

BYLAWS
of
STAR - STANDARDS FOR TECHNOLOGY IN AUTOMOTIVE RETAIL

A District of Columbia Nonprofit Corporation

Revised as of May 23, 2023

Article I

1. **Name and Status.** The name of the corporation is STAR - STANDARDS FOR TECHNOLOGY IN AUTOMOTIVE RETAIL (“Corporation”). The Corporation is a nonprofit corporation incorporated in the District of Columbia.
2. **Location.** The principal office of the Corporation is located in the District of Columbia or elsewhere as determined by the Board of Directors.
3. **Purposes.** The purposes of the Corporation are as stated in the Articles of Incorporation.

Article II

1. **Membership Classes.** Membership in the Corporation is available to individuals and legal entities in the following classes, meeting the criteria specified herein and such further criteria as may be fixed by the Board of Directors from time to time:
 - a) **Dealers.** Dealer members shall include individuals and legal entities that own and operate franchised new motor vehicle retail dealerships. This membership class may also include dealer organizations, such as the National Automobile Dealers Association (“NADA”) and state and local dealer organizations.
 - b) **Manufacturers.** Manufacturer members shall include companies that manufacture new motor vehicles.
 - c) **Technology Companies.** Technology company members shall include (1) Business System Providers (“BSPs”), which are companies that develop and/or offer software, comprehensive computer systems like Dealership Management Systems (“DMS”), Fleet, Enterprise Resource Planning Software (“ERP”), and/or related services for the new motor vehicle market; and (2) Information Technology Vendors (“IT Vendors”), which are companies that do not market comprehensive DMS, Fleet, and/or ERP systems but that provide information technology services to dealers and/or manufacturers.
 - d) **Associate Members.** Other individuals and legal entities that participate in the motor vehicle industry may join the Corporation as associate members, with the Board of Directors determining membership and participation eligibility. Associate members would have no voting rights.

2. Applications for Membership. All applicants for membership must complete and submit the application form as provided by the Corporation.

3. Admission of Members. Admission to membership is by vote of the Board of Directors based upon a determination that an applicant has met the Corporation's criteria for membership in a specified category.

4. Resignation. Any member may resign by submitting a written resignation to the or Chair of the Corporation. However, resignation does not relieve a member from liability for dues accrued and unpaid as of the date of resignation.

5. Expulsion. Any member may be expelled for adequate reason by the Board of Directors. Failure to pay dues or to meet the criteria for membership is presumed to be adequate reason for expulsion and does not require advance notice to the member and deliberation by the Board. Any member proposed for expulsion for another reason will be given advance written notice including the reason for the proposed expulsion, opportunity to contest the proposed expulsion in writing or in person before the Board of Directors, and final written notice of the Board's decision.

6. Meetings and Action of the Membership. Members meet at the call of the Board of Directors, no less frequently than once per year, and vote on Directors as provided in these Bylaws and on other matters only as submitted to them for consideration by the Board of Directors or as required by law. Members do not otherwise have voting rights. Except as set forth below with respect to voting groups for Directors, each member shall have one vote for any matter submitted to the members for a vote. Notice of meetings shall be given in accordance with policies instituted by the Board, or as otherwise required by law. Meetings do not need to be held at a geographic location if the meeting is held by means of the Internet or other electronic communications technology in a fashion pursuant to which the members have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members, pose questions, and make comments. Members may vote in person or by proxy, as permitted by law. Members holding a majority of the votes entitled to be cast represented in person or by proxy shall constitute a quorum. Any action by members may be taken without a meeting if the action is taken by all the members entitled to vote on the action. The action shall be evidenced by one or more consents in the form of a record bearing the date of signature and describing the action taken, signed by all the members entitled to vote on the action, and delivered to the Corporation for inclusion in the minutes or filing with the corporate records.

Article III

1. Dues. Dues are established by the Board of Directors.

2. Delinquency. Any member of the Corporation that is delinquent in dues for a period of ninety (90) days is notified of the delinquency and suspended from membership. If dues are not paid within the succeeding thirty (30) days, the delinquent member forfeits all rights and privileges of membership and is expelled.

3. Refunds. No dues will be refunded.

Article IV

- 1. Board of Directors.** The governing body of the Corporation is the Board of Directors, which has authority and is responsible for supervision and management of the Corporation. The Board establishes Corporation policy and monitors implementation of policy.
- 2. Composition of the Board.** The Board of Directors consists of three Directors elected by the dealer members, three Directors elected by the manufacturer members, and three Directors elected by the technology company members, with each class of members voting as a separate voting group.
- 3. Election and Term of Office.** Election of Directors takes place each year at the annual meeting of the members. The three Directors elected by each voting group shall serve staggered terms of three years, such that each year each voting group would elect one Director. All Directors serve until their successors are elected and qualified and may be elected for up to three successive three-year terms, except that the Board may authorize a Director to serve for more than three successive three-year terms.
- 4. Vacancies.** If a vacancy occurs on the Board for any reason, the position is filled for the unexpired portion of the term by the Board. If, when the vacancy occurs, there is more than one year remaining on the three-year term for the departing Director, the class of members that originally elected the departing Director, at the next annual meeting at which Directors are elected, shall elect a new Director to serve for the remainder of the three-year term.
- 5. Removal.** A Director may be removed with or without cause by a majority vote of the Board. The Chair shall provide prompt written notice to any Director who is removed.
- 6. Meetings and Action of the Board.** The Board of Directors meets at least annually at whatever time and place it selects. Notice of meetings shall be given in accordance with policies instituted by the Board, or as otherwise required by law. Meetings may be held by teleconference or other electronic means of communication if each Director can hear the others during the meeting. A Director participating in a meeting by this means shall be considered to be present in person at the meeting. A majority of Directors forms a quorum; a majority of votes is required to carry a matter where a quorum is present unless otherwise provided by these Bylaws or by law. Proxy voting is not permitted. Voting by mail, overnight delivery, e-mail, or other electronic transmission is permitted where all Directors vote unanimously in favor of a matter.
- 7. Compensation.** Directors do not receive compensation for their services but may be reimbursed for expenses according to an established reimbursement policy.

Article V

1. **Officers.** The elected officers of the Corporation are a Chair (who shall preside over member and Board meetings and shall be responsible for the management of the Corporation), a Treasurer, and any other officer the Board elects.
2. **Qualifications.** Officers must be individuals who have been elected Directors, except that the Board may appoint as an officer a President (or a similar title to be determined by the Board), who would be responsible for the management of the Corporation, but who does not need to be an elected Director and who, if not an elected Director, would serve as an *ex-officio*, non-voting member of the Board. An individual may hold more than one elected office at the same time, except that the offices of Chair and Treasurer shall be held by distinct individuals.
3. **Election and Term of Office.** Officers, except for the President (if appointed), are elected by the Board of Directors each year from amongst the Board. They serve for one-year terms and may be elected for consecutive terms.
4. **Duties.** The officers perform those duties that are usual to their positions and that are assigned to them by the Board of Directors. In addition, the Chair chairs meetings of the Board of Directors, and the Treasurer is the financial officer of the Corporation. The President (if appointed) is responsible for implementing strategy and policy established by the Board.
5. **Vacancies.** If a vacancy occurs among the officers for any reason, the position is filled for the unexpired portion of the term by the Board.
6. **Removal.** An elected officer may be removed for any reason by a majority vote of the Board of Directors.
7. **Compensation.** Elected officers do not receive compensation for their services but may be reimbursed for expenses according to an established reimbursement policy. Appointed officers, such as President, may receive compensation for their services.

Article VI

1. **Executive Committee.** The Board each year shall appoint an Executive Committee, which shall consist of the Chair, Treasurer, and at least one other Director selected by the Board. The Executive Committee may act in the place of the Board of Directors when authority is designated by the Board or in emergency matters where Executive Committee action is temporary and subject to subsequent approval by the Board at its next meeting.
2. **Other Committees.** The Board may appoint any other committees, task forces, or working groups it deems necessary or advisable. Committees made up exclusively of Directors as voting members shall be committees of the Board and may be delegated Board authority. All other committees shall be advisory in nature.

Article VII

- 1. Policies.** The Board of Directors may establish policies that are consistent with applicable law and with these Bylaws for the operation, procedures, and programs of the Corporation.
- 2. Parliamentary Authority.** The usual parliamentary rules laid down in the most recent edition of the “Modern Parliamentary Procedure” by Ray Keesey shall govern all deliberations. Conflicts between such authority and these Bylaws shall be resolved in favor of the Bylaws.
- 3. Indemnification and Insurance.** The Corporation may, by resolution of the Board of Directors, provide for indemnification by the Corporation of any and all of its present or former Directors or officers for expenses actually and necessarily incurred by them in connection with the defense of any action, suit, or proceeding, in which they or any of them are made parties, or a party, by reason of having been Directors or officers of the Corporation, except in relation to matters as to which such present or former Director or officer shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or gross misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability for negligence or misconduct.
- 4. Amendment.** Amendments to these Bylaws may be made by a two-thirds vote of the Board of Directors unless an amendment by law would require approval of the members or a class of members.