

BYLAWS OF CABERFAE SKI CLUB, INC.

ARTICLE I NAME AND FISCAL YEAR

The name of the organization shall be "Caberfae Ski Club, Inc." herein after to be called Caberfae Ski Club.

The fiscal year of the Caberfae Ski Club shall be July 1 – June 30.

ARTICLE II PURPOSE

The purpose of the Caberfae Ski Club shall be to promote friendship among the skiing community, to support programs for safe skiing, and to foster a spirit of goodwill and helpfulness among members.

ARTICLE III MEMBERSHIP

Section 1. The membership of this organization shall consist of four classes:

Family Membership
Individual Membership
Life Membership, and
Senior Membership

Section 2. Any person interested in skiing shall be eligible for membership upon completion and submission of the prescribed application form, payment of application fee and such other qualification as may be prescribed by the Board of Directors and uniformly applied to all candidates for membership.

Upon applying for and accepting admission to membership, the applicants agree to abide by the Club Bylaws and all existing and published house rules.

The applicants further agree to the assumption of risk and to the waiver of any and all claims relative to injury or property damage attributable to misfeasance or nonfeasance on the part of the club, its directors, its officers or agents.

The applicants further agree to indemnify the club against any and all claims on behalf of guests sponsored by the applicant/member.

Section 3. An individual membership shall be available to any adult meeting the qualification for membership as set forth in Section 2 of Article III.

Section 4. A family membership shall be available only to family units consisting of at least one financially responsible adult meeting the qualifications for membership as set forth in Section 2 of Article III. A family unit shall consist of not more than two adults, plus their dependent children. For the purpose of defining a child's participation in such a family unit, a child shall be considered a family member provided the child resides with the adult members, and has not yet attained the age of twenty-one (21), or twenty-four

Commented [s1]: After discussion with an attorney, we were informed that with our organization, a Constitution and a set of Bylaws was outdated and did not make sense. Here is what he had to say:

"1. The Bylaws should be a document, like the Articles, that stands alone. The notion of the "Constitution" did not make sense in that context.

2. Various provisions in the current document were rearranged in an order to make sense in the context of traditional Bylaws.

3. I added indemnification provisions for directors, officers and volunteers. The full range of protections against any volunteer (of any sort) actions taken in good faith allowed under the Nonprofit Act must be included in the Articles of Incorporation, not just the Bylaws. I did not prepare revisions to the Articles.

4. I tried to eliminate redundancies I saw in the Constitution/Bylaws."

Commented [SD2]: Added to include the fiscal year.

Commented [s3]: Omitted "who must be of the opposite sex and acknowledge their relationship to be that of 'husband' and 'wife'".

We addressed this as a way of keeping the ski club as inclusive as possible to both the current, as well as future and prospective memberships.

Commented [SD4]: Deleted "natural born or adopted".

(24) years if a full time student. At that point, prior to turning twenty-two (22) or twenty-five (25) the family member can apply for membership to join the club immediately as a Legacy Member. The Legacy Members that join will not impact those already on the waiting list.

Commented [SD5]: Legacy member clause.

Section 5. Life membership will be classed into two categories, honorary and active. Active life members and their spouses shall be exempt from the payment of annual dues, but shall be responsible for payment of special assessments and appropriate fees. The Board of Directors shall have authority to adopt a policy which shall describe the requirements and qualifications necessary for approval of life membership.

Section 6. Senior membership will be granted to those members who shall have attained the age of seventy (70) years and who have been active members of the club for not less than the last twenty-five consecutive years. Senior members and their spouses shall pay annual dues at the rate of fifty percent (50%) of dues levied for regular membership, and shall also be responsible for payment of special assessments and appropriate fees. As a senior membership is granted whomever is at the top of the waiting list shall be offered a membership.

ARTICLE IV MEETINGS OF MEMBERS

Section 1. The Annual Meeting of the members shall be held on the last Saturday of the month of February at the Caberfae Ski Club, Cadillac, Michigan. Notice of the meeting shall be provided to members in person, by mail, or electronically at least twenty (20) days prior to the date of the Annual Meeting.

Commented [s6]: Moved from "Article IV" under separate "by-laws" section, to just Article IV of the whole document.

Commented [s7]: From Hoxeyville

Commented [s8]: added

Section 2. Special meetings of the club membership may be called upon twenty (20) days written notice (via mail or electronically) to the membership by the club President or a majority of the Board of Directors. The Board of Directors shall be obligated to call such Special Meeting upon written petition signed by twenty percent (20%) of the club members then in good standing. Notice of Special Meetings shall be provided to all members at least twenty (20) days prior to the date of such meeting, and a copy of such notice shall be posted in a prominent position upon the club premises. Special meetings of the members shall conduct only such business as apropos to the stated purpose for the meeting.

Commented [s9]: Paragraph starting "all proposed amendments" has been omitted.

Section 3. A quorum at any meeting shall be defined as twenty-five percent (25%) of all active memberships in good standing present in person or by proxy.

Section 4. Each membership shall be entitled to one vote.

Section 5. A membership is entitled to vote at a membership meeting or to express consent or dissent without a meeting may authorize other persons to act for the member by proxy. A proxy shall be signed by the member or the member's authorized agent or representative. A proxy is revocable at the pleasure of the member executing it except as otherwise provided by statute.

Section 6. A member may participate in a membership meeting by conference telephone or any similar communications equipment through which all persons

participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

ARTICLE V MEMBERSHIP RESPONSIBILITY

Section 1. Notice of all annual dues and assessments shall be mailed by September 1, and are payable within thirty (30) days. Any member in arrears after October 1 shall be denied club privileges and immediately notified of such. A late payment fee shall be added to his or her indebtedness. Such member shall have until October 15 to pay any outstanding indebtedness or that membership shall be terminated. Should such member later wish to rejoin this club, he or she shall be subject to all conditions as may apply to any other applicant.

Section 2. Any member may be suspended from the club for conduct deemed prejudicial to the club. Consideration of suspension must be approved by a majority of the Board of Directors. Such member shall then be given written notice of the charges against him or her and be given the opportunity to be heard at a meeting called for the purposes of considering the charges. Suspension shall require a two-thirds (2/3) vote of the Board of Directors and shall be for such time as the Board deems appropriate.

In the event of a family membership, the suspension shall apply only to the party in question and not to the rest of the family.

ARTICLE VI DIRECTORS

Section 1. The Caberfae Ski Club shall be governed by a Board of Directors of not less than eight (8) Directors, two (2) of whom shall be elected each year for a term of four (4) years. Each club membership shall have one (1) vote. Voting shall be done by ballot prior to the day of the Annual Meeting. The two (2) nominees receiving the greatest number of votes shall be elected to the Board. Any vacancy will be replaced by the Board.

Candidates for election to the Board of Directors may be nominated by petition containing the signatures of no less than five (5) active members in good standing or by action of a nominating committee appointed by the Board of Directors for the purpose of assuring that no fewer than four (4) members are nominated as candidates for the two (2) Board of Directors positions to be voted upon.

The nominating committee shall consist of the two newly elected Board members. No member may serve upon the nominating committee for two successive years. The names of those appointed to the nominating committee shall be posted within the club newsletter at least thirty (30) days prior to the date of the Annual Meeting. The posting shall state that the nominating committee is accepting petitions for the nomination of candidates for the office of Director, and that the nominating committee has the power to nominate without petition.

Section 2. The Board of Directors shall elect officers as hereinafter set forth, shall hire the club manager who shall hire staff as needed, shall establish hours of club operation, shall adopt a budget setting forth estimated receipts and expenditures prior to the

Commented [s10]: Both new sections.

We added these sections to allow members to either vote by proxy, or to participate in meetings electronically if they so choose.

Commented [s11]: Moved from "Article V" under separate "by-laws" section, to just Article V of the whole document.

Commented [s12]: Changed from November 1

Commented [s13]: Moved and synthesized from both Article VI of original Constitution, as well as "Article I" under separate "by-laws" section, to simply Article VI of the whole document.

Commented [SD14]: Changed from 3 members of the club.

Commented [SD15]: Changed to add "the newsletter", and changed 60 days to 30 days.

Commented [SD16]: Added for clarification.

beginning of each fiscal year, and shall approve or disapprove all requests for capital expenditures.

Section 3. The Board of Directors shall establish annual dues as required concurrent with the adoption of a budget prior to each fiscal year, except that annual dues may not be increase in excess of ten percent (10%) in any one fiscal year except with approval of the general membership as hereinafter provided.

Section 4. The Board of Directors may, in connection with capital expenditures, impose special assessments upon the general membership, except that any such special assessments may not exceed fifty percent (50%) of the annual dues paid by an individual membership during the prior fiscal year unless such special assessment is approved by a majority of the membership present or voting by proxy at an Annual Meeting or a Special Meeting of the members convened as hereinafter provided.

Section 5. The Board of Directors may not, except as previously approved by the general membership, convey title or interest in real property owned by the Caberfae Ski Club. Such approval shall be required affirmative vote of a majority of all voting membership either voting in person or by proxy at an Annual Meeting or a Special Meeting of the members convened as hereinafter provided.

Section 6. The Board of Directors shall meet as required for the discharge of their responsibilities. The President shall act as Chair of such meetings and shall call such meetings as he or she considers necessary for the proper administration of club affairs. Additional meetings may be called by any three directors upon two (2) weeks written notice mailed or electronically, to all duly qualified directors, setting forth the date, time, location and purpose of such meeting. Such meetings as might be called by three directors, however, shall be limited to considerations involving the stated purpose of the meeting only.

Commented [SD17]: Added.

Section 7. A quorum for the purpose of a duly constituted meeting of the Board of Directors shall be not less than a simple majority of the full Board.

Section 8. A Board member may participate in a meeting by conference telephone or any similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

Commented [s18]: Added.

Section 9. A Board member may be removed by the Board for failure to attend meetings, but only at a meeting called for such purpose and with notice of such purpose given to such member at least ten (10) days prior to such meeting.

Section 10. Vacancies in an elective office, except that of President, shall be filled by the Board of Directors for the unexpired term. In case of a vacancy in the office of President, The First Vice-President shall become President.

ARTICLE VII OFFICERS

Commented [s19]: Moved and synthesized from both "Article VI" of previous Constitution, as well as "Article II" under separate "by-laws" section, to simply Article VII of the whole document.

Section 1. The Board of Directors shall elect a President, a First Vice-President, a Second Vice-President, and appoint a Secretary-Treasurer, and an Assistant Secretary-Treasurer.

Commented [s20]: Changed from "A Secretary, a Treasurer," because Norma holds the title of both. Also, "appoint" was added because the board does not elect a Secretary-Treasurer, but appoints one.

Section 2. The President shall preside at all meetings of the club and shall enforce the Constitution and Bylaws. He or she shall perform such duties as the club from time to time shall require of him or her. The President shall be ex officio member of all committees. He or she shall prepare and present a summation report at the Annual Meeting.

Section 3. The First Vice President shall perform the duties of the President during the latter's absence, and provide supervision for the club manager.

Section 4. The Second Vice President shall be in charge of the building maintenance and the work bee. He or she shall also co-ordinate other committees as directed by the president.

Section 5. The Secretary-Treasurer shall keep a record of all meetings of the club, and prepare same for permanent record in a book kept for that purpose. He or she will, at each meeting of the club, at the request of the President, read the minutes of the previous meeting and make such corrections as may be required. He or she shall conduct the correspondence of the club and also keep records of the club, including members' names, addresses and notify candidates for office of their election. He or she shall make available the names and addresses of all newly elected and appointed officers promptly, within one (1) month of the Annual Meeting, to the membership. He or she shall be prompt and complete in keeping the President informed at all times of club activities.

Commented [SD21]: Changed from just "Secretary" as Norma does both jobs.

The Secretary-Treasurer shall also collect all dues, fees, or other revenue. He or she shall keep a written record of all disbursements. He or she shall render to the club each month a record of all receipts and expenditures of the preceding month. He or she shall deposit all moneys and other valuable property in the name of the club in such banks as may be designated by the Board of Directors. The books and records of the Secretary and the Treasurer shall be open to inspection at any reasonable time by any member of the Board. The Treasurer shall receive annual compensation as determined by the Board of Directors.

Commented [SD22]: Changed from just "Secretary" as Norma does both jobs.

Section 6. The Assistant Secretary-Treasurer shall assist the Secretary and the Treasurer and shall receive annual compensation as determined by the Board of Directors.

ARTICLE VIII COMMITTEES

Section 1. The committees of this club shall be appointed by the President and confirmed by the Board of Directors.

Section 2. It shall be the duty of the Membership Committee to contact prospective members for the club and submit their names to the Board of Directors. It shall also be its duty to provide club members with pertinent information, including a current membership list.

Section 3. It shall be the duty of the Social Committee to arrange for any functions to be held and to co-operate with the club manager in arranging for social events with the Board's consent.

Commented [s23]: Moved from "Article III" under separate "by-laws" section, to Article VIII of the whole document.

Section 4. It shall be the duty of the Finance Committee to have general supervision of finances of the club, and annually prepare a budget and make careful estimates of the costs and expenses of running the club for the entire year. The Finance Committee shall audit the books of the Treasurer prior to the Annual Meeting. No appropriation shall be made without first referring same to the Finance Committee and report therefrom. The Board of Directors shall prescribe the form in which the financial records shall be kept. The Treasurer shall serve on this committee.

Section 5. Each committee chairman shall submit to the President at the Annual Meeting a report of the committee's activities.

Section 6. Special or new committees may be created at any time by the Board of Directors to perform the special function for which they are intended. Chairmen shall be appointed in the same manner as chairmen of regular committees.

ARTICLE IX CONFLICTS OF INTEREST

Whenever a director or officer has a financial or personal interest in any matter coming before the board of directors, the board shall ensure that:

1. The interest of such officer or director is fully disclosed to the board of directors.
2. No interested officer or director may vote or lobby on the matter or be counted in determining the existence of a quorum at the meeting of the board of directors at which such matter is voted upon.
3. Any transaction in which a director or officer has a financial or personal interest shall be duly approved by members of the board of directors not so interested or connected as being in the best interest of the organization.
4. Payments to the interested officer or director shall be reasonable and shall not exceed fair market value.
5. The minutes of meetings at which such votes are taken shall record such disclosure, abstention, and rationale for approval.

ARTICLE X INDEMNIFICATION

Section 1. Subject to all of the other provisions of this article, the corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding. This includes any civil, criminal, administrative, or investigative proceeding, whether formal or informal (other than an action by or in the right of the corporation). Such indemnification shall apply only to a person who was or is a director or officer of the corporation, or who was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, whether for profit or not for profit. The person shall be indemnified and held harmless against expenses (including attorney fees), judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, if the person acted in good faith and in

a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation or its members. With respect to any criminal action or proceeding, the person must have had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or on a plea of *nolo contendere* or its equivalent, shall not by itself create a presumption that (a) the person did not act in good faith and in a manner that the person reasonably believed to be in or not opposed to the best interests of the corporation or its members or (b) with respect to any criminal action or proceeding, the person had reasonable cause to believe that his or her conduct was unlawful.

Section 2. Subject to all of the provisions of this article, the corporation shall indemnify any person who was or is a party to, or is threatened to be made a party to, any threatened, pending, or completed action or suit by or in the right of the corporation to procure a judgment in its favor because (a) the person was or is a director or officer of the corporation or (b) the person was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether or not for profit. The person shall be indemnified and held harmless against expenses (including actual and reasonable attorney fees) and amounts paid in settlement incurred by the person in connection with the action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation or its members. However, indemnification shall not be made for any claim, issue, or matter in which the person has been found liable to the corporation unless and only to the extent that the court in which the action or suit was brought has determined on application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for the expenses that the court considers proper.

Section 3. To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in sections 1 or 2 of this article, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person shall be indemnified against expenses (including actual and reasonable attorney fees) incurred in connection with the action and in any proceeding brought to enforce the mandatory indemnification provided by this article.

Section 4. The right to indemnification conferred in this article shall be a contract right and shall apply to services of a director or officer as an employee or agent of the corporation as well as in such person's capacity as a director or officer. Except as provided in section 3 of this article, the corporation shall have no obligations under this article to indemnify any person in connection with any proceeding, or part thereof, initiated by such person without authorization by the board.

Section 5. Any indemnification under sections 1 or 2 of this article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case. The corporation must determine that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in sections 1 or 2, whichever is applicable. The determination shall be made in any of the following ways:

- (a) By a majority vote of a quorum of the board consisting of directors who were not parties to such action, suit, or proceeding.

(b) If the quorum described in clause (a) above is not obtainable, by a committee of directors who are not parties to the action. The committee shall consist of not less than two disinterested directors.

(c) By independent legal counsel in a written opinion.

(d) By the members.

Section 6. If a person is entitled to indemnification under sections 1 or 2 of this article for a portion of expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount, the corporation shall indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

Section 7. Expenses incurred in defending a civil or criminal action, suit, or proceeding described in sections 1 or 2 of this article may be paid by the corporation in advance of the final disposition of the action, suit, or proceeding on receipt of an undertaking by or on behalf of the person involved to repay the expenses, if it is ultimately determined that the person is not entitled to be indemnified by the corporation. The undertaking shall be an unlimited general obligation of the person on whose behalf advances are made, but it need not be secured.

Section 8. The indemnification or advancement of expenses provided under this article is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under a contractual arrangement with the corporation. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.

Section 9. The corporation may, to the extent authorized from time to time by the board, grant rights to indemnification and to the advancement of expenses to any volunteer, employee or agent of the corporation to the fullest extent of the provisions of this article with respect to the indemnification and advancement of expenses of directors and officers of the corporation.

Section 10. The indemnification provided in this article continues for a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of that person.

Section 11. The corporation may purchase and maintain insurance on behalf of any person who (a) was or is a director, officer, employee, or agent of the corporation or (b) was or is serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise. The insurance may protect against any liability asserted against the person and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the corporation would have power to indemnify against liability under this article or the laws of the state of Michigan.

Section 12. If there are any changes in the Michigan statutory provisions applicable to the corporation and relating to the subject matter of this article, the indemnification to which

any person shall be entitled shall be determined by the changed provisions, but only to the extent that the change permits the corporation to provide broader indemnification rights than the provisions permitted the corporation to provide before the change.

ARTICLE XI AMENDMENTS

The Bylaws may be amended by two-thirds (2/3) vote of the total votes cast at any Annual Meeting or Special Meeting, provided the proposed amendment shall have been mailed to all active memberships twenty (20) days prior to the Annual Meeting or Special Meeting.

Approved: _____

President: _____

Commented [s24]: Entire Indemnification Article has been added. None of this was included in the previous Constitution.

We added this at the advice of an attorney in order to provide indemnification to all board members, as well as any volunteers participating in club activities.

Commented [s25]: Moved from "Article VII" under separate "by-laws" section, to Article X of the whole document.