



NON-PROFIT BYLAWS OF STATELINE CORVETTE CLUB

PREAMBLE

These Bylaws are guided by the Non-Profit Corporation Act of Illinois and the Articles of Incorporation of StateLine Corvette Club. If there's a conflict between these Bylaws and the Non-Profit Corporation Act of Illinois, the Act prevails. If there's a conflict between these Bylaws and the Articles of Incorporation, these Bylaws prevail.

ARTICLE 1 – NAME

The official name of the Non-Profit Corporation is StateLine Corvette Club, referred to hereafter as the "Corporation".

ARTICLE 2 – PURPOSE

The purposes of this Corporation are:

The Corporation is recognized under IRS Publication 557 Section 501(c)(7) of the Internal Revenue Code of 1986, as amended, and is dedicated exclusively to fostering friendship, enjoyment, and adventures among members who share an enthusiasm for the Chevrolet Corvette.

Additionally, the Corporation is formed to undertake all activities incidental or appropriate to the primary purposes. It shall refrain from engaging in any activities or exercising any powers that are not aligned with its primary non-profit objectives, except to a minimal extent.

The Corporation is empowered to exercise all rights granted to nonprofit organizations by the laws of the State of Illinois, as well as those necessary or expedient for managing its affairs and achieving its objectives. Under no circumstances shall the Corporation engage in activities not permitted for an organization exempt under Section 501(c) of the Internal Revenue Code of 1986.

ARTICLE 3 – OFFICES

The principal office of the Corporation is 115 E. Wilmette Ave, Palatine, IL 60067. The Corporation may have other such offices as the Board of Directors may deem necessary or based on the need of the Corporation.

ARTICLE 4 – DEDICATION OF ASSETS

The properties and assets of the Corporation are solely dedicated to non-profit purposes. In the event of dissolution, none of the net earnings, properties, or assets shall benefit any individual, member, director, or officer of the Corporation. Instead, upon liquidation or dissolution, all remaining properties and assets shall be distributed to another tax-exempt organization dedicated to non-profit purposes under Section 501(c) of the Code.

ARTICLE 5 – BOARD OF DIRECTORS

General Powers and Responsibilities

The Corporation operates under the direction of a Board of Directors ("Board"), which possesses the rights, powers, privileges, and limitations of liability typical of directors in a non-profit corporation under the Non-Profit Corporation Act of Illinois. The Board is responsible for setting policies and guidelines regarding the Corporation's operations and programs. It may delegate authority and responsibility to other Corporation members or committees to ensure compliance with these policies and directives, as outlined in these Bylaws.

Number and Qualifications

The Board consists of a minimum of three members and may have up to five members. The number of Board members can be adjusted by a two-thirds majority vote of the Corporation members. Board members are not required to reside in the State of Illinois.

Board Compensation

The Board members shall not receive any compensation except for reasonable expenses.

Board Elections

The Corporation will nominate new and renewing Board members in December. Recommendations from the Corporation will be provided to the Board in writing before nominations and voting take place. Approval of new and renewing Board members will require a majority vote from the Corporation members present at a meeting where a quorum is achieved.

Term of Board

All appointments to the Board are for two years. A person may not serve more than two consecutive terms, unless the majority of the members, during a meeting where a quorum is present, votes to extend a Board member's term for an additional one year. No person shall serve more than five consecutive years in the same role. After reaching the maximum consecutive years on the Board, a member may be reconsidered for a Board position after a two-year hiatus following the conclusion of their service.

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Vacancies

A vacancy on the Board of Directors may occur under the following circumstances:

- a) The death, resignation, or removal of any director;
- b) The Board declares a vacancy if a director is declared of unsound mind by a final court order, convicted of a felony, found by final court order to have breached a duty under the Corporation Code and/or Act of the law dealing with director conduct standards, or has missed three consecutive Board meetings or a total of four meetings in a calendar year;
- c) An increase in the authorized number of directors; or
- d) Failure to elect the full authorized number of directors at any annual or other meeting where directors are to be elected.

The Board may remove any director without cause by an affirmative vote of a majority of the Corporation members at a regular or special meeting, provided that the director to be removed has been notified in writing as per the procedures outlined in Article 5 – Meetings.

Except as stated in this paragraph, a director may resign by giving written notice to the Board chair, the president, the secretary, or the Board of Directors. If the resignation is effective at a later time, a successor may be designated.

Any vacancy on the Board may be filled by a simple majority vote of the Corporation members, regardless of whether the number of directors is less than a quorum, or by a sole remaining director. Reduction of the authorized number of directors does not remove any director before their term expires.

A Board member elected to fill a vacancy serves the unexpired term of their predecessor.

Resignation

Each Board member may resign at any time by providing written notice to the Chair of the Board/President, and/or Secretary of the Board. Unless the notice specifies otherwise, the resignation becomes effective upon receipt, and acceptance of the resignation is not required to make it effective.

Removal

A Board member may be removed with cause (e.g., violation of the Bylaws or Code of Conduct), at any duly constituted meeting of the Board, by the affirmative vote of a majority of Corporation members.

Meetings

The Board's regular meetings are scheduled at times and locations determined by the Board. The Chair of the Board/President or any two regular Board members can call a special meeting with five days' notice given to each Board member. The individual(s) authorized to call special meetings may also choose the meeting location, provided it is suitable for holding a special Board meeting. The Board shall conduct a minimum of one formal Board meeting per year.

Minutes

The Secretary is responsible for recording the minutes of all Board meetings in the order determined by the Board. If the Secretary is unavailable, the Chair of the Board/President will appoint someone to fulfill the role at the meeting. The Secretary, or the appointed individual, will prepare the meeting minutes, which will be provided to the Corporation for inclusion in the minute books. A copy of the minutes will be available within 10 business days after the meeting concludes.

Action by Written Consent

Any action required by law or that may be taken at a Board meeting can be executed without a meeting if all Board members sign a written consent outlining the action. The presence of all directors in office constitutes a quorum for such unanimous written consent. This consent will be documented in the Corporation's minute book and holds the same weight as a unanimous vote taken at a physical meeting. Board members' written consents may be executed in multiple counterparts or copies, with each considered an original. Furthermore, facsimile, electronic, or other electronic acknowledgments of consent or signatures are considered valid as original signatures.

Quorum

At each Board of Directors meeting, the presence of two people constitutes a quorum for conducting business. In the event of a tie vote when the Board consists of an even number of members, the Chair of the Board/President will cast the deciding vote. The majority vote of Board members present at a meeting with a quorum constitutes the action of the Board or Board Committees, unless otherwise specified by the Articles of Incorporation, these Bylaws, or applicable law. If a quorum is not present, the present Board members may adjourn the meeting without further notice until a quorum is attained. A Board member is considered present if participating via telephone or web conferencing during the meeting.

Voting

Each Board member shall only have one vote.

Proxy

Board members shall not be allowed to vote by written proxy.

Board Member Attendance

An elected Board Member who misses three consecutive regular meetings of the Board within a fiscal year will be encouraged to reassess their commitment to the Corporation with the Chair of the Board/President. If a Board member misses three consecutive meetings without engaging in such reassessment with the Chair/President, the Board may consider them to have resigned from the Board.

ARTICLE 6 – OFFICERS

Officers and Duties

The Board will appoint officers of the Corporation based on the votes of the members, including a Chair of the Board/President, Vice President, Secretary, Treasurer, and any other officers designated by Board resolution. While one person can hold multiple offices, the Secretary and Treasurer cannot simultaneously serve as Chair of the Board/President. Officers are responsible for their duties outlined in this Article and any other duties required by law, the Articles of Incorporation, or these bylaws, subject to the Board's authority. Additionally, officers may be assigned additional duties by the Board at its discretion.

Officers will be chosen by the membership during its annual meeting and will serve at the Board's discretion, subject to any rights held by officers under employment contracts. Any officer may be removed with cause by the Board, without bias towards any contractual rights of the Corporation. Officers have the right to resign at any time by providing written notice to the Chair of the Board/President, and/or Secretary, without prejudice to any rights under employment contracts. Resignations become effective upon receipt of the written notice, and acceptance of the resignation is not required unless specified in the notice.

Vacancies in any office due to various reasons will be filled according to the bylaws for regular appointments to such office.

Chair of the Board/President:

The Chair/President is responsible for presiding over all meetings of the Board when present. They are authorized to sign any contracts or documents on behalf of the Corporation, as authorized by the Board.

They oversee and manage all activities and operations of the Corporation, subject to the guidance and approval of the Board of Directors. They keep the Board fully informed, consult with them on all matters, and ensure that Board resolutions are carried out as intended. They are empowered to represent the Corporation between Board meetings and implement Board-approved Corporation policies. The President is authorized to handle all financial transactions, execute contracts and documents on behalf of the Corporation, and negotiate significant business transactions.

Vice President

If the President is absent or unable to act, it becomes the responsibility of the Vice President to carry out all the duties of the President. In doing so, the Vice President possesses all the authority and powers of, and is subject to all the restrictions on, the President.

Secretary

The Secretary, or their appointed representative, is responsible for maintaining all records and documents of the Corporation. They serve as secretary at all Board meetings, recording minutes either in hard copy or electronic format. The Secretary is also in charge of providing and delivering all notices for the Corporation.

Treasurer

The Treasurer is responsible for maintaining accurate accounts of all the Corporation's properties and transactions, including assets, liabilities, receipts, disbursements, gains, losses, and other financial matters typically included in financial statements.

Additionally, the Treasurer ensures that all designated money and valuables are deposited and disbursed according to the Board of Directors' instructions. They provide an account of their transactions and the Corporation's financial status to the Chair of the Board/ President, and directors upon request.

ARTICLE 7 - STANDARD OF CARE

General

A director must fulfill all duties, including serving the Board, in the best interest of the Corporation and with reasonable care, similar to what an ordinary, prudent person would exercise in similar circumstances. The Board is expected to handle sensitive information with discretion and confidentiality.

When performing director duties, a director may rely on information provided by:

- a) Officers of the Corporation whom the director considers reliable and competent; or
- b) Professionals like counsel or independent accountants within their expertise.

This reliance is valid if the director acts in good faith, after reasonable inquiry when necessary, and without knowledge that would make such reliance unwarranted.

Any person who fulfills director duties as described above will not be liable for any failure to discharge their obligations, including actions or omissions that may compromise the Corporation's public or charitable purpose, unless otherwise specified in Article 7 - Standard of Care.

Loans

The Corporation cannot lend money or guarantee the obligations of any director or officer. However, the Corporation may provide advances to a director or officer or any subsidiary for anticipated expenses related to their duties, as long as the individual would otherwise be entitled to reimbursement for those expenses without the advance.

Conflict of Interest

The Conflict of Interest policy aims to safeguard the Corporation's interests when considering transactions that might benefit an officer or director personally or lead to a potential excess benefit transaction. This policy supplements state and federal laws on conflict of interest applicable to nonprofit and charitable organizations and does not replace them.

Restriction on Interested Directors: An interested person includes anyone who has received compensation from the Corporation in the past twelve months, excluding reasonable director compensation, and certain relatives of such individuals.

The Corporation does not provide compensation (cash or equivalent) to any individual.

Duty to Disclose: An interested person must disclose any financial interest and provide all relevant facts to the directors concerning the transaction or arrangement in question.

Establishing a Conflict of Interest: After disclosure and discussion, the interested person must leave the Board meeting while the potential conflict of interest is assessed by the remaining Board members.

Addressing a Conflict of Interest: If a conflict of interest is confirmed: a) The interested person may present their request or report but must leave while the Board discusses and votes on the transaction. b) The Chair of the Board/President may appoint a disinterested person or committee to explore alternative options. c) The Board must determine if a more advantageous option without a conflict of interest is feasible. d) If not, the Board, comprised of disinterested directors, must decide by majority vote if the transaction is in the Corporation's best interest and fair.

Violations of Conflict of Interest Policy: If the Board suspects a failure to disclose a conflict, it will inform the interested person and provide an opportunity to explain. If intentional non-disclosure is confirmed after investigation, the Board will take appropriate disciplinary action.

Procedures and Records

All minutes of Board Meetings shall include:

- a) The names of individuals who disclosed or were found to have a financial interest in a conflict of interest, the nature of the interest, actions taken to assess the conflict, and the Board's decision on its existence.
- b) Attendees, discussions, including alternatives, and voting outcomes related to the transaction or arrangement.

Affirmation of Conflict of Interest Policy

Every director, principal officer must affirm that they:

- a) Received the Conflict of Interest policy in the Bylaws and Code of Conduct,
- b) Read and understood the policy,
- c) Agreed to comply with the policy,
- d) Recognize the Corporation's charitable nature and its obligation to engage

Indemnification

To the fullest extent allowed by law, the Corporation will provide indemnification to its "agents," as defined by law, which includes directors, officers, and volunteers, as well as individuals who previously held such positions, along with their heirs, executors, and administrators. This indemnification covers all expenses, judgments, fines, settlements, and other reasonable amounts incurred by these individuals in connection with any legal proceeding, including actions brought by or on behalf of the Corporation, due to their status as described in the Non-Profit Corporation Act. This right to indemnification is not exclusive and does not limit any other rights these individuals may have.

To the fullest extent permitted by law, and unless otherwise decided by the Board in a specific case, the Corporation will advance expenses incurred by a person seeking indemnification for defending any legal proceeding. However, the person must provide an undertaking to repay such amounts if it is later determined that they are not entitled to indemnification by the Corporation for those expenses.

The Corporation has the authority to purchase and maintain insurance on behalf of any agent against any liability incurred by the agent in their capacity or arising from their status as such, to the fullest extent permitted by law. Additionally, the Corporation may provide other forms of indemnification to the extent allowed by law.

ARTICLE 8 – EXECUTION OF CORPORATE INSTRUMENTS

Execution of Corporate Instruments

The Board of Directors has the authority to determine the method and designate the officer or officers, or other individuals, to execute corporate documents or sign on behalf of the Corporation, without limitations, unless otherwise required by law. Any such execution or signature will be legally binding on the Corporation.

Unless the Board of Directors specifies otherwise or it is mandated by law, the President and Treasurer, are authorized to execute formal contracts, and other corporate documents on behalf of the Corporation.

For checks and drafts drawn on the Corporation's bank accounts or special accounts, they will be signed by individuals authorized by the Board of Directors.

Loans and Contracts

Loans or advances cannot be obtained on behalf of the Corporation, and no notes or evidence of indebtedness can be issued in its name unless authorized by the Board of Directors. Without explicit authorization from the Board, no officer or agent of the Corporation may enter into contracts or execute instruments on behalf of the Corporation.

ARTICLE 9 – RECORDS AND REPORTS

Maintenance and Inspection of Articles and Bylaws

The Corporation will retain its records at its main office or designated online site, the original or a copy of its Articles of Incorporation, Code of Conduct, and amended bylaws.

Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

A copy of the Corporation's federal tax exemption application and annual information returns will be kept at its main office or online site for three years from the date of filing as required by law.

Maintenance and Inspection of Other Corporate Records

The Corporation will maintain accurate books, records, and written minutes of the Board. These records will be stored at a location designated by the Board or its committees, or if not specified, at the main office or online site of the Corporation. Minutes will be maintained in written or typed form, and other records may be in any form convertible to written, typed, or printed format. Upon leaving office, each officer, employee, or agent will transfer all relevant corporate materials to their successor, the Chair of the Board/President.

Every director has the right to inspect all books, records, documents, and physical properties of the Corporation and its subsidiaries at any reasonable time. This inspection can be conducted in person or by a representative, including the right to copy and extract documents.

Preparation of Treasurer's Reports

A monthly Treasurer's report will be prepared using simple cash-based accounting, showing monies received, expenses paid, and cash balances of any financial account. Both the Chair of the Board/President and the Treasurer will receive any bank statements. The Treasurer will complete any tax filings and reconcile the financial accounts.

ARTICLE 10 – FISCAL YEAR

The Corporation's fiscal year ends on December 31. Annual dues cover January 1 through December 31.

ARTICLE 11 – AMENDMENTS AND REVISIONS

These bylaws can be adopted, amended, or repealed by a two-thirds majority vote of the Corporation members. Such action must take place during a properly convened meeting of the Board of Directors, with written notice provided beforehand. If any bylaw provision mandates a larger vote than legally required, that provision cannot be changed, amended, or repealed by a vote requiring a greater majority.

CERTIFICATE OF SECRETARY

I, Gary Birkland, certify that I am the current and acting Secretary of the benefit Corporation, and the above bylaws are the bylaws of this Corporation as adopted by the Board of Directors on **March 6, 2024**, and that they have not been amended or modified since the above.

EXECUTED on this day of March 6, 2024, in the County of Cook in the State of Illinois.



(Corporate Secretary)