

BY-LAWS

OF THE

MINNESOTA SCHOOL BUS OPERATORS ASSOCIATION

ARTICLE I

Name and Location

SECTION 1. The name of this corporation shall be Minnesota School Bus Operators Association, hereafter referred to as “MSBOA” or “Corporation”.

SECTION 2. Its principal office shall be located at City of Annandale, County of Wright and State of Minnesota. The Corporation may have offices at such other places as the Board of Directors may from time to time determine.

ARTICLE II

Purpose

SECTION 1. The purpose of the MSBOA is to advise and inform members concerning laws, rules and regulations of the State of Minnesota and the Department of Transportation of the United States pertaining to persons engaged in the business of operating school buses: to solicit and secure from members advice and suggestions as to improvements in laws, rules and regulations pertaining to persons engaged in the business of operating school buses and in communicating and disseminating the information thus acquired to responsible public authorities; and to take other action in the interests of the group.

ARTICLE III

Members

SECTION 1. Any independent school bus contractor shall be eligible to become a member of this corporation. An independent school bus contractor means any individual, group of individuals, or entity which has a current contract with a public school, private school, or school district for the purpose of the transportation or conveyance of school children. Any member owning multiple locations, contracts or companies will join each location, contract or company as an individual member and may not count the total of the buses owned as an aggregate for purposes of dues calculations. Each location, contract or company for which individual dues are paid shall be granted stand-alone privileges in the MSBOA, including membership votes and board eligibility for qualified individuals. Votes of multiple members with common ownership may be cast by a single representative or by a representative from each member.

SECTION 2. School districts, public schools, private schools as well as an individual or company which manufactures, distributes or sells school bus related products or services are eligible to be Associate Members of the MSBOA. An Associate Member is granted all member rights except voting.

SECTION 3. Membership is conditioned upon payment of one year's dues in the manner and place as determined by a three-fourths (3/4) majority of the Board of Directors. Dues for each calendar year shall be paid in full on or before December 31st of the previous year. Those members with dues owing on February 1st of any year will not be entitled to a vote and shall not be extended any privileges of the MSBOA, including newsletters, mailings and announcements, until such time as the dues are paid in full.

SECTION 4A. Members or associate members with dues owing after February 1st or those members no longer meeting the definition of an independent school bus contractor as determined by the Board of Directors, may be removed from the membership roll. Removal for non-payment or ineligibility must be approved by a three-fourths (3/4) majority of the Board of Directors.

SECTION 4B. The Board has the authority to terminate the membership of any member or associate member whenever, in the Board's sole discretion, it deems the action of the member to be contrary to the purposes and policies of MSBOA.

SECTION 5. Any former member of the MSBOA who has retired from and no longer works in the school bus industry and who was a member in good standing at the time of his/her departure from the MSBOA may be granted ex-officio member rights at no cost, to include all active member rights except voting.

ARTICLE IV

Directors

SECTION 1. The business and property of the Corporation shall be managed by a Board of Directors, elected by the general membership by majority vote at the annual meeting, consisting of not less than ten (10) and not more than sixteen (16) directors.

SECTION 2. The Board shall, if possible, appoint two (2) at large contractors to the Board of Directors for a one (1) year term. One appointee shall be an operator owning twenty-five or fewer vehicles which are regularly used for to-and-from school transportation and one appointee shall be an operator owning twenty-six (26) or more vehicles regularly used for to-and-from school transportation. The appointees shall be an

actual member or a representative who is actively involved in the day to day management of any member.

SECTION 3. The Corporation will use staggered terms for those Directors elected to the Board of Directors. The term of office shall be for three (3) years from the date of election of the respective Director. All Directors must be involved in the day to day management of school bus operation.

SECTION 4. Any Director who fails to attend 3 of any 4 Board of Directors meetings may be removed from the Board by majority vote of the Board of Directors and a replacement may be appointed by the remaining Directors. Should any Director no longer qualify as a member in good standing, that Director's Board membership shall immediately terminate and the Board may appoint a new person to complete the remainder of that Director's term. If a Director is unable or unwilling to serve the full term of their office and the Board has been notified of his or her inability to complete the full term, the Board of Directors may appoint another person to fill that position for the remainder of the term.

ARTICLE V

Meetings

SECTION 1. ANNUAL MEETING: The annual meeting of the MSBOA shall be held in June each year, or at such other time as the Directors designate. Notice of the annual meeting of the MSBOA shall be given to all members in good standing not less than ten (10) days prior to the meeting date. A quorum for conducting business at the annual meeting shall consist of those members present who are entitled to vote at the annual meeting.

SECTION 2A. REGULAR BOARD OF DIRECTOR MEETINGS: Regular meetings of the Board of Directors shall be held from time to time at such time and place as may be fixed by Resolution of a majority of the Directors, so long as a quorum is present.

SECTION 2B. REGULAR MEMBER MEETINGS: Regular meetings of the members may be called by the Board of Directors by providing no less than five (5) days' notice prior to the meeting date.

SECTION 3. SPECIAL MEETINGS: Special meetings of the Board of Directors or the members may be called by the President or by any two of the Directors, and shall be held from time to time at such time and place as may be designated in the notice of such meeting. Special meetings of the members may be called by the President upon the written request for such meeting by at least 25 members in good standing, received by the President no less than fourteen (14) days prior to the requested meeting date. The request for a special meeting by the members must set forth the purpose for the meeting. Special meetings of the members shall be held only to discuss those issues subject to approval by the general membership.

SECTION 4. NOTICE OF MEETING: Notice shall be given of each regular and special meeting of the Board of Directors. Notice of each regular meeting of the Board of Directors shall be given at the direction of the President in writing at least seven (7) days prior thereto to each Director. Notice of special meetings of the Board of Directors shall be given to each Director at least twenty-four (24) hours prior thereto at the direction of the President by mail, telephone, email, or in person stating the purpose of the meeting. Notice of special meetings of the members called by the Directors shall be given to each member in writing at the direction of the President at least three (3) days prior thereto.

SECTION 5. WAIVER OF NOTICE: Any Director or Member may waive notice of any meeting, before or after such a meeting, by signing a waiver of notice. Attendance of a Director or Member at a meeting shall constitute waiver of notice for that meeting, as well as a waiver of any objection to the place of the meeting or to the manner in which the meeting was called or convened, unless that Director or Member states the objection to the transaction of business because the meeting is not lawfully called or convened.

SECTION 6. QUORUM: Except as otherwise stated in these Bylaws, a quorum for the transaction of business at any regular or special meeting of the Directors shall consist of a majority of all Directors. An act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. No Director may give a proxy for himself/herself or vote by proxy.

SECTION 7. ELECTRONIC COMMUNICATIONS: A conference among directors by a means of communication through which the directors may simultaneously communicate with each other during the conference is a meeting of the Board of Directors if the same notice is given of the conference as would be required for a meeting, and if the number of directors participating in the conference is a quorum. A director may participate in a meeting of the Board of Directors by any means of communication through which the director, other directors so participating, and all directors physically present at the meeting may communicate with each other during the meeting. Participation in a meeting by any of the above-mentioned means is personal presence at the meeting.

SECTION 8. ACTION WITHOUT MEETING. An action required or permitted to be taken at a Board meeting may be taken by written action signed, or consented to by authenticated electronic communication, such as e-mail, by all of the directors with a reasonable timeline as specified by the President.

ARTICLE VI

Officers

SECTION 1. NUMBER: The officers of the MSBOA shall consist of the President, two (2) Vice Presidents, Treasurer and the Ex-Officio President and such other officers and agents as may from time to time be elected by the Board of Directors.

SECTION 2. ELECTION AND TERM: After each annual membership meeting and no later than each annual meeting of the Board of Directors, the Board shall elect from within their number the officers as specified in Article VI, Section 1. The officers shall hold office until the next annual meeting of the Board of Directors or until their successors are duly elected and qualified. Should, at any time, the office of President become vacant for reasons of resignation or withdrawal by the President, the 1st Vice-President shall be installed as the President by the board. The 2nd Vice-President will then become the 1st Vice-President and the board shall elect a new 2nd Vice-President. All officers shall serve their respective office until the next annual meeting.

SECTION 3. REMOVAL AND VACANCIES: Any officer may be removed from office by a vote of a majority of the Directors, with or without cause, and no officer shall be granted any contractual right of office. If there is a vacancy among the officers of the MSBOA by reason of death, resignation, or otherwise, such vacancy may be filled for the unexpired term by the Board of Directors.

SECTION 4. DUTIES: The duties of the officers shall be as determined from time to time by the Board of Directors.

ARTICLE VII

Committees

SECTION 1. EXECUTIVE COMMITTEE: The Officers of the Board -- comprised of the President, 1st Vice-President, 2nd Vice-President, Treasurer, and Ex-Officio President shall constitute the Executive Committee. The Executive Committee is empowered by these Bylaws to act on behalf of the Board of Directors in matters where timing does not permit a full Board of Directors' meeting. Vacancies in the membership of such committee shall be filled by the Board of Directors at a regular meeting or at a special meeting called for that purpose. A quorum for transaction of business shall consist of a majority of the executive committee.

SECTION 2. LEGISLATIVE COMMITTEE: There shall be a standing legislative committee, comprised of members in good standing. The Legislative Committee shall be responsible for conducting the affairs of the MSBOA relating to political and legislative issues impacting the MSBOA.

SECTION 3. OTHER COMMITTEES: The President may establish other committees, comprised of members in good standing, from time to time to assist with operations of the MSBOA, making such regulations, as it deems advisable with respect to the membership, authority and procedures of such committees. Minutes of all committee meetings will be made available to any Director upon request.

ARTICLE VIII

Seal, Books and Records, Audit, and Fiscal Year

SECTION 1. SEAL: The MSBOA shall have no seal.

SECTION 2. BOOKS AND RECORDS: The Board of Directors shall cause to be kept: a) correct and complete books of account, to be reviewed annually by a Certified Public Accountant and said review shall be presented to the board and membership at the annual meeting; b) minutes of proceedings of the annual meeting of the membership and meetings of the Board of Directors and committees, having any of the authority of the Board of Directors, and c) correct and complete copies of the Corporate Articles and Bylaws, as amended.

SECTION 3. ANNUAL ACCOUNTING PERIOD: The annual accounting period for the MSBOA shall be the fiscal beginning on January 1st of a given year and ending on December 31st of that year.

SECTION 4. EXAMINATION BY MEMBERS AND DIRECTORS: Every member or Director of the MSBOA shall have the right to examine, in person or by agent or attorney, at any reasonable time or times, for any proper purpose, and at the place or places where usually kept, all books and records of the corporation and to make extracts there from. The MSBOA may seek a protective order or order of other relief as may be necessary to ensure the proper use of MSBOA's books and records. The MSBOA may charge the requesting party a reasonable fee to cover the expense of providing copies of the documents under this section.

ARTICLE IX

Standard of Conduct

SECTION 1. STANDARD OF CONDUCT. A Director or officer shall discharge the duties of the position of Director, or the duties of an officer in good faith, in a manner the Director or officer reasonably believes to be in the best interests of the Corporation and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

A Director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;

(b) Counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such person; or

(c) A committee of the Board upon which the Director does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if the Director has actual knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

SECTION 2. PRESUMPTION. Absent breach of fiduciary duty, lack of good faith, or self-dealing, actions taken by the Board, committees of the Board, or by individual Directors, or any failure to take any action, shall be presumed to be in the best interests of the Corporation.

SECTION 3. NOTATION OF DISSENT. A Director who is present at a meeting of the Board when an action is approved by the Board is presumed to have assented to the action unless the Director objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and does not participate in the meeting; votes against the action at the meeting; or is prohibited from voting on the

action by the Articles or Bylaws pursuant to a conflict of interest policy adopted by the Board.

ARTICLE X

Dissolution Clause

SECTION 1. Upon dissolution of the MSBOA, the Board of Directors shall, after paying or making provisions for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation in such manner, or to such organizations established and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any of such assets not so disposed of shall be disposed of by the Circuit Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization as said court shall determine, so long as they are organized and operated exclusively for such purpose.

ARTICLE XI

Amendments to By-laws

SECTION 1. The Board of Directors may alter or amend the By-laws at a Board meeting , at which a quorum is present, by a two-thirds (2/3) vote of the Directors present.

ARTICLE XII

Adoption

The forgoing By-Laws were adopted at the annual meeting held at Grand Rapids, MN, Minnesota, on June 14, 2016.