

Updated October 2017

**BYLAWS**  
**OF**  
**LAKEHEAD RACING ASSOCIATION, INC**

**ARTICLE I**

**Offices**

The principal office of the corporation shall be located at 1316 Harner Lane, City of Cloquet, County of Carlton, State of Minnesota. The corporation may have such other offices either within or without the State of Minnesota, as the Board of Directors may determine from time to time.

**Commented [HO1]:** 800 N Boundary Ave, City of Proctor

**Commented [HO2]:** Mailing address is PO Box 1069, Proctor, MN 55810.

**ARTICLE II**

**Members**

Section 1. CLASSES OF MEMBERS: The members of the corporation shall be divided into two classes as follows: A point fund membership and a regular membership. The qualifications for membership in the regular class shall be payment of membership dues by the end of June each year, in such amounts as may be determined from time to time by the board of directors. The qualifications for membership in the point fund class shall be payment of membership dues, by the end of June of each year, in a greater amount than the regular membership dues, as set by the Board of Directors. A person shall only be entitled to hold membership in one class.

**Commented [HO3]:** By the completion of five(5) races, or the last day of June, whichever is latter.

Section 2. VOTING RIGHTS: Each member in good standing shall be entitled to one vote on each mater submitted to a vote of the members. All elections and all questions shall be decided by a majority vote of the members entitled to vote at any meeting at which there is a quorum, except in such cases as shall otherwise be required by the Minnesota Nonprofit Corporation Act, Articles of Incorporation or these Bylaws. There shall be no voting by proxy or mail.

Section 3. TERMINATINO OF MEMBERSHIP: All rights and interests of any member in the property and privileges of the corporation shall cease with termination of membership; however, termination shall not relieve the member of the obligation to pay any dues, assessments or other charges therefore accrued and unpaid. A terminated member shall not be entitled to a refund of any money paid to the corporation. Membership may be terminated in the following manner:

- (a) Resignation- Any member may resign by filing a written resignation with the Secretary.
- (b) Suspension or Expulsion of Members-A majority of the Board of Directors at a regular or special meeting shall have the power to suspend or expel any member for failure to pay dues, accounts, payments, or assessments within two (2) months after they have become

**Commented [HO4]:** Which may include electronic forms such as e-mail, text message,

**Commented [HO5]:** or President.

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due, for any act inconsistent with or antagonistic to the purposes of this corporation, or for any willful infraction of the Articles of Incorporation, Bylaws, or rules of the corporation, or for any action or conduct which the Board of Directors, in its sole discretion, may deem injurious, detrimental or hostile to the interest of this corporation, its members, or the public.

Such member shall be entitled to ten (10) days written notice of the time and place of a hearing to be held concerning such suspension or expulsion at the meeting of the Board of Directors. The member shall be entitled to be present at the hearing, to be represented by counsel and to be heard. At such meeting the judgment, expulsion, or suspension, including term therefor, expressed by a majority vote of the Board of Directors shall be final. The notice herein given to the member shall be delivered in person or by certified mail, return receipt requested, at his or her address as it appears on the books and records of the corporation. The hearing shall be conducted in accordance with rules and regulations adopted from time to time by the Board of Directors.

(c)REINSTATEMENT: Any expelled or suspended member who is not entitled to have his or her membership renewed may file for reinstatement as a member in good standing in the same manner as any prospective member shall apply for membership herein, provided, however, the Board of Directors may determine such terms and conditions as it, in its sole discretion, may consider appropriate as a condition of reinstatement, particularly, but not limited to, the questions of dues and assessments during the period of suspension or expulsion.

SECTION 4: TRANSFER OF MEMBERSHIP: Membership in this corporation is not transferable or assignable.

### **ARTICLE III**

#### **Meetings of Members**

SECTION 1: ANNUAL MEETING: An annual meeting of the members shall be held at the principal office of the corporation on the first Wednesday in the month of October each year, beginning with the year 1999 at 7 PM, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting is a legal holiday in the State of Minnesota, such meeting shall be held on the next succeeding business day. If the election of directors is not held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as is convenient. Nonmembers will have no voting rights, or may not be present at the annual meeting.

SECTION 2: REGULAR MEETINGS: Regular meetings of the members shall be held on the first Wednesday of each month from November to April at the place designated by the Board of Directors.

**Commented [H06]:** Meetings may be on alternate days, and the adjusted date will be given a 10 day notice, which may be provided by electronic means.

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SECTION 3: SPECIAL MEETINGS: Special meetings of the members may be called by the president the Board of Directors, or not less than 25% of the members having voting rights, at a place designated by the Board of Directors within ninety (90) days after receipt of the demand. If no designation is made, the place of meeting shall be the principal office of the corporation in the State of Minnesota, but if all of the members shall meet at any time and place, either within or without the State of Minnesota, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

SECTION 4: NOTICE OF SPECIAL MEETINGS: Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered personally, by mail or print media at least five days before the date of such meeting, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting. In case of special meeting or when required by stature of by these bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the corporation, with postage thereon prepaid.

Commented [HO7]: , by electronic notifications, or

SECTION 5: QUORUM: Members holding a majority of the votes that may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

#### **ARTICLE IV**

##### **Directors**

SECTION 1: NUMBER OF DIRECTORS: The business and affairs of this corporation shall be managed by or under the direction of a Board of Directors consisting of nine (9) directors. All directors must be members of the corporation. The decisions of the Board shall be by a majority vote of the directors. No board member or officer may authorize any expenditure of over \$300.00 without approval of a majority of directors.

Commented [HO8]: If there is a resignation or removal of a Director this corporation may continue to operate with less than nine (9) Directors, and with vacancy will be filled within 15 days.

SECTION2: TENURE AND VACANCY: Each year at the annual meeting of members, two (2) officers and expired board terms will be elected for a term of two years or until his or her successor is elected and has qualified, or until the earlier death, resignation, removal, or disqualification of the director. Any vacancy in the Board may be filled for the unexpired term thereof by an affirmative vote of a majority of the remaining directors.

SECTION 3: RESIGNATION: A director may resign at any time by mailing or delivering a written notice to this corporation at its registered office. The resignation is effective without acceptance when the notice is given to this corporation, unless a later effective time is specified in the notice.

Commented [HO9]: , or by electronic means, including but not limited to e-mail and text message.

SECTION 4: MEETINGS AND NOTICE: The Board of Directors shall meet each year immediately after the annual meeting of the members at the same place. No notice of any kind shall be necessary for such annual meeting or any regular meeting of the Board of Directors which is fixed from time to time by a

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resolution of a majority of the Board of Directors. Other meetings may be held upon five days written notice, on call of the President or any other Director. Notice may be waived in writing before or at the time of such meeting at the attendance of a director at a meeting shall constitute and be a waiver of notice thereof. Neither the business to be transacted nor the purpose of any meeting need be stated in the notice of such meeting.

SECTION 5: QURUM: A majority of the Board of Directors shall constitute a quorum for the transaction of business, provided, however, that if any vacancies exist for any reason, the remaining directors shall constitute a quorum for the purpose of filling such vacancy

Commented [HO10]: Five (5) Directors

SECTION 6: COMMITTEES: From time to time the Board may appoint committees for any purpose, which shall have such powers as shall be specified in the resolution of appointment.

SECTION 7: ACTION WITHOUT MEETING: An action required or permitted to be taken at a Board meeting may be taken by written action signed by the number of directors that would be required to take the same action at a meeting of the Board at which all directors were present. The written action is effective when voted on by the required number of directors, unless a different effective date is provided in the written action.

Commented [HO11]: A written action may include delivery by electronic means as well.

SECTION 8: ABSENT DIRECTORS: A director may give advance written consent or opposition to a proposal to be acted upon at a Board meeting, provided however, that such consent or opposition does not constitute presence for purposes of determining the existence of a quorum. Such consent or opposition shall be counted as a vote in favor of or against the proposal if the proposal acted upon at the meeting is substantially the same or has substantially the same effect as the proposal to which the director has consented or objected.

## ARTICLE V

### **Officers**

SECTION 1: NUMBER OF OFFICERS: The officers of the corporation shall consist of a President, one Vice President, a Secretary, and a Treasurer and such other officers and assistant officers, counsel and agents as may be elected by the members, at its annual meeting. Any number of officers or functions of the offices may be held and exercised by the same person.

SECTION 2: ELECTIONS, VACANCIES: The officers shall be elected at the annual meeting of the Board of Directors, to hold office until the next annual meeting or until their successors shall have been elected and qualified. Any officer may be removed by an affirmative vote of a majority of the Board of Directors and any vacancy may be filled by an affirmative vote of a majority of directors.

Commented [HO12]: In order to run for the Board of Directors the individual must be a member in good standing for annual elections. In the event of an unexpected vacancy, the Board of Directors may appoint an individual by majority of the vote that does not hold a membership. Upon appointment membership is granted.

SECTION 3: PRESIDENT: The President shall be the chief executive officer and shall preside at all meetings of members and directors and perform all duties incident to his or her office and such other duties and responsibilities as may be prescribed from time to time by the Bylaws or the majority of the Board of Directors.

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SECTION 4: VICE PRESIDENT: the Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and he or she shall preform such other duties as may be from time to time prescribed by the Bylaws or by the Board of Directors.

SECTION 5: SECRETARY: The Secretary shall attend all meetings of the Board of Directors and the members and shall record the proceedings of such meetings in the Minute Book of the corporation. He or she shall give such notices as are herein required or as may be required by law and shall preform all duties incident to his or her office as such other duties as may, by these Bylaws or by the Board of Directors, be prescribed from time to time.

Commented [HO13]: Make his or her best effort to

Commented [HO14]: If the Secretary is unable to attend a Board of Directors meeting another director will record the proceedings of such meeting in the minute book of the corporation

SECTION 6: TREASURE: The Treasure shall be the chief financial officer of this corporation and shall have custody of the corporate funds and securities and shall disburse the funds of this corporation and may be ordered from time to time by the Board of Directors. The Treasure shall keep full accurate accounts of receipts and disbursements and shall deposit all monies and other valuable effects in the name of the corporation in such depositories as may be designated by the Board. He or she shall furnish at meetings of the Board of Directors or whenever requested, a statement of the financial condition of the corporation and shall preform such other functions and duties as may from time to time be assigned to him or her by these Bylaws or the Board of Directors.

Commented [HO15]: After the closing date of the accounting period.

SECTION 7. SALARIES: The salaries, if any, of all officers shall be fixed by the Board of Directors and the fact that any officer is a director shall not preclude him or her from receiving a salary or from voting upon the resolution providing the same.

## **ARTICLE VII**

### **Certificates of Membership**

SECTION1: CERTIFICATES OF MEMBERSHIP: The Board of Directors shall provide for the issuance of certificates evidencing membership in the corporation, which certificates shall be in such form as may be determined by the boar. Such certificates shall be signed by the President or the Secretary. All certificates evidencing membership of any class shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the corporation. If any certificate is lost, mutilated, or destroyed, a new certificate may be issued therefore on such terms and conditions as the board of directors may determine.

SECTION 2: ISSUANCE OF CERTIFICATES: Certificate of membership shall be issued to a member at such time as the member has paid the membership dues in full.

## **ARTICLE VII**

### **Dues**

SECTION 1: ANNUAL DUES: the Board of Directors shall determine from time to time the amount of annual dues payable to the corporation by members of each class and shall give appropriate notice to the members

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SECTION 2: PAYMENT OF DUES: Dues shall be payable in advance each year prior to the date of June 30. Membership for each year ends December 31<sup>st</sup> of that year.

#### **ARTICLE VIII**

##### **Indemnification**

The corporation shall have the power to indemnify officers, members or directors, or former officers, members or directors for expenses, judgments, penalties, fines and amounts paid in settlement, incurred by such persons by reason of the fact that he or she is or was a director, member or officer of the corporation.

#### **ARTICLE IX**

##### **Miscellaneous**

SECTION 1 FISCAL YEAR: The fiscal year of the corporation shall begin on the 1<sup>st</sup> day of January each year and end on the 31<sup>st</sup> day of December each year.

SECTION 2: NON-LIABILITY: Except as otherwise provided by Minnesota Statutes, a person who serves without compensation as a director, officer, trustee, member, or agent of this corporation, shall be civilly liable for and act or omission by that person, if the act or omission was in good faith, was within the scope of the persons responsibilities as a director, officer, trustee, member, or agent of this corporation and did not constitute willful or reckless misconduct.

SECTION 3: INDEMNIFICATION: To the full extent permitted by any applicable law, this corporation shall indemnify each person made or threatened to made a party to any threatened pending or completed civil, criminal, administrative, arbitration, or investigative proceeding including a proceeding by or in the right of this corporation, by reason of the former or present official capacity of the person against judgments, penalties fines, (including, without limitation, excise tax assessed against the person with respect to an employee benefit plan) settlements and reasonable expenses, including attorney's fees, and disbursements, incurred by the person in connection with the proceeding.

Indemnification provided by this section shall continue as to a person who has ceased to be a director, officer, employee or committee member, shall inure to the benefit of the heirs, executors and administrators of such person and shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this section. Any indemnification realized other than under this section shall apply as a credit against ant indemnification provided by this section.

This corporation may, to the full extent permitted by applicable law from time to time in effect, purchase and maintain insurance on behalf of any person with is or was a director, officer, employee or a member of a committee of this corporation against any liability asserted against such person and incurred by such person in any such capacity.

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SECTION 4: POWERS: The corporation shall have all the powers, rights, duties, and obligations as are granted to it and as it may exercise under the laws of the State of Minnesota, the Articles of Incorporation and these Bylaws, subject to the regulations which may from time to time be made by the members.

SECTION 5: AMENDMENTS: These Bylaws may be amended, altered or repealed or added to at any special or annual meeting of the members, by the affirmative vote of a majority of the members entitled to vote at such meeting, provided that notice of such proposed amendment shall have been given in the notice of meeting.

Adopted this 11<sup>th</sup> day of May, 1998

Commented [HO16]: Ammended this 4<sup>th</sup> day of October 2017

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Secretary

Commented [HO17]: And President