

Omena Traverse Yacht Club, Inc.

Bylaws

Adopted by the Members on 12 July 2014

and

Affirmed by the Board on 05 March 2015

Amended by the Board on 07 April 2015

Amended by the Members on 18 July 2015 [see ¶ VI(C)]

Amended by the Board on 18 July 2015 [see ¶ I(C)(7)]

Amended by the Members on 15 July 2017 [see ¶¶ I(A)(3) & I(C)(8)]

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Omena Traverse Yacht Club, Inc.
BYLAWS

I. MEMBERSHIP

A. DEFINITIONS

1. *Age* means age as of December 31 of the relevant calendar year.
2. *The Club*, OTYC or the Corporation means the Omena Traverse Yacht Club, Inc.
3. *Legacy Member* means a person under age 26 with at least one parent who is a current dues paying Adult Family Member of the OTYC.¹

B. CLASSES OF MEMBERSHIP

1. *Adult Member*

- a. **ADULT FAMILY.** Two adults who are married and any children under age 26; or two adults who reside together in a qualified domestic partnership and any child under age 26; or an adult with any child under age 26.
 - b. **SINGLE ADULT.** A person age 18 or older, without a spouse or domestic partner, or without any child under age 26.
2. ***Guest Member.*** An adult person or family granted a short-term Membership under a policy adopted by the Board. Any adult person or family may be a Guest Member for no more than two full seasons. The purpose of guest membership status is to provide for a period during which the applicant can assess whether club Membership is suitable for them while the OTYC Board will, correspondingly, assess whether such applicant's participation is suitable for the organization. Any decisions made with regard to Guest Members after their term ends shall be within the sole discretion of the Board.

C. APPLICATION FOR ADULT FAMILY OR SINGLE ADULT MEMBERSHIP

1. ***Application Form.*** An applicant for adult family or single adult membership shall submit an application form, endorsed by two Adult Members, with each Sponsor being a Member of a different family and unrelated to the other Sponsor or the applicant.
2. ***Sponsor.*** Each Sponsor shall inform the Membership Committee in writing of the Sponsor's knowledge of the applicant including length of acquaintance, relationship and other relevant information.
3. ***Posting Applications.*** With approval of the Commodore, the chair of the Membership Committee shall give two weeks' notice of the application to the Members by posting in the Clubhouse, publishing in the *Breeze*, or other means approved by the Board.

¹ This provision was adopted on 15 July 2017 by the Members at the Annual Meeting.

4. *Board Action.* The Board shall act on the application within two weeks of the end of the notice period to Members.
5. *Guest Membership.* An applicant becomes a Guest Member upon approval by five Members of the Board.
6. *Guest Transition to Adult Membership.* If a Guest Member should express their interest in continued Membership, the Board will review and consider such Guest Member after one year (but no more than two years) of their Guest Membership. Upon consideration, the Board may approve the transition from Guest Member to Adult Member, subject to any Membership limitations.
7. *Provisional Guest Member.* The Board may admit any applicant(s) for Provisional Guest Membership (PGM) at its discretion regardless of whether or not the above requirements have been met; this paragraph of the Bylaws shall automatically expire at 1:00 pm on July 18, 2015, however, any applicant(s) approved by the Board under this provision shall remain a Guest Member.¹
8. *Legacy Transition Policy.* A Legacy Member enjoys the full benefits of the OTYC through the calendar year when they turn age 25 [see Bylaw I(A)(1)]. After age 18 and before the calendar year they turn 30, a person who is, or was, a Legacy Member may transition to an Adult Membership (Family or Single) without an initiation fee and by payment of annual dues.²

D. PRIVILEGES AND RESPONSIBILITIES OF MEMBERSHIP

1. *Use of Club Property*
 - a. An Adult Member, a child or grandchild under age 26 of an Adult Member, a Guest Member, or a guest accompanied by a Member may use club property in accordance with rules or policies adopted by the Board.
 - b. A Member who has not paid current or past annual dues or assessments when due may not use club facilities.
2. *Voting.* Only an Adult Member may vote at a Membership meeting. A vote may be cast in person, by proxy or by electronic transmission.

¹ This provision was adopted on 18 July 2015 at a Special Meeting of the OTYC Board.

² This provision was adopted on 15 July 2017 by the Members at the Annual Meeting.

3. *Responsibilities.* A Member is responsible for the conduct of a family Member or guest.

E. **TERMINATION OF MEMBERSHIP**

1. *Reasons for Termination*

- a. **NON-PAYMENT OF DUES, FEE, OR ASSESSMENT.** A Member who is in arrears for annual dues, a fee, or an assessment after billing and subsequent follow up automatically loses their Membership as of August 1 if the Member remains in arrears.
- b. **DISREGARD OF RULES.** The Board may terminate the Membership of a Member for failure to abide by the Articles of Incorporation, Bylaws, rules, or policies of the Club.

2. *Procedure.* The Board shall consider the termination at a meeting at which the Member may participate to contest the charges. The vote of at least five Members of the Board is necessary to terminate a Membership.

II. **DUES AND OTHER CHARGES**

- A. **INITIATION FEES AND DUES.** The Board shall establish an initiation fee and annual dues and shall set the annual dues of a family Membership as double the dues of a single adult membership.
- B. **VOTE ON INITIATION FEES AND DUES.** By a vote of six Directors, the Board may increase the annual dues up to 10% a year and the initiation fee up to 20% a year. An increase greater than these percentages requires approval of the membership at an annual membership meeting.
- C. **SPECIAL ASSESSMENTS.** Without a vote of the Members, the Board may assess Adult Members (but not Guest Members) for the maintenance, repair or replacement of club property or facilities by an additional amount equal to the annual dues per year for an Adult Member.
- D. **EXTRAORDINARY SPECIAL ASSESSMENTS.** The Board may assess Adult Members (but not Guest Members) for any amount in excess of the amount for Special Assessments (above) to provide for maintenance, replacement, or additions to club property or facilities after due notice and approval at an annual membership meeting by the affirmative vote of a majority of the total number of all Adult Members (and not merely a majority of those Adult Members present at the annual meeting in person or by proxy). Guest Members, should they elect to join as Adult Members, are subject to any special or extraordinary assessment(s) approved by the Board in the previous two calendar years.

III. BOARD OF DIRECTORS

- A. COMPOSITION AND TERMS. The Board of Directors ("Board") is composed of nine Adult Members. The nine Directors consist of the Corporation's five officers plus four directors at large who shall be elected annually by the Members. A director must be an Adult Member of the Corporation.
- B. TERM. A Board Member serves for a 3-year term, beginning August 15, but may not serve more than two consecutive 3-year terms.
- C. ELECTION. The nominating committee shall recommend to the Membership one or more Adult Members for a vacancy on the Board. The Board shall nominate one Adult Member to fill the vacancy and shall notify the Members in the *Breeze* or by other means selected by the Board at least two weeks prior to the annual meeting. At the annual membership meeting, the Commodore shall invite additional nominations from the floor. The Adult Members shall choose from among the nominees by ballot or acclamation and directors shall be elected by a plurality of the votes cast at an election.
- D. TEMPORARY VACANCY. With approval of the Board, the Commodore may fill a vacancy on the Board until the next annual membership meeting.
- E. DUTIES. The Board is responsible for the operation and protection of the Club and its property.
 - 1. *Corporate Instruments*. The Board shall carry out the duties assigned to it by the Articles of Incorporation and by these Bylaws;
 - 2. *Regulation*. The Board shall regulate the use of Club property by Members and non-Members.
 - 3. *Expenditures*. The Board shall manage and control the expenditure of Club funds.
- F. ACTIONS BY BOARD.
 - 1. *Quorum*. A quorum of five Board Members is required for the Board of Directors to take action.
 - 2. *Voting*. The Board may take action at a meeting by mail (electronic or otherwise), telephone, or other means approved by the Board.

IV. OFFICERS

- A. ELECTION. By August 1, the Board of Directors (consisting of the six carryover Members and the three new Members elected at the most recent annual membership meeting) shall elect from among its Members, a Commodore, Vice-Commodore, Rear Commodore, Secretary, and Treasurer. An officer takes office on August 15 and serves one year. An officer may serve more than one term, but a Commodore may not serve

- more than two consecutive terms.
- B. COMMODORE. The Commodore also holds the office of President of the Corporation and Resident Agent shall:
1. Preside at meetings of the Board and of the Members.
 2. Supervise the chairs of the committees.
 3. Carry into effect the actions of the Board and of the Membership meeting.
 4. Perform other duties assigned by the Bylaws.
- C. VICE COMMODORE. The Vice-Commodore shall act in place of the Commodore in the absence or disability of the Commodore and shall carry out duties assigned by the Commodore.
- D. REAR COMMODORE. The Rear Commodore shall act in place of the Commodore in the absence or disability of the Commodore and Vice-Commodore and shall carry out duties as assigned by the Commodore.
- E. SECRETARY. The Secretary shall:
1. Have charge and custody of the Club records and correspondence.
 2. Keep a record of the minutes of the meetings of the Members and of the Board.
 3. Furnish copies of minutes of meetings of the Members and the Board to the Board of Directors.
- F. TREASURER. The Treasurer shall:
1. Receive, record, and safeguard the funds of the Club.
 2. Keep a bank account of the Club's funds. All financial statements from third parties shall be conveyed by such third parties contemporaneously to the Treasurer and one other Member of the Board of Directors for their review.
 3. Pay the Club's bills as authorized by the Board of Directors .
 4. Account for all income and expenditures of the Club funds so the books may be readily audited. The Treasurer shall make a financial report of the Corporation for the preceding fiscal year and distribute copies to each Adult and Guest Member (either electronically or at the annual meeting of Members). The report shall include the Corporation's year-end statement of assets and liabilities, including trust funds, and the principal change in assets and liabilities (during the year preceding the date of the report) and the Corporation's source and application of funds and any other information required by the Michigan Nonprofit Corporation Act.

V. COMMITTEES

- A. STANDING COMMITTEES. The Board may create or discontinue a committee as appropriate for the operation of the Club. Unless otherwise provided by the Board, the Club has the following committees:
1. Membership
 2. Nominating
 3. House and Grounds
 4. Waterfront
 5. Youth
 6. Social
 7. *Breeze*
- B. COMMITTEES CHAIRPERSONS. With approval of the Board, the Commodore-elect shall appoint the chair of each committee. The Commodore shall give notice to the Members of who chairs the committees by posting in the Club, publication in the December *Breeze*, or other means approved by the Board.

VI. MEMBERSHIP MEETINGS

- A. RULES. *Robert's Rules of Order* govern a Membership meeting unless otherwise provided in these Bylaws or some other provision is adopted at the meeting.
- B. ANNUAL MEETING. The Board shall call the annual meeting in July at the Club on Manitowaby in Omena, Michigan and the Board shall give notice of the date/time of the meeting in the May edition of the *Breeze* or in a written notice mailed to each Member at least 30 days prior to the meeting.
- C. QUORUM. Fifteen (15) Members constitute a quorum at a meeting of the Members for all purposes (except to amend the Articles of Incorporation and Bylaws). A quorum to vote on a proposed amendment to the Articles of Incorporation and Bylaws is fifteen percent (15%) of the Adult Members present in person, by proxy, or by electronic transmission.¹
- D. SPECIAL MEETINGS. Upon approval of six Directors of the Board and with not less than 14 days written notice to the Members, the Board of Directors may call a special meeting of the Members. The meeting may consider only business specified in the notice.

¹ This provision was adopted by the Members at an Annual Meeting on 18 July 2015, see Bylaws VIII(B), below.

- E. VOTING. The vote of a majority of Members voting in person or by proxy at a Membership meeting constitutes the action of the Members, notwithstanding the withdrawal of enough Members to leave less than a quorum.
 - 1. *Number.* Each Adult Member has one vote.
 - 2. *Proxy.* A Member may vote by written proxy signed by the Member. A proxy is valid for 1 year from its date unless stated differently in the proxy. A proxy may be sent to the Secretary of the Board, or a designee, in an original writing (or copy) or by fax, email, or other electronic transmission provided it can be determined that it was authorized by the Member.
- F. REQUIRED VOTES OF FULL ADULT MEMBERSHIP MAJORITY. The following matters cannot be approved solely by a vote of the Board of Directors but, rather, can only be approved at an annual meeting of the Members and then only by the affirmative vote in person or by proxy of a majority of the total number of full Adult Members of the Corporation who are entitled to vote:
 - 1. *Dissolution.* The proposed dissolution of the Corporation including a plan for distribution of assets.
 - 2. *Real Property.* Any proposal to acquire, sell, or mortgage or otherwise encumber or affect real property of the Corporation.

VII. ELIMINATION OF PERSONAL LIABILITY

- A. LIMITED LIABILITY. The personal liability of a director or volunteer officer of the Omena Traverse Yacht Club, Inc. ("the Corporation") to the Corporation or its Members for monetary damages for any action taken, or any failure to take any action, as director or volunteer officer is eliminated except for any of the following: the amount of a financial benefit received by a director or volunteer officer to which they are not entitled; intentional infliction of harm on the Corporation or its Members; a violation of the Michigan Nonprofit Corporation Act § 551 [MCLA §450.2551 (Liability of directors; corporate actions; amount; exception)] an intentional criminal act; a liability imposed under the Michigan Nonprofit Corporation Act § 497(a) [MCLA §450.2497(a) (Derivative proceeding; payment of expenses)].
- B. ASSUMPTION OF LIABILITY. The Corporation assumes the liability for all acts or omissions of a volunteer director, volunteer officer, or other volunteer if all of the following are met: the volunteer was acting, or reasonably believed themselves to be acting, within the scope of their authority; the volunteer was acting in good faith; the volunteer's conduct did not amount to gross negligence or willful and wanton

misconduct; the volunteer's conduct was not an intentional tort; the volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed under the Michigan Insurance Code [MCLA § 500.3135].

VIII. **AMENDMENT OF ARTICLES AND BYLAWS**

- A. **ARTICLES OF INCORPORATION.** The Articles of Incorporation may be amended or repealed by the affirmative vote of a majority of the Members or the Board of Directors voting in person or by proxy at any regular or special meeting.¹
1. *Certificate.* Any amendment shall become operative when a certificate showing it to have been regularly adopted and signed by the Commodore is filed with the Michigan Corporations, Securities, and Commercial Licensing Bureau or other lawful agency having jurisdiction.
 2. *Member Amendments.* The Members may amend or repeal any change made by the Board of Directors to the Articles of Incorporation; however, no change in the Articles of Incorporation made by the Members may be amended or repealed by the Board.
- B. **BYLAWS.** These Bylaws may be amended or repealed by a majority of the Members or the Board of Directors voting in person or by proxy at any regular or special meeting; however, no change in the Bylaws made by the Members may be amended or repealed by the Board.
- C. **MEMBER PROPOSAL.** An Adult Member may propose to amend the Articles of Incorporation or Bylaws.
1. *Notice.* Between 30 and 60 days before an annual meeting, the Board shall publish in the *Breeze* or electronically convey to each Adult Member a copy of the Adult Member's proposed amendment(s) and notice that the proposal(s) will be on the agenda of the annual membership meeting.
 2. *Amendment of Proposal.* At the annual membership meeting, a proposed amendment may be further amended by a majority voting so long as the subject matter of the proposed amendment remains unchanged.

END OF BYLAWS

¹ These Bylaws are consistent with the Restated Articles of Incorporation (2015); because the Michigan Nonprofit Corporation Act requires that Bylaws must not be inconsistent with the Articles, any future amendments to the Bylaws may require a contemporaneous amendment to the Articles.