

BY-LAWS

of

TEXAS REGION SCCA, INC.

A Texas Non-Profit Corporation

Revised 2016

PREAMBLE

These Bylaws are subject to, and governed by, the Texas Non-Profit Corporation Act and the Articles of Incorporation of Texas Region SCCA, Inc. In the event of a direct conflict between the provisions of these Bylaws and the mandatory provisions of the Texas Non-Profit Corporation Act, the Texas Non-Profit Corporation Act will be controlling. In the event of a direct conflict between the provisions of these Bylaws and the Articles of Incorporation of Texas Region SCCA, Inc., these Bylaws will be controlling.

ARTICLE I – ORGANIZATION

Section 1. Name. The name of the club shall be TEXAS REGION SCCA, INC., herein referred to as “Texas Region”.

Section 2. Affiliation. Texas Region is affiliated with the Sports Car Club of America, Incorporated, herein referred to as “National”, and is chartered under that organization’s bylaws and policies. In any case of discrepancy between Texas Region and National bylaws, the National bylaws shall prevail.

Section 3. Purposes. The purposes of Texas Region shall be to support and maintain an automobile club for the enjoyment of its members and for their participation, to promote interest in sports cars and other automobiles, to encourage safe and skillful driving, to develop and arrange automobile competition, to establish rules and regulations covering all Texas Region activities, and to own real and personal property as incidental to the forgoing purposes.

Section 4. Emblem. The emblem of Texas Region shall be the design known as the “Grub Rustler” standing above a silhouette of the State of Texas as set forth below:



Section 5. Corporate Seal. There is no provision for a corporate seal.

ARTICLE II – MEMBERSHIP

Section 1. Eligibility. Membership in Texas Region shall be restricted to members of National. Membership in Texas Region shall be open to any such individual who is interested in and capable of furthering the purposes of Texas Region and of National.

Section 2. Membership Acceptance. Any eligible person shall be considered a member of Texas Region upon payment of Texas Region and National dues and notification of acceptance for membership by National.

Section 3. Classes of Membership. Membership classifications shall include those established by National, except for such classifications which National may designate as being only National classifications, and such other classifications as the Board of Texas Region may establish from time to time.

Section 4. Dues. The membership year of Texas Region shall be concurrent with the membership year established by National. Dues shall be payable annually in such amounts as the Board of Texas Region may from time to time establish. The Board may establish a graduated rate structure for various dues categories. Such rates and categories will be published on the Texas Region website.

Section 5. Privileges. Members in good standing shall be entitled to all privileges appertaining to their respective class of membership.

Section 6. Resignation, Lapse and Suspension.

A. Resignation. A member may resign by letter addressed to the Secretary. Such resignations shall be effective upon receipt thereof by the Secretary.

B. Lapse. Membership in Texas Region shall automatically lapse for non-payment of dues. The membership of any person indebted to Texas Region and delinquent in such indebtedness for more than sixty days shall automatically lapse, and such member shall thereupon forfeit all dues and fees already paid. Membership of a Texas Region member shall automatically lapse if that person ceases to be a member in good standing of National.

C. Suspension. The Board of Texas Region may suspend a member at any time for any cause if the suspending body shall deem such action to be in the best interest of Texas Region, provided that such body will afford the member a reasonable opportunity to be heard by it or a committee appointed by it, in person or through a representative, prior to taking such action, unless it deems it imperative to suspend such member before a hearing can be held. The Board shall immediately notify a member so suspended, in writing, of the suspension.

The suspended member shall thereafter be entitled to a reasonable opportunity to be heard, in person or through a representative, by the Board or a committee appointed by it concerning the member's suspension. The Board may thereafter continue the suspension for a definite term, terminate or rescind the suspension, or expel the member. The decision of the Board may be appealed in accordance with the National bylaws.

ARTICLE III – MEETINGS OF THE MEMBERS

Section 1. Annual Meeting. The Annual Meeting of the members shall normally be held during the second week in November of each year for the election of Officers and Directors, reports from Officers and Committees, and other such business as lawfully may come before the meeting. The meeting shall be held in a place convenient for the majority of the members.

Section 2. Regular Meetings. The Regular Meetings of the members shall normally be held during the second week of the month for the purpose of transacting any business which lawfully may come before the meetings and for the purpose of reports of the Officers and Committees to be brought to the attention of the membership. The date and location of these meetings shall be published on the Texas Region website. These meetings shall be conducted at a place convenient to a majority of the membership.

Section 3. Special Meetings. In addition to any provision of law, Special Meetings of the membership may be called by a majority of the Board or by presentation to the Secretary of a petition signed by fifteen per cent (15%) of Texas Region's members. A Special Meeting must be held within thirty (30) days of an affirmative vote for such a meeting by the Board or receipt by the Secretary of a petition signed by fifteen percent (15%) of the members, based on the total membership count as shown on Texas Region's roster as of the date of the most recent Regular Meeting prior to the date the decision to hold such a meeting is made by the Board or the aforementioned petition is presented to the Secretary.

Section 4. Notice of Meetings. The Secretary shall provide a separate notice of each Annual Meeting and Special Meeting to an address of each member shown in the Texas Region member roster on the date of the notice creation. Such notice shall include the date, time, place and purpose of the meeting. Notice of the Annual Meeting shall be sent no less than ten (10) days nor more than thirty (30) days before such meeting. Notice of all meetings shall be published on the Texas Region website.

ARTICLE IV – VOTING AND ELECTIONS

Section 1. Voting. All actions, except election of Officers and Directors and except amendment of the Articles of Association or of these Bylaws (see Article X below), shall be

by a majority of those present and voting.

Section 2. Election of Officers and Directors. Each nomination for an Officer or a Director shall be signed by ten (10) Texas Region members in good standing, and shall be mailed or delivered to the Secretary during the period beginning September 15 through the regularly scheduled October membership meeting of each year. For a member's name to be placed on the Ballot, an acceptance signed by the nominee must be filed with the Secretary during the period stated above, and the candidate must meet the qualifications for election as defined elsewhere in these Bylaws. No nominations will be accepted from the floor at the Annual Meeting. After the nomination period, the Secretary will prepare a ballot and notify each Texas Region member in good standing, along with the notice of the Annual Meeting, in accordance with Article III, Section 4. Any Texas Region member in good standing may vote for one (1) person for each open Officer and Director position. Each ballot must be presented in a manner such that each vote can be identified as belonging to a specific member, preferably by use of the membership number. In addition, facsimile ballots and electronic ballots or other electronic "consent click" ballots shall be effective as original ballots. The Secretary or that Officer's designee(s) will count the ballots and shall keep individual ballots in strict confidence but must, upon request of any Texas Region member in good standing, disclose the vote tallies to that member. The ballots and all related materials shall be retained until the next Annual Meeting. The member receiving the highest number of votes cast for the Officer and Director's positions will be certified as the incoming Officers and Directors. In the event of a tie, the members present at the annual meeting shall vote on the nominees receiving the same number of votes for any position in order to break the tie, by a majority of those present and voting. If the tie is not so broken, the Board shall vote to break the tie.

Section 3. Unfilled Positions and Interim Vacancies. Any elective position unfilled through the process as set forth in Article IV, Section 2, or any interim vacancy, shall be filled by appointment of the Board within ninety (90) days of the occurrence of the vacancy. Members appointed to fill vacancies must meet the same qualifications as required for election. If the Board is unable to make such an appointment within ninety (90) days, the Board will assume the responsibilities of the position.

Section 4. Removal from Office. Any Officer or Director may be removed from office with cause by two-thirds (2/3) majority vote of the members present and voting at a Special Meeting of the membership called for that purpose, as outlined in Article III, Section 3.

ARTICLE V – OFFICERS

Section 1. Number and Term of Officers. The elected Officers of Texas Region shall be a Regional Executive, Secretary and Treasurer. The term of the elected Officers shall be one (1) year, commencing on January 1 following the election. The Regional Executive shall serve no

more than six (6) consecutive terms. No person shall hold more than one elected or appointed office at any one time nor shall an Officer (other than the RE) be a member of the Board.

Section 2. Qualification of Officers. Any Texas Region member in good standing may be elected or appointed by the Board to an elective position with the exception that the RE shall have prior elective office in Texas Region or have served as an Assistant RE. The RE shall serve as Chairperson of the Board in the year subsequent to the last term served as RE.

Section 3. Duties of Elected Officers.

A. Regional Executive. The Regional Executive, herein referred to as “RE”, shall serve as a voting member of the Board and shall preside at all meetings of the members and Officers at which the RE is present. The RE shall serve as Texas Region’s primary liaison with National and other Regions as well as with the Southwest Division. The RE shall organize and coordinate all aspects of the activities of Texas Region. The RE or, with the approval of the Board, his/her designee, shall be Texas Region’s designated representative at the National convention and all Division meetings; the Region shall reimburse all reasonable travel and lodging expenses associated with attendance at such meetings. The RE shall nominate for approval by the Board the Assistant RE Race, Assistant RE Solo, Assistant RE Rally and the Assistant RE Membership as well as all subcommittees. Along with the other Officers and Assistant RE’s, the RE shall prepare a budget for submission to the Board for approval no later than January of each year. The RE shall perform those duties ordinarily pertaining to a chief executive officer or president except as otherwise provided by these Bylaws.

B. Secretary. The Secretary, or that Officer’s designee, shall attend all Texas Region meetings and shall record all minutes and outcome of votes and maintain a file thereof. The Secretary will be responsible for obtaining an up-to-date roster of all Texas Region members from the ARE Membership for all mailings required of the Secretary by these Bylaws. The Secretary shall give all notices of meetings required by these Bylaws and shall perform all duties incident to the office required by these Bylaws or by a majority of the Board. The Secretary shall have custody of Texas Region records and the corporate seal (if there be one), shall conduct Texas Region correspondence as required, and shall maintain the Texas Region mailing address. In the temporary absence of the RE, the Secretary shall preside at meetings of the members and Officers.

C. Treasurer. The Treasurer shall, subject to such conditions and restrictions as may be made by the Board of Directors, have control of all monies, debts, obligations and property belonging to Texas Region. The Treasurer shall give a report of the financial status of Texas Region at the Annual Meeting and, if so required, at any other meeting of the members, Officers, or Directors. No obligation, debt, or other liability shall be incurred by the Treasurer without the specific prior approval of the Board.

Section 4. Duties of Appointed Officers.

- A. Assistant Regional Executive Race:** the Assistant Regional Executive – Race (ARE Race) shall be responsible to the RE for administration of all Texas Region race related activities, including but not limited to budget preparation, site procurement, all event day activities and sponsorship.
- B. Assistant Regional Executive Membership.** The Assistant Regional Executive – Membership (ARE Membership) shall be responsible to the RE for administration of Texas Region in the general areas of membership, social activities, program activities, newsletter publication and merchandise sales.
- C. Assistant Regional Executive Solo.** The Assistant Regional Executive – Solo (ARE Solo) shall be responsible to the RE for administration of all Texas Region Solo activities, including but not limited to budget preparation, site procurement, all event day activities and sponsorship.
- D. Assistant Regional Executive Rally.** The Assistant Regional Executive – Rally (ARE Rally) shall be responsible to the RE for administration of all Texas Region Rally activities, including but not limited to budget preparation, site procurement, all event day activities and sponsorship.

ARTICLE VI – BOARD OF DIRECTORS

Section 1. Jurisdiction. The Board of Directors, herein referred to as the “Board”, shall, through the Officers, manage the affairs and property of Texas Region. The Board shall establish and publish policies, procedures, and budgets to insure continuity of operations from year to year. The Board shall review, update and publish, at least annually, a balance sheet and income statement, a long range plan stating specific goals, objectives, and priorities of Texas Region, and shall be empowered to make future commitments as may be desirable to implement such goals and objectives of Texas Region. The Board shall also provide direction and support to the Officers in the implementation of Texas Region’s goals and objectives.

Section 2. Chairperson. The immediate past RE shall automatically serve as chairperson of the Board and shall not vote except in the event of a tie. In the event that the immediate past RE is unable to serve as chairperson, the Board shall elect a chairperson from among its members who are in the last year of their term.

Section 3. Qualifications, Number and Terms. In addition to the chairperson and the RE, there shall be six (6) Directors who shall serve for terms of two (2) years or until their successors are appointed and qualified. Half (3) of the Directors shall be elected each year

except in the event that the outgoing RE is seeking reelection or has indicated he cannot serve as Chairperson for the coming year, in which case a fourth Director shall be elected at the Annual Meeting in accordance with Article IV, Section 2. The candidates receiving the three highest vote totals will be elected to two year terms. The candidate receiving the fourth highest total will be elected to a one year term. All terms commence on January 1 following the election. Any Texas Region member in good standing may be elected to the Board provided he/she has been a member of Texas Region continuously for the two previous years. An elected Director may only serve two (2) consecutive terms. A member may serve on the Board again after an absence of at least two (2) years.

Section 4. Meetings. Regular meetings of the Board shall be held at least quarterly. They shall normally be held during the second week of the month and preceding the regular meeting of the membership if any is to be held that month. The place, day and hour of such regular meetings of the Board shall be published on the Texas Region website. Such regular meetings shall be conducted in a place convenient to a majority of the membership and shall be open to any Texas Region member in good standing. Other meetings of the Board may be held at any place and time designated by a majority of such Directors, with or without notice. In the absence of the Chairperson, the RE shall preside at any meeting of the Board. Regular or other meetings of the Board may be declared executive sessions by the Chairman or presiding Officer in order to discuss personal or similarly sensitive topics.

Section 5. Quorum. A majority of the number of Directors fixed by these Bylaws shall constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. A Director shall be considered present at any meeting of the Board if during the meeting he or she is in radio or telephone communication with the other Directors participating in the meeting.

Section 6. Proxy. A Director who is unable to attend a meeting of the Board may vote by written proxy given to any other voting member of the Board or a designated member who is in attendance at the meeting in question. However, a vote by proxy will not be counted toward the number of Directors needed to be present to constitute a quorum for the transaction of business. A written proxy shall only be valid for thirty (30) days from the date of its execution by the Director. Each proxy shall be revocable unless expressly stated therein to be irrevocable or unless made irrevocable by law.

Section 7. Director Attendance. A Director who is absent from three consecutive regular meetings of the Board during a fiscal year is encouraged to reevaluate with the Board his/her commitment to Texas Region. The Board may deem a Director who has missed three consecutive meetings without such a reevaluation to have resigned from the Board.

Section 8. Resignation. A Director shall have the right to resign at any time upon written notice

to the Board Chair, Secretary, or the RE. Unless otherwise specified in the notice, the resignation shall take effect upon receipt, and the acceptance of such resignation shall not be necessary to make it effective.

Section 9. Removal. A Director may be removed, with or without cause, at any duly constituted meeting of the Board, by the affirmative vote of a majority of then-serving Directors.

Section 10. Minutes. At meetings of the Board, business shall be transacted in such order as the Board may determine from time to time. In the event the Secretary is unavailable, the Board Chair shall appoint a person to act as Secretary at each meeting. The Secretary, or the person appointed to act as Secretary, shall prepare minutes of the meetings which shall be posted on the Texas Region website in a timely manner.

Section 11. Action by Written Consent. Any action that may be taken at a meeting of the Board may be taken without a meeting if consent in writing setting forth the action shall be signed by all Directors. Such consent shall be placed in the minutes and shall have the same force and effect as a vote of the Board taken at an actual meeting. The Directors' written consent may be executed in multiple counterparts or copies, each of which shall be deemed an original for all purposes. In addition, facsimile signatures and electronic signatures, or other electronic "consent click" acknowledgments, shall be effective as original signatures.

ARTICLE VII – COMMITTEES

Section 1. Appointment. The Officers, with the approval of the Board, shall designate and appoint such committees, sub-committees and chairpersons as they find desirable from time to time, and shall outline their duties and responsibilities.

Section 2. Standing Committees. The Board shall maintain the following standing committees:

A. Membership. The ARE Membership shall be responsible for the following committees: Membership, Newsletter, Merchandise, Social and Program.

B. Race. The ARE Race shall be responsible for the following committees: Race Administration and Driver Licensing.

C. Solo. The ARE Solo shall be responsible for the following committee: Solo Board.

D. Rally. The ARE Rally shall be responsible for the following committees: Rally Administration.

Section 3. Special Committees. The Chair may appoint special committees composed of Directors and/or non-Directors for purposes deemed appropriate by the Chair (i.e., special fundraising events, etc.). The term of such committees shall not be more than one year.

Section 4. Advisory Council. The Board may maintain an Advisory Council which shall not have nor exercise the authority, responsibility, or duties of the Board. Except as otherwise provided in such resolution, members of such Advisory Council need not be Directors. The Chair shall appoint the members thereof. Any member may be removed by the Chair whenever, in the Board Chair's judgment, the best interests of Texas Region shall be served by such removal.

Section 5. Term of Office. Each member of a committee and the Advisory Council shall serve a term of one year, unless the committee is sooner terminated or unless a committee member is removed from such committee or Advisory Council.

Section 6. Vacancies. Vacancies in the membership of any committee or Advisory Council may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 7. Quorum: Manner of Acting. The act of the majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee.

Section 8. Rules. Each committee may adopt rules for its own governance provided such rules are not inconsistent with these Bylaws or with rules adopted by the Board.

ARTICLE VIII – MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of Texas Region shall be the calendar year.

Section 2. Books and Records. Texas Region shall keep correct and complete books and accounting records and shall also keep minutes of the proceedings of its Board.

Section 3. Contracts and Grants. The Board may authorize any Officer(s) or agent(s) of Texas Region to enter into contracts, leases, and agreements with and accept grants and loans from the United States; its departments and agencies; the State of Texas; its agencies, counties, municipalities, and political subdivisions; and public or private corporations, foundations, and persons; and may generally perform all acts necessary for a full exercise of the powers vested in it. The RE shall have authority to enter into such contracts and expend such funds on behalf of Texas Region as the Board may specify.

Section 4. Checks, Drafts, or Orders for Payment. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of Texas Region shall be

signed by such Officer(s) or agent(s) of Texas Region and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the RE and co-signed by the Treasurer.

Section 5. Deposits. All funds of Texas Region shall be deposited from time to time to the credit of Texas Region in such banks, trust companies or other depositories as the Board shall select.

Section 6. Acceptance of Gifts. The Board may accept on behalf of Texas Region any cash contribution, gift, bequest or devise for the general purposes, or for any special purpose. Prior to acceptance of a significant non-cash contribution, gift, bequest or devise the Board shall determine, by resolution thereof, that the acceptance of such non-cash contribution, gift, bequest or devise would be consistent with and further the purposes of Texas Region.

Section 7. Contracts Involving Directors and/or Officers. Upon full disclosure of a direct or indirect interest in any contract relating or incidental to the operations of Texas Region, Directors and Officers of Texas Region may be permitted to maintain a direct or indirect interest in any such contract, notwithstanding that at such time they may also be acting as individuals, or trustees of trusts, or beneficiaries of trusts, members or associates or as agents for other persons or corporations, or may be interested in the same matters as shareholders, trustees, or otherwise; provided, however, that any contract, transaction or action taken on behalf of Texas Region involving a matter in which a Director or Officer is personally interested as a shareholder, trustee or otherwise shall be at arm's length and not in violation of the proscriptions in the Articles of Incorporation or these Bylaws which prohibit Texas Region's use or application of its funds for private benefit; and provided further that no contract, transaction or act shall be taken on behalf of Texas Region if such contract, transaction or act would result in denial of Texas Region's exemption from federal income taxation under the Code and its regulations as they now exist or as they may hereafter be amended. In no event, however, shall any person or entity dealing with the Board or Officers of Texas Region be obligated to inquire into the authority of the Board and Officers to enter into and consummate any contract, transaction or take other action. Any Director who would directly or indirectly benefit from a contractual relationship as described above shall not participate in the decision on whether that Director shall be permitted by the Board to maintain such an interest.

Section 8. Investments. Texas Region shall have the right to retain all or any part of any property – real, personal, tangible, or intangible – acquired by it in whatever manner and pursuant to the direction and judgment of the Board, to invest and reinvest any funds held by it without being restricted to the class of investments available to trustees by law or any similar restriction.

Section 9. Exempt Activities. Notwithstanding any other provision of these Bylaws, no Director, Officer, representative or member of Texas Region shall take any action or carry on

any activity by or on behalf of Texas Region which is not permitted to be taken or carried on by an organization exempt from federal income taxation under sections 501(c)(4) of the Code and its regulations as they now exist or as they may hereafter be amended, or by an organization contributions to which are deductible under section 170(a)(1) of the Code and its regulations as they now exist or as they may hereafter be amended, by virtue of being charitable contributions as defined in section 170(c)(2) of the Code and its regulations as they now exist or as they may hereafter be amended.

Section 10. Captions. Captions (i.e. article and section headings) are inserted in these Bylaws for convenience only and in no way define, limit or describe the scope or intent of these Bylaws or any provision hereof, nor in any way affect the interpretation of these Bylaws.

Section 11. Severability of Clauses. If any provision of these Bylaws is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative and the remainder of these Bylaws shall remain operative and binding.

ARTICLE IX – INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Right to Indemnification. Texas Region shall indemnify any person who was, is or is threatened to be made a named defendant or respondent in a proceeding (as hereinafter defined) because the person (i) is or was a Director, Officer or committee member of Texas Region or (ii) while a Director, Officer or committee member of Texas Region, is or was serving at the request of Texas Region as a Director, Officer, committee member, partner or other enterprise, to the fullest extent that a corporation may grant indemnification under the Texas Business Organizations Code (“TBOC”) as the same exists or may hereafter be amended. TO THE EXTENT PERMITTED BY THEN-APPLICABLE LAW, THE GRANT OF MANDATORY INDEMNIFICATION TO ANY PERSON PURSUANT TO THIS ARTICLE SHALL EXTEND TO PROCEEDINGS INVOLVING THE NEGLIGENCE OF SUCH PERSONS. Such right shall be a contract right and shall include the right to be paid by Texas Region for expenses incurred in defending any such proceeding in advance of its final disposition to the maximum extent permitted under the TBOC as the same exists or may hereafter be amended. As used herein, the term “proceeding” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative or investigative, any appeal in such an action, suit or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding.

Section 2. Reimbursement for Out-of-Pocket Expenses. If a claim for indemnification or advancement of expenses hereunder is not paid in full by Texas Region within ninety (90) days after a written claim has been received by Texas Region, the claimant may at any time thereafter bring suit against Texas Region to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expenses of prosecuting such

claim. It shall be a defense to any such action that such indemnification or advancement of costs of defense are not permitted under the TBOC, but the burden of proving such defense shall be on Texas Region. Neither the failure of Texas Region (including its Directors or any committee thereof, special legal counsel or members, if any) to have made its determination prior to the commencement of such action that indemnification of, or advancement of costs of defense to, the claimant is permissible in the circumstances nor an actual determination by Texas Region (including its Directors or any committee thereof, special legal counsel or members, if any) that such indemnification or advancement is not permissible shall be a defense to the action or create a presumption that such indemnification or advancement is not permissible.

Section 3. Survivorship of Right to Indemnity. In the event of the death of any person having a right of indemnification under the foregoing provisions, such right shall inure to the benefit of his/her heirs, executors, administrators, and personal representatives.

ARTICLE X – AMENDMENT OF ARTICLES OF ASSOCIATION AND BYLAWS

The Board or any fifteen (15) members in good standing by written petition submitted to the Secretary may propose amendment(s) to the Articles of Association or the Bylaws. Upon such proposal(s) being made, a copy thereof shall be included in the notice of the next meeting of the members together with a ballot upon which the members may vote for or against said proposal(s). Ballot voting shall be controlled by the same rules as set forth in Article IV, Section 2, relating to the election of Officers. If two-thirds (2/3) of the members voting, vote in favor of the proposal(s), the proposed amendment(s) shall thereby be approved and adopted.

ARTICLE XI – PUBLICATION

The Bylaws of Texas Region will be published on the Texas Region website.

These Bylaws were approved by a vote of the membership on September 12, 2016.