

DRAFTS FOR ARTICLES OF INCORPORATION:

PURPOSES: Bike Delaware works

- 1) to promote the bicycle as an environmentally friendly, health, and economical form of transportation and recreation
- 2) to advocate, defend, and protect the rights of bicyclists
- 3) to educate the public with respect to bicyclists' rights and obligations

NAME: The name of this organization is Bike Delaware, hereinafter referred to as Bike DE.

Created: 1/5/2009 Last Revised: 1/5/2009

Draft Bike Delaware Bylaws

[A Delaware Nonprofit Corporation] ← to be added when appropriate

Article I. PURPOSES

- 1.1 The purposes of the Corporation are as set forth in its Articles of Incorporation.
- 1.2 In pursuing such purposes, the Corporation shall not act so as to impair its eligibility for exemption under Section 501(c)(4) of the Internal Revenue Code of 1986, as amended (the "Code").

Article 11. OFFICE

- 2.1 Registered Office. The registered office of the Corporation shall be _____, or such other location in Delaware as the Board of Directors may from time to time determine.
- 2.2 Principal Office. The principal office of the Corporation shall be _____, or such other location in Delaware as the Board of Directors may from time to time determine.
- 2.3 Other Offices. The Corporation may also have offices at such other places as the Board of Directors may select and the business of the Corporation may require.

Article III. MEMBERS

- 3.1 Classes. The Corporation shall have two classes of membership ("Membership Class") consisting of:
 - Class 1. Class 1 members are natural persons who wish to support the purposes of the Corporation. Each Class 1 member shall have one vote.
 - Class 2. Class 2 members (otherwise known as "Associate Members") are bicycle clubs, bicycle shops, and other organizations that wish to support the purposes of the Corporation. Each Class 2 membership shall have one vote.
- 3.2 Membership Requirements. The Board of Directors shall set the membership dues of the Corporation. Membership may include a volunteer service component. Persons whose payment of dues is current and/or who have fulfilled the volunteer service component, to the extent one is required shall be considered members in good standing.

Annual Meeting. The Annual Meeting of the membership of the Corporation shall be as the Board of Directors determines. At least 30 days advance notice of the date, time, and place shall be given in the Corporation newsletter, and/or by mail, fax, telephone, or email.

Special Meetings. Special meetings of the entire membership may be called by the Board of Directors or at the written request of 15% of the membership. It shall be the duty of the Secretary, upon receipt of a request for such a meeting, to send at least five (5) days written notice stating the time, place and purpose of any special meeting to the members. If the Secretary fails or refuses to send such notice, the person(s) calling for the special meeting may call the meeting at

such time or place within the Standard Metropolitan Statistical Area of the principal office of the Corporation selected by such person(s).

Quorum. Six (6) members present at a meeting shall constitute a quorum for the transaction of business at the meeting.

Voting by Proxy. Any absent member eligible to vote at any meeting of the members may be represented as present and may vote at such a meeting by a proxy authorized in writing. Such written authorization must specify the matter with respect to which the proxy is granted and the person entitled to vote, must be signed and dated by the member granting the proxy, and must be filed with the Secretary of the Corporation.

Expulsion from Membership. Notwithstanding the automatic termination of membership under Section 3.2 for nonpayment of dues, any member may be expelled from membership, without the assignment of any cause, upon an affirmative vote of a majority of members present at any regular or special meeting, where a quorum exists, provided that written notice of the intention to expel and reasons therefore have been provided to the member. No member shall be expelled without having the opportunity to be heard at such meeting, but no formal hearing procedure need be followed.

Article IV. SEAL

4.1 The Corporate Seal shall be in circular form and shall bear the name of the Corporation and the words “Corporate seal, Delaware [year].”

Article V. MANAGEMENT COMMITTEE

5.1 Management. The business and affairs of the Corporation shall be managed by a Board of Directors, composed of Directors, who shall have all the rights and duties of a Board of Directors under the Act. The powers of the Corporation shall be exercised by the Board of Directors, except as otherwise authorized by law, these Bylaws or a resolution duly adopted by the Board.

Qualifications of a Director. Each Director shall be a natural person of full age who is a member of the Corporation.

Number and Election of Directors. The Board of Directors shall consist of not less than three (3) nor more than 15 Directors (including any ex official Managers), each serving a two (2) year term. On half of the Directors shall be elected each year at the Annual Meeting of members.

Term of Office. Each Manager Director shall hold office until the expiration of the term for which he or she was elected and until his or her successor has been elected and qualified or until his or her earlier death, resignation or removal.

Removal of Directors. Any Director may be removed from office, without the assignment of any cause, by an affirmative vote of a two-thirds of Directors present at a regular or special meeting of the Board, where a quorum exists, provided that written notice of the intention to consider removal of a Manager has been included in the notice of the meeting. No Manager shall be removed without having the opportunity to be heard at such meeting, but no formal hearing procedure need be followed.

Quorum. A majority of the Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Unanimous Consent of Directors in Lieu of Meeting. Any action that may be taken at a meeting of the Board of Directors may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the Directors in office and shall be filed with the Secretary of the Corporation.

Teleconference Meetings. One or more Directors may participate in any meeting of the Board of Directors or any other committee by means of a conference telephone or similar communications equipment by which all persons participating in a meeting can hear each other.

Voting Rights. Every Director shall be entitled to one (1) vote in person. The acts of the majority of the Board of Directors present at a meeting at which a quorum is present shall be the acts of the Board, unless a greater vote is required by these Bylaws or under law.

Annual Meeting. The annual meeting of the Board of Directors shall be held at the same place as and promptly after the Annual Meeting of the members.

Regular Meetings. Regular meetings of the Board of Directors shall be held on the **first Monday of every other month** or as otherwise determined by the Board of Directors.

Special Meetings. Special meetings of the Board of Directors may be called by the President or by one-third (1/3) of the Directors in office at the time. It shall be the duty of the Secretary, upon receipt of a request for such a meeting, to send at least five (5) days written notice stating the time, place and purpose of any special meeting to each of the Directors. If the Secretary fails or refuses to send such notice, the person(s) calling for the special meeting may call the meeting at such time or place within the Standard Metropolitan Statistical Area of the principal office of the Corporation selected by such person(s).

Article VI. COMMITTEES

6.1 The Board of Directors may, by adoption of a resolution, establish one or more other committees to consist of one or more members of the Corporation. Any such committee, to the extent provided in the resolution of the Board of Directors, shall have and may exercise all of the powers and authority of the Board of Directors, except that no committee shall have any power or authority as to the following:

6.1.1 Fill vacancies on the Board of Directors.

6.1.2 Adopt, amend or repeal the Bylaws.

6.1.3 Amend or repeal any resolution of the Board of Directors.

6.1.4 Act on matters committed by the Bylaws or by resolution of the Board of Directors to another committee of the Board of Directors.

6.1.5 The President shall, after consultation with the Board of Directors, appoint the members of all Committees created by these Bylaws or by the Board of Directors.

Article VII. OFFICERS

7.1 Number and Qualifications of Officers. The officers of the Corporation shall include a President, a Vice-President, a Secretary, and a Treasurer and such other officers whose positions shall be created from time to time by the Board of Directors. The officers shall be natural persons who are Directors of the Corporation.

7.2 Election and Term of Office. Officers shall be elected by the Directors at the annual meeting of the Board of Directors and shall serve for a term of one (1) year and until their successors are elected and qualified. Officers may be elected for consecutive terms.

7.3 Duties. The duties of the officers shall include the following:

7.3.1 The **President** shall be the chief executive officer of the Corporation; shall have general and active management of the business of the Corporation; shall see that all orders and resolutions of the Board of Directors are carried into effect subject to the right of the Board of Directors to delegate any specific powers as allowed by law; and shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation.

7.3.2 The **Vice-President** shall assist the President with implementing the Corporation's activities; shall serve as the immediate supervisor of the Executive Director; and may perform the duties of the President in the event of the absence or disability of the President or at the request of the Board of Directors.

7.3.3 The **Secretary** shall be secretary of the Board of Directors, shall attend all meetings of the Board and membership, shall act as clerk thereof, and shall record all votes and the minutes of all proceedings. The Secretary shall give or cause to be given notice of all Board of Directors meetings to the Directors and of all membership meetings to members as appropriate; shall collect mail from the Corporation's post office box; shall handle and respond to all of the Corporation's correspondence as directed by the Board of Directors; and shall perform such other duties as may be prescribed by the Board of Directors or by

the President.

7.3.4 The **Treasurer** shall keep full and accurate accounts of receipts and disbursements of the Corporation; shall collect all funds due the Corporation and disburse funds as required to meet the obligations of the Corporation; shall keep the funds of the Corporation in separate account to the credit of the Corporation, unless the Board of Directors provides otherwise; shall render to the President and the Board of Directors, as requested by them but not less than once a month, regular accountings of all transactions and of the financial condition of the Corporation, and shall maintain the Corporation's membership list insofar as such list pertains to membership dues received by the Corporation.

7.4 Removal of Officers. Any officer or agent may be removed by a majority vote of the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights of any person so removed.

Article VIII. VACANCIES

8.1 Resignations. Any Directors or officer may resign such position at any time, such resignations to be made in writing and to take effect from the time of its receipt by the Corporation, unless some later time may be fixed in the resignation, and then from that date. The acceptance of the resignation by the Board of Directors shall not be required to make it effective.

8.2 Filling Vacancies. If the office of any Director or officer becomes vacant, by an increase in the number of Managers or officers or by reason of death, resignation, disqualification or otherwise, the remaining Directors, although less than a quorum, by an affirmative vote of a majority, may choose a successor or successors who shall hold office for the unexpired term.

Article IX. MEETINGS AND NOTICE

9.1 Place of Meetings. Meetings may be held at such place within or without Delaware as the Board of Directors may from time to time determine, or as may be designated in the notice of the meeting.

9.2 Notice. Notice may be given to any person either (a) personally, (b) by sending a copy thereof through first class mail, to the address appearing on the books of the Corporation or supplied to the Corporation for the purpose of notice by such person, or (c) by telephone or (d) by email. If the notice is sent by mail, it shall be deemed to have been given to the person entitled thereto when deposited in the mail for transmission. Such notice shall specify the place, day and hour of the meeting and in the case of a special meeting or where otherwise required, the general nature of the business to be transacted.

9.3 Waiver of Notice. Any required notice may be waived by the written consent of the person entitled to such notice either before or after the time for giving of notice, and attendance of a person in person or by proxy where permitted at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

Article IX. INDEMNIFICATION

10.1 General Rule. A Director shall not be personally liable for monetary damages as Director for any action taken, or any failure to take any action, unless:

10.1.1 The Director has breached or failed to perform the duties of a Director in accordance with the standard of conduct contained in **Section 83.63 of Subchapter F of Chapter 83 Title 42 of the Pennsylvania Consolidated Statutes** and any amendments and successor acts herto; and

10.1.2 The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness;

Provided, however, the foregoing provision shall not apply to (a) the responsibility or liability of a Director pursuant to any criminal statute or (b) the liability of a Director for the payment of taxes pursuant to local, state or federal law

- 10.2 Indemnification. The Corporation shall indemnify any officer or Director or employee or other representative of the Corporation who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (and whether or not by, or in the right of, the Corporation) by reason of the fact that such person is or was a representative of the Corporation, against all expenses (including attorneys' fees), judgment fines, and amounts paid in settlement as to actions taken, or omitted to be taken, in another capacity while holding such official capacity, or in such person's capacity as employee or representative, provided however, that no persons shall be entitled to indemnification pursuant to this Article in any instance in which the action or failure to take action giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.
- 10.3 Advancement of Expenses. Expenses incurred by a person entitled to indemnification pursuant to this article in defending a civil or criminal action, suit, or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay the amount so advanced if it shall ultimately be determined that such person is not entitled to be indemnification by the Corporation.
- 10.4 Continuing Right to Indemnification. The indemnification and advancement of expenses provided pursuant to this Article shall continue as to any person who has ceased to be an officer or Director or employee or representative of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person.
- 10.5 Other Rights. This Article shall not be exclusive of any other right that the Corporation may have to indemnify any person as a matter of law.

Article XI. ANNUAL REPORT

- 11.1 The Board of Directors shall prepare annually a report, verified by the President and Treasurer or by an affirmative vote of a majority of the Directors in office, showing in appropriate detail the following:
- 11.1.1 the assets and liabilities, including the trust funds of the Corporation as of the end of the fiscal year immediately preceding the date of the report;
 - 11.1.2 the principal changes in assets and liabilities, including trust funds, during the year immediately preceding the date of the report;
 - 11.1.3 the revenue or receipts of the Corporation, for both general and restricted purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation;
 - 11.1.4 the expenses or disbursements of the Corporation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by the Corporation.
- 11.2 The annual report of the Board of Directors shall be presented at the annual meeting of the Board of Directors and the general membership and shall be filed with the minutes of the meetings of the Board of Directors. The Board of Directors may, but shall not be required to, have such report prepared and verified by a certified public accountant or by a firm of practicing public accountants. Such accountant or firm of accountants may be or include a Director or full-time employee of the Corporation.

Article XII. CORPORATE RECORDS

- 12.1 The Corporation shall keep an original or duplicate record of the proceedings of its Board of Directors, the original or a copy of its By0laws, including all amendments thereto to date, certified by the Secretary of the Corporation, and appropriate, complete and accurate books or records of account, at its registered office.

Article XIII. AMENDMENTS

- 13.1 The Articles of Incorporation of the Corporation may be amended by an affirmative vote of a majority of those members present at a duly convened annual, regular or special meeting of all members, at which a quorum exists, after at least ten (10) days prior notice of such purpose, along with a copy of the proposed amendments has been given to all members. The members may further modify the proposed amendments, before voted upon them.
- 13.2 The Bylaws may be amended by an affirmative vote of a majority of those members present at a duly convened annual, regular or special meeting of all members, at which a quorum exists, after at least ten (10) days prior notice of such purpose, along with a copy of the proposed amendments has been given to all members, or, to the extent not prohibited by law, by an affirmative vote of a majority of all Directors of the Corporation in office at any duly convened annual, regular or special meeting of Directors, where a quorum exists, after at least ten (10) days prior notice of such purpose, along with a copy of the proposed amendments has been given to all Directors. The members, or Directors may further modify the proposed amendments, as the case may be before being voted upon.

Article XIV. GOVERNANCE

- 14.1 Procedure. Unless otherwise provided for in these Bylaws, all matters of parliamentary procedure shall be governed by Robert's Rules of Order Newly Revised (latest edition).

CERTIFICATION: I hereby certify that the above is a true and correct copy of the Bylaws of Bike Delaware.

Bylaws:

Outline specific procedures for the group's functioning
Help group conduct business in an orderly manner
Provide further definition to the constitution
Easily revised, and revised regularly as procedures change

What Should Be Covered In Bylaws?

Bylaws are the daily working procedures of an organization. They contain the detailed processes of a group. They are usually easier to change, requiring only a simple majority, than the constitution which normally requires a 2/3 vote. Below is an outline of the kinds of information normally covered in the bylaws.