

Article I NAME

The name of this organization shall be The Elk Rapids Yacht Club ("Club").

Article II ORGANIZATION

The Club is a non-profit Michigan corporation.

Article III PURPOSES OF THE CLUB

The purposes for which the Club is organized are as follows:

1. Promoting safe recreational boating activities;
2. Maintaining and improving harbor services and facilities;
3. Mutually aiding members and their craft at dock or under way; and
4. Having fun and enjoying Grand Traverse Bay and adjoining waters.

Article IV BOARD OF DIRECTORS; DUTIES

The Club's Board of Directors shall consist of the Commodore, Vice-Commodore, Rear Commodore, Secretary, Treasurer and the Immediate Past Commodore. The six (6) Directors shall be elected at the Club's Labor Day meeting of the members and installed at the Club's Frozen Harbor Days' meeting of the members. The Directors' term shall commence on the installation date and continue until the following Frozen Harbor Days' meeting of the members. The Board of Directors' duties are to conduct the Club's business according to its Bylaws. The Directors' specific duties are as follows:

COMMODORE: The Commodore shall be the Club's chief executive officer and shall preside at all Club member meetings and Board of Directors' meetings. The Commodore shall have all of the general powers and duties that are usually vested in the office of the president of a club, including, but not limited to, the power to appoint committees from among the Club's members from time to time as he or she may in his or her discretion deem appropriate to assist in the conduct of the Club's affairs. He/she shall be responsible for all day-to-day activities as well as both short- and long-range planning. He/she shall be responsible for overseeing the following Standing Committees: Social, Harbor, and Newsletter/Publicity. He/she shall be alternate signatory on Club bank accounts.

VICE-COMMODORE: The Vice-Commodore shall be second in charge of all day-to-day activities and shall be privy to both short- and long-range planning. He/she shall be prepared at all times to assume the Commodore's responsibilities in his/her absence or when unable to act. The Vice-Commodore shall perform duties as the Board of Directors shall impose from time to time, and shall be responsible for overseeing the following Standing Committees: Cruising, Fishing, Racing and Membership.

REAR COMMODORE: The Rear Commodore shall be familiar with the work of both the Commodore and the Vice-Commodore and be prepared to assume full executive authority if both are either absent or unable to act. Under normal circumstances he/she shall oversee and assist ad hoc committees as well as assist the Commodore and the Vice-Commodore as requested.

SECRETARY: The Secretary shall be responsible for keeping minutes of the Club's members' meetings and the Board of Directors' meetings. He/she shall keep a file of the Club's documents and records and shall direct preparations for Club meetings including maintaining member lists and publishing notices of meetings as required. He/she shall be responsible for preparing ballots and tallying votes in all elections.

TREASURER: The Treasurer shall be responsible for the collection and disbursement of all Club funds. He/she shall report the status of Club finances at each regular Board meeting and at the Club's members' meetings. He/she shall prepare and timely file the "Nonprofit Corporation Information Update" with the State of Michigan annually. He/she shall establish appropriate accounts with local banks and shall be the primary signatory on the accounts.

IMMEDIATE PAST COMMODORE: The Immediate Past Commodore shall assist the Commodore with short- and long-range planning and shall assist all other Board members in an advisory capacity, drawing upon his/her past experience. He/she shall serve as a non-voting ex-officio member of the Nominating Committee.

BOARD MEETINGS

Regular Meetings: The Board of Directors shall meet at least five (5) times per year: 1) before the Club's Frozen Harbor Days' members' meeting to organize the Board of Directors and initiate programs for the summer season; 2) in early May to prepare for the Club's annual members' meeting; 3) immediately following the Club's annual members' meeting; 4) the third Saturday in June; and 5) prior to the Club's members' meeting the first Saturday after Labor Day. One additional meeting in the off-season is encouraged.

Agenda and Rules: The Board's agenda and rules shall be governed by Robert's Rules of Order ("Rules") to the extent possible, and the Rules shall prevail in all questions of parliamentary order.

Special Meetings: Special meetings of the Board may be called by the Commodore or any Director with a statement of purpose.

Notice: Written notice of regular Board meetings shall be given at least three (3) days before the meeting. Written notice of special Board meetings shall be given at least twenty-four (24) hours before the meeting.

Quorum: Four (4) Board members present in person or by proxy shall constitute a quorum for the conduct of business.

Meeting by Telephone or Similar Equipment. A Director 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 paragraph constitutes presence in person at the meeting.

Voting: Each Director shall have one (1) vote. A simple majority of the Board shall constitute authorized Board action. Directors may vote by written, signed and dated proxy either mailed or e-mailed.

RESIGNATION, REMOVAL & REPLACEMENT:

Resignation: A Director may resign at any time by giving written notice to the Commodore or Secretary.

Removal: A Director may be removed from the Board of Directors by a vote of a majority of the Board of Directors or a majority of the Club's members either for cause (breach of duties described in the Club's Bylaws) or without cause.

Replacement: A Board vacancy may be filled with a person selected by the remaining Directors, although less than a quorum of the Board of Directors, unless filled by proper action of the Club's members. Each person so elected shall be a Director for a term of office continuing until the next election of Directors by the members.

ANNUAL REPORTS:

The Board shall direct preparation and filing of: 1) the "Nonprofit Corporation Information Update" with the State of Michigan annually; 2) a full report of all Club affairs; and 3) an annual budget proposal for the presentation and approval at the annual members' meeting.

Article V MEMBERSHIP

REQUIREMENTS: The requirements for Club membership shall be execution of a written agreement with the Club acknowledging the Club's stated purposes, payment of Club dues and special assessments, and conduct consistent with any Club rules.

DUES: Annual dues shall be \$20.00 per member's family.

ANNUAL MEETING: The Club's annual members' meeting shall be held at the Elk Rapids Harbor on or about Memorial Day weekend. The order of business shall be the approval of the annual report, approval of the budget, and any other business that may be properly presented at the meeting. Notice of the members' annual meeting shall be given not less than ten (10) days before the meeting on the Club's website and/or to the members by email.

VOTING RIGHTS: Each membership shall be entitled to two (2) votes on all membership matters. Members may authorize another member to vote on their behalf by a signed and dated proxy submitted to the Secretary before the meeting. A proxy form is available on the Club's website.

QUORUM AND ACTION AT ALL MEETINGS: A quorum shall consist of a simple majority of the members present at any members' meeting together with any proxies submitted to the Club's Secretary. A simple majority of the members present together with those voting by proxy shall constitute proper authorized action by the Club's members.

SPECIAL MEETINGS: Special meetings of the members may be called by action of the Board of Directors or at the request of twenty-five percent (25%) of the members as represented on a signed petition stating the reason for the requested meeting and presented to the Secretary or Commodore. The Secretary shall post notice of the special meeting to all members on the Club's website and/or to the members by email within seven (7) days of the Board action or receipt of the members' petition. Notice of the special meeting shall state the time, place and purpose of the special meeting.

RULES OF ORDER: The members' agenda and rules shall be governed by Robert's Rules of Order ("Rules") to the extent possible, and the Rules shall prevail in all questions of parliamentary order.

RIGHTS AND PRIVILEGES: All members in good standing shall be entitled to attend all Club functions, participate in all Club events, receive the Club newsletter, fly the Club burgee, and enjoy any other membership privileges that may result from Club membership.

REVOCAION OF MEMBERSHIP: Club membership may be revoked either: 1) by written notice from the Treasurer for non-payment of annual dues or special assessments by August 31 of each year; 2) by unanimous action of the Board of Directors or two-thirds (2/3) majority action of the members for intentional or negligent disregard of the Club's stated purposes and its rules; or 3) inappropriate conduct inconsistent with the Club's rules or disregard of applicable rules, regulations, laws and ordinances of Grace Harbor, the Village of Elk Rapids, and the State of Michigan.

Article VI STANDING COMMITTEES

The Board of Directors, by resolution or consent adopted by a majority vote of its directors, may designate one or more committees, each committee consisting of one or more directors. The Board of Directors may also designate one or more directors as alternate committee members who may replace an absent or disqualified member at a committee meeting. If a committee member is absent or disqualified from voting, committee members present at a meeting who are not disqualified from voting may, whether or not they constitute a quorum, unanimously appoint an alternate committee member to act at the committee meeting in place of the absent or disqualified member. All committees designated by the Board of Directors shall serve at the pleasure of the Board.

A committee designated by the Board of Directors may exercise any powers of the Board in managing the Club's affairs to the extent provided by resolution of the Board. However, no committee shall have the power to:

- (a) amend the Articles of Incorporation;
- (b) amend the Club's Bylaws;
- (c) fill vacancies on the Board of Directors; or
- (d) terminate memberships.

Committees shall meet as directed by the Board, and their meetings shall be governed by the rules provided in Article IV for Board meetings. Minutes shall be recorded at each committee meeting and shall be presented to the Board.

Any action required or permitted to be taken pursuant to authorization of a committee may be taken without a meeting if, before or after the action, all members of the committee consent to the action in writing. Written consents shall be filed with the minutes of the committee's proceedings.

The Board of Directors may designate committees such as the following:

SOCIAL COMMITTEE: The Social Committee shall report to the Commodore and shall plan and organize activities including but not limited to weekly Continental breakfasts and Club functions from time to time.

CRUISING COMMITTEE: The Cruising Committee shall report to the Vice-Commodore and shall organize, promote and facilitate cruising activities such as picnics, rendezvous' and other overnight trips consistent with Club members' interests. The Cruising Committee will also gather information about members' cruises for publication in the Club newsletter. Cruising events shall be publicized on the Club's bulletin board and in the Club newsletter.

FISHING COMMITTEE: The Fishing Committee shall report to the Vice-Commodore and shall promote and facilitate fishing by supporting existing tournaments and by organizing additional tournaments and activities. The Fishing Committee shall also maintain records of catches and compile information on fishing events for publication in the Club newsletter and on the Club bulletin board.

RACING COMMITTEE: The Racing Committee shall report to the Vice-Commodore and shall organize and promote regular sailboat races on the bay. The Committee shall maintain permanent course marks pursuant to Coast Guard regulations and shall keep accurate records of all race results for posting on the Club bulletin board and publication in the Club newsletter.

HARBOR COMMITTEE: The Harbor Committee shall report to the Commodore and shall serve as a positive force for continuing and improving quality services to boaters in the harbor by organizing work parties, maintenance projects, etc., and acting as a liaison between the Club's members and the Harbormaster, Harbor Commission, and Village Council. The Committee shall publicize its projects on the Club bulletin board and in the Club newsletter.

MEMBERSHIP COMMITTEE: The Membership Committee shall report to the Vice-Commodore and shall invite all new boaters in the harbor to join the Club. The Committee's members will welcome new members by explaining the Club's activities and introducing them to the present members. The Committee shall also maintain a current roster of the members for use by the Treasurer and Secretary. The Committee shall provide information on all new members for the Club newsletter.

WEBMASTER/PUBLICITY COMMITTEE: The Committee shall report to the Commodore and shall keep the members informed of the Club's activities by emailing a timely newsletter as follows:

1. Early May (pre-annual meeting issue);
2. Summer;
3. Off-Season (coordinated with any off-season Club activities); and
4. In early January with renewal application.

Article VII NOMINATING COMMITTEE

The Board of Directors may appoint a Nominating Committee consisting of members whose boating interests and activities represent the entire membership, specifically including at least one power boater and one sailor. The Commodore and the Immediate Past Commodore may serve on this Committee. The Committee shall nominate willing and able members to stand for election to the Board of Directors at the September members' meeting. The nominations shall be completed by August 30th. The Committee may also prepare a list of possible appointees for the various standing committee chairs.

Article VIII FINANCIAL POLICIES

Funds generated by the Club through annual dues or any special assessment shall be used for expenses of projects or equipment shared or enjoyed by Club members, including but not limited to the Club newsletter, website, grill and other appliances. Club funds may also be used for harbor improvements or projects consistent with the Club's objectives as approved by the Board of Directors and/or the members.

The Board of Directors shall prepare a proposed budget for the members' approval at the annual meeting. No expenditure exceeding Twenty-Five Dollars (\$25.00) may be made by any member or Director without the Board's prior approval. The Club shall operate at all times within a balanced budget.

Special assessments not exceeding a total of Five Dollars (\$5.00) per year may be levied Board of Directors' action. Any special assessments exceeding Five Dollars (\$5.00) per year shall require approval by the members.

Article IX CHERYL A. WERTH DOCK ATTENDANT SCHOLARSHIP

The Club has established the Cheryl A. Werth Dock Attendant Scholarship fund ("Scholarship"). The Scholarship will distribute the amount of Five Hundred Dollars (\$500) annually to an "eligible dock attendant" as defined below. The Club shall deposit and maintain the Scholarship funds in a separate Club bank account, with distribution to an eligible dock attendant made by July 31st of each year. Any additional funds contributed to the Club for Scholarship purposes shall be immediately deposited in the Scholarship account for future disbursement.

The "eligible dock attendant" must:

- Be attending an accredited college, vocational school, trade school, or community college;

- Actively taking classes with at least 12 credit hours;
- Maintaining employment in good standing at Grace Harbor for a complete season;
- Can only be awarded the Scholarship one (1) time; and
- Submit verification of school attendance or enrollment, and class schedule, or verification of tuition payment to the Scholarship fund administrators by July 1st.

Scholarship recipient selection process:

The Scholarship recipient selection process will be conducted on or about July 15th by the Scholarship fund administrators and Cheryl A. Werth. If Cheryl A. Werth is unavailable, the selection will be conducted with the harbor master serving in Cheryl's place. The selection of an eligible dock recipient is final unless the Scholarship recipient is proven to be ineligible based upon the above criteria. If a Scholarship recipient is proven to be ineligible before distribution, an alternate Scholarship recipient will be selected. If there are no eligible dock attendants, the Scholarship fund will accumulate into the next calendar season with the same amount being disbursed to an eligible dock recipient.

Scholarship Fund Administrators:

The Scholarship fund administrators shall be the Secretary, Treasurer, Commodore, Vice-Commodore and Rear Commodore.

Article X AMENDMENT OF BYLAWS; OVERRIDING STATUES; RULES OF ORDER

The Bylaws may be amended by the members pursuant to the voting requirements established under Article V of the Bylaws.

Any provision of these Bylaws notwithstanding, the Club shall conduct all its affairs in conformity with the provisions of Michigan Public Act 162 (1982) as amended.

Article XI Each person who is or has been a Club Director or committee member and his/her heirs, executors or administrators, may be indemnified by the Club against the costs and reasonable expenses actually sustained regarding any threatened, pending or completed action or suit or settlement to which he/she was or is threatened to have been made a party by reason of his/her service as a Club Director or committee member if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the Club's best interests, except in matters as to which he/she shall be finally adjudged liable for: (a) breach of director's duty of loyalty to the Club; (b) an act or omission that is not in good faith, is negligent or involves intentional misconduct or knowing violations of law; or (c) a transaction from which he/she derived an improper personal benefit.