

Cranbrook Swim Club
Bylaws of Cranbrook Swim Club

These by-laws are written and enacted to define the responsibilities of the Cranbrook Swim Club, its directors, and members, to protect the property of the club jointly owned by its members, and provide for the financial stability of the club.

Article I Membership
Composition and Classification

Section 1:

Membership in the club shall comprise all members of the club as now organized and existing and all persons hereafter elected as members in accordance with the by-laws. There will be five categories of membership: Full Members, Social Members, August Members, Life Members, and Inactive Members.

Voting Rights

Section 2:

Only Full Members in good standing shall be entitled to vote. Each full membership is entitled to one vote.

Membership

Section 3

A. Membership

Full Membership (FM) in the club shall be limited to a maximum of 370 in number. Membership privileges shall be extended to the head of the household, spouse, and their unmarried children or legal wards residing in the member's household. In the case of divorce one parent will retain the membership; however, the other parent may use the Club without paying a guest fee when accompanied with the children upon written consent of the active member. All Full Members of the club shall be entitled to an equal interest to all assets of the club, in recognition of the member's bond payment made the year the member initially joined the club. Upon the death of both member and spouse, the value of the bond is passed on to the member's personal representative but membership rights end.

Social Memberships (SM) in the club, to be eligible, cannot have any children 18 or younger, must have been a full member for 15 or more years, and a new full member must be able to be found to replace them. Membership privileges shall be extended to the head of the household and spouse only. Social members bond is forfeited. Upon death of both member and spouse, membership rights end. Social members are eligible to become lifetime members after 30 years in the club.

August Memberships in the club may be offered to the first twenty-five (25) applicants on the waiting list each year. These new members will have all the rights of a new full member except they will not be allowed to vote. August membership is a one-time only offer.

Life Memberships (LM) in the club shall be offered to any full member with 25 years in the club or social member with 30 years in the club, assuming a new full member can be found to replace them. Membership privileges shall be extended to the head of the household, spouse, and their unmarried children or legal wards residing in the member's household. The bond is

forfeited at the time lifetime membership is chosen, causing the loss of members asset claim and voting rights. No other restrictions to membership rights exist.

Inactive Membership

An active member may request inactive status, for a period of one calendar year at a time, by petitioning the Board of Directors per the Member Handbook guidelines. An inactive member shall pay an administrative fee, but shall not pay annual dues while inactive. Inactive members have no Membership privileges and can be reinstated to active status only if the current number of active members is below 370 and upon full payment of annual dues and assessments. Reinstatement of inactive members shall be prioritized ahead of the granting of new memberships.

B. Resignation

A member wishing to resign "On Time" must notify the club as specified in the Member Handbook by April 1st. Resignations received after that date will have to pay any outstanding balances before their bond will be refunded. The refund will be made out to the family name detailed in the last directory and mailed to that directory's address, unless a forwarding address is provided. If a member resigns and a new member is not found for the current season the resigning member's name will be added to the club's "resignation wait list" (stored in chronological order of receipt of signed member resignation notice).

C. Default:

A member's dues payment is late if not received by April 1st. A member's dues must be paid no later than two weeks before opening day or within one week of receiving a registered final notice letter. Failure to pay within this deadline will cause the loss of membership in the club. The board is authorized to make an exception for financial hardship at its discretion if a written request is received and it approves the exception.

D. Conduct:

The right of membership holders, their children and guests to use the facilities of the club may be suspended for a period not to exceed seven (7) days upon the determination by the board of directors to suspend such rights, in whole or in part, by reason of a violation of these by-laws or the rules and Cranbrook Swim Club regulations of the club, or by reason of conduct detrimental to the health and safety of other club members or their guests.

E. Loss or Damages:

Membership holders shall be responsible to the club for any loss or damage to the facilities of the club caused by themselves, their guest or members of their family.

F. Bond Refunds:

Can only occur when a new member is found to replace the existing member or at the board's discretion. Bond refunds will only occur if there are no outstanding balances.

(D) Clean-up fees:

The Board is authorized to charge CSC members a clean-up fee not to exceed 10% of the annual dues.

Article II- Meetings
Annual Meetings

Section 1:

The annual meeting of the members of the club shall be held no later than October 1st of each year. Business at the annual meeting shall include the election of the board of directors and such other business as may properly come before it. At the annual meeting, the board shall make a report of the affairs of the club and its financial condition and shall have available an up to date financial report by the treasurer.

Special Meeting

Section 2:

Special meetings may be called by the board of directors at any time and must be called by it whenever requested in writing by twenty-five (25) or more members entitled to vote at such meetings, such requests to state the purpose thereof.

Notice

Section 3:

Notice of the annual meeting and any special meetings will be posted at the club at least two weeks before the meeting date.

Quorum

Section 4:

A majority of the members present shall at any annual or special meeting constitute as a quorum, provided that ten (10) percent of the active members be present at such meeting.

Limitation

Section 5:

Any member of the club, whose financial obligations to the club are past due and unpaid in accordance with the provisions of the by-laws, shall not be entitled to vote at any regular or special meeting.

Order of Business

Section 6:

The order of business at the annual meeting of the club shall be as follows:

1. Call to order by presiding officer and call of roll by secretary.
 2. Election.
 3. Report of President.
 4. Report of Treasurer.
 5. Report of Swim, Tennis, and Social Directors.
 6. New, special, or unfinished business.
 7. Miscellaneous business.
 8. Announcement of result of annual election.
- This order of business may be changed by a majority vote of members present.

Article III- Fiscal Year

Section 1:

The club's fiscal year shall end October 31st and the books for the club shall be closed as of that date each year.

Article IV- Board of Directors **Powers**

Section 1:

A. The business and property of the club shall be managed and controlled by the board of directors, except, as the by-laws specifically require action by the members. The board of directors shall have the power to make and enforce rules and regulations covering the use by members and guests of the clubhouse, grounds, pools and other facilities of the club.

B. To purchase or otherwise acquire for the club property, rights or privileges which are necessary and proper in the operation of the club and the management of its property at such prices or consideration and on such terms and conditions as they may deem expedient. C. To borrow money, to create, make and issue mortgages, bonds, debts of trust, trust agreements and negotiable or transferable instruments, promissory notes and securities secure by mortgage or otherwise, and to do every act and thing necessary to effectuate the same. The board of directors from time to time shall determine who shall be authorized on behalf of the club to sign bills, notes, receipts, acceptances, mortgages, endorsements, checks, releases, contracts, documents, and any all papers necessary in the conduct of business and affairs of the club.

C. The board shall, from time to time, make rules and regulations on matters not herein determined.

D. The board of directors shall determine who, in addition to full members, shall be entitled to participate in games, tournaments and competitions.

F. The board of directors may authorize such special and standing committees from among the members of the club as it shall deem necessary or desirable in the management and operation of the club's affairs and shall define the functions and duties of such committees, subject to the consent of the board of directors, and such committee members may be removed at the will of the president of the board of directors.

Limitations

Section 2:

A. The board of directors shall not authorize expenditures in any year for permanent improvements or additional equipment in excess of \$1,000.00 without approval of a majority of the board of directors present.

B. The board of directors shall not authorize expenditures in any year for permanent improvements or additional equipment in excess of \$30,000.00 without approval of a majority of

the voting membership of the club present at any regular or special meeting called for that purpose.

Number and Term of Office

Section 3:

The board of directors shall be composed of nine (9) members of the club entitled to vote, who shall be chosen as follows: At each annual meeting commencing in 1965 and thereafter, four (4) or five (5) directors shall be elected for the term of two (2) years. All directors shall serve until their respective successors have been elected, and qualify. The present board of directors of the club shall continue in force until their respective terms have expired at the conclusion of the fiscal year.

Vacancies

Section 4:

Whenever a vacancy shall occur on the board of directors, the remaining directors may fill such vacancy by appointment of a director to serve until the next annual meeting at which time a director shall be elected for the unexpired portion of such term.

Meetings

Section 5:

A. Meetings of the board of the directors shall be held by it whenever called by the president, or in his absence, by the vice-president or by any three (3) members of the board of directors. The secretary shall give notice of every meeting by mail, or otherwise, at least twenty-four (24) hours in advance of such meeting.

B. The board of directors shall meet monthly except during the months of November and December at the discretion of the president.

Quorum

Section 6:

A quorum of the board shall consist of five (5) members. If at any time a quorum is lacking, a majority of the directors present may adjourn the meeting until a time when a quorum can be present.

Nomination

Section 7:

A. Existing board members will make a concerted effort to find nominees to fill every board position in time to be placed on the ballot distributed for a vote at the general meeting.

B. Nominations by Members- any member may at the annual meeting nominate one (1) director; provided that the person so nominated gives his or her consent to such nomination and is a member in good standing at the time.

Election-Ballot

Section 8:

Balloting for the election of members of the board of directors shall be secret and upon a written or printed ballot form distributed to members present at the general meeting. Section 9:

Members of the board of the directors may be compensated for their time by waiving a portion of their dues and by paying for actual costs incurred. The club assumes liability protection of the individual members of the board except in instances of negligence, breach of duty, and other items specified under Michigan law.

Section 9:

Members of the board of the directors may be compensated for their time by waiving a portion of their dues and by paying for actual costs incurred.

Article V- Officers **Election and Qualifications**

Section 1:

The Board of Directors of the club shall be a President, Vice President, Director of Membership, Treasurer (2), Secretary, Director of Tennis, Director of Swim, and Director of Social. Said officers shall hold office for two (2) years and until their respective successors have been duly elected and qualify. No member may hold the office of president for more than two (2) consecutive terms. Members of the board of directors whose term of office on the board do not expire that year and who will serve on the board a remaining year, can designate the office/board position that they would like to fill in that remaining year. Approval of this change shall be at the annual meeting.

At the discretion of the Board, individual Directorships may be shared by up to two (2) individuals. In these instances, the Director position shall carry only one (1) vote and the individuals will share in all obligations and privileges of the Director position. Due to the nature of the positions, the offices of President, Vice President and Secretary may not be shared.

Section 2:

A. President- The president shall be the chief executive officer of the club, and, in the recess of the board of directors, shall have the general control and management of its business and affairs, subject however, to the right of the board of directors to delegate any specific power, except such as may be by statute exclusively conferred to any other officer or officers of the club. The president shall preside at all meetings of the directors and all meetings of the members.

B. Vice-President- In case the office of president shall become vacant by death, resignation or otherwise, or in case of the absence of the president, or disability to discharge the duties of the office, such duties shall, for the time being, devolve upon the vice-president.

C. Treasurer (2 board positions)- There will be 2 Treasurers on the board – They will split the following responsibilities as they deem appropriate. The treasurers shall have custody and keep account of all money, funds and property of the club, unless otherwise determined by the

board of directors, and he/she shall render such accounts and present such statements to the directors and the president as may be required of him/her. The treasurers shall deposit all funds of the club that may come into his/her hands in such bank or banks as the board of directors may designate. All bank accounts shall be kept in the name of the club. The treasurers shall exhibit all books and accounts, at all reasonable times, to any director of the club. The treasurers shall pay out money as the business may require upon the order of the properly constituted officer or officers of the club, taking proper vouchers therefor provided, however, that the board of directors shall have power by resolution to delegate any of the duties of the treasurer to other officers, and to provide by what officers, if any all bills, notes, checks, vouchers, orders or other instruments shall be countersigned. The treasurers shall perform; in addition, such other duties as may be delegated to him/her by the board of directors. The board of directors shall approve the treasurers' selection of qualified accountants and an annual review shall be conducted by an Independent Certified Public Accountant. The treasurers shall prepare the annual budget and present it to the board of directors at the January meeting of the board of directors and request adoption of a budget at the February meeting of the board of directors. The treasurers shall keep a financial record of all memberships.

D. Secretary- The secretary of the club shall keep the minutes of all the meetings of the members of the board of directors in books provided for that purpose; he/she shall attend the giving and receiving of all notices of the club, any books and papers as the board of directors may direct; all of which; shall, at all reasonable times, be open to the examination of any member upon request to the office of secretary, and in addition, such other duties as may be delegated to the secretary by the board of directors. The secretary shall keep a roster record of all memberships.

Article VI- Dues **Annual Dues**

Section 1:

The amount of the annual dues and other fees shall be fixed by the board of directors at the February meeting.

Assessments

Section 2:

No other charge or assessment, other than as provided in these by-laws may be levied without such charge or assessment being first proposed by resolution of the board of directors and submitted to the membership present for a vote at the next general meeting.

Guest Liability

Section 3:

The club assumes no responsibility and members or their guests can have no claim against the guest which may be brought into or let into the club buildings or on the grounds. The club assumes no responsibility, and members or their guests can have no claim against the club, for any accident or injury to any person or their property.

Article VII- Amendment of By-Laws

Section 1:

Any section of the by-laws may be amended or repealed and sections may be added thereto by a majority vote of the voting members present at any annual meeting or special meeting called for that purpose, provided, however, notice of such proposed repeal or copy of such amendment or addition shall be distributed to the voting members of the club by the secretary at least ten (10) days prior to such annual or special meeting. The board of directors, or any twenty (20) active members, may propose changes in the by-laws under this section by filing the same in writing with the secretary.

Article VIII – Miscellaneous **Indemnification of Officers and Directors**

Section 1:

Indemnification of Officers and Directors to the fullest extent permitted under Michigan Law, every person now or hereafter serving as Director, including shared directorship and including persons formerly occupying any such positions and their heirs, executors, administrators, and Officers of Cranbrook Swim Club (“club”) shall be indemnified and held harmless by the club from and against any and all loss, cost, liability, and expense that may be imposed upon or incurred by him or her in connection with or resulting from any claim, action, suit or proceeding, civil or criminal, in which he or she may become involved as a party or otherwise, by reason of being or having been a Director, Officer, of the club, whether or not a Director at the time such loss, cost, liability or expense have been imposed or incurred. As used herein, the term “loss, cost, liability, and expense” shall include, but shall not be limited to, counsel fees and disbursements and amount of judgments, fines or penalties against, and amounts paid in settlement by any such Director or Officer. The right of indemnification herein provided shall extend not only to the individual but also to the estate or to the personal representative, conservator or trustee, of the estate or any trust of a deceased or former Director or Officer who would have been entitled to indemnification under this article VIII. Such rights of indemnification and reimbursement under this article VIII shall not be deemed exclusive or any other rights to which such director or officer may be entitled under any provisions of Michigan law or any agreement, vote of members or otherwise.

Liability of Directors

Section 2:

A volunteer Director of the club shall not be personally liable to the club or its shareholders or members for monetary damages for a breach of fiduciary duty as a Director, except for liability: (a) for any breach of the Directors duty of loyalty to the club or its shareholders or members, (b) for acts of omissions not in good faith or that involve intentional misconduct or a knowing violation of the law, (c) for violation of Section 551 (1) of the Michigan Business Corporation Act (MCLA 450.115(1)), or (d) for any transaction from which the Director derived an improper personal benefit. In the event the Michigan Business Corporation Act or any other Michigan statute is hereafter amended to authorize the club action further eliminated or limited the personal liability of volunteer directors, then the liability of a volunteer Director of the club shall be eliminated or limited to the fullest extent permitted by such amendment. Any repeal, modification or adoption of any provision in these Articles shall not adversely affect any right or protection of a volunteer Director of the club existing at the time of such repeal, modification or adoption.

Insurance

Section 3:

The club shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director or Officer of the club, to the fullest extent permitted by law, against any liability asserted against or incurred by such person in such capacity or arising out of the person's status as such, or to give other indemnification to the extent permitted by law and whether or not the club would have power to indemnify such person against liability.

End of Bylaws