

BYLAWS OF THE HELENA BICYCLE CLUB, INC.—Approved February 25, 2014

ARTICLE I. NAME OF CORPORATION

Section 1.1 Name of Corporation. The name of the corporation is the Helena Bicycle Club, Inc. (hereinafter referred to as “HBC”).

Section 1.2 Use of Other Names. HBC may do business by other names, if approved by the Board of Directors, provided that all contracts and other formal documents clearly reflect the official name of the Club and are executed only in the official name of the Helena Bicycle Club, Inc.

Section 1.3 Purposes:

Helena Bicycle Club has been organized exclusively for charitable, educational, scientific or literary purposes, including the following, by:

- (1) Educating the general public about bicycle safety and the benefits of bicycle riding; by
- (2) Promoting community awareness and enjoyment of cycling through organized bicycling events, rides, or tours; by
- (3) Offering lectures, demonstrations and other bicycling activities, for members as well as for the general public; by
- (4) Promoting bicycle use and development of cycling facilities as a non-polluting, non-congesting, quiet means of recreation and transportation; and by
- (5) Engaging in any other charitable, educational, scientific and literary activities, within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as it may be amended (the “Code”), including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Code.

ARTICLE II. MEMBERSHIP

Section 2.1 Membership. Membership in the HBC may be held by an individual (“an individual membership”) or by a group of household members (“a family membership”), for annual periods running from January 1 through December 31. Membership is available to all persons. An individual or a family becomes a member of the Club upon payment of the annual dues.

Section 2.2 Dues. Annual dues for each category of membership may be charged in an amount set by the Board of Directors and ratified by a vote of the membership. Dues, once established, remain the same until changed by the Board and ratified by the members.

Section 2.3 Quorum. A quorum of the membership consists of 10 members or 10% of the membership, whichever is less.

Section 2.4 Voting. An individual membership is entitled to one vote. A family membership is entitled to two (2) votes. Votes may not be made by proxy. Unless otherwise provided, a simple majority of the membership present is sufficient for action. Votes may be cast by email or postal mail at the discretion of the Board.

Section 2.5 Annual Meeting. The annual meeting of the membership will normally occur on the fourth Tuesday of October.

Section 2.6 Other Meetings. Such other meetings may be called at the request of the Board of Directors or 5% of the membership, upon notice mailed or sent electronically to the membership or announced at a meeting.

Section 2.7 Representation. All individuals representing the Club in and before groups, commissions and legislative bodies must be current members of the Club for the term of their selected service.

ARTICLE III. ELECTED OFFICERS

Section 3.1 Officers. The elected officers of the Club are a president, vice president, treasurer and secretary, who are elected by the Club. All officers must be current members of the Club for the term of their elected/selected service.

Section 3.2 Terms of Office. The term of office for an elected officer is two years beginning November 1. No member may be elected to the same office for more than two 2-year terms.

Section 3.3 Election of Officers.

Officers are elected at the annual meeting, or in extraordinary circumstances by other means with approval of the board. A secret ballot must be used at the election if requested by any member. If there is only one (1) candidate for an office, that person may be elected by acclamation.

Section 3.4 Vacancies. Vacancies that occur during the term must be filled by a willing member who is selected by the Board of Directors.

Section 3.5 Compensation or Reimbursement. No director shall be paid any compensation for any services to the Club, but the Board of Directors may authorize reimbursement for any expenses incurred by a director in the performance of the duties of the office.

Section 3.6 Resignation. Any director may resign from the Board at any time. Such resignation shall be made in writing or orally to the President, and shall take effect at the time specified therein, and if no time be specified, at the time of its receipt by the president. No resignation shall discharge any accrued obligation or duty of a director.

Section 3.7 Removal of Officers. Any officer may be removed from office during a term for misfeasance, malfeasance, or nonfeasance upon the affirmative vote of the membership. Such a vote to remove an officer may only occur at a meeting where written notice of the upcoming vote to remove is given to the membership at least ten (10) days in advance of the meeting. An officer may be suspended from the duties and privileges of office by the affirmative vote of the other members of the Board of Directors, for a period of not more than thirty (30) days, pending a vote by the membership on whether to remove the officer.

ARTICLE IV. BOARD OF DIRECTORS

Section 4.1 Board of Directors. The Board of Directors consists of the elected officers of the Club and the following Club members appointed by the president: Newsletter editor; Double Divide Ride director; and Century Ride director. The president shall also be authorized to appoint two additional board members, subject to approval by a majority of the Board. All Board members must be paid members of the Club for the term of their elected / selected service.

Section 4.2 Terms of Office. Normally board members' terms shall be for two years, and staggered to promote continuity. Elections or appointment, and the duration of terms, may be altered from time to time to achieve these goals.

Section 4.3 Quorum. A quorum of the Board of Directors consists of one-half (1/2) the number of directors.

Section 4.4 Voting. Unless otherwise provided, a simple majority of the directors present and voting is sufficient for action.

Section 4.5 Authority. The Board of Directors shall have the authority to make expenditures, set policies and make all decisions on behalf of the Club, unless expressly prohibited elsewhere in these Bylaws.

ARTICLE V. CONFLICT OF INTEREST POLICY

Section 5.1. Purpose. This policy statement is intended to protect the Club's interest in any transaction that could benefit the personal financial interest of a Club Officer, Director, or any member with funding or policy authority.

Section 5.2. Duty to Disclose. Any Club member must disclose to the Board of Directors any potential conflict of interest where the member may financially benefit. A member may have a financial interest but no conflict of interest. The Board will determine if a conflict does exist and take appropriate action as necessary.

Section 5.3. Failure to Disclose. Failure to make a timely disclosure of a potential conflict of interest to the Board as required above will be considered a violation of this policy.

Section 5.4. Board Responsibility. Upon receiving a report of a potential or actual conflict of interest, the Board shall review all circumstances available in a timely fashion and render a ruling by majority vote of Board members present. The Club President shall preside over this issue. Board members who are the subject of the conflict of interest are excluded from any Board review and deliberations.

Section 5.5 Director interest in Board decisions. Whenever a director, officer or employee has a financial or personal interest in any matter coming before the Board, the affected person shall:

- (a) fully disclose the nature of the interest, and
- (b) withdraw from discussion, lobbying, and voting on the matter.

Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested directors determine that it is in the best interest of the corporation to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.

Section 5.6 Annual Conflict of Interest Statement. Each director, officer, employee or any member with funding or policy authority shall annually sign a statement which affirms such person

- (i) has received a copy of the corporation's conflict of interest policy;
- (ii) has read and understands the policy;
- (iii) has agreed to comply with the policy; and
- (iv) understands the corporation is charitable and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE VI. TRIPS POLICY

Section 6.1 Release of Liability. The Club may require a release of liability from all participants in Club-sponsored events or activities, including a release from the parent or guardian of a participant under the age of eighteen (18).

ARTICLE VII. CLUB FUNDS

Section 7.1 Sources of Funds. The Club may accept donations, gifts and other forms of contributions. In addition to dues, the Club may raise funds by conducting activities consistent with the purpose of the Club.

Section 7.2 Annual Budget. The Board of Directors shall develop an annual budget for presentation to the general membership at the annual meeting.

Section 7.3 Treasurer's Authority. The treasurer may make expenditures on behalf of the Club in the regular course of business. The treasurer may not exceed amounts budgeted and approved by the Club without Board approval. The Board, by majority vote, may suspend the treasurer's spending authority for such time as the Board deems appropriate.

Section 7.4 Double Divide Director's Authority. The Double Divide director may make total expenditures on behalf of the Club for the purpose of the Double Divide event, in the regular course of business, not to exceed amounts budgeted and approved by the Board. The Board, by majority vote, may suspend the Double Divide director's spending authority for such time as the Board deems appropriate.

Section 7.5 Century Ride Director's Authority. The Century Ride director may make total expenditures on behalf of the Club for the purpose of the Century Ride event, in the regular course of business, not to exceed amounts budgeted and approved by the Board. The Board, by majority vote, may suspend the Century Ride director's spending authority for such time as the Board deems appropriate.

Section 7.6 Audit of Expenditures. The bank statement for the Helena Bicycle Club, maintained by the treasurer, will be reviewed monthly by the president and/or the vice

president. A financial report for the previous year will be presented at a Club meeting by March 1st of each year. The President shall appoint 2 members as the audit committee. The audit committee shall annually review all expenditures of club funds, review receipts and bank statements and report its' findings to the Board of Directors. The audit committee shall also review all records when there is a change in the Treasurer

ARTICLE VIII. AMENDMENTS

Section 8.1 Amendment of Bylaws. Initiation of amendments to the Bylaws is accomplished by the affirmative vote of a simple majority of members present at the annual meeting or a majority vote of the Board of Directors. The Bylaws may be amended at any time, upon a two-thirds (2/3) affirmative vote of the members.

Section 8.2 Notice and Approval of Amendment of Bylaws. Notice of the proposed amendment and the meeting date at which the vote will be taken must be sent to the membership at least ten (10) days before such meeting. The notice must either contain the text of the proposed amendment or a summary of the proposed amendment. A simple majority of the members present and voting is sufficient for approval of an amendment.

Section 8.3 Members' Rights. The membership may seek to have the Bylaws amended. Following a simple majority vote to propose an amendment of the Bylaws, notice of the proposed amendment and the meeting date at which the vote will be taken must be mailed to the membership at least ten (10) days before such meeting. The notice must either contain the text of the proposed amendment or a summary of the proposed amendment. A simple majority of the members present and voting is sufficient for approval of an amendment.

ARTICLE IX. DISSOLUTION AND OTHER PROVISIONS

Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or members, or of any class of members, are as follows:

Section 9.1 Educational and charitable purposes. Notwithstanding anything else herein provided, the corporation is organized and shall be operated exclusively for educational and charitable purposes, as said terms have been and shall be defined pursuant to the sections 170(c) and 501(c)(3) of the Code. All powers of this corporation shall be exercised only in such manner as will assure the operation of this corporation exclusively for said educational and charitable purposes, as so defined, it being the intention that this corporation shall be exempt from federal income tax and that contributions to it shall be deductible pursuant to said sections of the Code, and all purposes and powers herein shall be interpreted and exercised consistently with this intention.

Section 9.2 Net earnings. No part of the net earnings of the corporation shall inure to the benefit of, or be distributed to its members, directors, officers, private shareholders or individuals, except that the corporation shall be authorized and empowered to pay

reasonable compensation for services actually rendered and to make payments and distributions in furtherance of the corporation's purposes set forth in these Bylaws.

Section 9.3 Non-political purpose. No substantial part of the activities of the corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation (except as otherwise provided in the IRS code governing 501(c)(3) charitable corporations), and the corporation shall not participate or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

Section 9.4. Allowed activities. Notwithstanding any other provision of these Bylaws, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the IRS Code, or the corresponding section of any future federal tax code.

Section 9.5. Dissolution. In accord with HBC's Articles of Incorporation, Article VI, Distribution and Dissolution, except as may be otherwise required by law, the corporation may at any time authorize a petition for its dissolution. In the event of any liquidation, dissolution, termination, or winding up of the corporation (whether voluntary, involuntary or by operation of law) the property or assets of the corporation remaining after providing for the payment of its debts and obligations shall be conveyed, transferred, distributed and set over outright to one or more educational or charitable institutions or organizations, created and organized for nonprofit purposes similar to those of the corporation, which qualify as exempt from income tax under section 501(c)(3) of the Code, as a majority of the total number of the directors of the corporation may by vote designate and in such proportions and in such manner as may be determined in such vote, or to the federal government, or to a state or local government, for a public purpose; provided further, that the corporation's property may be applied to charitable or educational purposes in accordance with the doctrine of *cy pres* in all respects as a court having jurisdiction in the premises may direct.

ADOPTED by The Board of Directors this 25th day of February, 2014.

By: _____ (February 25, 2014)
Robert Psumny Jr., President, Helena Bicycle Club, Inc.

By: _____ (February 25, 2014)
Dave Risley, Treasurer, Helena Bicycle Club, Inc.

APPROVED BY MEMBERSHIP ----- (February 25, 2014)