

**By-Laws of the Heartland Carwash Association**  
As Amended July 8, 2010

**Purpose and Objectives**

The purpose of the Heartland Carwash Association, an Iowa Not For Profit Corporation hereafter referred to as "HCA", is to represent the mutual interests of its membership by assisting members with legislative and regulatory issues, to promote the interest and welfare of members engaged in the carwash industry, to raise professional standards of the industry, to promote and encourage practical and economic trade practices and to foster the progress of the carwash industry doing business in or serving owners in Iowa, Wisconsin, Illinois, Minnesota, Nebraska, Missouri, Kansas and South Dakota.

**Article I**  
**Offices**

The principal office of the Corporation, presently located in the State of Iowa at the registered office of the Corporation, may be at such other location within Iowa, Wisconsin, Illinois, Minnesota, Nebraska, Missouri, Kansas and South Dakota as may be designated by the Board of Directors.

**Article II**  
**Membership**

Any person, firm or corporation engaged in the Carwash Industry as an operator, manufacturer, or supplier, or who may be allied thereto, may become a member of HCA. Membership is not, however, transferable or assignable.

Application for membership shall be made in writing on the form prescribed by the Board of Directors and shall be submitted to HCA offices. If there is any question concerning the qualifications of the applicant, the matter shall be submitted to the Board for consideration and decision. The application shall be accompanied by payment of dues for one year. All memberships shall run from January 1 through December 31.

The Board of Directors, at a duly organized meeting, may elect honorary members by a unanimous vote of the members present. Such membership shall be reserved for retired members, and for persons who have made exceptionally outstanding contributions to the industry. Honorary members shall be exempt from payment of any fees, and shall be entitled to all the privileges of regular members, except the right to vote or hold office.

Any member who violates the By-Laws, or adopted rules of HCA, or who in the judgment of three-quarters of the Board of Directors fails to conduct his/her business in accordance with principles and ethics commonly accepted in the Carwash Industry, may be censured, suspended, or expelled at a meeting properly noticed and called to consider and act upon such question. The member in question shall be given at least ten days notice in writing of the time and place at which such meeting will be held, and of the question or questions to be considered at such meeting, and shall have the right to appear and be heard at such meeting.

**Article III**  
**Dues and Assessments**

An annual membership fee, as established by the Board of Directors, shall be assessed each member. Special assessments may also be levied upon members at such times and in such amounts as may be determined by the Board of Directors.

Dues shall be payable on the first day of January in each fiscal year. Special assessments are due upon receipt but no later than 45 days from the date of the invoice. Any member in default of payment of dues or special assessments for a period of 90 days shall be terminated from HCA membership.

#### **Article IV Meetings & Voting**

An annual meeting of members shall be held at which time annual reports of officers shall be made. Notice of the meeting shall be mailed to the last recorded address of each member at least ten days before the time of the meeting. All meeting notices shall set forth the place, date, time, and purpose of the meeting.

Special meetings of members may be called by the President of HCA or upon the written request of five Board Members. Such meeting is to be called for discussion of a specific subject. No business other than that specified in the notice shall be transacted at any special meeting of the association. Notice for such meetings, if the President or Board expresses urgency, may be expedited by use of facsimile, telephone, or email. Otherwise, notice requirements shall be the same as for the annual meeting.

Any member may designate another person to represent his/her firm at an HCA meeting by designating same in writing. But each firm shall be entitled to only one vote in all matters coming before the assembly. If the manner of deciding any question has not been otherwise prescribed, it shall be decided by majority vote of the members present.

The presence in person of ten or more operator members in good standing of the Association entitled to vote shall be necessary to constitute a quorum for the transaction of business.

#### **Article V Directors**

The property, affairs, activities, and concerns of the HCA shall be vested in a Board of Directors consisting of at least eleven (11) but no more than nineteen (19) directors.

Board candidates shall be nominated each year by response from invitations mailed to all members, and an invitation posted in the HCA fall newsletter. Elections shall be held in November or December and elected Board Members take office on January 1 for a two year term of office. Should a Board vacancy unexpectedly occur, the Board of Directors will ask the next highest vote recipient at the last Board election to fill out the term of office. Should there be a lack of candidates nominated to serve, the President, with Board approval is empowered to appoint a member in good standing to complete the term of office. Any owner, officer, partner, or other person representing a member may be a Director of HCA. At no time will the number of associate member directors exceed fifty (50) percent of the total number of serving directors.

The Board of Directors may: 1) hold meetings at such times and places as it thinks proper; 2) admit members and suspend or expel them by ballot; 3) audit bills and oversee dispersal of funds; 4) employ agents; 5) and devise and carry into execution such other measures as it deems proper and expedient to promote the purposes of the Association and best protect the interests and welfare of its members.

Regular meetings of the Board of Directors shall be held during the year starting in January, at which time the Board elects Officers. Meetings normally are called by the President. Meetings may be called, however, upon request of three or more members of the Board. Notice of the meeting shall be communicated by the HCA offices at least five days before the time of the meeting.

Fifty (50) percent or more of the serving members of the Board of Directors shall constitute a quorum for the transaction of business. In the absence of the President and Vice President, those present may elect a chairperson to run the meeting. If a quorum is not present, a lesser number may adjourn the meeting to another date.

Should any member of the Board of Directors fail to participate in carrying out their responsibilities as a director, or miss three or more meetings in one calendar year without being excused, the Board may by three-quarters majority vote of the board membership present at a meeting declare that person's seat vacant and appoint a replacement. Any one or more of the Directors may be removed, with or without cause, at any time, by a vote of majority of the members present at any special meeting of the general membership called for that purpose.

## **ARTICLE VII Contract Management**

The Directors have the power to select an Executive Director who need not be a member of the corporation or of the Board of Directors. The Executive Director shall serve the Association as Corporate Secretary. The annual operating budget shall be fixed by the Board through an association management contract.

## **Article VIII Officers**

The officers of the HCA shall consist of a President; Vice President; Secretary; Treasurer; and the immediate Past President. All regular and associate members elected to the executive committee must be in good standing and have served at least one full year on the board of directors.

All officers shall be elected each year by the Board of Directors at the first meeting of the Board in January and shall serve from the time of their election until re-elected or relieved by their successors the following January.

Officer vacancies shall be filled from within the Board of Directors, and all officers elected to fill a vacancy shall serve the balance of the term remaining for that office. Officers may be removed, with or without cause, by a majority vote of the Board of Directors.

The President shall preside at all meetings of members and of the Board of Directors and shall have authority to execute all authorized contracts, which shall be duly attested by the Secretary-Treasurer as deemed appropriate by the President. In the absence of the President, his/her duties devolve upon the Vice President.

The Vice President in the absence or disability of the President shall act with full authority as President in all matters prescribed by these By-Laws and such additional as may be assigned by the Board of Directors.

The Secretary shall be responsible for notice of all meetings, to conduct correspondence and carry into execution all orders, votes, and resolutions. The secretary shall be responsible for keeping a list of all members of the association and minutes of all meetings.

The Treasurer shall oversee the accounting methods and financial statement preparation and annual tax return preparation and confer with the executive director on monthly financial statements. The treasurer shall be a signee on bank accounts along with other officers as needed.

## **Article IX Committees**

The President may name such committee's as may be needed to assist with planning and execution of meetings, exhibitions, social events, etc. Regular reports shall be made to the President and Board of Directors by the Committee Chair and/or the Executive Director.

The Executive Committee shall consist of the President, Vice President, Secretary, Treasurer, and immediate Past President. The Executive Committee may act on behalf of the HCA in any matter which

requires immediate attention when the Board of Directors is not in session, reporting to the Board for ratification of their action at the next regular or special meeting called for that purpose. Three members shall constitute a quorum for the transaction of business.

The Committee, to consist of the President, Vice President, Secretary, Treasurer, immediate Past President, Executive Director, and two other Board Members selected by the President, shall prepare a slate of candidates for election to the Board each year in October. The Committee may add to nominations made by members, or may screen out nominees who indicate their unwillingness to serve. The slate to elect members to serve on the Board shall, in no event, be more than twenty-one candidates.

**ARTICLE X**  
**Employment of Legal Counsel**

The Board of Directors shall have power to employ legal counsel to advise with or represent the corporation in connection with any matters wherein such advice or services are deemed advisable by the Board or its chief executive official.

**ARTICLE XI**  
**Indemnification**

Section 1. The Association shall indemnify any Director, officer, agent, volunteer or member of this Association to the fullest extent possible against expenses, including attorneys' fees, judgments, fines, settlements and reasonable expenses, actually incurred by such person with respect to any proceeding against such person relating to his/her conduct as a director, agent, volunteer or member, except that the mandatory indemnification required by this sentence shall not apply (i) to a breach of such person's duty of loyalty to the association, (ii) for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, (iii) for a transaction from which such person derived an improper personal benefit, or (iv) against judgments, penalties, fines and settlements arising from any proceeding by or in the right of the association, or against expenses in any such case where such person shall be adjudged liable to the association.

Section 2. The Board of Directors may indemnify those of the Association's agents, members or volunteers who are not directors in all instances — including those which are excluded from mandatory indemnification under Section 1 — as it deems appropriate, so long as such indemnification is not inconsistent with law. Such indemnification may be provided by general or specific resolution, or be contract approved by the Board.

**Article XII**  
**Amendments to By-Laws**

A 2/3 majority of voting members present at any properly noticed HCA Board of Directors meeting may vote to alter, amend, repeal, or adopt new By-Laws. Amendments shall take effect immediately unless otherwise provided for.

\*\*\*\*\*

The above Bylaws constitute the Bylaws of the Heartland Carwash Association as amended by its Board of Directors at a regular meeting held the 8th day of July, 2010, notice having been given and a quorum being present.

\_\_\_\_\_  
Secretary, Heartland Carwash Association

\_\_\_\_\_  
Date