

Eagle Cycling Club
A California Nonprofit Mutual Benefit Corporation

BYLAWS
Adopted June 14, 2021

ARTICLE I
NAME AND LOCATION OF OFFICES

The name of this corporation shall be Eagle Cycling Club (ECC). The principal office for the transaction of the business of the corporation (“principal executive office”) is located at Napa County, California. The directors may change the principal office from one location to another by resolution. Any change of this location shall be noted by the secretary on these bylaws opposite this section, or this section may be amended to state the new location.

ARTICLE II
PURPOSE AND OBJECTIVES

The objectives of this corporation shall be:

- A. To provide cyclists with a variety of challenging bicycle riding experiences;
- B. To promote safe bicycle riding, touring, and racing events;
- C. To encourage and promote liaison between members of the club and other cycling and related organizations;
- D. To promote safe bicycling as a means of everyday transportation and recreation;
- E. To encourage physical fitness through cycling.

ARTICLE III
MEMBERSHIP

Section 1: Members

- (A) ECC shall have two membership categories: Main Membership and First Time Member. Any person supporting the objectives of ECC is eligible to be a member.
- (B) An individual may become a member by completing the membership application and paying the annual dues established by the Board of Directors. The renewal date for all members shall be one year from initial payment. During this period, members have the right to vote as described in these bylaws.
- (C) If the membership is renewed no later than 60 days past the renewal date, the renewal date shall not change. If the membership is renewed more than 60 days past the renewal date, the renewal date shall be one year from payment.
- (D) There shall be no discrimination against any applicant because of race, color, sex, or national origin.
- (E) No member may transfer a membership or any right arising from membership. All rights of membership cease upon the member's death, termination, or dissolution.

Section 2: Rights of membership

All members shall have the right to vote, as set forth in these bylaws. In addition, the members shall have all rights afforded members under the California Nonprofit Public Benefit Corporation Law.

Section 3: Termination and Expulsion

(A) The membership of any member shall terminate upon occurrence of any of the following events:

- (1) The resignation of the member;
- (2) Expiration of the period of membership, unless the membership is renewed on renewal terms fixed by the Board;
- (3) Upon a determination by the Board of Directors, or a committee or person authorized by the board to make such a determination, that the member has engaged in conduct materially and seriously prejudicial to ECC's purposes or interests, such termination to be effective 15 days after written notification of the expulsion and reasons for the expulsion by first class mail to the last address of the member as shown on ECC's records. The member shall be given an opportunity to be heard, either orally or in writing, at a hearing to be held not less than 5 days before the effective date of the proposed expulsion. The Board of Directors will hold the hearing in accordance with the quorum and voting rules set forth in these Bylaws applicable to the meetings of the Board. The notice to the member of his or her proposed expulsion shall state the date, time, and place of the hearing. Following the hearing, the Board of Directors shall decide whether or not the member should in fact be expelled, suspended, or sanctioned in some other way. The decision of the Board shall be final.

(B) Procedure for Expulsion: Following the determination that a member should be expelled under subparagraph (3), above, the corporation must follow the expulsion procedure of Corporations Code Section 7341.

Section 4: Nonliability of Members

A member of ECC is not, as such, personally liable for the debts, liabilities, or obligations of ECC.

**ARTICLE IV
MEETINGS OF MEMBERS**

Section 1: Place of Meetings

Any meeting of members whether regular, special or adjourned shall be held at any place within Napa County that has been designated by the board of directors.

Section 2: Regular Meetings

- (A) Regular meetings of the membership will take place no less than quarterly, and no more than monthly, as determined by the board of directors.
- (B) Notice Requirements:
 - (1) Notice of any meeting of members shall be given either personally, or by mail, email, telegraphic, or other written communication, charges prepaid, addressed to each member at the address of that member appearing on the books of the corporation.
 - (2) If the Board of Directors has established a regular place and schedule of meetings, no notice need be given, unless required pursuant to paragraph (C), below.
- (C) If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal. Member action on such items is invalid unless the notice of written waiver of notice states the general nature of the proposals:
 - (1) Removing a director with or without cause;
 - (2) Filling vacancies on the board of directors by the members;
 - (3) Amending the Articles of Incorporation.

Section 3: Special Meetings

The Board of Directors, President, or 10% or more of the active members may call special meetings of the members at any time.

- (A) Written notice of special meetings of members shall be given by personal delivery, mail, facsimile, email, or by other written communication addressed to the member at their address on the books of ECC. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by other means of written communication.
- (B) Whenever members are required or permitted to take action at a meeting, a written notice of the meeting shall be given by the Secretary of ECC not less than 10 nor more than 90 days before the date of the meeting to each member who, on the record date for the notice of the meeting, is entitled to vote at the meeting. If notice is given by mail, and the notice is not mailed by first class, registered, or certified mail, the notice shall be given not less than 20 days before the meeting.
- (C) Notice of any special meeting of members shall specify the place, date and time of the meeting. In the case of a special meeting, the notice shall state the general nature of the business to be transacted, and no other business may be transacted. Subject to any provision to the contrary contained in these Bylaws, any proper matter may be presented at a regular meeting for action. Any notice by electronic mail shall be signed or shall indicate that ECC is the sender.
- (D) If a special meeting is called by members as authorized by these Bylaws, the request for the meeting shall be submitted in writing, specifying the general nature of the business proposed to be transacted and shall be delivered personally or sent by registered mail to the President, Vice President or Secretary of ECC. The officer receiving the request shall

promptly cause notice to be given to the members entitled to vote that a meeting will be held and stating the date of the meeting. The date for the meeting shall be fixed by the Board of Directors and shall not be less than 35 nor more than 90 days after the receipt of the request for the meeting. If the notice is not given within 20 days after the receipt of the request, the person calling the meeting may give the notice himself or herself.

- (E) The transactions of any meeting of members, however called and noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present, and if, either before or after the meeting, each of the persons entitled to vote, not present in person, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Waiver of notices or consents need not specify either the business to be transacted or the purpose of any regular or special meeting of members, except that if action is taken or proposed to be taken for approval of any of the matters specified in subparagraph (e) of this section, the waiver of notice or consent shall state the general nature of the proposal.
- (F) Approval by the members of any of the following proposals other than by unanimous approval by those entitled to vote is valid only if the general nature of the proposal is stated in the notice of meeting or in any written waiver of notice:
- (1) Removal of a director without cause;
 - (2) Filling of vacancies on the Board by members;
 - (3) Amending the Articles of Incorporation; and
 - (4) An election to voluntarily wind up and dissolve the ECC.

Section 4: Annual Meeting

An annual meeting of members shall be held in December of each year. The Directors shall designate a time, date, and location, and provide notice in the manner specified for special meetings. At the annual meeting, the members shall elect directors and transact other business as may come before the meeting.

Section 5: Quorum

At all meetings of the members, whether regular, special, or adjourned, the presence in person of 10% of the members shall constitute a quorum for the transaction of business. If less than 10% of the voting power actually attends a regular meeting, then no action may be taken on a matter unless the general nature of the matter was stated in the notice of the meeting.

The members present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of members from the meeting provided that any action taken after the loss of a quorum must be approved by at least a majority of the members required to constitute a quorum.

Section 6. Adjournments

Any business that might be done at a regular meeting of the members may be done at a special or at an adjourned meeting. If no quorum is present at any meeting of the members, the meeting may be adjourned by those present until a quorum is obtained.

Section 7: Voting

- (A) Persons entitled to vote at any particular meeting of members shall be members as of the date of the particular meeting. Each member shall be entitled to one vote on each matter submitted to a vote of the members.
- (B) Voting may be by voice or by written or email ballot, except that any contested election of directors must be by ballot if demanded before the voting begins by any member at the meeting.
- (C) Every act or decision done or made by a majority of voting members present in person at a duly held meeting at which a quorum is present is the act of the members, unless the law, the Articles of Incorporation of ECC, or these Bylaws require a greater number.
- (D) In order to obtain the widest possible participation, an issue may, at the discretion of the President, the board of directors, or a majority of members present sufficient to constitute a quorum, be submitted for voting by email. In this event, the President and Membership Chair shall receive and count the votes, insure that each member votes only once, and that all those voting are current members.

Any issue submitted for an email vote shall be sent to the member's email address of record with the Membership Chair, and shall state clearly and succinctly all of the following:

- (1) A statement of the issue being voted on;
 - (2) The effect of each voting option;
 - (3) The length of time the voting remains open. Such time shall be a minimum of 7 days, and a maximum of 15 days.
 - (4) The email address to which the ballots are to be sent.
- (E) Voting by proxy is prohibited. Except for an email vote, a member must be physically present to vote.

Section 8: Conduct of Meetings

Meetings of members shall be presided over by the President of ECC or, in his or her absence, by the Vice President of ECC. In the absence of these persons, the meeting shall be presided over by a Chairperson chosen by a majority of the voting members present in person. The Secretary of ECC shall act as Secretary of all meetings of members, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be governed by Roberts' Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of ECC, or with any provision of law.

Section 9: Election of Directors and Officers

- (A) Directors and officers shall be elected at the annual meeting specified in Article IV.
- (B) The President shall appoint a nominating committee, at least 60 days prior to an election, made up of at least two (2) members in good standing who are not standing for election or re-election. The committee will prepare a slate of proposed Officers and Directors for members to vote for. The committee will try to include at least two (2) candidates for each position. The committee will interview all candidates to ensure their interest in serving prior to adding their names to the slate. This slate will be presented to the President no later than two weeks before the annual meeting.
- (C) In addition to section (B), above, no later than two weeks before the annual meeting, any member may place a name in nomination by submitting a nomination form to the President, or to the nominating committee. The form shall state the name of the member making the nomination, and be dated and signed by him or her, and shall state the name of the person being nominated and for which office, and be dated and signed by the nominee indicating his or her acceptance of the nomination. A member may not nominate him or herself.
- (D) In addition to (B) and (C), above, any member present at the annual meeting may place names in nomination. A member may not nominate him or herself. No nomination may be placed on the ballot without acceptance by the nominee. Such acceptance may be in person, or by way of the form specified in (C), above.
- (E) A person properly nominated and properly accepting the nomination need not be present at the annual meeting to be elected.
- (F) If an election of directors or officers is contested, election shall be by written secret ballot. Before the ballot, each nominee shall be entitled to make a statement regarding his or her qualifications for the board of directors.
- (G) If an election of directors or officers is uncontested, election may be by voice acclamation.

ARTICLE V

OFFICERS

Section 1: Officers

The officers of the corporation shall include a president, a vice president, a secretary, a treasurer, and a co-treasurer. Each of these officers shall, by virtue of his office, also be a member of the board of directors. Additional officers who are not necessarily also members of the board of directors shall be all major event directors, including, but not limited to, the Tour of Napa Valley, the Cherry Pie Criterium, and the Skyline Mountain Bike Race, and the Membership Chair.

Section 2: Election and Term of Office

The officers, who are also the five minimum members of the Board of Directors, shall be chosen annually at the annual meeting. Each officer shall hold his or her office until he or she resigns, is

removed, or becomes otherwise disqualified to serve, or until his or her successor is elected and qualified.

Section 3: Subordinate Officers

The Board of Directors may appoint such other officers or agents as it may deem desirable, and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

Section 4: Removal and Resignation

- (A) The board of directors may remove any officer, either with or without cause, at any regular or special meeting of the board. Any officer who is removed under this section, who is also a member of the board of directors, will remain a board member unless removed pursuant to Article VI, Section 5, herein. A new, non-board member may then be appointed to fill the vacancy.
- (B) Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of ECC. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified in the notice, and, unless otherwise specified, the acceptance of the resignation shall not be necessary to make it effective. The provisions of this section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of ECC.

Section 5: Vacancies

- (A) Vacancies occurring in offices mandated by the Bylaws, however caused, shall be filled by the Board of Directors.
- (B) Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.
- (C) Officers appointed to fill a vacancy shall serve until replaced by the Directors or membership, or until the remaining term of that office expires.

Section 6: Duties of Officers

- (A) President: The president shall, subject to the control of the board of directors, generally supervise, direct, coordinate and control the business and the officers of the corporation. The president shall preside at all meetings of the members and at all meetings of the board of directors. The president shall have such other powers and duties as may be prescribed by the board of directors or the Bylaws.
- (B) Vice President: In the absence or disability of the president, or in the event of his refusal to act, the vice president shall perform all the duties of the president, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the president. The vice president shall have such other powers and perform such other duties as, from time to time, may be prescribed by the board of directors.
- (C) Secretary: The secretary shall attend to the following:

- (1) The secretary shall keep, or cause to be kept, a book of minutes of all meetings and actions of directors, members, and committees, with the time and place of holding, and the proceedings of such meetings.
- (2) Certify and keep, or cause to be kept, at the principal office of ECC a copy of the ECC's Articles of Incorporation and Bylaws as amended to date.
- (3) Give, or cause to be given, notice of all meetings of the members and of the board of directors required by the Bylaws to be given.
- (4) The secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or the Bylaws.

(D) Treasurer: The treasurer shall attend to the following:

- (1) Keep and maintain adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any director at all reasonable times.
- (2) Deposit all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the board of directors;
- (3) Disburse the funds of the corporation as may be ordered by the board of directors;
- (4) Assist in preparing ECC's annual budget;
- (5) Shall render to the president and directors whenever they request it, an account of all transactions as treasurer and of the financial condition of the corporation;
- (6) Ensure the Board's financial policies are being followed;
- (7) File the Club's tax returns
- (8) The treasurer shall have other powers and perform other duties as may be prescribed by the board of directors or the Bylaws.

(E) Co-Treasurer: In the absence or disability of the treasurer, the co-treasurer shall perform all the duties of the treasurer, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the treasurer. The co-treasurer shall have such other powers and perform such other duties as, from time to time, may be prescribed by the board of directors.

(F) Membership Chair: The Membership Chairperson shall:

- (1) Keep, or cause to be kept, a record of the corporation's members, showing the names of all members, their addresses, phone numbers, email addresses, the class of membership held by each, and the termination date of any membership
 - (2) Acquire, keep and maintain any and all other information and records required by these bylaws to be kept regarding members and membership in ECC;
 - (3) Develop and maintain membership application forms
- (G) Tour of Napa Valley (TNV) Director: The TNV Director shall direct and coordinate all activities connected with the execution of ECC's primary fund-raising event, the Tour of Napa Valley.
- (H) Cherry Pie Criterium (CPC) Director: The CPC Director shall direct and coordinate all activities connected with the execution of ECC's road racing event, the Cherry Pie Criterium.

ARTICLE VI DIRECTORS

Section 1: Powers

Subject to the limitations of the Articles, these Bylaws, and of pertinent restrictions of the California Corporations Code, and subject to any limitations of the Articles of Incorporation or Bylaws regarding actions that require approval of the members, all the activities and affairs of ECC shall be exercised by or under the direction of the Board of Directors.

Section 2: Number of Directors

The authorized number of Directors of ECC shall be an odd number between five and nine. The number may be changed by a majority vote of a quorum of the Board of Directors, or by a majority vote of a quorum of the membership. If there are conflicting votes, the membership vote determines the number of directors.

Section 3: Terms of Office

Directors shall be elected at each annual meeting of the members, to hold office until the next annual meeting. Each director, including a director elected to fill a vacancy or elected at a special members' meeting, shall hold office until expiration of the term for which elected, and until a successor has been elected and qualified.

Section 4: Vacancies

- (A) A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of the following:
- (1) The death, resignation, or removal of any Director;
 - (2) An increase in the authorized number of Directors
 - (3) The failure of the members, at any meeting of the members at which any director directors are to be elected, to elect the number of directors to be elected at such meeting.

- (B) Except as provided in this paragraph, any director may resign, which resignation shall be effective on giving written notice to the president, unless the notice specifies a later time for the resignation to become effective. If the resignation of a director is effective at a future time, the members may elect a successor to take office when the resignation becomes effective.
- (C) Vacancies on the Board may be filled by approval of the Board or, if the number of directors then in office is less than a quorum, by the unanimous written consent of the directors then in office, or by a sole remaining Director. A person appointed to fill a vacancy as provided by this Section shall hold office until the expiration of the term of the replaced Director. The Board of Directors may declare vacant the office of a director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under Section 5230 and following of the California Nonprofit Public Benefit Corporation Law. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of the Director's term of office.

Section 5: Removal of Directors

A Director may be removed from office if any of the following has been found to have occurred:

- (A) A majority of Directors determine that the Director has not continued to meet the duties of Directors as set forth in these Bylaws.
- (B) A conflict of interest is found to exist between the Director and ECC.
- (C) The Director is found to have engaged in activities that are directly contrary to the interests of ECC.
- (D) The Director is found to be engaged in the misrepresentation of ECC and its policies to outside third parties, either willfully, or on a repeated basis.
- (E) Pursuant to Article VI, Section 6(B), herein.

Before any removal occurs, the Director will be advised of the allegation and the basis for the allegation, and will be given an opportunity to present to the Board any contrary evidence, or explanation the Director may have. Removal must be by a majority vote of all the Directors.

Section 6: Duties

- (A) Attend Board meetings and activities.
- (B) Be an active, dues paying member of ECC. If a Board member's membership lapses for more than two months, that director will automatically be removed from the Board.
- (C) Supervise all officers, agents, and employees of ECC to assure that their duties are performed properly.
- (D) Make disbursements from the funds and properties of ECC as are required to fulfill the purposes of ECC and generally to conduct, manage and control the activities and affairs of ECC and to make rules and regulations not inconsistent with law, with the Articles of Incorporation or with these Bylaws, as they may deem best.

Section 7: Regular Meetings

Regular meetings of the Board shall be held on the second Monday of every month or as designated by the Board. Other general meetings of the Board may be held without notice at such

times and places as the board may fix from time to time.

Any meeting, regular or special may be held by conference call, or by email, so long as all directors participating in such meeting can hear one another or receive email from one another.

Section 8: Special Meetings

Special meetings of the Board of Directors may be called by the President, Vice President, Secretary, or by any two directors, and such meetings shall be held at the place within Napa County designated by the person or persons calling the meeting.

Section 9: Notice of Meetings

Regular meetings of the Board may be held without notice. Special meetings of the Board shall be held upon 4 days' notice by first class mail or 48 hours' notice given by personal delivery, telephone or email. The notice shall specify the place, day and hour of the meeting. If sent by mail, the notice shall be deemed to be delivered on its deposit in the mail. Such notices shall be addressed to each director at his or her address as shown on the books of ECC. Any notice by electronic mail shall be signed or shall indicate that ECC is the sender.

Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than 24 hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to directors absent from the original meeting if the adjourned meeting is held more than 24 hours from the time of the original meeting.

Section 10: Waiver of Notice

The transactions of any meeting of the board of directors, however called and noticed, or wherever held, shall be as valid a though taken at a meeting duly held after regular call and notice, if

- (A) quorum is present; and
- (B) Either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting.

All waivers, consents and approvals shall be filed with corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 11: Quorum

A quorum shall consist of a majority of the Board of Directors except when a vacancy or vacancies prevents this majority. In such a case, a majority of the Directors in office shall constitute a quorum.

Except as otherwise provided in these Bylaws, the Articles of Incorporation of ECC, or by law, no business shall be considered by the Board at any meeting at which a quorum is not present,

and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.

The directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of ECC.

Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present, shall be regarded as the act of the board of directors, subject to the provisions of the California Nonprofit Corporation Law.

Section 12: Conduct of Meetings

Meetings of the Board of Directors shall be presided over by the President of ECC or, in his or her absence, by the Vice President of ECC or, in the absence of each of these persons, by a Chairperson chosen by a majority of the directors present at the meeting. The Secretary shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Section 13: Action by Majority Written Consent Without Meeting

Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if a majority of all members of the Board individually or collectively consent in writing to such action. For the purposes of this Section only, "all members of the Board" shall not include any "interested director" as defined in Section 5233 of the California Nonprofit Public Benefit Corporation Law.

Such written consent or consents may be by email. Each email action will be included on the agenda of the next Board of Directors meeting as an informational item and will be recorded in the meeting minutes that the action was done by email with the date and initials of the 'aye' votes. Such action by written consent shall have the same force and effect as a majority vote of the directors.

Section 14: Non-Liability of Directors

The directors shall not be personally liable for the debts, liabilities, or other obligations of ECC.

Section 16: Committees

To provide leadership and guidance in specialized areas and deal with specific tasks or issues, the Board may appoint Committees by resolution passed by a majority of the Board of Directors. The Board shall define the functions of each Committee. Committees shall make recommendations to the Board. Committees of the Board shall not be delegated the power and authority to adopt, amend, or repeal these Bylaws, or such other powers as may be prohibited by law. The Committees shall keep minutes of each meeting and report to the Board from time to time as the Board may require.

ARTICLE VII FISCAL YEAR

Section 1: Fiscal Year

The fiscal year of ECC shall begin on the first day of January and end on the last day of December in each year.

The Board of Directors shall draft a budget in January for the current fiscal year. The Budget shall contain a summary of anticipated income and expenditures. At a minimum, income shall include line items for Membership Dues and Interest from bank deposits. At a minimum, expenses shall include a line item for administration (for items such as insurance, meetings, and rental of storage space) and club benefits (such as meals and lodging for trips and outings, and social events).

The budget shall be voted on by the membership at a Regular Meeting held no later than February 28. The budget may be approved, approved with amendments, or rejected. If it is rejected, it shall be revised and presented at the next Regular Meeting. Until the budget is approved, the Board of Directors shall use the budget from the prior year as guidance for approving expenditures.

The budgeted expenses may exceed the budgeted income in the approved budget by an amount no greater than 10% of the liquid assets (bank accounts and investments) held by the club at the end of the preceding fiscal year.

Section 2: Budget Modifications

The Board of Directors has the authority to make expenditures for items that are included in the budget that was approved by the membership. The Board of Directors may also approve the expenditure of up to \$500 for any item that is not included in the annual budget. These may include fundraisers (such as the Tour of Napa Valley, Cherry Pie Criterium, Skyline Mountain Bike Race) and unexpected expenses.

Once a quarter, the Treasurer shall summarize the income and expenditures to date. If the expenditures in any line item in the approved annual budget exceed the budgeted amount by \$500 or 10%, whichever is larger, the Board of Directors shall obtain the approval of the membership before making additional expenses in that budget line item.

If the expenditures for any activity that was not included in the annual budget are anticipated to exceed \$500, the Board or designated activity chairperson will prepare a budget for that activity and present it to the Membership. The Treasurer shall set up an accounting procedure to track all income and expenses from such activities and include a summary in the quarterly report.

Section 3: Member Choice Donations

All contributions to charities must be approved by the Membership. Contributions may be designated in the club budget or come from fundraisers.

In October, the Treasurer will provide a summary of profit or loss from each of the fundraisers that were completed during the year. If there is a profit from fundraisers held throughout the year, and the ECC expenditures exceed the ECC income for items other than fundraisers, then the profits should first be applied to that deficit. If there are still profits after the payment to ECC, they shall be distributed in the method described below.

Members will be asked to nominate charities to receive a donation. Nominees must be local to the Bay Area and use the money to further the stated Purpose and Objectives of the ECC. The Board of Directors will review the list of nominees to assure they meet the stated criteria. A list of approved nominees will be presented to each ECC member for voting. This list shall include the ECC as one of the beneficiaries. Each ECC member may cast three votes. The available funding will be divided in proportion to the number of votes received by the three beneficiaries receiving the most votes. The results of this process will be announced at the Annual Meeting.

ARTICLE VIII INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

Section 1: Definitions

- (A) “Agent” means any person who is or was a director, officer, employee, or other agent of this corporation, or is or was serving, at the request of this corporation, as a director, officer, employee of agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic that was a predecessor corporation of this corporation, or of another enterprise at the request of the predecessor corporation.
- (B) “Proceeding” means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative.
- (C) “Expenses” includes, without limitation, all attorney’s fees, costs, and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of his position or relationship as agent, and all attorney’s fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

Section 2: Successful Defense by Agent

To the extent that an agent of this corporation has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonable incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against him or her, then the provisions of Sections 3 through 5 shall determine whether the agent is entitled to indemnification.

Section 3: Actions Brought by Persons Other Than the Corporation

Subject to the required findings to be made pursuant to Section 5, below, this corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding other than an action brought by, or on behalf of, this corporation, or by an officer, director, or person granted related status by the Attorney General on the ground that the defendant director was or is engaging in self-dealing within the meaning of California Corporations Code section 5233, or by the Attorney General, or a person granted related status

by the Attorney General, for any breach of duty relating to the assets held in charitable trust, by reason of the fact that such person is, or was, an agent of this corporation, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.

Section 4: Action Brought by or on Behalf of the Corporation

- (A) Claims Settled Out of Court: If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this corporation, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition, or for any expenses incurred in defending against the proceeding, unless it is settled with the approval of the Attorney General.
- (B) Claims and Suits Awarded Against Agent. This 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 brought by or on behalf of this corporation by reason of the fact that the person is or was an agent of this corporation, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:
- (1) The determination of good faith conduct required by Section 5, below, must be made in the manner provided for in that Section, and
 - (2) Upon application, the court in which the action was brought must determine that, in view of all the circumstances of the case, the agent should be entitled to indemnity for the expenses incurred. If the agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 5: Determination of Agent's Good Faith Conduct

The indemnification granted to an agent in Section 3 and 4, above, is conditioned on the following:

- (A) Required Standard of Conduct: The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he or she believed to be in the best interest of this corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any proceeding by judgment, order, settlement, conviction, on a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith or in a manner which she or he reasonably believed to be in the best interest of this corporation, or that he or she had reasonable cause to believe that such conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that such conduct was unlawful.
- (B) Manner of Determination of Good Faith Conduct: The determination that the agent did act in a manner complying with Paragraph (a), above, shall be made by:
- (1) The board of directors, by a majority vote of a quorum, consisting of directors who are not parties to the proceeding, or

- (2) The affirmative vote of a majority of the votes represented and voting at a duly held meeting of the members at which a quorum is present (which affirmative votes also constitute a majority of the required quorum), or
- (3) The court in which the proceeding is or was pending. Such determination may be made on application brought by this corporation, or the agent or the attorney or other person rendering a defense to the agent, whether or not the application by the agent, attorney, or other person is opposed by this corporation.

Section 6: Limitations

No indemnification or advance shall be made under this Article, except as provided in Sections 2 or 5(b)(3), in any circumstances, when it appears:

- (A) That the indemnification or advance would be inconsistent with a provision of the Articles, a resolution of the members, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification, or
- (B) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement

Section 7: Advance of Expenses

Expenses incurred in defending any proceeding may be advanced by this corporation before the final disposition of the proceeding upon receipt of an undertaking by or on behalf of the agent to repay the amount of the advance unless it is ultimately determined that the agent is entitled to be indemnified as authorized in this Article.

Section 8: Insurance

The board of directors may adopt a resolution authorizing the purchase and maintenance of insurance, on behalf of any agent of the corporation, against any liability other than for violating provisions against self-dealing, asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this corporation would have the power to indemnify the agent against that liability under the provisions of this Article.

ARTICLE IX EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

Section 1: Execution of Instruments

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of ECC to enter into any contract or execute and deliver any instrument in the name of and on behalf of ECC, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind ECC by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount

Section 2: Checks and Notes

No disbursement of ECC money or property shall be made until the President, Treasurer, Directors or membership first approve it. However, the Directors shall have the authority to

appropriate specific sums to fulfill the objects and purposes for which ECC was formed and to direct the officers and agents of ECC from time to time to make disbursements to implement the appropriations.

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the ECC shall be signed by the President, Treasurer or Co-Treasurer.

Section 3: Deposits

All funds of the ECC shall be deposited from time to time to the credit of the ECC in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4: Gifts

The Board of Directors may accept on behalf of the ECC any contribution, gift, bequest, or devise for the charitable or public purposes of the ECC.

ARTICLE X RECORDS AND REPORTS

Section 1: Maintenance of Corporate Records

The Corporation shall keep:

- (A) Adequate and correct books and records of account;
- (B) Minutes in written form of the proceedings of its members, board, and committees of the board;
- (C) A record of its members, giving their names, addresses, telephone numbers, email addresses, and the class of membership held by each. All such records shall be kept at such places as the Board of Directors may designate. Said locations shall be noted by the secretary in the minute book.

Section 2: Member's Inspection Rights

- (A) Any member of the corporation may inspect the accounting books and records and minutes of the proceedings of the members, and the board and committees of the board, at any reasonable time, for a purpose reasonably related to such person's interest as a member
- (B) Any inspection and copying under this section may be made in person or by an agent or attorney of the member, and the right of inspection includes the right to copy and make extracts.

Section 3: Maintenance and Inspection of Articles and Bylaws

- (A) The original or a copy of the Articles and Bylaws as amended to date, shall be maintained by the secretary and open to inspection by members, at reasonable times and upon reasonable request.
- (B) A current copy of the bylaws shall be maintained on the corporation's web site, where it shall be open to inspection by members.

Section 4: Inspection by Directors

Every director shall have the absolute right, at any reasonable time, to inspect all books, records, documents, and property of the corporation. This inspection by a director may be made in person, or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

**ARTICLE XI
CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws.

**ARTICLE XII
AMENDMENT OF BYLAWS**

Section 1: Amendment of Bylaws

New Bylaws may be adopted or these Bylaws may be amended or repealed by approval of a majority of a quorum of the members. However, if the corporation has more than one class of voting members, any amendment which would materially and adversely affect the rights of any class as to voting or transfer, differently than such action affects another class, must be approved by a majority of the membership of such affected class.

No amendments may extend the term of a director beyond that for which such director was elected.

Section 2: Record of Amendments

Whenever an amendment or new Bylaw is adopted, it shall be copied in the Minute Book of the ECC with the original Bylaws, in the appropriate place. If any Bylaw is repealed, the fact of repeal with the date of the meeting at which the repeal was enacted or written assent was filed shall be stated in the Minute Book.