilities set forth herein may be exercised by ISHRS' Executive Committee on behalf of the Board in accordance with ISHRS' bylaws.

#### **V. FUNDING.**

During the annual budgeting process, the Committee shall identify and submit to the Board funding requests to cover the projected costs and expenses associated with fulfilling these Procedures. Should additional funding be necessary, the Chair shall submit to the Board a supplemental request prior to incurring the associated costs and expenses. Complainant's and Respondent's expenses are not funded by ISHRS.

#### **VI. CONFIDENTIALITY.**

Except as deemed necessary by the Committee or the Board to be in furtherance of these Procedures or otherwise in the best interest of ISHRS, all parties involved in the administration and/or review of a complaint shall not discuss with or disclose to anyone outside of the Committee, Membership Committee, and/or the Board (i) information or documentation regarding any complaint; (ii) the identification of any parties or potential witnesses involved in any complaint; (iii) the history, current status, or outcome of any complaint; or (iv) any other information or documentation related to the Committee's, Membership Committee's, and/or Board's activities in response to any complaint. Notwithstanding the preceding prohibition, and to the extent not prohibited by law, anyone required by law and/or a court order to disclose information, the disclosure of which is prohibited hereby, must provide the Chair and the Board with a copy of the applicable legal basis and/or court order immediately upon their receipt thereof and prior to any disclosure required thereby. Notwithstanding anything contained herein to the contrary, and without limiting Section VII, under no circumstances shall a Board member, Committee member, Membership Committee member, ISHRS' Executive Director, ISHRS' headquarters' staff, or any other ISHRS representative be liable to Complainant or Respondent for disclosure of information identified above or any actions taken in furtherance of these Procedures.

#### **VII. RELEASE AND INDEMNIFICATION.**

All Complainants and Respondents shall be provided with a copy, or given the location on the ISHRS website, of these Procedures, upon request. All Complainants (by submitting complaints and initiating these Procedures) and all Respondents (by choosing to be ISHRS members or applying for membership) agree to release, indemnify and hold harmless ISHRS and all Board members, Committee members, Membership Committee members, ISHRS' Executive Director, ISHRS' headquarters' staff, and all other ISHRS representatives

(collectively “Released Parties” and each individually a “Released Party”) from and against any and all claims, demands, actions, losses, damages and expenses (including reasonable attorneys’ fees and costs incurred in defending such claims), directly or indirectly resulting from, arising out of, or in any way related to the Released Parties, or any Released Party’s actions in connection with the implementation of these Procedures.

#### **VIII. GOVERNING LAW.**

ISHRS headquarters are in Illinois. All Complainants (by submitting complaints and initiating these Procedures) and all Respondents (by choosing to be ISHRS members or applying for membership) agree that: (i) Illinois law shall govern all legal issues, if any, that may arise out of a complaint submitted in accordance with these Procedures and/or in any way pertaining to the implementation of these Procedures; and (ii) any claim or dispute related to, connected with, or arising out of a complaint submitted in accordance with these Procedures and/or the implementation of these Procedures, shall be adjudicated in the courts of the State of Illinois and in particular in either the Cook County Circuit Court or the United States District Court for the Northern District of Illinois.

#### **IX. AMENDMENTS.**

These Procedures may be amended only by majority vote of the Board.