



LOTUS, Ltd.

North America's Largest Lotus Car Club

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LOTUS, LTD. BYLAWS

ARTICLE I

Name And Fiscal Year

The name of the corporation is Lotus, Ltd ("Corporation"). The fiscal year shall commence on 1 January of each year.

ARTICLE II

Purpose

The purpose of the Corporation is to provide a forum for those persons interested in the history and preservation of Lotus cars, for the furtherance of the knowledge and preservation of Lotus cars, to engage in sporting events designated to promote the Lotus marque and to provide a network for those persons with such interests. The Corporation shall not be conducted for profit, and no income derived by nature of the activities or investments of the Corporation, or derived by the Corporation from any source, shall be distributed to Members of the Corporation.

ARTICLE III

Membership

Section 1. Members: The corporation shall have two classes of members, designated "Members", in whom shall be vested all of the voting powers of the corporation for the election of officers and directors and all other purposes.

Regular Members shall consist of dues paying individuals who are interested in the furtherance of the purposes of the Corporation, as well as any person designated by the directors as a Member, and shall hereafter be referred to in these by-laws as "Member" or "Members". In the event that a membership is taken in the name of a husband and wife, a family, any other grouping of persons of which each person has not submitted individual membership applications and paid the appropriate dues or other entity, such grouping shall be considered a Member and shall be entitled to one vote.

Charter Members are those persons who: organized and funded the creation of the Corporation in 1973, were designated as Charter Members, have complied with the requirements of the Corporation's by-laws and for whom the Corporation has a present correct mailing address. Charter membership shall terminate should the Corporation no longer have a valid mailing address for the Charter Member. Once terminated, charter membership shall not be restored.

Section 2. Membership Period: Membership shall commence upon the payment of such dues or initiation fees as the Board may from time to time determine; shall be for a twelve (12) month period or such other period as determined by the Board; and shall be renewed annually upon the timely payment of dues to the treasurer of the Corporation in the amount and at such times as determined from time to time by the Board. Charter Members shall not be assessed any dues.

Section 3. Removal And Resignation: Members may be removed or suspended at any time for any action deemed inimical to the best interests or to the general objectives of the Corporation or for any violation of its rules and regulations by a two-thirds (2/3) vote by the Board then in office but only after reasonable notice and an opportunity to be heard before the Board. In the event that a Member is removed or suspended, he or she shall receive reimbursement, on a pro-rata basis, of his or her dues for the period of time he or she is removed or suspended.

Members may resign at any time by submitting his or her resignation in writing to the corresponding secretary or any other officer of the Corporation. Such resignation shall be effective as of the date of the writing and all privileges shall terminate as of that date. In the event that a Member resigns, there will be no refund of a resigning Member's dues.

Section 4. Non-Discrimination: The Corporation affirms that membership is open to any person sharing the purposes of the Corporation and no person applying for membership shall be denied membership on the basis of his or her race, nationality, religion, creed, sex or any other reason not related to the purposes or functioning of the Corporation.

Section 5. Additional Membership Classes, Rights And Privileges: The Board may create such additional membership classes as it deems appropriate as well as determine the term, dues and benefits of such additional classes.

ARTICLE IV

Meetings Of The Members

1. Place: All meetings of the Members shall be held at such place within the United States of America as is named in the call of the meeting or may be held via teleconference or any other means of electronic communication.

Section 2. Annual Meeting: The annual meeting of the Members shall be held on the third Saturday in January at such place as is designated in the call of the meeting. In the event the annual meeting is not held on such date, a special meeting in lieu of the annual meeting may be held with all the force and effect of an annual meeting.

Section 3. Special Meeting: A special meeting of the Members may be called by the president or by a majority of the directors then in office, and shall be called by the corresponding secretary, or in the case of death, absence, incapacity, or refusal of the corresponding secretary, by any other officer, upon written application of fifty or more Members entitled to vote thereat. In case no officer is able and willing to call a special meeting, any court of competent jurisdiction, upon application of fifty or more Members entitled to vote thereat, shall authorize one or more of such Members to call a meeting by giving such notice as is required by these by-laws.

Section 4. Notice: Meetings of the Members shall be called by giving at least ten (10) business days written notice to each Member entitled to vote thereat, stating the place, day and hour for the meeting. Notices shall be mailed post-paid to or delivered at the addresses of the members as they appear on the books of the Corporation, or may be made by announcement in the Corporation's newsletter or similar publication. Whenever notice of a meeting is required to be given a Member under applicable law, the articles of organization, or these by-laws, a written waiver thereof, executed before or after the meeting by such Member or his or her attorney thereunto authorized and filed with the records of the meeting, shall be deemed equivalent to such notice.

Section 5. Quorum: For purposes of the annual meeting, twenty voting Members shall constitute a quorum, but a smaller number may adjourn from time to time without further notice until a quorum is present. For purposes of a special meeting, a quorum shall consist of those Members present at such special meeting.

Section 6. Action By Consent: Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting if all the Members entitled to vote thereat consent to the action in writing and the written consents are filed with the records of the meetings of Members. Such consents shall be treated for all purposes as a vote at a meeting.

ARTICLE V

Officers And Directors

Section 1. Enumeration: The Corporation shall have a board consisting of not less than three directors who shall have the powers and duties of a board of directors of a non-profit corporation under Maryland law. The number of directors shall be fixed at the annual meeting, and may be changed at any special meeting, by vote of the Members having the right to vote in the election of directors; provided that at all times there shall be a sufficient number of directors such that the Board shall consist of an odd number of people. The initial number of directors shall be set at nine (9). The officers of the Corporation shall be a president, a vice president, a treasurer, a recording secretary, corresponding secretary and such other officers, as the directors shall deem necessary.

Section 2. Qualifications: Directors and officers must be Members whose dues are paid to date and who are in good standing. All officers must also be directors. No person shall hold two or more offices except in the event of the resignation of an officer or for some other reason a vacancy occurs, the Board may appoint a person then holding an office as an interim officer until such time as a person is selected or elected to fill the vacancy. However, in the event that a person shall hold more than one office that person shall be entitled to a single vote.

Section 3. Directors: The initial directors shall be those persons named as officers having the powers of directors in the articles of organization. The directors shall be elected at the annual meeting of the Members by such Members as have the right to vote thereon. Except as hereinafter provided, the directors shall hold office for a term of one year or until their respective successors are elected and qualified. Directors may be removed from office at any time, for any action deemed inimical to the best interests or to the general objectives of the Corporation or for any violation of its rules and regulations by a two-thirds (2/3) vote by those Members present at a special meeting held for the purpose of removing a director from office but only after reasonable notice and an opportunity to be heard before the Members.

Section 4. Officers: The initial officers shall be those persons named as officers in the articles of organization. The officers shall be elected at the annual meeting of the Members by such Members as have the right to vote thereon. The directors may at any time appoint such other officers as they shall determine to serve until the next election. Except as hereinafter provided, the officers shall hold office for a term of one year or until their respective successors are elected and qualified. Officers may be removed from office at any time for any action deemed inimical to the best interests or to the general objectives of the Corporation or for any violation of its rules and regulations by a two-thirds (2/3) vote by the Board then in office but only after reasonable notice and an opportunity to be heard before the Board.

Section 5. Resignations: Any director or officer may resign at any time by giving his or her resignation in writing to the president, treasurer, recording secretary or any director of the Corporation.

Section 6. Vacancies: Continuing directors may act despite a vacancy or vacancies in the board and shall for this purpose be deemed to constitute the full board. Any vacancy in the board of directors, however occurring, including a vacancy resulting from the enlargement of the Board, may be filled by the directors. Vacancies in any other office may be filled by the directors.

Section 7. Term Limitation, Miscellaneous: No person shall be elected by the Members to the offices of president or treasurer for more than two consecutive terms. All officers and directors shall be residents of the United States, Canada or Mexico.

ARTICLE VI

Powers and Duties of Directors and Officers

Section 1. Board of Directors: The business and affairs of the Corporation shall be run by the Board of Directors (“Board”). The Board may from time to time, to the extent permitted by law, delegate any of its powers to committees, officers, boards of advisors, attorneys, or agents of the Corporation, subject to such limitations as the board of directors may impose.

Section 2. Senior Advisor: The immediate past president of the Corporation shall be designated as the “Senior Advisor” and shall have all the rights and privileges of a Director except that the Senior Advisor shall not cast a vote unless there is a tie vote of the Directors. In the event that the Senior Advisor shall already be a member of the Board due to having been elected to another office or as a director, the first past president preceding him or her, who is not otherwise a Board member, shall be designated the Senior Advisor.

Section 3. President: The president shall be the chief executive officer of the Corporation and as such shall have charge of the affairs of the Board and shall preside at all meetings at which he or she is present. The president shall also have such other powers and duties as customarily belong to the office of president or as may be designated from time to time by the Board.

Section 4. Vice President: The vice president shall perform all of the duties within the province of the president, in the absence of the president, or in the case of the death, resignation or the inability to act by the president. The vice president shall also have such other powers and duties as customarily belong to the office of vice president or as may be designated from time to time by the Board.

Section 5. Treasurer: The treasurer shall be the chief financial officer of the Corporation. The treasurer shall: a) have custody of all of the funds of the corporation and shall be responsible for payment of all valid obligations of the Corporation. All checks shall be countersigned by an authorized officer or director of the Corporation. In no event shall any check payable to an officer or director of the Corporation be signed by a payee of the check. All funds of the Corporation shall be deposited in an institution insured by the FDIC or such successor organization as may be organized.); b) maintain books of account which reflect the true balances, assets and liabilities of the Corporation; c) insure compliance with the by-laws in all matters pertaining to the financial affairs of the Corporation; d) prepare and cause to be published in the Corporation’s newsletter a complete annual corporate financial report; e) prepare an income statement and balance sheet for each meeting of the Board, if so requested; f) be responsible for the preparation and filing of all appropriate tax returns and payment of any taxes validly assessed upon the Corporation; and g) submit the Corporation’s account and records, on an annual basis, to the President for review by an audit committee comprised of at least two members of the Board other than the president or the treasurer, if so requested. The treasurer shall also have such other powers and duties as customarily belong to the office of treasurer or as may be designated from time to time by the Board.

Section 6. Corresponding Secretary: The corresponding secretary shall publish notice of all special and annual meetings of the Members, proposed and adopted amendments to the articles of incorporation and by-laws and other correspondence necessary for the normal functioning of the Corporation.

Section 7. Recording Secretary: The recording secretary shall record complete minutes of all proceedings and votes of the meetings of the Board or Members. The recording secretary shall have custody of the seal of the Corporation as well as the corporate records unless otherwise directed by the Board, unless kept at the Corporation’s office or at some other location as directed by the Board.

Section 8. Other Officers: Other officers shall have such powers as may be designated from time to time by the Board.

ARTICLE VII

Meetings of the Board

Section 1. Place: Meetings of the Board shall be held at such place within or without North America as may be named in the notice of such meeting. Members of the Board or any committee designated thereby may participate in a meeting of the Board or committee by means of a conference telephone call or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

Section 2. Annual and Regular Meetings: The annual meeting of the Board shall be held each year immediately after and at the place of the annual meeting of the Members at which the Board is elected. In the event the annual meeting is not held on such date, a special meeting in lieu of the annual meeting may be held with all the force and effect of an annual meeting. Regular meetings may be held at such times as the Board shall fix.

Section 3. Special Meetings: Special meetings of the Board may be called at other times throughout the year by the president or, if he or she is unwilling or unable, then by any other officer or any three directors, unless there are less than three directors, in which case by any one director.

Section 4. Notice: No notice need be given for a regular or annual meeting. Forty-eight hours notice by certified or overnight mail with return receipt, telegraph, telephone, or word of mouth shall be given for a special meeting unless shorter notice is adequate under the circumstances. A notice or waiver of notice need not specify the purpose of any special meeting. Notice of a meeting need not be given to any board member, if a written waiver of notice, executed by him or her before or after the meeting, is filed with the records of the meeting, or to any board member who attends the meeting without protesting prior thereto or at its commencement, the lack of notice to him or her.

Section 5. Quorum: A majority of the Board members then in office shall constitute a quorum, but a smaller number may adjourn finally or from time to time without further notice until a quorum is secured. If a quorum is present, a majority of the Board members present may take any action on behalf of the Board except to the extent that a larger number is required by law, the articles of organization, or these by-laws.

Section 6. Actions By Consent: Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all the board members consent to the action in writing and the written consents are filed with the records of the meetings of the Board. Such consents shall be treated for all purposes as a vote at a meeting.

ARTICLE VIII

Elections - Votes

Section 1. Elections: Officers and directors shall be elected at the Corporation's annual meeting or such other time as determined by the Board. Notice of an election and a request for nominations shall be made no later than sixty (60) days prior to the date scheduled for the next election. The Board may select a nominating committee to propose a slate or individuals to run for specific offices. Nominations shall close no later than thirty (30) days prior to the date scheduled for the next election. Notice of the election as well as those persons nominated, and accepting nomination, shall be made by inclusion in the Corporation's newsletter or by a separate, first class, mailing. If published in the Corporation's newsletter, it shall be included in an issue which is mailed no less than forty five (45) days prior to the last day by which ballots must be returned or, if mailed by first class mail, mailed no less than thirty (30) days prior to the last day by which ballots must be returned. The results of the vote shall be published as soon as is reasonably possible in the Corporation's newsletter.

All votes shall be by secret ballot and any Member unable to attend a meeting of the Members shall be entitled to submit a proxy. Members may vote by proxy in writing dated not more than six months before the meeting named therein, which shall be filed with the corresponding secretary, before being voted.

Nominations may not be made at the meeting and write-in votes will not be counted.

Each nominee for a specific office or position receiving the largest number of votes for that office or position shall be considered as elected.

Section 2. Votes - Amendments: The corresponding secretary shall cause to be published any proposed amendment of the Corporation's articles of incorporation or by-laws, together with an explanation of the amendment and need of the amendment as stated by its sponsors. Publication may be made by inclusion in the Corporation's newsletter or by a separate, first class, mailing. If published in the Corporation's newsletter, it shall be included in an issue which is mailed no less than forty five (45) days prior to the last day by which ballots must be returned or, if mailed by first class mail, mailed no less than thirty (30) days prior to the last day by which ballots must be returned. The results of the vote shall be published as soon as is reasonably possible in the Corporation's newsletter.

Section 3. Voting: At all meetings or in all votes of the Members, each Member shall be entitled to one vote. When a quorum is present at any meeting, the vote of a majority of the Members represented and entitled to vote thereat shall, except where a larger vote may be required by law, the articles of organization, or these by-laws, decide any question brought before the meeting.

ARTICLE IX

Indemnification of Directors and Officers

The Corporation shall indemnify any and all persons who may serve or who have served at any time as directors, officers of the corporation or Board members at any time have served as directors or officers of another organization in which the Corporation at such time owned or may own shares or of which the Corporation was or may be a creditor, against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon such director, officer or Board member in connection with any proceeding in which they may become involved, by reason of his or her being or having been a director or officer of the Corporation or Board member or of such other organization to the maximum degree permitted under the laws of the state of Maryland; such indemnification shall include payment by the corporation of expenses in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, upon receipt of an undertaking by the person indemnified to repay such payment if he or she shall be adjudicated to be not entitled to such indemnification under this article; provided that no indemnification shall be provided for any director, officer or Board member with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable

belief that his or her action was in the best interests of the Corporation or that such actions were grossly negligent. The terms “director”, “officer” and “Board member” as used herein shall include the heirs, executors, and administrators of such directors, officers and Board members. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director, officer or Board member may be entitled. Indemnification of other employees or agents of the Corporation may be provided to the extent authorized by the directors subject to the same limitations as are herein imposed on the indemnification of directors, officers and Board members.

ARTICLE X

Personal Liability

The Members, officers and directors of the Corporation shall not be personally liable for any debt, liability or obligation of the Corporation. All persons, corporations or other entities extending credit to, contracting with, or having any claim against the Corporation, may look only to funds and property of the Corporation for payment of any such debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the Corporation.

ARTICLE XI

Limitations

The Corporation is organized solely for, and shall be operated exclusively, the purposes stated herein. No part of the earnings of the Corporation shall inure to the benefit of, or shall be distributed to its Members, officers or directors or their private persons, except to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the Corporation. No substantial part of the activities of the Corporation shall be the carrying on of attempting to influence legislation and the Corporation shall not participate in any political campaign on behalf of any candidate for public office.

ARTICLE XII

Dissolution

In the event that the Corporation shall be dissolved, after the payment of all outstanding liabilities of the Corporation, if any funds remain there shall be a pro-rata refund of membership dues. If funds remain after this refund, the disposition of the balance of the funds remaining shall be disposed of as directed by a vote of the Members. In no event shall any funds, other than a pro-rata refund of membership dues, inure to the benefit of any officer or Member of the Corporation.

ARTICLE XIII

Amendment

These by-laws and the Corporation’s articles of organization may be altered, amended or repealed, in whole or part, by the affirmative vote of two-thirds of those Members entitled to vote thereon present and voting at any meeting, the notice of which contains a statement of the proposed alteration, amendment, or repeal and is sent to the Members in compliance with the requirements of Article VIII, Section 2.

An alteration, amendment or repeal of the by-laws or articles of organization, in part or in whole, may be proposed by fifty or more Members then qualified to vote at a meeting of the Members or by a majority vote of the Board.

The Board may also alter, amend or repeal these by-laws or the Corporation’s articles of organization, in whole or in part. Notice of any alteration, amendment or repeal proposed by the Board shall be published in the Corporation’s newsletter prior to enactment by the Board. After a comment period of at least thirty (30) days from the date of publication of the issue of the newsletter containing the notice, and after consideration of any comments received from the Members, the Board may enact the proposed alteration, amendment or repeal. Immediately after such alteration, amendment, or repeal is voted by the Board, written notice of such action shall be given to the membership by publication in the next available issue of the Corporation’s newsletter. Any such alteration, amendment or repeal by the Board may then be altered, amended or repealed, in whole or in part, by the affirmative vote of two-thirds of the membership entitled to vote thereon present and voting at any meeting, the notice of which contains a statement of the alteration, amendment or repeal. Notwithstanding the above provisions of this Article XIII, any amendment, alteration or repeal of a by-law by the Board, as provided for in this Article XIII, shall be valid and given full force and effect unless and acted upon by the membership.