

BYLAWS OF THE
CLARKLAKE BEACH AND BOAT CLUB
March 2013

ARTICLE I - NAME AND LOCATION

SECTION 1. CORPORATE NAME AND PURPOSE: This Club is incorporated for social and recreational purposes, and its corporate name is the Clarklake Beach and Boat Club.

SECTION 2. PRINCIPAL OFFICE: The principal office of the Club shall be in or around the City of Jackson, Michigan, at such place or places as the Board of Trustees may from time to time designate.

ARTICLE II - CORPORATE SEAL

SECTION 1. CORPORATE SEAL: The Club shall have a corporate seal with its name forming a circle, and the word "Seal" within the space thus enclosed.

ARTICLE III - MEMBERSHIP MEETINGS

SECTION 1. ANNUAL MEETINGS: There shall be an annual meeting of the members of the Club held within 90 days of the beginning of each calendar year., at such place within Jackson County, Michigan, as the President may designate.

SECTION 2. SPECIAL MEETINGS: Special meetings of the members may be called at any time by the President, any three members of the Board of Trustees, or by the Secretary under the written direction of not less than ten percent of the stockholding membership.

SECTION 3. NOTICES: Unless otherwise provided by law, notices of either annual or special meetings of the members shall be mailed to each member, at least five days prior to the date of such meeting. The notice shall be mailed, postage prepaid, to the member's last known post office address as appears upon the Secretary's records. Members shall file their correct addresses with the Secretary. The notices shall specify the time and place of holding the meetings and, in case of special meetings, shall state the purpose or object of such meetings, and no business not thus specified shall be considered at special meetings. No notice of the holding of an adjourned meeting shall be necessary.

SECTION 4. QUORUM: Members representing fifty-one percent of outstanding capital stock of the Club, represented at any meeting of its members either by the holders thereof or by proxy, shall constitute a quorum for the transaction of business, but a less number may convene any meeting and may adjourn the same from time to time until a quorum shall be present.

SECTION 5. VOTE: Stock holding members may vote at all meetings, in person or by proxy duly authorized in writing, but all proxies shall be filed with the Secretary of the meeting before being voted. At all meetings of members, each member shall be entitled to one vote for each share of stock held, and a majority of the votes cast at any such meeting shall be sufficient for the adoption or rejection of any question presented, unless otherwise provided by law. At all elections of Trustees, each stockholding member shall be entitled to one vote for each Trustees' position up for election, however, no more than one vote may be cast for each individual candidate. A proxy is only valid for the meeting so designated for the proxy to be cast.

SECTION 6. ORDER OF BUSINESS: The order of business shall be substantially as follows:

1. Roll call
2. Reading of minutes of preceding meeting
3. Treasurer's report
4. Reports of standing committees
5. Reports of special committees
6. General business
7. Election of officers

SECTION 7—The President shall appoint election inspectors to tabulate voting results for ballots cast by the membership.

ARTICLE IV - TRUSTEES

SECTION 1. NUMBER: The affairs of the Club shall be governed by nine Trustees.

SECTION 2. QUALIFICATIONS: Each Trustee shall be a stockholding member of the Club. Only one person per membership shall be eligible to serve as a Trustee.

SECTION 3. ELECTION: At each annual meeting of the membership or in the event of the failure to hold such a meeting or such election, at any special meeting called for the purpose, an appropriate number of Trustees shall be elected to govern the affairs of the Club (as outlined in Section 1). All Trustees elected shall serve for two-year or three-year terms as determined by the Board of Directors.

SECTION 4. VACANCIES AND REMOVALS: Any vacancy or vacancies on the Board of Trustees may be filled by a vote of the remaining Trustees, and they may also fill a vacancy in any other office or committee of the Club. The Board of Trustees shall also have power, by a two-thirds vote of its members, to remove or suspend any officer, Trustee or member of a committee. The recall or removal from office of any Trustee or officer may also be accomplished by 2/3 vote of stockholding members present (or represented by proxy) at the annual meeting or any special meeting called for that purpose. The question of such a recall or removal shall be initiated by the presentment to the Board of Trustees of a petition which contains a clear statement of the names of the persons to be recalled or removed, the reasons therefore, and the signatures of at least 25% of the stockholding members in good standing. Any Board of Trustees member who is absent from three (3) or more regular meetings in a calendar year shall forfeit their board position unless a waiver is granted by a majority vote of the board.

SECTION 5. DUTIES: Except as herein otherwise provided, the Board of Trustees shall have supervision of and shall determine all matters affecting the welfare of the Club, authorize and control its finances and expenditures, have supervision of the acquisition and disposal of all Club property, and manage and control its affairs. The supervision and direction of club managers and staff shall be overseen by the Board President or the President's designee from the Board of Trustees. All issues with staff supervision by other members of the Board of Trustees shall be conducted through the President or the designated supervisor.

SECTION 6. BORROWING MONEY: The Board of Trustees may borrow money and issue notes or bonds of the Club for repayment of the same with reasonable interest, and may mortgage the property of the Club or any portion thereof as security for its debts and other lawful engagements provided such borrowing is for a proper Club activity or purpose.

SECTION 7. MEETINGS: The Board of Trustees shall hold meetings whenever it may be summoned by the President, or by the Secretary under the written direction of not less than five Trustees. Any and all business may be transacted at meetings of the Board of Trustees, and a majority of the members shall constitute a quorum, but a less number may convene and adjourn. All questions coming before any meeting of the Board of Trustees shall be decided by a majority vote of the Trustees serving in office at the time of the meeting.

SECTION 8. RULES OF THE CLUB: The Board of Trustees shall make such rules regulating the property, management and internal affairs of the Club, as may from time to time in its opinion become necessary and proper, not in conflict with these Bylaws. The rules shall be posted in a conspicuous place where members have access and can easily be read by members.

ARTICLE V - OFFICERS

SECTION 1. TITLES: The Board of Trustees shall, at the first meeting after the first of the month following each annual membership meeting or adjournment thereof, elect from its own body a President and a Vice-President, Secretary and Treasurer. The Board may also, within its discretion, elect an Assistant Secretary/Treasurer. The Officers shall hold office for one year or until their successors are elected and take office.

SECTION 2. PRESIDENT: The President shall be the chief executive officer of the Club and shall have general supervision of its affairs. They shall call and preside at meetings of the Club or Board of Trustees and discharge such other duties as may be prescribed by these Bylaws and as the Board of Trustees may from time to time direct.

SECTION 3. VICE-PRESIDENT: In the absence or disability of the President, the Vice-President shall perform all the duties pertaining to the office of President during the continuance of such absence or disability. They shall perform such other duties as may be assigned to them by the Board of Trustees.

SECTION 4. SECRETARY: The Secretary or the Assistant Secretary shall keep a record of the proceedings of the Club and of the Board of Trustees, and conduct the correspondence of the Club. They shall perform such other duties as may be assigned to them by the Board of Trustees.

SECTION 5. TREASURER: The Treasurer shall be responsible for the custody of Club funds, the collection of fees, dues and assessments and oversee the disbursement of Club funds. The disbursement of Club funds shall be by check, endorsed by any officer of the Club. An income statement showing all transactions during the month is to be presented to the Board of Trustees and made a part of the minutes of the first meeting of the Board of Trustees after the close of the month. All expenditures in excess of \$2000 shall be approved by the Board of Trustees. In case of an emergency three board members may approve expenditures above \$2000 but any such action shall be reported to all board members within 72 hours. The Treasurer shall ensure that a record be kept of all receipts and disbursements. The Treasurer shall deposit all funds as directed by the Board of Trustees and shall perform such other duties as may be assigned by the Board of Trustees. The fiscal year shall extend from January 1 to December 31, inclusive.

SECTION 6. ASSISTANT SECRETARY AND ASSISTANT TREASURER: In the absence or disability of the Secretary, the Assistant Secretary, if appointed, shall possess all the powers and perform all the duties of the Secretary. In the absence or disability of the Treasurer, the Assistant Treasurer, if appointed, shall possess all the powers and perform all the duties of the Treasurer. However, neither such officer shall have voting rights unless such officer is a Trustee.

ARTICLE VI - COMMITTEES

SECTION 1. COMMITTEES: The Board of Trustees may appoint committees to undertake activities to assist in the operation of the club.

ARTICLE VII - MEMBERSHIP

SECTION 1. MEMBERSHIP PRIVILEGES: A Member shall be the person making the application for admittance to the Club, and a Member shall be considered to have just one (1) Membership. However, the privileges of membership shall then be extended to the Member's spouse and dependents as defined by the Internal Revenue Service.

SECTION 3. STOCKHOLDING MEMBERS: Any person 18 years of age or older may become a stockholding member by purchasing one share of capital stock from the Club, and shall remain a stockholding member as long as they remain in good standing. Such a stockholding member in good standing shall have the right to vote and all other rights and privileges set forth in these bylaws and by the Board of Trustees. Stockholding members and their spouses shall both be considered active members with all rights and privileges of members. However, only one vote per share of stock is allowed on all membership votes.

SECTION 4. SENIOR MEMBERS: Any person who is 62 years of age or older may become a senior member of the Club. Senior members are not eligible to own capital stock and are not stockholding members as defined in these bylaws. Senior members shall have all of the rights afforded to stockholding members, except that they shall not have the right to vote at the annual meeting or any special meeting called for any purpose. Senior members shall be subject to reduced dues, fees and privileges as set forth by the Board of Trustees. Senior members may have full privileges by paying full dues and fees paid by stockholding members.

SECTION 5. MEMBER DUES, FEES, RIGHTS AND PRIVILEGES: Member rights shall be considered to be part and parcel of these Bylaws. The establishment of appropriate dues, fees and privileges shall be considered a duty of the Board of Trustees. A listing of the above dues and fees will be published after the first meeting of each calendar year.

SECTION 6. CHANGE OF MEMBERSHIP: Members may change the level of membership to which they are eligible. However, a member changing to a lower dues paying membership may not change back to a higher dues paying membership for a period of one year unless the difference in dues between the levels is paid for the period of time for which the member was paying lower dues.

SECTION 7-SUCCESSION OF MEMBERSHIP-Upon the death of a member, such membership shall automatically pass to the decedent's surviving spouse.

SECTION 8. FORFEITURE OF MEMBERSHIP: In case a member shall neglect to pay their dues or to pay and discharge any other indebtedness which they may owe to the Club, they shall forfeit their membership in said Club and shall not thereafter, without action by a majority of the Board of Trustees, be entitled to any of the rights or privileges as a member of the Club. The member's share of stock shall revert back to the club after forfeiture of membership.

SECTION 9. RESIGNATION: All resignations from the Club must be made in writing. Any member resigning or in any manner ceasing to be a member shall forfeit all interest or claim to any property or privileges of the Club. All stock shall revert back to the Club upon resignation.

SECTION 10. REINSTATEMENT: Any member whose membership has been forfeited, as provided in the preceding Section 8 of the Article or who resigns as in the preceding Section 9, may be reinstated by the Board of Trustees. All arrears must be paid unless said arrears are waived by the Board of Trustees. Any member who has voluntarily resigned and who desires that their membership be reinstated may at any time apply for reinstatement and, if otherwise qualified, will be reinstated by the Board of Trustees. The board may waive the initiation fee for returning members.

SECTION 11. EXPULSION OF MEMBER: The Board of Trustees shall have power, by a majority vote- its members, to expel any member for any conduct of the member, his family or his guests, which in its opinion shall endanger or adversely reflect upon the welfare, interests or character of the Club. No vote shall be taken by the Board of Trustees upon a proposed expulsion until after three days' written notice, setting forth the charges against him or her, shall be served upon the member in question, and such member shall have the right to be heard before any final vote thereon by said Board. Any expelled member may not rejoin the club without the approval of the Board of Trustees.

SECTION 12. REFUNDS OF DUES: Upon termination of membership or change of membership classification, any Stockholding or Senior Member may request a refund of prepaid dues on a monthly prorated basis. Such request shall be made in writing to the Club within 30 days of the effective date of termination or change in membership classification. No such refund calculated on a monthly prorated basis shall exceed 75 percent of the annual dues.

ARTICLE VIII – STOCK

SECTION 1. Each stockholding member in good standing is entitled to one (1) share of capital stock of the club. All stock is forfeited to the club on termination of membership for any reason. No member may hold or obtain more than one share of stock.

SECTION 2. Sale of real estate—any sale of club real estate requires a vote in the affirmative from a majority of stockholding members. Any proceeds from the sale of club real estate must be donated to a charity registered with the state of Michigan dedicated to outdoor recreation. The Board of Trustees will determine the charity or charities to receive the proceeds.

ARTICLE IX - FIDELITY BONDS

SECTION 1. FIDELITY BONDS: The officers and employees of the Club shall give bonds for the faithful discharge of their respective duties when and in such form and for such amounts as may be directed to the Board of Trustees.

ARTICLE X - AMENDMENTS

SECTION 1. AT MEETINGS: These Bylaws may be amended, revised or repealed, in whole or in part, at any annual meeting of the membership and also at any special meeting, if the notice of such special meeting or annual meeting shall refer to the proposed amendment, revision or repeal. A majority of stockholding members in good standing must approve any amendments or repeal.

SECTION 2. BY BOARD OF TRUSTEES: These Bylaws may be amended by a vote of two-thirds (2/3) of the Board of Trustees but when so amended, the amendment or amendments made by such Board shall be reported by it to the next annual or special meeting of the stockholders, and such amendment shall thereafter remain effective only if approved at such stockholder meeting. The power of the Board of Trustees to amend these Bylaws may be suspended or withdrawn by the stockholders at any stockholder meeting.

ARTICLE XI - USE OF ALCOHOLIC BEVERAGES

SECTION 1. The sale or consumption of alcoholic beverages shall not be permitted at, in or around the Club's property except pursuant to a valid license issued by the Michigan Liquor Control Commission. Sale or consumption of alcoholic beverages pursuant to such a license shall be subject to the limitations and rules set forth by the Board of Trustees.

ARTICLE XII—LIABILITY

SECTION 1. The club shall not be liable for any damage or loss to boats or other personal property of members or guests. Members are responsible for all their own personal property on club premises.

SECTION 2. Indemnification of Employees and Agents of the Corporation. 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 employee or agent of the corporation to the fullest extent of the provisions of this article with respect to the advancement of expenses of directors and officers of the corporation.

SECTION 3. Former Directors and Officers. 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 4. Insurance. 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 laws of the state of Michigan.

ARTICLE XIII—EFFECTIVE DATE

These Bylaws become effective on March 26, 2013. All previous bylaws are repealed.