



**BY-LAWS OF
QUARTER MIDGETS OF AMERICA, INC.
A CALIFORNIA NON-PROFIT CORPORATION**

AMENDMENTS:

December 31, 1979
December 31, 1986
March 1, 1988
December 31, 1990
February 29, 1992
February 23, 1995
February 8, 2003
April, 16, 2003
February 9, 2006
August 26, 2008

BY- LAWS OF QUARTER MIDGETS OF AMERICA, INC.

A California Non-Profit Corporation

Incorporating Status

Quarter Midgets of America, Inc., was duly incorporated as a non-profit corporation under the laws of the State of California pursuant to Part 1 of division II of Title I of the Corporation Code of the State of California. Articles of Incorporation were completed, approved, and filed in the State of California on November 18, 1960.

ARTICLE I

Section 1 Organization

Quarter Midgets of America, Inc., shall be composed of separate components clubs operating as local units, grouped together in regions as from time to time may be established by the National Board of Directors and Regional Directors.

ARTICLE II MEMBERSHIP

Section 1 General

Membership shall be open only to organizations or clubs desiring to further the purposes of this association.

Section 2 Application

Application for a charter for Quarter Midgets of America, Inc., club may be made by a group of at least five (5) persons, signing a written application addressed through the Regional Director, to the National Board of Directors, and accompanied by a set of by-laws proposed for the club, as well as other requirements as the National Board of Directors shall from time to time prescribe.

Section 3 Approval

Unless otherwise ordered by the National Board of Directors, approval of a club charter application shall be effective on the date at which the issuance of the charter is authorized and the club charter shall bear that date. Names of the charter members appearing on the charter shall be in alphabetical order without rank or title.

Section 4 **Club Membership in Quarter Midgets of America, Inc.**

A club charter shall be issued by the Vice President of Quarter Midgets of America, Inc. upon the approval by the National Board of Directors of the application, together with its accompanying By-Laws. The form of the charter shall be determined by the National Board of Directors.

Section 5 **Removal**

Such charter may be revoked withdrawn, or suspended by the National Board of Directors when, in its judgment, continuation of such club is not in the best interest of Quarter Midgets of America, Inc.

Section 6 **Club By-Laws**

The By-Laws of a club and any amendments thereto shall be subject to the approval of the National Board of Directors and shall not become effective until so approved and a copy of such By-Laws or amendments thereto is sent to every member of that club.

Section 7 **Incorporation of Clubs**

A club may be incorporated with the consent of the National Board of Directors under such rules and regulations as the National Board of Directors may from time to time prescribe.

Section 8 **Club Directors**

Each club shall be presided over by its President, who shall be assisted by a Vice President, a Secretary, a Treasurer, a Technical Director, a Safety Director and a Publicity Director. Additional Directors are optional with each club. These club officers and others shall be elected as prescribed in the club By-Laws.

Section 9 **Individual Membership**

A club may induct invitees into membership in Quarter Midgets of America, Inc., in the manner prescribed by the By-Laws of the club or as delegated by the National Board of Directors. However, such membership shall be contingent upon fulfillment of all obligations to Quarter Midgets of America, Inc. There are two types of memberships:

Regular -The members constituting one hundred percent (100%) of the voting power of this corporation shall be known as the Regular membership. These members also have full racing privileges and their QMA dues are payable through home membership clubs.

Alternate - Alternate Handlers are not included in the Regular/Family membership and shall have no right to vote, they are covered under the provided insurance. QMA dues are payable through home membership club.

Section 10 **Membership Year (Club and Individual Members)**

Club - The membership year is from January 1 to December 31 each year, with dues payable in advance from September 1 to December 31 of the preceding year. Membership applications not received by QMA by January 1 each year will cause the individual membership with QMA to be suspended until paid.

Individual - The membership year is from January 1 to December 31 each year for the Regular and Alternate members.

Regular and Alternate (New) - Such members are those who become members of QMA, through a home club, for the first time. Such memberships received by QMA on or after September 1 are recorded as members for the 16 months, ending on December 31 of the membership year. A member who allows his/her membership to expire for one or more years and then rejoins is also considered a new member of QMA. Membership begins upon receipt of completed application.

Regular and Alternate (Renewal) - Members whose membership with QMA was prior to September 1 of the expiring year. Such members are renewals for the next membership year payable from September 1 through December 31 of the expiring membership year. Membership begins upon receipt of completed application.

Section 11 **Dues (Club and Individual)**

If the dues of any members are unpaid for a period of 90 days after, the same shall become payable, the Secretary of the Association shall mail a notice of delinquency. If the dues of any member be unpaid within 30 days after the mailing of such notice of delinquency, the membership shall automatically terminate on that date by reason of such non-payment, but the National Board of Directors may provided for subsequent reinstatement. The dues shall be determined by a least a majority of the National Board of Directors with concurrence of the majority vote of the Regional Directors of Quarter Midgets of America, Inc.

Section 12 **Voting**

In the matter of any item requiring a vote by the membership, special or otherwise, proposed to the general membership by QMA, each family holding Regular membership will be entitled to one vote. It is the responsibility of the National Board of Directors of Quarter Midgets of America to mail a ballot to each Regular member in good standing. The ballot is to include voting and mail back instructions for the voting members to mail their ballot to a pre-designated third party or organization to received, verify and count the votes shown on the ballots, and they are to furnish a final report to the National Board. The National Board of Directors is to furnish a photocopy of each mailing label sheet to each club, only for that club. The same master mailing lists will also be furnished to the third party or organization to use to verify and count votes. No member, regardless of Directorship or Chairmanships assigned, can have more than one vote –one ballot per Regular membership. Also, Regular membership cannot split their votes. (one vote per family) No club will be permitted to vote as a block –only individual ballots will be considered valid.

ARTICLE III MEETINGS

Section 1 **Annual**

The annual meeting of Quarter Midgets of America shall be held each year at such time and place and shall be designated by the National Board of Directors. Notifications of the time and place shall not be less than 90 days prior to the meeting.

Section 2 **Special**

Special meetings of the Quarter Midgets of America, Inc., may be called at any time and place by the National Board of Directors or by the Regular members, and if so called shall be written request filed with the Secretary of Quarter Midgets of America, Inc., not less than 60 days before the meetings. If called by the National Board of Directors, the request shall be signed by at least 4 Directors of the Board. If called by the Regular members, the request shall be signed by at least 2/3rds of the Regions of QMA and at least 10 members from each of those regions.

Section 3 **Notice**

Notice of the annual, or any special meetings, shall be mailed by the Secretary to each member of the National Board of Directors: the President, Vice President, Treasurer, Technical Director, Safety Director, Publicity Director; each Regional Director; and each club president at least 90 days prior to an annual meeting, or 60 days prior to a special meeting.

Section 4 **Representation**

Each Region may be represented by its Regional Director or their delegate at any annual meeting or special meeting of Quarter Midgets of America, Inc., provided that notice of such appointment shall be filed at least ten days in advance of such meeting with the Secretary of Quarter Midgets of America, Inc.

Section 5 **Voting**

Voting at such meetings of Quarter Midgets of America, Inc. shall be by the members of the National Board of Directors and by the Regional Directors or their delegates. Each Region shall have one vote. Tie votes shall be broken by the Chairman of the meeting. Voting members must be current paid QMA members.

Section 6 **Quorum**

At any such meeting of Quarter Midgets of America, Inc., four of seven members of the National Board of Directors and seven of thirteen Regional Directors, or their appointed delegates actually present, shall constitute a quorum.

ARTICLE IV BOARD OF DIRECTORS

Section 1 **National Board of Directors**

The National Board of Directors shall consist of seven persons: President, Vice President, Secretary, Treasurer, Technical Director, Safety Director and Publicity Director. Members of the National Board of Directors may hold other offices in their membership clubs, and shall be Regular members of QMA.

Section 2 **Terms of Office**

Each Board of Director shall be elected for two calendar years. Term of office for President, Safety Director, Treasurer and Publicity Director shall begin on Jan 1 of odd numbered years. Term of office for Vice President, Secretary, and Technical Director will begin Jan 1 of even numbered years. Each National Director shall hold their respective office until his/her successor is elected and assumes the duties of office.

Section 2a **Vacancies**

Vacancies within the National Board of Directors, excluding the Presidency, will be filled by a majority vote of the remaining National Board of Directors, with one vote from the combined 13 Regional Directors. The person appointed will fill the position until the next annual election and the elected member assumes responsibility of the position per these By-laws.

Notice of the vacancy will be given to the membership via the QMA website, email, Regional Directors and/or regular mail. Regular members wishing to be considered must contact the QMA National Office within the prescribed time given by the National Board of Directors, and submit a resume to be posted on the QMA website.

Section 3 **Nomination**

Nominations shall be made by a nominating committee appointed by the President. Nominations may also be made by member clubs by writing to the principal office of the Association. Nominations will be made from the membership by writing to the principal office of the Association and QMA Secretary prior to the deadline established by the National Board of Directors.

Section 4 **Elections**

The National Board of Directors shall be elected by the membership-at-large by referendum vote. The referendum shall be conducted by the National Board of Directors and shall consist of a written ballot mailed to each Regular member. Each ballot is to consist of nominees for each of the vacating directors. Each family holding a Regular membership will be entitled to one vote. It is the responsibility of the National Board of Directors of Quarter Midgets of America to mail a ballot to each Regular member in good standing. The ballot is to include voting and mail back instructions for the voting members and to mail their ballot to a pre-designated third party or organization to receive, verify and count the votes shown on the ballots, and they are to furnish a final report to the National Board of Directors.

The National Board of Directors is to furnish a photocopy of each mailing label sheet to each club, only for that club. The same master mailing lists will also be furnished to the third party or organization to use to verify and count votes. No member, regardless of directorship or chairmanship assigned, can have more than one vote, one ballot per member. Also, family memberships cannot split their votes (one vote per family membership). No club will be permitted to vote as a block, only individual ballots will be considered valid. The referendum for the offices of President, Safety Director, Treasurer and Publicity Director shall be held each even numbered calendar year during a month to be designated by the National Board of Directors. The referendum for the offices of Vice President, Secretary, and Technical Director shall be held each odd numbered calendar year during a month to be designated by the Board of Directors.

National Board Members may not be related to any other National Board Members. Related as defined as siblings, lineal relationship, by marriage, or by two individuals cohabitating together.

Section 5 **Removal**

Any officer of the National Board of Directors may be removed for cause by a unanimous vote of six (6) of the National Board of Directors at a meeting thereof called and held for such purpose.

Section 6 **Powers**

All of the corporate powers shall be exercised by, or under the authority of, the National Board of Directors. It shall manage, regulate, and control the policies and business affairs of the Corporation. It may adopt a Code of Regulation not inconsistent with these By-Laws, appoint standing or special committees; and, at will, change their personnel. Officers of the National Board will exercise the powers of their respective office consistent with these By-laws and established Rules and Procedures adopted by Quarter Midgets of America.

ARTICLE V NATIONAL BOARD OF DIRECTORS' MEETINGS

Section 1 **Meetings**

All incoming and outgoing National Board of Directors will meet and organize for the ensuing year shortly after the announcement of election results. Special meetings of the Board of Directors may be called for any purpose by the President or by a majority of the members of the Board. Meetings are defined as scheduled conversations between a quorum of the National Board of Directors in person, conference calls, web meeting, video meeting or any other medium used to timely transmit ideas and conversations between the members of the National Board of Directors.

Section 2 **Quorum**

Four National Directors of the National Board of Directors shall constitute a quorum.

ARTICLE VI DUTIES OF NATIONAL DIRECTORS

Section 1 President

The President shall be the Chief Executive Officer of the Corporation and shall, subject to the control of the National Board of Directors, have general supervision, direction, and control of the business and officers of the Corporation. He shall preside at all meetings of the Corporation. He shall be “ex officio” a member of the Board of Directors and of all standing committees, and shall perform such other duties as he may be assigned by the National Board of Directors. The President may appoint such aides and assistants and committees as he may deem necessary; such appointees shall perform duties as the President shall assign to them, and they shall serve during his pleasure. A Race Director shall be appointed each year by the President.

Section 2 Vice President

The Vice President shall assist the President and shall have general supervision of the Committees appointed under Presidential authority and in the absence or incapacity of the President shall perform the duties and exercise the powers of the President. If a vacancy in the office of President occurs the Vice President will assume the position of President in accordance with ARTICLE IV Section 2a. He shall perform such other duties as may be assigned to him by the National Board of Directors.

The Vice President will be the Chairperson of the Rules Committee and responsible for updating the rulebook each year following the National Meeting.

Section 3 Secretary

The Secretary shall:

- A. Be responsible for keeping a record of the proceedings of Quarter Midgets of America, Inc., and the National Board of Directors.
- B. Have custody of the By-laws of Quarter Midgets of America, Inc., Rule Books, Procedures Manuals and the Articles of Incorporation thereof.
- C. Keep a record of each club, members in each, and a record of all members of Quarter Midgets of America, Inc.
- D. Attest to all instruments in writing, when so directed by the President or by the National Board of Directors.
- E. Send out notices of meetings as herein before set out.
- F. Maintain a copy of the report at the annual meeting and at such other times as the President or the National Board of Directors may order, as well as perform such other duties as are required by the By-Laws, or which may be assigned to him/her by the National Board of Directors or by the President.
- G. Be bonded.

Section 4 Treasurer

The Treasurer shall:

- A. Budget Preparation – Prepare a budget along with the QMA CPA to be presented at the National Meeting.
- B. Review the monthly financial statements which have been prepared by the QMA CPA and compare to the budget. Distribute them to all National Board and Regional Directors.
- C. Have on-line access to all bank account statements.
- D. Review bank statements and compare to financial statements.
- E. Oversee bidding process for large purchases.
- F. Sign off on expenditures for items over \$2,500.
- G. Sign checks and oversees the bank statements along with the QMA CPA.
- H. Be bonded.
- I. Maintain a Property Book showing all equipment owned, borrowed, received as donations, or otherwise acquired by QMA. Book to show purchase date and cost and location (user) of the equipment. This will be done in conjunction with the QMA CPA.
- J. Promptly notify the National Board of any abnormal or suspicious financial matters or transactions.
- K. Grand's Liaison - Oversee and coordinate all communication between the Grands' Host Clubs and the National Board from the time the clubs bid to the last day of the event. This entails ensuring that the club is prepared and ready to host this event. Coordinate and plan all Grand National Officials expenditures. Be the main contact for Grand National Host Clubs.

Section 5 Technical Director

The Technical Director, as head of the Technical Committee, comprised of the 13 Regional Tech Directors, is directly responsible to the National Board of Directors for the administration and interpretation of all rules having to do with the specifications of all cars as to design, general construction, size, weight, fuel and engines. He shall also be directly responsible to the National Board of Directors for the administration and interpretation of all rules and regulations as to classification of all cars and drivers, and all racing procedures having to do with the conduct of all qualifying, competitive, training and educational programs and events, as they may concern the Technical Director.

Section 6 Safety Director

The Safety Director, as head of the Safety Committee, comprised of the 13 Regional Safety Directors, shall be directly responsible to the National Board of Directors for the administration and interpretation of all rules having to do with the following: driver equipment, the handling of fuel, gasoline, and other volatile substances, all safety equipment on all cars, fuel and exhaust systems, roll bars, cages, and safety belts and harnesses, car design and construction, size and weight. The Safety Director is responsible for the implementation of all rules and regulations involving the safety of drivers and public in the conduct of all qualifying, racing, training, or educational programs and events, as they may concern the office of Safety Director.

The Safety Director will be responsible for the approval of all new quarter midget car construction designs. Car approval is for safety determinations and does not guarantee compliance with Car Construction rules as defined in the QMA Rulebook. However, every effort will be made to ensure compliance is met.

Section 7 Publicity Director

The Publicity Director shall handle the publicity affairs of the Association as directed by the National Board of Directors. Publicity Director shall be responsible for educational programs, national newsletter, website and other forms of publicity for Quarter Midgets of America and shall be responsible for public relations and promotional programs as aids to Quarter Midgets of America, Inc., and its clubs.

ARTICLE VII COMPENSATION

All Quarter Midgets of America National Board of Directors, member and/or officers of the Association shall receive no compensation for their time and efforts on behalf of the Association, except for actual out-of-pocket expenses incurred on behalf of the Association in performance of their duties. Meals and incidentals will be paid out as per-diem at current rates as established by the General Services Administration (GSA). Reimbursements must first be approved by the National Board of Directors.

ARTICLE VIII PROPERTY AND FUNDS

Section 1 Ownership

All equipment pertaining to, used by, donated to, or purchased for the Association, or held for the Association, and supplies used in connection therewith, and all funds of said Association from whatever source obtained, including receipts from operations, shall be the sole and exclusive property of the association, and shall be used only for the improvement of the property and services of this association. Upon dissolution all assets of the association or the proceeds there from shall be distributed to another non-profit charitable organization.

Section 2 Profits

No profits or earnings of any kind will be distributed to the members of the Association, and all such earnings and profits, if any, shall be used by the Association to improve, expand, and extend its facilities and services according to the purposes set forth in its Articles of Incorporation.

Section 3 Deposits and Signature Authorities

The funds of the Association shall be deposited or kept in a financial institution approved by the National Board of Directors. Such funds shall be disbursed upon the order or orders of such officers as may be prescribed by the National Board of Directors. Required signature cards shall show the names of three Executive Board members. These are the President, Secretary and Treasurer. The signatures of any two of these three officers shall be required on all checks to be drawn on the Association's checking account. These signatures also shall be required on any savings accounts in order to move such funds within or from the Association.

The National Board of Directors is authorized and allowed to use up to two Debit cards for and on behalf of QMA for QMA business. The Treasurer will forward a listing of all charges to the National Board of Directors at least quarterly listing the board member responsible for the charge, the date, and the amount and business purpose. The National Board of Directors will then either approve the charge or deny them as a non-QMA authorized expense. If the board disapproves the charges, then said charges will be immediately billed back to the individual National Board member that made the charge.

Section 4 Fiscal Year

The fiscal year of the Association shall end on December 31 annually.

ARTICLE IX REGIONS

Section 1 Regions

Quarter Midgets of America, Inc. shall be divided into such National Regions as the National Board of Directors and Regional Directors may from time to time designate.

Section 2 Regional Directors

Each Region shall be presided over by its Regional Director who shall be assisted by the Assistant Regional Director, Regional Secretary, Regional Treasurer, Regional Technical Director, Regional Safety Director, and a Regional Publicity Director, all of whom must be Regular QMA members on or before they take office and during their term. The Regional officers shall be elected as prescribed by the QMA by-laws. It is the responsibility of the National Board of Directors to receive and record each candidate's resume from each individual region.

Candidates for Regional Director must be current QMA members and shall be elected by a membership vote within their region. The National Secretary will prepare ballot and current membership list and supply to pre-designated Quarter Midget of America auditor. The ballot is to include voting and mail back instructions for the voting members to mail their ballot to a pre-designated party which will receive, verify and count votes shown on the ballots. They are to furnish a final report to the National Board, which will be published in the Quarter Reporter, and also a notification to all candidates.

No member, regardless of directorship or chairmanship assigned, can have more than one vote. One ballot per member, also Regular membership can not split their vote. (One vote per family). No club will be permitted to vote as a block, only individual ballots will be considered, no write-in votes will be accepted. The referendum shall be held during each calendar year, during a month to be designated by the QMA National Board of Directors, and printed in the yearly calendar. Odd number Regions will elect Regional Directors for odd numbered calendar years. Even numbered Regions will elect Regional Directors for even numbered calendar years.

Resolutions adopted by a majority vote at any Regional meeting shall be binding on all the clubs in the Region, if conformity with the By-Laws of Quarter Midgets of America, Inc., unless disapproved by the QMA National Board of Directors. Each Regional Secretary shall send, promptly to the President of Quarter Midgets of America, Inc., a copy of all amendments made to the By-Laws of the Region. Regional By-Laws, as well as amendments thereto, shall not be effective until approved by the National Board of Directors of Quarter Midgets of America, Inc., or as the Board of Directors shall direct.

Section 3 Code of Regulations

A code of Regulations for the Regional Directors shall be developed, approved, and published for use by the member clubs, Regional Directors, and National Board of Directors of Quarter Midgets of America, Inc.

Section 4 Term of Office

Each Regional Director shall hold office for one term of two years, and each term is to begin on January 1 following elections. The Regional Director may hold successive terms of office and hold office in their membership clubs. Term of office for even numbered RD's to begin on January 1 of even numbered years. Term of office for odd numbered RDs to begin on January 1 of odd numbered years.

ARTICLE X CORPORATE AGENT IN CALIFORNIA

Quarter Midgets of America, Inc., is a domestic non-profit corporation, organized under the laws of the State of California, shall appoint and continually maintain a corporate agent within the State of California whose duties and responsibilities are shown on the enclosed form furnished by the Sated of California. The Corporate Agent appointed by Quarter Midgets of America, Inc., is shown on a completed copy of the attached statement by Quarter Midgets of America.

ARTICLE XI PUBLIC ACCOUNTANT

Section 1 Authorities and Responsibilities

Quarter Midgets of America shall appoint a public accountant on a permanent basis who is to be the legal advisor and assistant to the National Board of Directors, especially the Treasurer, regarding the format of the records of the financial accounts for Quarter Midgets of America. He shall also, with the assistance of the National Treasurer, prepare all Internal Revenue Service reports and other reports related to the financial aspects of the organization. He shall serve as an advisor to the clubs for financial affairs associated with their membership within a non-profit organization.

The Accountant shall:

- A. Be a hired CPA by the National Board of Directors.
- B. Monitor all money due and collected on behalf of Quarter Midgets of America which will be deposited by the National Office.
- C. Pay all bills approved by the National Board of Directors. Keep true records of all monies received and disposed of by him/her, and reserve proper vouchers for such expenditures.
- C. Make a written report at the annual meeting, together with a written statement of all receipts, disbursements, and financial condition of Quarter Midgets of America, Inc., concerning the preceding year, and report at such other times and to such extent as the President or National Board of Directors may order.
- D. Promptly notify the National Board of any abnormal or suspicious financial matters or transactions.
- E. Be bonded.
- F. Have the responsibility for filing all tax returns and legal filing notices.
- G. Maintain a Property Book showing all equipment owned, borrowed, received as donations, or otherwise acquired by QMA. Book to show purchase date and cost and location (user) of the equipment. This will be done in conjunction with the QMA Treasurer.
- H. Provide a quarterly and annual Statement of Activities Report of Quarter Midgets of America Inc. to the National Board of Directors and Regional Directors no later than thirty (30) days following each fiscal quarter and year.

ARTICLE XII AMENDMENTS

These By-Laws may be amended at any meeting of the National Board of Directors provided, however, that at least a majority of the National Board of Directors must approve such amendments with concurrence of the majority vote of the Regional Directors of Quarter Midgets of America, Inc.