

**BY-LAWS OF THE
COLORADO AUTOMOTIVE RECYCLERS ASSOCIATION, INC**
(Amended as of January 2014)

ARTICLE I — NAME AND PURPOSE

Section 1 — Name: The name of the organization shall be Colorado Automotive Recyclers Association, Inc. It shall be a nonprofit organization incorporated under the laws of the State of Colorado.

Section 2 — Purpose: The purpose of the Colorado Auto Recyclers Association, Inc., is for the betterment and preservation of automotive and truck recycling in the State of Colorado.

Section 3 — Definitions: The following definitions are in addition to any other definitions and descriptions found within these By-Laws.

- A. The Colorado Auto Recyclers Association is a Colorado Non-Profit Corporation. (hereinafter referred to as the (“ASSOCIATION”))
- B. The Board of Directors is the group of elected voting members who are in charge of governing and overseeing the operation of the association, hereinafter referred to as the (“BOARD”). An individual member of the Board of Directors hereinafter referred to as a (“ DIRECTOR”)
- C. Auto Recycling is defined as the dismantling of salvage vehicles for the purpose of selling recycled auto parts.
- D. A “VOTING MEMBER” is an individual, partnership or corporation that is engaged in the business of auto recycling. To be a Voting Member, sixty percent (60%) or more of their revenues generated by the business must be derived from auto recycling or the sales of recycled auto parts. In addition, at least one hundred (100) salvage vehicles, or the equivalent of recycled parts, must be present at the site of the business.

ARTICLE II — MEMBERSHIP

Section 1 — Eligibility for voting membership . An individual, partnership or corporation in the business of auto recycling. Members must agree to our By-Laws and our Code of Ethics. Membership is granted after completion and receipt of a membership application and annual dues. All memberships shall be granted upon a majority vote of the Board.

Section 2 — Non-voting membership: The board shall have the authority to establish and define non-voting categories of membership.

Section 3 — Eligibility for non-voting associate membership. A individual, partnership or corporation engaged in an associated business of the auto recycling industry as determined by the Board. Members must agree to our By-Laws and our Code of Ethics. Membership is granted after completion and receipt of a membership application and annual dues. All memberships shall be granted upon a majority vote of the Board. Associate members have all the privileges of regular members except for voting privileges.

Section 4 — Right to vote: No member shall have the right to vote or voice an opinion at any meeting of the Association unless he shall have paid his dues in full.

Section 5 — Annual dues: The amount required for annual dues shall be determined by the Board. continued membership is contingent upon being up-to-date on membership dues.

Section 6 — Rights of members: Each voting-member shall be eligible to appoint one voting representative to cast the member's vote in association elections.

Section 7 — Resignation and termination: Any member may resign by filing a written resignation with the secretary. Resignation shall not relieve a member of unpaid dues, or other charges previously accrued. A member can have their membership terminated by a majority vote of the Board.

Section 8 – Sale or Transfer of Ownership: Upon the majority sale or change of ownership of any Voting Member, their membership shall then seize and new owner must reapply for new membership. Notification of any "VOTING MEMBER" ownership change must be made within thirty (30) days of such change

ARTICLE III — MEETINGS OF MEMBERS

Section 1 — Regular meetings: Regular meetings of the members may be held at a time and place designated by the president. Members must be notified in writing at least 14 days in advance of such meetings.

Section 2 — Annual meetings: An annual meeting of the members shall take place at a date, time and location of which will be designated by the president. At the annual meeting the members shall elect directors and officers, receive reports on the activities of the association, and determine the direction of the association for the coming year.

Section 3 — Special meetings: Special meetings may be called by the President, the Executive Committee, or a simple majority of the Board. A petition signed by five percent of voting members may also call a special meeting. Members must be notified in writing at least 14 days in advance of such meetings.

Section 4 — Notice of meetings: Printed notice of each meeting shall be given to each voting member, by mail, not less than 14 days prior to the meeting.

Section 5 — Quorum: The members present at any properly announced meeting shall constitute a quorum.

Section 6 — Voting: All issues to be voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place.

ARTICLE IV — BOARD OF DIRECTORS

Section 1 — Board role, size, and compensation: The governing body of the Association shall consist of a board of five (5) directors, one (1) alternate and (4) officers; President, Vice-President, Secretary and Treasurer. A corporate member, defined as any corporate entity that maintains their headquarters outside the State of Colorado, may have only one director on the board at any given time. In addition to the five (5) directors a maximum of 1 (one) associate member may serve on the Board to represent all associate members, however this member may not serve as an officer or vote. The board is responsible for overall policy and direction of the association, and delegates responsibility of day-to-day operations to the staff and committees. Only members of the Association in good standing, whose dues have been fully paid, shall be eligible for election to the Board. All vacancies that occur on the Board of Directors may be filled by the Board at any of its meetings. Those so elected shall serve until the next annual meeting or until their successors have been elected. At the discretion of the Board, a Director who misses three consecutive meetings may be removed from office. The board receives no compensation other than reasonable expenses.

Section 2 — Officers and Duties: Officers of the Association shall be President, Vice-President, Secretary and Treasurer, who may succeed themselves. Officers shall have the same privileges, including the right to vote, as members of the Board. Their duties are as follows:

The president: shall convene regularly scheduled board meetings, shall preside or arrange for other members of the Executive Committee to preside at each meeting in the following order: vice-president, secretary, treasurer.

The vice-president: shall in the absence or disability of the President perform his duties and shall chair committees on special subjects as designated by the board.

The secretary: shall be responsible for keeping records of board actions, including overseeing the taking of minutes at all board meetings, sending out meeting announcements, distributing copies of minutes and the agenda to each board member, and assuring that corporate records are maintained.

The treasurer: shall make a report at each board meeting when requested by the Board. The treasurer shall chair the finance committee, assist in the preparation of the budget, help develop fundraising plans, and make financial information available to board members and the public. It shall be the duty of the Treasurer to collect and receive the income from dues and other sources and to deposit the same in the name of the Association to such bank/banks as may be designated by the Board. He shall make annually, in writing, a full report at the

annual meeting of the Association of the financial standing of the Association, and shall make a similar accounting at any time to the Board at their request of the Chairman. Any check drawn against Association funds shall bear the signatures of either the Treasurer, President or Executive Director. Any expenditure of Association funds in an amount exceeding \$1,500 must be signed by either the President or Treasurer.

Section 3 — Terms: All board Directors shall serve a two-year term, but are eligible for re-election. The election of, and the terms of Directors shall be staggered so that a minimum of 2 board members will be held over from the previous year. Officers shall serve a one-year term, but are eligible for re-election.

Section 4 — Meetings and notice: The board shall meet monthly, unless otherwise directed by the president, at an agreed upon time and place. An official board meeting requires that each board member have written notice at least 14 days in advance.

Section 5 — Board elections: New Directors, current Directors and Officers shall be elected or re-elected by the voting representatives of members at the annual meeting. Directors and Officers will be elected by a simple majority of members present at the annual meeting. Newly elected board members shall assume their offices on the 1st day of the month following the annual meeting. Unfilled board positions will be filled by the current Director until a replacement can be found.

Section 6 — Election procedures: A Board Development Committee shall be responsible for nominating a slate of prospective board members and Officers. In addition, any member can nominate a candidate to the slate of nominees from the floor. All nominees must be a member in good standing of the association for 90 days prior to election. All voting members will be eligible to send one representative to vote for each candidate. If all candidates for the Board and Officers are unopposed, they may be elected as a group by a voice vote of the membership, and a written ballot election need not occur.

Section 7 — Quorum: A quorum must be attended by at least fifty percent (5 members) of the board members for business transactions to take place and motions to pass.

Section 8 — Power to expel: The Board shall have the power to expel or suspend any member or fix such other disciplinary action as in its discretion. The Board may determine upon hearing, after due notice for the following reasons; failure to pay dues within the time provided by these By-Laws or failure to abide by the By-Laws or Code of Ethics.

Section 9 — Resignation, termination, and absences: Resignation from the board must be in writing and received by the Secretary. A Board member may be terminated from the Board due to excess absences, more than two unexcused absences from board meetings in a year. A Board member may be removed for other reasons by a three-fourths vote of the remaining Directors.

Section 10 — Vacancies: When a vacancy on the Board exists mid-term, the secretary must receive nominations for new members from present board members two weeks in advance of a Board meeting. These nominations shall be sent out to board members with the regular board

meeting announcement, to be voted upon at the next Board meeting. These vacancies will be filled only to the end of the particular board member's term.

Section 11 — Special meetings: Special meetings of the Board shall be called upon the request of the chair, or one-third of the board. Notices of special meetings shall be sent out by the secretary to each board member at least two weeks in advance.

Section 12 —Miscellaneous: The Board by majority vote may engage any other officers or employees that in its discretion, it may find necessary for carrying on the work of the Association. No member of the Board or elected Officers shall receive compensation for his service, unless approved by the Board.

ARTICLE V — COMMITTEES

Section 1 — Committee formation: The Board may create committees as needed, such as fundraising, public relations, education, finance, social, etc. The President appoints all committee chairs.

Section 2 — Executive Committee: The four Officers serve as the members of the Executive Committee. Except for the power to amend the Articles of Incorporation and bylaws, the Executive Committee shall have all the powers and authority of the Board in the intervals between meetings of the Board, and is subject to the direction and control of the full Board.

ARTICLE VI — DIRECTOR AND STAFF

Section 1 — Executive Director: The executive director may be hired by the Board. The executive director has day-to-day responsibilities for the organization, including carrying out the organization's goals and policies. The executive director will attend all board meetings, report on the progress of the organization, answer questions of the board members and carry out the duties described in the job description. The Board can designate other duties as necessary.

ARTICLE VII — AMENDMENTS

Section 1: These By-Laws may be amended at A meeting of the Board of Directors and voted upon by majority of all Board members and VOTING MEMBERS present, provided that notice and a copy of the proposed amendments shall have been mailed or electronically communicated to each member of the Association fourteen (14) business days prior to the date of such meeting.

ARTICLE VIII — INDEMNIFICATION

Section 1 — Board of Directors: The Association shall indemnify each and every member of the Board against reasonably incurred expenses (including attorneys' fees), judgments, penalties, fines and amounts paid in settlement reasonably incurred by him in connection with any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal, by reason of the fact that he is or was a Director, if it is determined by the other Directors that he conducted himself in good faith and that he reasonably believed in the case of conduct in his official capacity with the

Association and that his conduct was in the Associations best interests. No indemnification shall be made if the Director was adjudged liable to the Association or in connection with any proceeding charging that the Director derived an improper personal benefit, whether or not involving action in an official capacity, in which he was adjudged liable on the basis that he derived an improper personal benefit.

Section 2 — Members: Members shall indemnify and hold the Association and the Board harmless from and against all claims, demands, damages, liabilities, judgments, attorneys' fees, expenses and losses incurred by a Member or through a Member which relate or arise in whole or in part out of the Associations actions or omissions to act by the Board as a group or individually.

Section 3 — Provision of Insurance: By action of the Board notwithstanding any interest of the Directors in the action, the Association may purchase and maintain insurance. in such scope and amounts as the Board deems appropriate on behalf of any person who is or was a Director, Officer, Employee fiduciary or agent of the Association against any liability asserted against, or incurred by him in that capacity or arising out of his status as such whether or not the Association would have the power to indemnify him against such liability applicable law.

ARTICLE IX — CODE OF ETHICS

Section 1. — Members will provide honest, straight forward and fair treatment, and assist in determining the correct parts the customer requires.

Section 2 — Members will sell quality parts at a fair price, free of deceptive practices and misrepresentation.

Section 3 — Members will not deal in stolen auto parts, and will cooperate with law enforcement authorities to help curb the theft of autos and auto parts.

Section 4 — Members will advertise honestly, avoiding false, misleading and deceptive statements.

Section 5 — Members will abide by local, state, and federal environmental regulations, and will do their best to protect the environment from hazardous materials.

CERTIFICATION

These bylaws were approved at a meeting of the members by a majority vote on January , 201.

Ryan Hochmiller, President

Brooks Massey, Secretary