

BY-LAWS BILLINGS PETROLEUM CLUB
(As amended May, 2014)

ARTICLE I MEMBERSHIP

Section 1. ELEGIBILITY. Persons of the age of twenty-one years or more, and of good moral character, shall be eligible for membership in the club.

Section 2. CLASSES. There shall be the following classes of membership.

- A. Resident Member
- B. Company Member
- C. Associate Member
- D. Junior Member
- E. Non-Resident Member
- F. Life-Time Member
- G. Senior Member
- H. Widowed Members
- I. Honorary Member

Section 3. VOTING RIGHTS. Members shall be able to vote and hold office in the Club. Voting Members, wherever used in these By-Laws, shall mean Resident Members, Company Members, Associate Members, Junior Members, Non-Resident Members, Life-Time Members, Senior Members, widowed members and Honorary members.

Section 4. DEFINITION OF COMPANY. A Company, as used herein, means any body Corporate, Registered Partnership or Sole Proprietorship.

Section 5. DEFINITION OF CLASSES.

- A.RESIDENT MEMBER - A Resident Member is a person whose place of residence is in Yellowstone County.
- B.COMPANY MEMBER - A Company, as used herein, means any body Corporate, Registered Partnership or Sole Proprietorship.
A Company Member is a person who is employed by a company and has been and continues to be nominated by such company to be a Company Member.
- C.ASSOCIATE MEMBER - An Associate Member is an employee of a company that has an employee who holds a Company membership. Each company may nominate any number of employees for Associate Membership for each Company Membership so held.
- D. JUNIOR MEMBER - A Junior Member is a person under 35 years of age who resides in Yellowstone County.
- E. NON-RESIDENT MEMBER - A Non-Resident Member is a person residing outside Yellowstone County who does not, either individually or through marriage, have any of the following located in Yellowstone County: a dwelling, business address, car license, or telephone.

F. LIFETIME MEMBER - A Lifetime Member is a member who has prepaid his or her dues and is thereafter exempt from dues payment and quarterly minimums.

A Company Lifetime membership may be transferred by the nominating company from one person to another within the same company, providing, however, that any candidate offered for membership shall be subject to the other provisions of the By-Laws. Two Company Lifetime Dues Sponsor Memberships shall be permitted per company.

A Resident Lifetime membership is non-transferable. However, the spouse of a Resident Lifetime Member, on the death of such member, may succeed to his or her membership.

A Lifetime Member is exempt from payment of dues and quarterly minimums only and shall be liable for all other charges to which club members may be subjected.

G. SENIOR MEMBER - A Senior Member is a person who resides in Yellowstone County, is 70 years of age or older.

H. WIDOWED MEMBER - A Widowed Member is a person whose spouse member has deceased.

I. HONORARY MEMBER - An Honorary Member is a person who is elected for honorary membership by the Board of Directors.

Section 6. APPLICATION. Each applicant for membership shall present to the Secretary of the Club for submission to the President an application in writing on forms approved by the Board of Directors, stating name, address, occupation and other information prescribed thereon, signed by the applicant himself. Application for Company Membership and Associate Membership shall be signed by both the nominating company and the person nominated for membership.

Section 7. TRANSFER

A. A resident Membership or Company Membership may be transferred to a Non-Resident Membership if so qualified with no transfer charges upon notice in writing to the Secretary and approval of the Board.

B. Resident Membership may be converted to a Company Membership without charge upon notice in writing to the Secretary and approval of the Board.

C. Company Membership may be transferred by the nominating company from one person to another with the same company. Any Company Member or Associate Member who continues to be an employee of a company who changes its name for reason of a merger or amalgamation shall upon written request to the Board by the successor company and satisfactory proof of change of name continue to be a Company or Associate Member as the nominee of the successor company, if otherwise qualified as provided herein. When a Company Member resigns or ceases to be a company, or nominee, the company shall fill such vacancy. In the event such nomination is not made, the Company Membership shall be deemed to have been cancelled.

D. An Associate membership may be transferred from one person to another within the same company by the sponsoring company.

- E. A Non-Resident Member on establishing resident in Yellowstone County must so notify the Board, and if they apply within 60 days of establishing such residence, may be a Resident Member
- F. Junior Member. Upon attaining 35 years of age, a Junior Member becomes a resident, Company or Associate member.
- G. No transfer of a membership shall be effective until all liabilities of the previous holder to the Club have been paid and satisfied.
- H. A Resident Membership, Company Membership or Associate Membership may be transferred to a Senior Membership if so qualified, upon notice in writing to the Secretary and approval of the Board.
- I. Any former member whose membership (regardless of class) terminated for reasons other than suspension, expulsion or lack of good standing, may apply at any time for re-admission to membership.

Section 9. LIMITATIONS. The number of members residing in Yellowstone County shall be limited to One Thousand Fifty members. Non-Resident membership shall not be limited. Adjustment of membership limitations as to total membership and to the various classes may be made from time to time by resolution adopted by the Board of Directors.

The Board of Directors by resolution may limit the number of Associate Memberships a company may hold for each Company Membership held.

Section 10. SUSPENSION OR EXPULSION. Any member may be suspended or expelled for sufficient cause, by a vote of the members of the Board of Directors. The determination of the Board of Directors as to the sufficiency of the cause thereof shall be final.

No member shall be suspended or expelled by the Board without first having been notified of the charge against them and being given the opportunity of being heard at the meeting of the Board of Directors called for that purpose except as in Paragraph 3 hereof; such notice shall be sufficient if mailed to the last known address by registered mail or delivered to them in person at least forty-eight hours before the meeting at which the hearing is to be granted.

The executive committee may temporarily suspend a member for cause but such suspension shall be reviewed within thirty days by the Board of Directors either at its next regular meeting or at a special meeting and the member shall be entitled to notice and an opportunity of being heard by the Board as herein before provided.

Upon the expulsion of any member, all their rights and interest in the Club property shall cease and they shall be entitled to no reimbursement.

Section 11. RESIGNATION OF MEMBERSHIP. Any member of the Club may resign from membership by notification to the Secretary, provided, however, that no such resignation shall relieve the member from payment of any indebtedness to the Club including dues for the month in which the resignation is received.

A company may, by written notice to the Secretary, withdraw its nominations of an employee as a Company Member or Associate Member whereupon such person(s) shall cease to be a Company Member or Associate Member provided that no such notice shall relieve the member or the company from any indebtedness to the Club, including dues for the month in which the notice is received.

Should a Junior Member resign their membership, they shall be entitled to no reimbursement.

ARTICLE II MEMBERSHIP DUES

Section 1. AMOUNT. Members shall pay monthly or annual dues as follows:

Resident \$60/monthly
Company member \$105/monthly
Associate member \$25/ monthly
Junior member \$30/monthly
Senior member \$40/monthly

Non-Resident Member \$300.00 annually
Life Time Member \$5,000.00 one time fee
Widow/Widower Member \$None
Honorary Member \$None

Section 2. CHANGES IN AMOUNT. The amount of dues shall be subject to change at any time at the discretion of the Board of Directors provided, however, that any such change in dues shall not apply retroactively to any period for which dues has been paid.

Section 3. COMPANY LIABILITY. A Company holding a membership for which there is no Company Member shall pay the dues otherwise payable by a Company Member with respect to such Membership, subject to limitations as are herein provided.

ARTICLE III SPONSORSHIPS

Section 1. SPONSORSHIP PROGRAM. The Billings Petroleum Club Sponsorship program provides a vital source of income for the Club and offers a great way for businesses and individuals to assure the long-term viability of the Club while receiving considerable recognition for their support. Annual sponsorship is open to individuals and businesses at a minimum level of \$1,000.00. Sponsorship begins in February of each year and extends through January of the following year. Benefits of sponsorship include the following:

- A. One space for a company plaque on the Wall of Fame in the entry foyer of the Club.
- B. Guest vouchers that will allow a nonmember use of the Club without payment of dues.
- C. Recognition as a Club Sponsor on the cover of the Grill menu, in the monthly newsletter, and on the web page. Company logos for the menu covers must be received by February 1.

Section 2. SPONSORSHIP/MARKETING COMMITTEE: The Sponsorship/Marketing Committee will initiate the annual Sponsorship Drive in December by mailing a renewal letter and invoice to each prior year Sponsor. In addition, the committee will identify potential new Sponsors and mail out letters that explain the program and request participation. Upon receipt of Sponsorship pledges, the committee will mail a confirmation letter to each sponsor, thanking him/her for the support and enclosing the guest vouchers

ARTICLE IV INDEBTEDNESS TO CLUB

Section 1. ACCOUNTS. Members accounts are mailed out by the first day of the month and are due and payable by the 15th of the month. Any member whose account is overdue for a period of 30 days shall be considered delinquent. If such total indebtedness remains unpaid for a period of thirty days, the Board of Directors shall be notified thereof by the Treasurer and may, by resolution, expel such member from the Club and take whatever steps it deems advisable to collect the amount of indebtedness from such member. Any member so expelled from the Club shall not be entitled to rejoin the Club except upon approval of the Board of Directors and upon such terms and conditions as it may prescribe.

Section 2. COMPANY LIABILITY. A Company shall be jointly and severally liable with its nominees for all indebtedness to the Club incurred by such nominees.

Section 3. LIMITATIONS OF CREDIT. Credit limitations for members shall be prescribed in writing by the Finance Committee and approved by the Board of Directors.

Section 4. AMENDMENTS. The Board of Directors may change the provisions of this Article IV at any time by resolution.

ARTICLE V GUESTS, VISITORS, AND SPOUSES OF MEMBERS

Section 1. SPOUSES OF MEMBERS. Spouses of members in good standing, including widows of deceased Resident Members, shall be entitled to such privileges as the Board may prescribe, such privileges and related regulations to be set forth in the Club House Rules.

Section 2. RECIPROCAL PRIVILEGES. The Board of Directors may arrange with any other club located outside of Yellowstone County for reciprocal privileges and the granting of the privileges of the Club to members of such other clubs in return for similar privileges to be granted by such other club to the members of this Club, on such terms as the Board of Directors may approve. The reciprocal privileges of such other clubs shall not be available to any member who has been expelled or suspended or who is otherwise not in good standing with the Club.

Section 3. PRIVILEGED GUEST. A qualified member in good standing of any Reciprocal Club may become a Privileged Guest during his stay in Yellowstone County upon the presentation of his certificate of membership in such Reciprocal Club, for a period not exceeding one month or such longer time as the Board may approve.

Section 4. HOUSE RULES. The House Committee shall formulate rules in writing for admission of Guests, Visitors and Spouses of Members and submit same to the Board of Directors for approval.

ARTICLE VI MEETING OF MEMBERS

Section 1. ANNUAL MEETINGS. The regular annual meeting of the members of the Club shall be held during the third week of February of each year, at such hour as shall be specified in a notice to all members.

Section 2. SPECIAL MEETINGS. The President, or in his absence the Vice-President, or any five members of the Board of Directors may, or upon written request of twenty-five members, the Board of Directors shall call a Special Meeting of the members of the Club.

Section 3. QUORUM. At any meeting of the Club, Ten percent (10%) of the voting membership shall constitute a quorum.

Section 4. PLACE OF MEETING. All meeting of the members of the Club shall be held in the Club quarters. However, for reasons sufficient to the Board of Directors, a meeting or meetings may be held elsewhere, in which case the Board of Directors shall designate the place of the holding of such meeting or meetings.

Section 5. NOTICE OF MEETINGS.

A. ANNUAL MEETINGS. Notice of the annual meeting shall be mailed by the Secretary to each member of the Club at least ten days before such meeting, stating the time and place thereof.

B. Notice of all special meetings shall be mailed by the Secretary to each member of the Club, at least four days before such meeting, stating the time and place thereof and the purpose for which the meeting is called. No subject shall be considered at such special meeting except such as is specified in the notice thereof.

Section 6. ORDER OF BUSINESS. The order of business at the annual meeting shall be as follows:

- A. Reading of the minutes of the last annual meeting and any and all special meetings held subsequent thereof.
- B. Report of Officers
- C. Reports of Committees.
- D. Unfinished Business
- E. New Business
- F. Annual Financial Report to Members
- G. Report of Judges of Election Nominating Committee
- H. Adjournment

ARTICLE VII BOARD OF DIRECTORS

Section 1. NUMBER AND TERMS OF OFFICE. The Board of Directors shall consist of a minimum of nine and a maximum of eleven voting members. Such members shall include the immediate Past President of the Club; provided the term of the immediate Past President has not expired. If the term of the immediate Past President has expired he/she shall remain on the Board as an additional director for one year. Directors shall be elected to replace the number of expiring terms at each Annual Meeting for a term of three (3) years beginning March 1 of the year in which they are elected. Board members to serve no more than two consecutive terms.

Section 2. VACANCY. Any vacancy in the Board of Directors shall be filled by a majority vote of the remaining Directors at any meeting of the Board and the Director so appointed to fill the vacancy shall serve until the next Annual Meeting of the Club at which time the Membership shall elect a Director by ballot to serve the unexpired term. When more than five Directors are to be elected in any one year, the five candidates receiving the highest number of votes shall be elected for terms of three year, the candidate receiving the sixth highest number of votes shall be elected for the next longest term and so on.

Section 3. MEETINGS. Meetings of the Board of Directors shall be as follows:

- A. Monthly Meetings. The Board of Directors shall hold regular monthly meetings on the 3rd Tuesday of each month at 11:00 A.M. at the Club quarters or such other place and/or time in the City of Billings as the majority of the Directors may agree upon for the transaction of the business of the Club.
- B. A special meeting of the Board of Directors may be held at any time or place in the City of Billings, upon the call of the Club President, or upon the call of four members of the Board of Directors, upon twenty-four hours notice given by the Secretary of the time, place and object of such meeting.

Section 4. QUORUM. A quorum of the Board of Directors shall consist of a majority of the members thereof.

Section 5. CHAIRMAN OF THE BOARD OF DIRECTORS. The President of the Club shall be Chairman of the Board of Directors, but they shall not exercise any vote in connection with matters before the Board except in the event of a tie vote. In the absence of the President, the Vice President shall act as Chairman.

Section 6. DUTIES AND POWERS OF THE BOARD OF DIRECTORS. The Board of Directors shall have general charge of the affairs, funds, and property of the Club, and shall have full power to carry out the purposes of the Club according to its Articles of Incorporation and By-Laws. It shall keep a record of all its official acts unless otherwise provided in these By-Laws and make a report of the same at the annual meeting of the Club. Each Board Member shall be expected to regularly attend monthly Board meetings.

The Board of Directors may appropriate and expend the monies of the Club from time to time in furtherance of its objectives. However, the Board of Directors may not authorize or approve the borrowing of money, or the incurring of indebtedness by the Club in excess of Five Thousand Dollars (\$5,000.00) unless authorized by a majority vote of a quorum present at a meeting held in accordance with these By-Laws. The Board of Directors shall have no power to authorize or approve mortgaging of the properties by the Club unless authorized by a majority vote to a quorum present at a meeting held in accordance with these By-Laws.

The Board of Directors may grant authorities to the Officers of the Club and to the Club Manager and Controller for the auditing, approval and payment of bills for normal daily operating expenses. Extraordinary expenses must be approved by the President and the Board of Directors.

The Board of Directors at its regular meeting in November of each year shall appoint a Nominating Committee consisting of three (3) Voting Members of the Club. The names of the Nominating Committee shall be

immediately thereafter posted upon the Club bulletin board and announced at any subsequent meeting of the Club.

The Board of Directors may remove a Board member for continual non-attendance of the monthly Board meetings. Such Member will be advised in writing by the President prior to a vote requiring a majority vote of the attending Board Members. The Board may then appoint a Member to fill the existing slot. The new Board Member will then be submitted for nomination on the following ballot.

ARTICLE VIII OFFICERS

Section 1. The officers of the Club shall consist of a President, Vice President, Secretary and Treasurer. Their duties in addition to any others which may be provided in these By-Laws or which may be assigned to them by the Board of Directors shall be as follows:

A. PRESIDENT. The President shall preside at all meetings of the Club and of the Board of Directors, and shall have general supervision over the affairs of the Club, its property and employees. They shall be an ex-officio member of all committees. By and with the approval of the Board, they shall make and execute all contracts for and on behalf of the Club.

B. VICE PRESIDENT. In the absence of the President, the Vice President shall perform their duties. They shall assist the President in all Club matters designated by them. They shall preside at all House Committee meetings of the Club.

C. SECRETARY. The Secretary shall:

(1) Keep a record of all meetings of the Board of Directors.

(2) Notify new members of their admission

D. TREASURER. The Treasurer shall:

(1) Preside at all meetings of the membership and the Board of Directors in the absence of the President and Vice President.

(2) Supervise the fiscal operations of the Business Office as directed by the Board of Directors. They shall make or cause to be made a statement at each regular Board meeting of the financial conditions of the Club. They shall prepare or cause to be prepared a detailed year end financial report of the Club which shall be incorporated in the Annual Report of the Board of Directors.

Section 2. The financial authority of the Officers of the Club shall be as determined and directed by the Board of Directors, provided such authority shall be limited to the auditing, approval and payment of bills for normal daily operating expenses only.

Section 3. ELECTION AND TERMS OF OFFICE. The officers shall be elected by the Board of Directors from members of the Board of Directors. The term of office shall run from March 1 of the year for which they are elected through the last day of February of the following year.

ARTICLE IX COMMITTEES

Section 1. APPOINTMENT BY PRESIDENT. The President shall appoint all standing committees immediately after taking office. They shall also appoint other committees which they deem necessary and those designated by the Board of Directors.

Section 2. TERM. The term to be served by each Standing Committee shall be from March 1 of the year in which they are appointed to February 28 of the next year. The term of other committees shall be at the discretion of the President, but not to exceed their term of office.

Section 3. STANDING COMMITTEES. The President shall be required to appoint the following standing committees:

- A. House Committee - VP, Past Pres., Mngr./Asst.Mngr., volunteers
- B. Finance Committee - Treasurer & volunteers; Meet twice per year
- C. Executive Committee (compensation/personnel)- Pres., VP, Sec.,
Treas.

D. Marketing (Sponsorship & Membership) Committee -

F. Nominating Committee - Incoming President to recruit/appoint

The names of the members constituting all committees, shall be available to all members.

Section 4. DUTIES OF STANDING COMMITTEES. The duties of Standing Committees shall be as directed by the Board of Directors.

Section 5. APPOINTMENT BY THE BOARD OF DIRECTORS. The Board of Directors shall appoint a Nominating Committee at its regular meeting in November for the purpose of conducting elections for Directors for the forth-coming year.

ARTICLE X COMPENSATION

Section 1. No Director, officer or committee member of the Club shall receive any monetary compensation for his or her services to the Club.

ARTICLE XI ELECTIONS

Section 1. NOMINATING COMMITTEE. The Nominating Committee appointed by the Board of Directors shall conduct the annual election of Directors.

Section 2. NOMINATIONS BY COMMITTEE. The Nominating Committee shall nominate at least one candidate for each Director vacancy and transmit same to the Secretary in writing at least two weeks before the date set for mailing ballots to members.

Section 3. BALLOTS. The Secretary shall mail notice of the Annual Meeting with the ballots and proxy to all Voting Members with the January 1 account statement. Said ballots shall include the names of all candidates selected by the Nominating Committee and all candidates nominated by the members. Each ballot shall be numbered.

Section 4. QUALIFICATIONS OF VOTERS AND METHODS OF ELECTION. The ballots only of the all dues paying Members in good standing shall be counted. Ballots shall be mailed to the Nominating Committee at the Club mailing address in Billings, Montana or may be hand delivered to the Club by February 15. Any ballot, which is not clearly marked and understandable, shall not be counted.

Section 5. VOTING BY PROXY. Voting by proxy shall be permitted of any member.

Section 6. JUDGES OF ELECTION. The Nominating Committee shall act as judges of the election. It shall be the duty of such committee to receive and count all votes and to present to the members of the Club at the Annual Meeting a written report showing the election results.

Section 9. DETERMINATION OF ELECTION. The number of candidates necessary to fill the vacancies on the Board of Directors receiving the highest number of votes shall be declared elected. In case two or more candidates receive the same number of votes, it shall be determined by lot at the Annual Meeting of the Club which one be declared elected.

ARTICLE XII FINANCE

Section 1. FISCAL YEAR. The fiscal year of the Club shall be the calendar year.

Section 2. CERTIFICATION OF ACCOUNTS. Every year, the accounts of the Club shall be examined and the correctness thereof ascertained. The Board of Directors shall decide whether such examination shall be an annual review or a certified audit.

Section 3. APPOINTMENT OF AUDITORS. As necessary, the Board of Directors shall appoint an auditor or auditors to oversee the accounts. Such auditor or auditors shall not be members of the Board of Directors.

ARTICLE XIII MISCELLANEOUS

Section 1. INTOXICATING LIQUOR. The introduction of intoxicating liquor onto the Club premises and use thereon in violation of Federal, State or Local Laws, is prohibited.

Section 2. GAMBLING. Gambling in all of its forms is prohibited. The playing of cards and other games as a social diversion will be permitted under the supervision of the committee in charge of the Club Facilities.

Section 3. BULLETIN BOARD. A bulletin board shall be placed in a prominent place in the Club quarters. Nothing shall be posted on the bulletin board except by officers of the Club, by the Board of Directors, or by the Standing Committees or by the Manager of the Club.

Section 4. SPECIAL ASSESSMENTS. Special assessments shall be levied against members approved by the Board of Directors.

Section 5. INDEMNIFICATION OF DIRECTORS AND OFFICERS. Each Director and Officer, and their personal representative of this corporation shall be and are by adoption of these By-Laws by the Club indemnified by the Club as set forth in Title 35, Chapter 1, Section 457, MCA.

ARTICLE XIV BY-LAW AMENDMENTS

Section 1. THESE BY-LAWS, including those that may be amended by the Board of Directors as provided herein, may be amended at any regular or special meeting of the Voting Members of the Club by a two-thirds vote of the members present or members represented by proxy. The Board may amend these By-Laws by majority vote, which amendment shall be effective until the next annual meeting of the members and shall remain effective unless such amendment is rejected at the next succeeding Annual Meeting by majority vote of the members. Each such amendment shall be subject to vote separately by the members at the annual meeting next following its adoption.

Section 2. NOTICE. At least seven days written notice of any special or regular meeting at which a proposed amendment is to be voted upon shall be given by the Secretary of the Club to all voting members, which notice shall specify the time and place of the meeting and proposed amendments to be voted upon.