



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 January first of each year.

ARTICLE II

Purpose

The purpose of the Corporation is to sustainably support our local chapters by delivering education and experiences with comprehensive support and to make social connections between them. 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:** Members shall consist of dues paying individuals who are interested in the furtherance of the purposes of the Corporation, as well any person designated by the directors as a Member, and shall hereafter be referred to in these by-laws as "Member" or "Members" and in whom shall be vested all of the voting powers of the corporation for the election of officers and directors and all other purposes. In the event that 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 one Member and shall be entitled to one vote.

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 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.

Section 3. **Removal And Resignation:** A member 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. A member 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**

Section 1. **Place:** All meetings of the Members shall be held at such place 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 during the annual Lotus Owners Gathering at such place as is designated in the call of the meeting. In the event the annual meeting is not held during the LOG, a special meeting in lieu of the annual meeting maybe held with all the force and effect of an annual meeting.

Section 3. **Special Meeting:** A special meeting of the Members may be originated 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 thirty 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 seven (7) business days written notice to each Member entitled to vote thereat, stating the place, day and hour for the meeting. Notices shall be emailed to the addresses of the members as they appear on the books of the Corporation. Whenever notice of a meeting is required to be given a Member under applicable law, the Articles of Incorporation, 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, twelve (12) 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.

ARTICLE V

Officers and Directors

Section 1. **Enumeration:** The Corporation shall have a board consisting of nine (9) 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 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 officers of the Corporation shall be a President, a Vice President, a Treasurer, a Recording Secretary, a 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 resignation or for some other reason a vacancy occurs, the President may, with Board approval, appoint a Member in good standing as an interim director or officer until such time as a person is elected to fill the vacancy. However, in the event that a person shall hold more than one office that person shall only be entitled to a single vote.

Section 3. **Terms of Office:** Officers and directors shall be elected in accordance with Article VIII of these bylaws by such members as have the right to vote thereon. Except as hereinafter provided, the directors shall hold office for a term of two years or until their respective successors are elected and qualified. Officers and directors serve two-year terms; therefore, in even years President, Treasurer, Corresponding Secretary, and #1 & 2 Director at Large positions shall stand for election. In odd years Vice President, Recording Secretary, and #3 & 4 Director at Large Positions shall stand for election so that continuity shall be maintained on the Board. An Officer or a Director may be removed from office at any time, for any action deemed inimical to the interests or the objectives of the Corporation or for any violation of its rules and regulations by a two-thirds (2/3) vote by those Board members present at a special meeting held for the purpose of removing a director from office but only after the one being removed has had reasonable notice and an opportunity to be heard before the Board.

Section 4. **Officers:** The officers of the Corporation shall be a President, a Vice President, a Treasurer, a Recording Secretary, a Corresponding Secretary and such other officers, as the directors shall deem necessary. The directors may at any time appoint such other officers as they shall determine to serve until the next election.

Section 5. **Resignations:** Any director or officer may resign at any time by giving his or her resignation in writing to the President, Treasurer, or Recording Secretary 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 on the board of directors, however occurring, including a vacancy resulting from the enlargement of the Board, may be filled by the President who, with Board approval, may appoint a member in good standing as an interim director or officer until such time as a person is elected to fill the vacancy.

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. **President Emeritus:** The immediate past President of the Corporation shall be designated as the President Emeritus and shall have all the rights and privileges of a director except that the he or she shall not cast a vote unless there is a tie vote of the directors. If the President Emeritus is already a member of the Board 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 President Emeritus.

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, including the authority to appoint advisors as required for special expertise.

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 responsibility for all the funds of the Corporation and oversee the payment of all valid obligations of the Corporation. All checks shall be authorized by an officer of the Corporation. In no event shall any check payable to an officer be signed by a payee of the check. All Corporation funds shall be deposited in an institution insured by the FDIC or such successor organization as may be implemented; 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 on the Corporation’s website 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 by any board member. 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 answer member and non-member inquiries relating to club’s administrative matters and maintain the membership data base which includes processing new, rejoining, and current memberships necessary for the normal functioning of the Corporation. The Corresponding Secretary shall have custody of the seal of the Corporation as well

as the corporate records unless otherwise directed by the Board.

Section 7. **Recording Secretary:** The Recording Secretary shall record comprehensive minutes of all proceedings and votes of the meetings of the Board or Members. The Recording Secretary shall submit the minutes for approval not later than two weeks after such a meeting.

ARTICLE VII

Meetings of the Board

Section 1. **Place:** Meetings of the Board shall be held at such place within 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, Zoom or Teams meeting, 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 concurrently with the annual meeting of the Members. 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 Board 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 officer or any three directors.

Section 4. **Notice:** Five days' notice shall be given for a regular or annual meeting. 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. Any board member unable to attend may vote on an issue by sending a statement of justification and a yea or nay decision, in writing, to the President, prior to the meeting, 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 there must be a minimum of four votes approving or if larger number is required by law, the Articles of Incorporation, or these by-laws.

ARTICLE VIII

Elections – Votes

Section 1. **Elections:** Officers and directors shall be elected in December of each year. Notice of an election and request for nominations shall be made no later than August 31 of each year. The Board may select a nominating committee to propose a slate of individuals to run for specific offices. Nominations shall close September 30 of each year. Notification of the election as well as those persons nominated, and accepting nomination, shall be made by an emailing and posting on the Corporation's website no later than October 31 of each year. Nominations may no longer be made once the nominations have been

published. The ballot, a photo, and a qualification statement of 150 words or less from each candidate, shall be posted on the Corporation's website on or before November 15 of each year and the voting shall commence until December 15 of each year. The ballots will be counted and the election results will be certified prior to publication by two members of the Board, who are not running for re-election in this cycle, by end of business day December 30 of each year. Each nominee for a specific office or position receiving the largest number of votes for that office or director position shall be elected and begin his/her term January 1 of each year. The results of the election shall be posted on the Corporation's website as soon as possible after the voting has been certified.

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 for the amendment as stated by its sponsors. Publication shall be made by a separate emailing 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 on the Corporation's website.

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 decide any question brought before the meeting, except where a larger vote may be required by law, the LLtd. Articles of Incorporation, or these by-laws.

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 for any action taken in good faith during their term of service 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 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 become due or payable to them from the Corporation.

ARTICLE XI

Limitations

The Corporation is organized solely for, and shall be operated exclusively for, 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 part of the activities of the Corporation shall be 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, any funds remaining 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 benefit any officer or Member of the Corporation.

ARTICLE XIII

Amendment

An alteration, amendment or repeal of the by-laws or articles of organization, in part or in whole, may be proposed by 5% or more of the 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.

The Board may also alter, amend or repeal these by-laws or the Corporation's articles of organization, in whole or in part or by a majority vote of the Board. Notice of any alteration, amendment or repeal proposed by the Board shall be published on the Corporation's website prior to enactment by the Board. After a comment period of at least thirty (30) days from the date of publication of the alteration, amendment, or repeal, 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 accepted by vote of the Board, written notice of such action shall be published on the Corporation's website.