

**AMENDED AND RESTATED CONSTITUTION  
OF  
NEOHIO REGION INC. OF SPORTS CAR CLUB OF AMERICA**

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**AMENDED AND RESTATED CONSTITUTION**  
**OF**  
**NEOHIO REGION INC. OF SPORTS CAR CLUB OF AMERICA**

**ARTICLE I — DEFINITIONS AND USAGE**

**Section 1. Definitions.**

For purposes of this Amended and Restated Constitution (this "Constitution"), the following words and phrases have the meanings designated below:

- a. "Articles of Incorporation" herein means the Region's Articles of Incorporation filed with the Secretary of the State of Ohio on November 1, 1952, and all amendments thereto and restatements thereof.
- b. "Board" herein means the Board of the Region composed of all Executives.
- c. "Board Meeting" herein means any Annual Board Meeting, Regular Board Meeting or Special Board Meeting (as defined in Article VII, respectively and generally).
- d. "Constitution" herein means this Amended and Restated Constitution.
- e. "Dual Member" herein means a Member whose region of record is other than the Region.
- f. "Effective Date" herein means January 1, 2025, the date on which this Constitution becomes effective.
- g. "Executives" herein means those individuals who carry out the purposes of the Region specifically the nine (9) Trustees and five (5) Officers.
- h. "Family Members" herein means additional parties in the same household as a Member, and each shall also be considered as a Member.
- i. "Fiscal Year" herein means January 1 through December 31.
- j. "Member" herein means those Persons designated in Section 1 of Article III of this Constitution and any other Person who now or hereafter has Membership rights and privileges in the Region in accordance with this Constitution.
- k. "Membership" herein means a Person's status, rights, benefits and obligations in such Person's capacity as a Member of the Region.
- l. "National SCCA" means the Sports Car Club of America, Inc.
- m. "Officer" herein means any Person properly elected or appointed to an office designated in Article IV of this Constitution.

n. "Officership" herein means a Person's status, rights, benefits and obligations in such Person's capacity as an Officer of the Region.

o. "Person" herein means a natural Person.

p. "Region" herein means NEOhio Region Inc. of Sports Car Club of America.

q. "Region website" means <https://neohioscca.com>.

r. "Trial Member" herein means a one-time use, permission for which is granted by the Event Chairperson or the Registrar.

s. "Trustee" herein means any Person duly and properly elected or appointed to the Board and holding the office of a Trustee as described in Article IV of this Constitution.

t. "Trusteeship" herein means a Person's status, rights, benefits and obligations in such Person's capacity as a Trustee of the Region.

u. "Weekend Member" herein means a person granted Member status in five (5)-day blocks, granted by the Event Chairperson or the Registrar.

## **Section 2. Word Usage.**

Where the context of this Constitution require, words used in the masculine shall include the feminine and neuter; words in the singular, the plural; and vice-versa.

## **Section 3. Ohio Law.**

This Constitution is adopted in the State of Ohio and Ohio's laws shall govern all matters of interpretation, construction and validity and all disputes, controversies and litigation arising hereunder.

# **ARTICLE II — PURPOSE AND DIRECTION**

## **Section 1. Purpose.**

The purposes of the Region, as set forth in the Articles of Incorporation, are "to further the enjoyment of its membership and that of the general public in motoring, and in the driving of motor vehicles as a sport; to sponsor sports car competition events, exhibitions and social events for the enjoyment of its membership and/or the general public, but not for profit; to buy, sell, lease, own, mortgage, encumber and otherwise deal in property, real, personal and mixed, for purposes incidental to the foregoing purposes, and to do all things necessary or appropriate in the furtherance of the foregoing purposes".

## **Section 2. Direction.**

The Region shall encourage the preservation, ownership and operation of sports cars and other related automobiles; act as a source of technical information; establish rules and regulations governing all activities of the Region consistent with the rules and regulations of the Sports Car Club of America, Inc.; provide and regulate events and exhibitions for sports cars and other related automobiles and their

owners; encourage safe, careful and skillful driving on public highways; and assist and cooperate with the Sports Car Club of America, Inc. in furthering the foregoing.

## **ARTICLE III — MEMBERS AND MEMBERSHIP**

### **Section 1. Membership.**

Membership in the Region shall be open to all individuals interested in the purposes of the Region that meet the qualifications in this Constitution. Members and Family Members of the Region will hereinafter be referred to as Members. Membership categories shall include those types of memberships defined by the Sports Car Club of America, Incorporated that are required, and Dual Members. Dual members whose region of record is other than the Region shall be prohibited from voting on Region matters and from serving as an Officer. Trial and Weekend Members shall not have voting privileges. Only Members are permitted to vote.

### **Section 2. Dues.**

The annual dues of the Region shall be determined by the Board of Trustees and are payable at the same time as National SCCA dues for such Members, during the anniversary month of the initial payment.

### **Section 3. Member in Good Standing**

A Member in Good Standing shall be defined as a Member with no past due financial responsibilities to either the Region, the Sports Car Club of America, Incorporated, or any other of its chartered regions.

### **Section 4. Termination of Membership**

Any Member may resign by filing a written resignation with the Region's Secretary. Such resignation shall not relieve the Member, so resigning, of the obligation to pay dues or other charges previously accrued. Membership shall automatically lapse for non-payment of dues. The Region's Executives, by affirmative two-thirds vote following consultation with National SCCA, may suspend or expel a Member(s) for cause, after an appropriate hearing. Said hearing shall occur at a meeting of the Region's Executives after the confirmed delivery of written notice to the involved Member(s). Such notice must detail said cause(s) and include an invitation to appear at the hearing.

## **ARTICLE IV —BOARD OF TRUSTEES AND OFFICERS**

### **Section 1. Executives, Qualification and Meetings.**

a. The Executives shall carry out the purposes of the Region, as defined in Article II, Section 1. The Executives shall establish policies, consistent with this Constitution, as deemed necessary for the conduct of the Region business. Existing Region policies shall be reviewed and published annually. Region policy may be established or modified at any meeting so long as such newly-established or modified policy does not contravene the Purpose as outlined in Article II, Section 1.

b. The Executives shall consist of nine (9) elected Trustees and five (5) elected Officers. All Executives must be Members in Good Standing.

- c. A Member may hold no more than one (1) position on the Board.

## **Section 2. Election and Limitation.**

a. At all times there shall be nine (9) Trustees. Three (3) Trustees shall be elected for three (3)-year terms, by the Membership, each year. Terms of Trustees shall be staggered so that in any calendar year, three (3) Members shall become a Trustee each calendar year. All terms of Trustees shall run until the replacing Trustee's term commences.

b. Officers to be elected shall be the RE, Asst RE, RS, MS and Treasurer. Officers shall be elected for one (1)-year terms every year except for the Regional Executive who shall be elected for a two (2)-year term every two (2) years. All terms of Executives shall run until the replacing Executive's term commences.

c. Only persons who have been Members of the Region for at least one (1) year and are, or have served as, a Trustee, Officer, Program Chairperson, or permanent committee member of the Region are eligible for the office of Regional Executive.

Any Member in good standing is eligible for the offices of Assistant Regional Executive, Recording Secretary, Membership Secretary, Treasurer or Trustee.

d. Nominations for offices will open after the September meeting each year and close at the next October meeting of the Members. At the October meeting, the Regional Executive will appoint a Chairperson for a Special Election Committee to serve until the election has concluded. The Election Committee Chairperson shall not be a nominee for election. The Chairperson may appoint as many members to the Special Election Committee as deemed necessary to properly conduct the election. The Election Committee shall receive ballots, verify the validity of all ballots, count the votes, and declare the results of the election in accordance with the election procedures.

e. Each year at the first Executive meeting and the seating of the Trustees, the Trustees shall elect a Chairperson of the Board.

f. A General Election shall be held by secret mail or electronic ballot once each year. The General Election ballot shall serve to elect Trustees and Officers and may bring other issues to the membership for a vote. Election ballots shall be made available to all Members in Good Standing, either via mail or via a link to the electronic balloting tool. Ballots must be sent in such a way that there is a reasonable certainty that Members will receive them a minimum of three weeks before the close of elections and returned to the Election Committee Chairperson.

g. Ballots shall be prepared in such a way that their authenticity can be verified (e.g., colored ink on colored paper), that the identity of the voter is concealed and that they may be returned sealed so that their contents cannot be examined prior to opening. All executed ballots shall be returned to the Election Committee Chairperson or their designee. No ballot may be opened prior to the time and place at which they are tallied. Voting will close at a prescribed time that is to be clearly communicated to the Members, on the date of the Annual Meeting. It is acceptable to have separate deadlines for electronic ballots and paper ballots. All ballots shall be tallied by the current Election Committee during the Annual Meeting of the Members, typically in November in accordance with Article X, Section 1 of this Constitution. Election results shall be presented to the current Trustees and Officers for ratification at the next regular meeting of the Board.

### **Section 3. Election Results.**

The candidate receiving the greatest number of votes for an office or trusteeship will be declared elected. Trustee candidates respectively receiving the largest number, the second largest and the third largest number of votes cast shall be declared elected and join the continuing six (6) Trustees on the Board. The candidates with the next highest vote totals will be declared alternates (according to their relative vote totals) to fill any vacancies that exist or may arise.

In the event of a tie (for the Trustee or Officer election), a second written ballot will occur of the Members present at the Annual Meeting. If this does not resolve the tie, it shall be resolved by a secret majority vote of the current Board at its next meeting.

The Chairperson of the Election Committee will retain all ballots until the close of the next regular meeting of the Board following the annual meeting, for ratification of the results. Once the results are ratified, the Election Committee Chairperson will see that the ballots are destroyed.

### **Section 4. Results Announcement and Term.**

Prior to the end of the fiscal year, results of the Annual Election of elected Officers and Trustees will be posted in the Newsletters for the Region and on the Region's website. Newly elected or appointed Officers and Trustees shall assume their respective duties, except as otherwise defined, at the first meeting of the new fiscal year.

## **ARTICLE V —DUTIES OF THE TRUSTEES**

### **Section 1. Trustees' Duties.**

The Trustees must carry out the policies and purposes of the Region and will have general charge of the affairs, property, and assets of the Region. The Membership delegates to the Board the authority to: vote on, adopt and enact those policies consistent with the Constitution that are deemed by the Board essential to the common and best interest of the Membership.

The Trustees will meet on a regular basis at a time and place determined by the Trustees. All meetings, regular or special, must be recorded and state the time, place, and purpose of the meeting. A Trustee cannot grant another Trustee his or her right to vote.

### **Section 2. Acknowledgement of Duties and Responsibilities.**

Trustees must acknowledge yearly that they have reviewed and acknowledged Ohio Revised Code Chapter 1702 and Guide for Charity Board Members from the Ohio Attorney General (<https://www.ohioattorneygeneral.gov/guideforcharityboardmembers>).

### **Section 3. Disbursements.**

No money shall be disbursed from the Region without approval of the Trustees, which authority may be delegated to the Regional Executive on a general or limited basis. Any contracts with tracks, sub-contractors, etc. must have a reasonable budget presented and approved by a majority of the Trustees, at a regular meeting of the Board prior to the event. All approved budgets and the amount spent on the event must be presented after the event at a regular meeting within 45 days after the event. For decisions related to finances, a vote of 5 of the 9 Trustees is necessary for approval.



#### **Section 4. Miscellaneous.**

Region shall, at its discretion, send a representative, approved by the Board of Trustees to the National Convention with a budget voted upon annually.

With pre-approval from the Board on a budget, members traveling on special business trips for the Region in excess of fifty (50) miles, shall be paid IRS approved mileage rates and other costs as necessary.

### **ARTICLE VI — DUTIES OF THE OFFICERS**

#### **Section 1. The Regional Executive.**

The Regional Executive ("RE") shall:

- Preside at meetings of the members.
- Sign the records of all Member Meetings.
- Represent the Region at meetings of, or in dealings with, SCCA.
- Perform all duties usually performed by Presidents of like corporations.
- Perform such other duties as required by the members or Board.
- The Regional Executive will appoint a Chairperson for a Special Election Committee.
- The Regional Executive or their delegate shall review the Blower or other communication put out by the Region prior to publication.
- At the discretion of the Regional Executive, in the event of the death of an NEOhio member, a donation not to exceed \$100.00 will be made in the name of the deceased by NEOhio to (1) a charity of the survivor's choosing or (2) to the surviving family.
- Term: Two (2) years
- The Regional Executive shall not be eligible to serve more than two consecutive terms.
- With the Treasurer, manage all monies belonging to the Region.

#### **Section 2. The Assistant Regional Executive.**

The Assistant Regional Executive ("Asst RE") shall:

- Assist the RE in performing tasks required to ensure that the mission and goals of the Region are met.
- Perform all the duties of the RE in the case of the absence, death or disability of the RE.
- Term: One (1) year

#### **Section 3. The Recording Secretary.**

The Recording Secretary ("RS") shall:

- Keep minutes of all meetings of the Members and Board.
- Make proper record of each meeting. Give notice of the next meeting.
- Act as custodian of all official documents and records of the Region.
- Perform such duties as requested by the members or the Executives.

- Recording Secretary will send prior meeting Minutes three (3) days in advance of the scheduled meeting to all Trustees and Officers inviting comment.
- Term: One (1) year

#### **Section 4. The Treasurer.**

The Treasurer shall:

- Receive, manage, record, and disburse all monies belonging to the Region.
- Submit a statement of accounts to the Board for their approval at the regular Board meetings.
- An internal annual audit of the Region's books will occur within one (1) month of the end of each fiscal year. A Committee of at least three (3) people (including two (2) Trustees and not including the Treasurer) must conduct the audit. The Committee must include as least one Member in Good Standing who does not hold an office within the Region. This Committee will report findings at the next regular meeting of the Board.
- Upon expiration of the term of office, the Treasurer will turn over all records, monies, and property of the Region. The annual internal audit will be considered the final audit of the Treasurer's term. Results will be discussed in the next regular meeting.
- The Treasurer shall be charged with informing and updating the Membership Secretary regarding dues payments. Any dual region member lists shall be kept separate from the regular membership list
- Treasurer will send a financial report three (3) days in advance of the meeting to Trustees and Officers or the day after the end of any fiscal month, whichever is later.
- Term: One (1) year

#### **Section 5. The Membership Secretary.**

The Membership Secretary ("MS") shall:

- Using SCCA National Data, keep a record of the members of the Region including contact information.
- Report current Membership information at each meeting of the Board.
- Manage communication to Region Members on upcoming events using the newsletter, website or other means.
- Take a leadership role in the recruiting of new members.
- Perform such duties as requested by the Members or Board.
- Term: one year

#### **Section 6. Program Chairpersons.**

The Board shall recruit and appoint Program Chairs for Road Race, Time Trials, RoadRally, RallyCross, Street Survival and Solo (Autocross) Programs and any other future programming initiative. Those Program Chairs shall be responsible for ensuring that these activities are available for the Members and offered by the Region. Their responsibilities shall include, but not be limited to, the selection of event chairpersons, submitting a budget, getting budget approval, providing an event review comparing approved budget to monies spent, overseeing the planning of events, and involvement with the event scheduling.

## **Section 7. Special Committees**

The Regional Executive may appoint a Chairperson(s) and as many Members as deemed necessary to serve on any Special Committee.

## **Section 8. Specialty Chiefs.**

The Regional Executive may appoint Specialty Chief(s) (in each instance a "Chief" or "Chiefs"), per the SCCA General Competition Rules ("GCR").

# **ARTICLE VII — MEETINGS**

## **Section 1. Board Meetings.**

The Board shall meet once a month unless specified by a majority vote or the Regional Executive. All meetings shall be open to any Member of the Region except when Executive Session is invoked. Time and location of Meetings shall be published in the Region Newsletter (The Blower) and on the Region website (<https://neohioscca.com/>). All meetings, regular or special, must be recorded and state the time, place, and purpose of the meeting.

## **Section 2. Quorum/Voting.**

At least more than one-half (1/2) of the Executives shall constitute a quorum at any meeting. The decision of the majority of Executives present at a Board meeting is sufficient to decide any question for decision on regular business matters. Only Trustees may vote on financial decisions.

## **Section 3. Conducting Business.**

The Executives may conduct business, which includes voting, in a meeting where they are physically present or via teleconferencing, which may include email, video conferencing, or net meeting. The Executives may, from time to time, vote on one (1) or more issues. Such votes may be made by voice vote in a meeting, paper or electronic mail, or telephone. Any Executive may provide a written proxy to the Board at [neohioscca.com](https://neohioscca.com), which may include email for any meeting. Such proxy will state the Executive's position on one (1) or more items of business and will constitute that Executive's vote on the stated issue(s).

## **Section 4. Meeting Format.**

Unless this regulation is suspended by a majority vote of the members present at any meeting of the members or for good reason by the Regional Executive, the order of business at all Members' meetings shall be as follows:

- Approval of the Minutes of the preceding meeting
- Approval of the Treasurer's Report
- Membership Report
- Reading of reports and statements of Officers, Trustees, and Committees
- Unfinished business
- Election of Trustees if in order at the meeting in question
- New or miscellaneous business

## **Section 5. Executive Session.**

At any meeting of the Board, an Executive may request to retire to Executive Session. An assenting vote from the majority of the Members present shall place the meeting in Executive Session. Attendance in Executive Session shall be limited solely to Executives and invitees of the Board.

## **ARTICLE VIII — REMOVAL AND REPLACEMENT OF TRUSTEES AND OFFICERS**

### **Section 1. Removal of Elected or Appointed Trustees or Officers.**

At any time, one (1) or more of the elected or appointed Trustees or Officers may be removed, for cause, after an appropriate hearing, by an affirmative vote of the Board then present. An advance notification of fifteen (15) days is required for such a proxy. Notification of said hearing shall follow the same procedures as termination of Membership as outlined in Article III, Section 4.

### **Section 2. Resignation of Elected or Appointed Trustees or Officers.**

An elected or appointed Trustee or Officer may resign their Board position by written or verbal declaration at any Board meeting.

### **Section 3. Board Vacancy.**

When an elected Board position becomes vacant by removal, resignation or recall, a replacement Executive must be appointed by the remaining Trustees within sixty (60) days. The Trustees shall follow the procedure defined in this Constitution, if the designated alternates are eligible to serve as Trustees when a vacancy occurs. Replacement Trustees will serve until the end of the vacated term. All such replacement shall be subject to the same recall process as the original elected Trustee.

## **ARTICLE IX — MODIFICATION PROCEDURES TO CONSTITUTION**

### **Section 1. Modification of Governing Documents.**

From time to time the Board may propose revisions to the Constitution or the Bylaws or the Articles of Incorporation. Such proposals must be supported by a majority vote of the Members present at an Annual Meeting or by a majority of the Members present at a regular or a Special Meeting called for such purpose.

A notice of such proposal shall be submitted in writing, either by separate mailing, in the Region's Newsletter, or on the Region's Website to the Members. The complete proposals must be posted on the Region website or in the Region Newsletter at least seven (7) days prior to the next general Membership meeting. At the next Membership meeting, the proposed revisions shall be presented to the Members for discussion. There must be a reasonable certainty that Members will receive notification at least seven (7) days prior to said meeting.

The Recording Secretary shall prepare, using the same procedures as election ballots, secret mail or by electronic ballots, to be sent to the entire Membership to consider any change to the Constitution or Bylaws. Such ballots must be sent via first class mail or electronic means. Such ballots shall allow a Yes/No vote on the proposed revision(s). Ballots may be included with the notice of the proposal to modify the Constitution or the Bylaws. In any case, Ballots must be sent no later than fourteen (14) days

after the presentation at a Membership meeting. Completed ballots must be returned within fourteen (14) days of mailing or fourteen (14) days after presentation at a Membership meeting, whichever is latest. Completed ballots are to remain unopened until they are tallied by the Executives prior to the next Board meeting. A simple majority vote of those Members voting shall serve to approve the proposed revision(s). Upon approval the revision(s) become effective immediately unless stated otherwise.

At any time prior to the mailing of the ballots, the Board may meet and withdraw their proposed revision(s) if seven (7) of the Trustees vote for withdrawal.

## **ARTICLE X — RIGHTS OF MEMBERS**

### **Section 1. Annual Business Meeting.**

An Annual Business Meeting of Members shall be held each year, during the month of November, at a time and place designated by the Board. Notification of the time, place and agenda for the annual business meeting must be made either in the Newsletter or on the Website at least one (1) month preceding the meeting. The purpose shall be to allow the Members to hear annual reports by Officers and Committees concerning business conducted during the previous fiscal year as well as other business that may come before the meeting.

### **Section 2. Vote and Proxy.**

Members in good standing shall be entitled to one (1) vote each concerning those matters of the Region business submitted to a vote of the Members. Any Member may provide a written proxy for any meeting of the Members. Such proxy will state the Member's position on one (1) or more items of business and will constitute that Member's vote on the stated issue(s).

### **Section 3. Special Business Meetings.**

The Secretary must provide written notice of all Special Meetings within two (2) weeks of the calling of said meeting, so that every Member may be reasonably expected to receive such notice at least seventy-two (72) hours prior to the meeting.

### **Section 4. Member Petition.**

At any time, a Member may request, via a petition, that certain issues be brought to a vote of the entire Membership by a secret ballot. A valid petition must include a written statement of the issue(s) and be signed by at least five percent (5%) of the Region's total Members in Good Standing as of the last day of the previous fiscal year. Such petition(s) may be presented by the Membership representative to either the Regional Executive or the Secretary. Within thirty (30) days of such presentation, the Secretary shall prepare a secret ballot, with the same procedures as election ballots, to be sent to the entire Membership to consider the issue presented in the petition. Completed ballots must be returned within two (2) weeks of mailing. Ballots are to remain unopened until they are tallied by both the Secretary and the Membership representative within three (3) weeks after the mailing of the ballots. A simple majority vote of those Members voting shall decide the issue(s). The right to petition for a Membership vote on certain issues cannot be removed from this Constitution except by an affirmative vote of the entire Membership. The issues that can be brought to a Membership vote via petition are: the recall of one or more elected or appointed Trustees and one (1) or more proposed modifications to this Constitution or the Articles of Incorporation.

## ARTICLE XI — COMMITTEES AND APPOINTEES

### Section 1. Eligibility and Term.

All members of Committees, Appointees, Event Chairpersons and Chiefs shall be Members in Good Standing. The term of office for any such appointment is one fiscal year. All Committees, Appointees, Event Chairpersons and Chiefs may be removed by vote of the Board.

### Section 2. Formation of Committees.

Committees, not having nor exercising the authority of the Board of Trustees in management of the Region, may be designated by a resolution adopted by a majority vote of the Board. An elected or appointed Trustee shall be appointed to each of these committees to act as liaison to the Board.

## ARTICLE XII — INDEMNIFICATION OF MEMBERS, TRUSTEES, OFFICERS, EMPLOYEES AND AGENTS

### Section 1. Definitions.

For purposes of this Article, the following words and phrases shall have the meanings designated below:

- a. "Claim" means, with respect to any Indemnified Individual, any and all threatened, pending or completed claims, actions, suits or proceedings (whether civil, criminal, administrative, investigative or otherwise and whether under State or Federal law) and any and all appeals related thereto.
- b. "Indemnified Individual" means: (i) all past, present and future Executives; and (ii) as the Board may periodically determine, such employees and other agents of the Region acting in any capacity at the request of or on behalf of the Region.
- c. "Liabilities" means any and all judgments, decrees, fines, penalties, expenses, fees, costs of investigation, amounts paid in settlement, costs, losses, expenses (including, but not limited to, attorneys' fees and court costs), charges, and any other liabilities actually incurred by the Indemnified Individual with respect to any Claim, either before or after final disposition of the Claim.

### Section 2. Indemnification for Third Party Claims.

To the fullest extent authorized or permitted by law, the Region shall indemnify and save harmless any and all Indemnified Individuals from and against all Liabilities arising or resulting from any Claim (other than a Claim by or in the right of the Region) under which the Indemnified Individual is a party or participant because of actions or omissions of the Region or of the Indemnified Individual or of any Member, Trustee, Officer, employee, agent or other Person acting in any capacity at the request of or on behalf of the Region; provided, however, that the Region shall not indemnify or save harmless an Indemnified Individual for such Person's negligence or misconduct.

### **Section 3. Indemnification for Claims by or through the Region.**

To the fullest extent authorized or permitted by law, the Region shall indemnify and save harmless any and all Indemnified Individuals from and against all Liabilities arising or resulting from any Claim by or in the right of the Region, under which the Indemnified Individual is a party or participant because of actions or omissions of the Region or of the Indemnified Individual or of any Member, Trustee, Officer, employee, agent or other Person acting in any capacity at the request of or on behalf of the Region; provided, however, that (unless otherwise determined by the Board) the Region shall not indemnify or save harmless an Indemnified Individual for such Person's gross negligence or willful misconduct.

### **Section 4. Release from Liability and Contribution.**

To the fullest extent authorized or permitted by law, no Indemnified Individual shall be liable to the Region or to any other Person and no claim shall be maintained against any Indemnified Individual by the Region (or, for the Region's benefit, by any other Member) because of any action or omission (except for gross negligence or willful misconduct, unless otherwise determined by the Board) of such Indemnified Individual in any capacity at the request of or on behalf of the Region; provided, however, that an Indemnified Individual shall be liable to the Region for the Indemnified Individual's gross negligence or willful misconduct, unless otherwise determined by the Board.

To the fullest extent authorized or permitted by law, no Indemnified Individual shall be responsible for or be required to contribute to the payment of any Liability incurred by the Region or by any other Indemnified Individual because of the actions or omissions (except for negligence or willful misconduct) of any Indemnified Individual serving in any capacity at the request of or on behalf of the Region; provided, however, that an Indemnified Individual shall be liable to the Region and to any other Indemnified Individual for the Indemnified Individual's gross negligence or willful misconduct, unless otherwise determined by the Board.

### **Section 5. Subrogation.**

To the extent of any payment under this Article XII, the Region: (a) shall be subrogated to all of the Indemnified Individual's rights of recovery from any other Person or entity and, as a condition precedent to any indemnification under this Article XII, such Indemnified Individual shall execute all reasonable documents and take all reasonable actions requested by the Region to implement the Region's right of subrogation, and (b) hereby waives any right of subrogation against or contribution from an Indemnified Individual.

### **Section 6. Insurance and Similar Protection.**

Whether or not the indemnification, release and other provisions of this Constitution apply, the Region shall ensure the purchase and maintenance of insurance upon and/or furnish similar protection (including, but not limited to: trust funds, letters of credit and self-insurance) for any Indemnified Individual to cover any Liability such Indemnified Individual might incur from the exercise of the Indemnified Individual's duties for the Region or from such Indemnified Individual's capacity as an agent or representative of the Region.

### **Section 7. Other Rights.**

The provisions of this Article XII shall be in addition to and shall not exclude or limit any rights or benefits to which any Indemnified Individual is or may be otherwise entitled: (a) as a matter of law or

statute; (b) by the Articles of Incorporation or Constitution; (c) by any agreement; (d) by the vote of the Members or Trustees; or (e) otherwise.

### **Section 8. Conditions and Limitations.**

As a condition precedent to the indemnification, release and/or performance of any other obligation of the Region under this Article XII, the Indemnified Individual must first: (1) promptly notify the Regional Executive or Secretary of the Region of any actual or potential Claim; and (2) authorize and permit the Region, in its sole discretion, to choose any legal counsel (including, but not limited to, legal counsel for Region) to defend and otherwise handle the Claim and all proceedings and matters related thereto (including, but not limited to, any counter-claims, cross-claims and defenses); and (3) permit the Region to assume total, complete and exclusive control of the Claim and all proceedings and matters related thereto (including, but not limited to, negotiations and any counter-claims, cross-claims and defenses); and (4) in all respects, cooperate with the Region and its counsel in the defense of the Claim and in the prosecution of any counter-claims, cross-claims and defenses.

## **ARTICLE XIII — SECTION 501(C)(7) LIMITATIONS**

### **Section 1. Organization and Operation.**

The Region is organized exclusively for social, recreational, and other nonprofit purposes under Section 501(c)(7) of the Internal Revenue Code, or the corresponding section of any future Federal tax code.

### **Section 2. Prohibition Against Inurement.**

No part of the Region's net earnings shall inure to the benefit of, or be distributable to, its Members, Trustees, Officers or other private Persons, except that the Region may reimburse such Persons for expenses actually incurred, pay to such Persons reasonable compensation for services rendered and, further, may make payments and distributions to such Persons in furtherance of the tax exempt purposes of the Region.

### **Section 3. Dissolution.**

Upon the Region's dissolution and after paying or providing for the payment of all liabilities, the Board shall dispose of all the Region's property pursuant to Section 501(c)(7) of the Internal Revenue Code, or the corresponding section of any future Federal tax code, or to the Federal government or a State or local government for a public purpose.

### **Section 4. Legislation and Political Activity.**

No substantial part of the Region's activities shall be directed to carry on propaganda, to otherwise attempt to influence legislation, or to participate or intervene in (including to publish or distribute statements) any political campaign on behalf of any candidate for public office. The Region may engage in lobbying provided the lobbying is related to the Region's "exempt" purpose.



## ARTICLE XIV — AMENDMENTS AND MISCELLANEOUS

### Section 1. Amendments.

a. The Members may repeal or amend this Constitution or adopt Amended Constitution by: (i) the affirmative vote of all the Members at any Membership Meeting (with or without notice of such amendment, repeal or adoption) or Special Meeting, or (ii) the written consent (without a Membership Meeting) of all the Members.

b. If this Constitution is amended or an Amended Constitution is adopted without a meeting of the Members, the Secretary of the Region (or any other Officer) shall forthwith mail a copy of the amendment to this Constitution or the Amended Constitution to each Member who did not participate in the adoption of the amendment or the Amended Constitution.

### Section 2. Miscellaneous.

a. When acting on the Region's behalf, no Member, Trustee, Officer, employee, or other agent of the Region shall discriminate against any Person because of age, race, religion, color, creed, sex, national origin, handicap, sexual orientation or veteran or military service status.

b. If any provision, Article or Section of this Constitution is ever judicially determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other provision, Article or Section of this Constitution.

### Section 3. Prior Instruments.

This Constitution supersedes and nullifies any and all prior bylaws, constitutions and similar instruments previously adopted by the Members and/or the Board.

### Section 4. Conflicts of Instruments.

With respect to any conflicts between or among instruments pertaining to the Region, this Constitution shall be superior to any bylaws, rules, constitution, documents, instruments and policies of the Region (unless otherwise provided in this Constitution), and the Articles of Incorporation shall be superior to this Constitution.

## ARTICLE XV — POLICIES

### Section 1. Conflict of Interest Policy.

The Board of Trustees shall adopt and shall periodically update a written policy regarding conflict or duality of interest matters (the "Conflict of Interest Policy") to protect Region's interests in determining whether to enter into or terminate a transaction or arrangement that might benefit the private interests of a Member, Trustee, Officer or Committee member or that might result in a possible excess benefit transaction wherein the Region provides an economic benefit to or for the use of a Member, Trustee, Officer or Committee member and the value of such economic benefit exceeds the value of the consideration received by the Region. The Conflict of Interest Policy shall supplement, but not replace, any applicable State or Federal laws governing conflict or duality of interest matters applicable to the Region.

**Section 2. Compensation and Compensation Policy.**

- a. A Member, Trustee, Officer or Committee member who receives compensation from the Region for services either as an employee or as an independent contractor is precluded from voting on matters pertaining to that Member, Trustees, Officers or Committee member's compensation.
- b. No Member, Trustee, Officer or Committee member whose jurisdiction includes compensation matters and who receives compensation from the Region is prohibited from providing information to any Committee regarding compensation.
- c. The Board shall adopt and shall periodically update a written compensation policy consistent with this Section 2.

**Section 3. Annual Written Oath.**

Each Trustee, Officer and Committee member shall annually sign an oath containing such terms and conditions and at such time(s) as the Board periodically determines in its sole discretion.

**Section 4. Periodic Compliance Reviews.**

Periodic compliance reviews shall be conducted to ensure the Region operates in a manner consistent with its tax-exempt purposes and does not engage in activities that could jeopardize the Region's tax-exempt status and shall, at a minimum, include the following subjects:

- a. whether the compensation arrangements and benefits of any Member, Trustee, Officer and Committee member are reasonable, based on competent survey information and the result of arm's-length bargaining; and
- b. whether partnerships, joint ventures and arrangements with any other entity conform to the Region's written policies, are properly recorded, reflect reasonable investment of payments for goods and services, further the Region's tax-exempt purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

**Section 5. Use of Outside Experts or Advisors.**

When conducting the periodic reviews as provided herein, Region may, at its sole discretion, use outside experts or advisors. If an outside expert or advisor is used, such use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

**Section 6. Additional Policies.**

This Article XV may be supplemented and/or modified by additional policies, rules and Constitution periodically adopted by the Board.