

Bylaws  
of  
Checkered Flag Racing Association (CFRA)

A California Mutual Benefit Corporation

ARTICLE 1  
ORGINATION

SECTION 1. NAME OF CORPORATION

The name of the corporation is Checkered Flag Racing Association.

SECTION 2. NON-MEMBERSHIP

Checkered Flag Racing Association (“CFRA”) is a non-membership, nonprofit mutual benefit (Social and Recreational Club) corporation.

ARTICLE 2  
PURPOSES

SECTION 1. OBJECTIVES AND PURPOSES

1. This corporation is a nonprofit **Mutual Benefit Corporation** organized under the Nonprofit Mutual Benefit Corporation Law. The primary objectives and purposes of this corporation shall be:

1. Provide a small friendly organization where people can get to know each other.
2. Provide a venue for those people can enjoy high performance driving
3. Provide an opportunity for friendly Motorsports competition
4. Provide social opportunities away from the race track

ARTICLE 3  
OFFICES

SECTION 1. PRINCIPAL OFFICE

The principal office of the corporation for the transaction of its business is located in Placer County, California.

SECTION 2. CHANGE OF ADDRESS

The county of the corporation’s principal office can be changed only by amendment of these bylaws and not otherwise. The President may, however, change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed an amendment of these bylaws:

Address: \_\_\_\_\_ Dated: \_\_\_\_\_

Address: \_\_\_\_\_ Dated: \_\_\_\_\_

### SECTION 3. OTHER OFFICES

The corporation may also have offices at such other places, within or outside the State of California, where it is qualified to do business, as its business may require and as the President may, from time to time designate.

### ARTICLE 4 RESTRICTIONS

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

### ARTICLE 5 DIRECTORS/STAFF

#### SECTION 1. DIRECTORS

The corporation shall have at least three (3) directors including the Chairman and collectively they shall be known as the Board of Directors (hereinafter, "Board"). The total number of board members at any one time is to be set by the President. All directors are designated by the President for one year terms starting from the date of appointment. The directors can be re-appointed for as many terms as desired. Board members can only be removed by a simple majority vote of the Board.

#### SECTION 2. PRESIDENT

The founding President (Ed Kornegay) will remain President until he decides to resign. The President may hold any number of simultaneous positions except for Vice President. The President will also serve as Chairman of the Board of Directors.

The President may appoint Committee Chairpersons to over-see specific functions of CFRA such as but not limited to Taxes, Web Administration, Registration, Race Videos, and Clothing etcetera.

The President must designate a Vice President and COO. The Vice President **can not** be related to the President and reports to the Board as well as President.

The President has no authority to remove a member of the Board of Directors without the approval of a Quorum of the board of directors.

The President serves as Chairman of the Board.

The President must approve all staff and committee chairpersons' reimbursements.

#### SECTION 3. CHIEF OPERATING OFFICER

The staff position of COO (Chief Operating Officer) is responsible for the daily functioning of CFRA. This includes but is not limited to:

- Obtaining venues for events
- Contracting with those venues
- Preparing financial projections
- Staffing all event positions
- Setting reimbursement amounts and reimbursing Staff
- Communicating all plans with the venue
- Obtaining insurance
- Setting up accommodations for staff and participants
- Insuring that food is available for staff and participants
- Scheduling safety workers such as ambulance and corner workers
- Insuring that all necessary payments are made to venues
- Making sure event staff is reimbursed for their expenses
- Obtaining receipts from event staff or written expense lists
- Recommending event pricing to the Board
- Conducting surveys to obtain their feedback on current issues impacting CFRA
- Overseeing the Race Licensing Program
- Conducting surveys of those holding active race licenses about the racing program
- Over-see the Qualification Championship
- Insuring that competition stickers are available
- Ordering all competition and other awards
- Preparing the Banquet presentation
- Conducting the Business Lunch when and if scheduled
- Attending all CFRA functions
- Publishing Weekly newsletter
- Insuring that accounting activities are complete and accurate

The COO with the approval of the President may appoint staff to help with any or all of the tasks above.

#### SECTION 4. COMPENSTATION

Directors shall serve without compensation.

Staff and committee chairpersons shall serve without compensation except that they shall be allowed and paid their actual and necessary expenses incurred in the performance of their regular duties. In addition, staff and committee chairpersons may receive no-charge track time when that track time does not preclude others from participating. The amount of no-charge track time is at the discretion of the President.

The COO position may receive a fee based on the time required to successfully fill the position. The fee is to be established by the Board of Directors. If the person who holds the COO position is a member of the Board of Directors, he or she must recuse themselves from voting on any issue involving the compensation of the COO potion.

**SECTION 5. REGULAR AND ANNUAL MEETINGS**

Regular meetings of the directors shall be held on a quarterly basis. The majority of board business will be conducted via email.

**SECTION 6. QUORUM FOR MEETINGS**

For the Board of Directors to take action a Quorum must participate. To constitute a Quorum, a majority of the Board of Directors in office as well as the Chairman of the Board must cast a vote.

**SECTION 7. CONDUCT OF MEETING**

Meetings of the board of directors shall be presided over by the Chairman of the Board. The Vice President shall act as secretary of all meetings of the Board, provided that in his or her absence, the chairperson shall appoint another person to act as secretary of the meeting.

**ARTICLE 6  
FISCAL YEAR**

**SECTION 1. FISCAL YEAR OF THE CORPORATION**

The fiscal year of the corporation shall begin on the first day of October and end on the last day of September.


**ARTICLE 7  
AMENDING THE BYLAWS**

**SECTION 1. PROCESS FOR AMENDING THE BYLAWS**

The President may amend the bylaws with the approval of a Quorum of the Board of Directors.

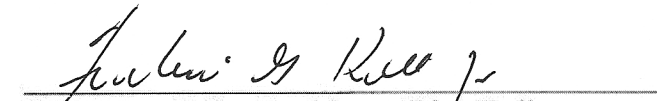
**WRITTEN CONSENT OF PRESIDENT IN ADOPTING BYLAWS**

I the undersigned, as President in the initial articles of incorporation of Checkered Flag Racing Association, a California nonprofit corporation, and, pursuant to the authority to me by these bylaws to take action, consent to, and hereby do, adopt the foregoing bylaws, consisting of seven (7) Articles, as the bylaws of this corporation.

  
\_\_\_\_\_  
Signature of President - Ed Kornegay

2/19/13  
Date

This is to certify that the foregoing is a true and correct copy of the bylaws of the corporation named in the title thereto.

  
\_\_\_\_\_  
Signature of Vice President - Rick Kull

2/25/13  
Date