

BYLAWS

OF

MONTANA BICYCLE RACING ASSOCIATION

ARTICLE I – Name and Location

The name of the corporation is MONTANA BICYCLE RACING ASSOCIATION. The principal office to the Corporation shall be located within the city of Missoula, Montana, but meetings of directors shall be held at such places within the State of Montana, as may be determined by the Board of Directors.

ARTICLE II – Definitions and Purpose

Section 1. “Corporation” shall mean and refer to MONTANA BICYCLE RACING ASSOCIATION, its successors and assigns.

Section 2. The purpose of the Corporation shall be:

- (a) To promote the sport of bicycle racing in Montana;
- (b) To create an organization to raise funds from the public at large and to distribute these funds to the corporation for purposes permitted under the provisions of Internal Revenue Code § 501(c)(3).
- (c) To exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation laws of the State of Montana may now or hereafter have or exercise provided such powers, rights and privileges are strictly charitable or educational in nature.

ARTICLE III – Members

Eligibility. Each Montana bicycle club or team organized and existing in conformity with the laws, rules, and regulations of USA Cycling may become a Member of the Corporation if the club or team indicates in writing (including by electronic means) (1) its desire to be a Member, and (2) its commitment to abide by these Bylaws and such other decisions and policies that the Board of Directors may enact in conformity with these Bylaws.

Membership Dues. Currently, there is an annual membership fee of \$50 per Member.

Collegiate and Junior Clubs/Teams. If a team membership fee is in effect, Members that are a collegiate or junior club or team do not have to pay it but may still designate a representative to the Board of Directors pursuant to Article IV Section 1.

ARTICLE IV – Board of Directors

Section 1. Number. The affairs of the Corporation shall be managed by a Board of Directors comprised of representatives designated by Members. Each Member shall have one seat on the Board of Directors and may select or replace that person in whatever manner and according to whatever schedule it chooses. In addition, each officer appointed pursuant to Article VI Section 1 shall have one voting seat on the Board; however, if that appointed officer is a member of a team that is a Member and if that team has designated a different person to be that team’s representative on the Board, then only the designated representative may vote, and the appointed officer may not vote. Any Director must be at least at least 18 years of age.

Section 2. Compensation. No Director shall receive compensation for any service that Director may render to the Corporation. However, any Director may be reimbursed for actual expenses incurred in the performance of that Director’s duties.

ARTICLE IV – Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held annually. Such meetings shall be held as may be determined by the President or a majority of the Board of Directors and may be by telephonic conference.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President or any three Directors, after not less than seven (7) days notice to each Director, or without notice, upon written consent of a majority of all the Directors.

Section 3. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a meeting of the Directors at which a quorum is present shall be regarded as the act of the Board.

Section 4. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting that they can take at a meeting by obtaining written or electronic approval of a majority of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 5. President and Treasurer Authorized to Transact Minor Business. Expenditures of funds below \$300 may be made by agreement of the President and the Treasurer and do not require authorization by the Directors.

ARTICLE V – Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have the power to exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation and not reserved to the membership by other provisions of these Bylaws or the Articles of Incorporation;

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs;
- (b) oversee the supervision of all officers, agents and employees of this Corporation and to see that their duties are properly performed;
- (c) perform all other duties imposed on the Board of Directors by the laws of the State of Montana.

ARTICLE VI – Officers and Their Duties

Section 1. Enumeration of Offices. The officers of this Corporation shall be a President, a Secretary, a Treasurer and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the annual meeting of the Board of Directors.

- (a) **Nomination.** Any director shall be eligible to be nominated for election as an officer.
- (b) **Balloting.** Balloting shall be by secret, written ballot by members of the Board. The ballots will be collected and counted by the secretary. The president and vice-president will verify the count.

- (c) **Election.** The nominated candidate receiving the most votes for each office shall be elected.

Section 3. Term. The officers of this Corporation elected by the Board shall hold office for one (1) year from January 1 to December 31, unless he shall sooner resign or shall be removed, or otherwise be disqualified to serve.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office may be filled by appointment by a majority vote of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

Section 6. Multiple Offices. No person shall simultaneously hold more than one office except in the case of special offices created pursuant to Section 1 of this Article.

Section 7. Duties. The duties of the offices are as follows:

President

The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; and shall sign all written instruments.

Vice-President [eliminated in 2009]

Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Corporation and affix it on all papers requiring said seal; serve notice of meetings of the Board; keep appropriate current records of the Corporation, and shall perform such other duties as required by the Board. The Board may delegate the Secretary's clerical and secretarial duties to other persons.

Also, the Secretary shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of the Secretary by the Board.

Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors; may, as determined by the Board, sign all checks and promissory notes of the Corporation; keep proper books of account; coordinate or review any audit of the Corporation books made by a public accountant; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Board at its regular annual meeting. The Board may delegate the duties of the Treasurer to other persons.

ARTICLE VII – Committees

- Section 1. Committees.** The Board may establish standing committees annually to advance the work of the Corporation. These committees are always subject to the authority of the Board.
- Section 2. Special Committees.** The Board may establish special committees to aid with specific projects. Special committees shall be disestablished upon completion of the project for which they were appointed.
- Section 3. Disestablishment.** Standing and special committees may be disestablished by a majority vote of the full Board.
- Section 4. Chairperson.** The committee, subject to the approval of the full Board, shall select the committee chairperson. Committee chairpersons may be terminated by a majority vote of the Board. The terminated person shall be notified of the termination in writing.
- Section 5. Board Representation.** Each committee must have a Board director as a member of the committee.

ARTICLE VIII – Books and Records

The books, record and papers of the Corporation shall at all times, during reasonable business hours, be subject to inspection by any Board Director. The Articles of Incorporation and the Bylaws of the Corporation shall be available for inspection by any Board director at the principal office of the Corporation.

ARTICLE IX – Fiscal Matters

- Section 1. Fiscal year.** The fiscal year of the Corporation shall be January 1 to December 31 of the same year.

- Section 2. Checks, drafts, or orders.** The President of the Board of Directors and the officers of the Corporation shall be authorized from time to time on the corporation's behalf to sign checks, drafts, or other orders for the payment of money, acceptances, notes, or other evidences of indebtedness. Such authority may be general or confined to specific transactions or matters of business.
- Section 3. Deposits.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks and trust companies as the Board may select. The Board of Directors is authorized to select such banks or depositories as it shall deem proper for the funds of the Corporation.
- Section 4. Contributions and gifts.** The Board of Directors may accept, on behalf of the Corporation, any contribution or gift for any general purpose or specific purpose of the Corporation. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks and trust companies or other depositories as the Board of Directors may select.
- Section 5. Loans.** This Corporation shall not make any loan of money or property to guarantee the obligation of any Director, officer, or employee. Provided, however, that this Corporation may advance money to a director, officer, or employee of this Corporation for expenses reasonably anticipated to be incurred in the performance of duties so long as such individual would be entitled to reimbursement for such expenses absent that advance. By unanimous consent, the Board of Directors may authorize the Corporation to accept or negotiate loans of financial assistance to be repaid.

ARTICLE X – Exempt Activities

Notwithstanding any other provisions of these Bylaws, no Director, officer, employee or representative of the 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 any Corporation exempt under § 501(c)(4) or 501(c)(7) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

ARTICLE XI – Indemnification of Officers, Directors, Employees and Agents

- Section 1. Indemnification.** To the fullest extent permitted by Montana law, the personal liability of a Director to the Corporation shall be eliminated and the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil,

criminal, administrative or investigative by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another Corporation, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines, penalties, and amounts paid in settlement, actually and reasonably incurred by him or her, in connection with such action, suit or proceeding, to the full extent allowed by applicable law.

Section 2. Expenses. Reasonable expenses incurred by a Director, officer, employee or agent who is a party to a proceeding may be paid or reimbursed by the Corporation in advance of the final disposition of such proceeding:

- (a) Upon receipt by the Corporation of a written undertaking by or on behalf of the Director, officer, employee or agent to repay such amount if it shall ultimately be determined that such person has not met the standard of conduct necessary for indemnification by the Corporation as authorized by this section; and
- (b) Either:
 - i. After a determination that the information then known to those making the determination (without undertaking further investigation for the purposes thereof) does not establish that indemnification would not be permissible under applicable law; or
 - ii. Upon receipt by the Corporation of a written affirmation by the director, officer, employee or agent of his or her good faith belief that such person has met the standard of conduct necessary for indemnification by the Corporation as authorized in this article.

The undertaking required by paragraph (a) of this subsection shall be an unlimited general obligation of the Director, officer, employee or agent, but need not be secured and may be accepted without reference to financial ability to make the repayment.

Section 3. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, or agent of the Corporation or who is or was serving on behalf of the Corporation as an officer, employee or agent of another Corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or

her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

Section 4. Reporting. Any indemnification of a Director in accordance with this Article, including any payment or reimbursement of expenses, shall be reported to the Board with the notice of the next Directors' meeting or prior thereto in a written report containing a brief description of the proceedings involving the Director being indemnified and the nature of such indemnification.

ARTICLE XII – Multiple Interests of Directors or Officers

Section 1. Multiple Interests of Directors or Officers. No contract or transaction between the Corporation and one or more of its Directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its Directors or officers are directors or officers, or have a financial interest therein, shall be void or voidable solely for such reason, or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorizes the contract or transaction, or solely because his or her vote is counted for such purpose, nor shall the Director or officer be required to account to the Corporation for any profit or benefit derived by him or her from such contract or transaction if:

- (a) The fact of his or her interest is disclosed or is known to the Board or the committee, and the Board or committee in good faith authorizes the contract or transaction by a vote sufficient for such purpose without counting the vote of the interested Director or Directors; or
- (b) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board, or a committee thereof.

Section 2. Quorum at Directors' Meeting. Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee thereof that authorized the contract or transaction.

ARTICLE XIII – Dissolution, Notification of the Attorney General

Section 1. Purpose. If the Corporation becomes nonfunctional or becomes ineffective in achieving its purpose, the Board of Directors shall call for dissolution of the Corporation. The motion for dissolution will be approved by unanimous vote of the voting Directors then serving

in office. If the Board approved dissolution, the Board shall set a policy of outlining the disposition of assets and all other matters necessary to dissolve the Corporation pursuant to the laws of the State of Montana. The Board of Directors must formally approve any policy for disposition of assets.

Section 2. Notification. The secretary or an officer of the Corporation designated by the Board to act on behalf of the secretary shall notify the Attorney General of the State of Montana when dissolution, indemnification, merger, removal of directors, or sale of assets (as defined by the Montana Non-Profit Corporation Act) occur. The secretary or an officer designated by the Board to act on behalf of the secretary shall deliver notice in the manner and timing required by each event.

Section 3. Dissolution. The Secretary or an officer of the Corporation designated by the Board to act on behalf of the Secretary shall give the Attorney General of the State of Montana written notice that the Corporation intends to dissolve before or at the time the secretary or an officer designated by the Board to act on behalf of the secretary delivers articles of dissolution to the Secretary of State. The notice must include a copy or summary of the plan of dissolution. The Corporation shall not transfer or convey assets as part of the dissolution process until 20 days after the Secretary or an officer designated by the Board to act on behalf of the secretary gives notice to the Attorney General or until the Attorney General consented in writing to the dissolution. When the Corporation has transferred or conveyed all or substantially all of its assets following approval of dissolution the Board shall deliver to the Attorney General a list showing those other creditors to who the Corporation transferred assets.

ARTICLE XIV – Miscellaneous

Section 1. Rules of Order. The rules contained in the most recent edition of Robert's Rules of Order, Revised, shall govern all meetings of directors where those rules are not inconsistent with statute, the Articles of Incorporation, these Bylaws or special rules of order of the Corporation. In any Board or committee meeting, a request for a roll call vote by any Director or voting member shall be honored.

Section 2. Books and Records.

(a) **Records of Association Meetings.** The Corporation shall cause to be kept complete records of all the proceedings of the Board.

- (b) **Copies of Resolutions.** Any person dealing with the Corporation may rely upon a copy of any of the records of the proceedings, resolutions, or votes of the Board when certified by the President or Secretary.
- (c) **Books of Account.** The Corporation shall keep appropriate and complete books of account.

Section 3. Contracts. Except as otherwise provided by law or the Bylaws, all deeds, bonds, contracts, leases, and other instruments or documents, entered into by the Corporation shall be signed by such officer or officers, employee or employees, or agent or agents of the Corporation as shall be specified by the Board. Such authority may be general or confined to specific instances.

Section 4. Annual Report. The Board shall present at the annual meeting of the Corporation a report, verified by the President and Treasurer, or by a majority of the Directors, or certified by an independent public or certified public accountant or a firm of such accountant selected by the Board, showing in appropriate detail the following:

- (a) The assets and liabilities, including any funds, of the Corporation as of the end of a twelve (12) month fiscal period terminating not more than six (6) months prior to the meeting (the “Fiscal Period”);
- (b) The principal changes in assets and liabilities, including any funds, during the Fiscal Period;
- (c) The revenue and receipts of the Corporation, both unrestricted and restricted to a particular purpose, for the Fiscal Period;
- (d) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the Fiscal Period; and
- (e) The number of Members of the Corporation as of the date of the report, together with a statement of increase or decrease in such number during the Fiscal Period, and a statement of the place where the names and addresses of the current Members may be found.

The annual report shall be filed with the records of the Corporation and either a copy or an abstract of the report shall be entered in the minutes of the proceedings of the annual meeting of the Corporation.

ARTICLE XVI – Amendments

These Bylaws may be amended at a regular or special meeting of the Board, by a vote of a majority of a quorum of the Board present in person. These Bylaws may also be amended by written vote (including by electronic means) of a majority of the Board. No amendment shall change or remove the right of the Members to designate Directors without the consent of the Members.

ARTICLE XVII – Objectives

- Section 1. Charitable Purposes.** The Corporation shall be operated for charitable, educational, and recreational purposes only so as to qualify as an exempt organization under § 501(c)(3) of the Internal Revenue Code or the corresponding provisions of future laws.
- Section 2. Use of Assets.** No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its Members, Directors, officers, or other private persons, except the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes.
- Section 3. Prohibition on Activity.** No substantial part of the activities of the Corporation shall be the carrying on or otherwise attempting to influence legislation, and the Corporation shall not participate in any political campaign on behalf of any candidate for public office.
- Section 4. Compliance with Purposes.** Notwithstanding any other provision of these Bylaws, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of the Corporation.
- Section 5. Dissolution Provisions.** Upon the dissolution of the Corporation, the Board shall, after applying or making provision for the payment of all of the liabilities of the Corporation, dispose of all the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational or recreational purposes as shall at the time qualify as an exempt organization or organizations under § 501(c) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) as the Board shall determine. Any such assets not so disposed of shall be disposed of by the district court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations as said court shall determine, which are organized and operated exclusively for such purposes.

CERTIFICATE OF ADOPTION

IN WITNESS WHEREOF, I, being the Secretary of the MONTANA BICYCLE RACING ASSOCIATION, a Montana non-profit corporation, affirm that these Amended Bylaws – February 2011 were adopted in proper vote by a majority of a quorum of the Board of Directors at the annual meeting of the Board of Directors on the 25th day of January, 2011

SECRETARY

Sheli Thomas