

# CLUB DUCK KEY, INC

## BY-LAWS

(This printing of the By-laws dated ~~Feb. 29, 2012~~ August 3, 2018 incorporates all proposed amendments to date)

### Article I – Name

The name of the corporation is Club Duck Key, Inc., incorporated under the Florida Non-Stock Corporation Act and referred to within these ~~By~~-laws as the “Corporation”

### Article II – Purpose

#### A. General

The Corporation is formed to encourage and promote the health, ~~and~~ civic, social and general welfare of its members and to construct, operate and maintain for its members, park and recreational facilities, including a swimming pool and related facilities.

#### B. Financial

The Corporation is a non-profit organization. No pecuniary profit shall inure to the benefit of its directors, officers or members. To this end, the Corporation may not issue stock nor declare nor distribute any dividend. No part of the net income of the Corporation shall inure to the benefit of any director, officer or member of the Corporation. Further, any balance of money assets remaining after full payment of all obligations of any kind of the ~~C~~Corporation shall be devoted solely to the purposes enumerated in paragraph A of this Article.

### Article III – Definitions

~~4~~A. – Board: the duly elected Officers and Board of Directors of the Corporation.

~~2~~B. – ~~Shareholder~~Equity Member: An individual or individuals holding a Share (Certificate of Membership) either solely or jointly.

~~3~~C. – Share: (Certificate of Membership) indicia of legal ownership of a Share in the Corporation when signed by the President of the Corporation and the Secretary.

~~4~~D. – Joint Membership: A Share or membership issued in the name of ~~a husband and wife living in the same household no more than two (2) individuals living together as a family unit in the same household.~~ At no time can two ~~households separate family units~~ claim ownership of a Share.

~~5~~E. – Sole Membership: A Share or membership issued in the name of one person.

F. – Associate Member: The Associate Membership, held either solely or jointly, is a non-equity, non-voting membership that cannot be sold.

~~6~~G. Special Membership: A class of membership of the Corporation as determined by these By-laws.

~~7~~ – Vacant Membership: A Share owned by the Corporation.

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- ~~8~~H.— Membership Fee: A fee payable by each prospective ~~Shareholder~~ Equity Member prior to issuance of a Certificate of Membership as determined by the current market value of a Share in the Corporation.
- ~~9~~I.— Dues: An annual assessment determined by the Board, and approved by the ~~Shareholders~~ Equity Members, if required and assessed to all members according to these ~~By-laws to Shareholders~~.
- ~~10~~J.—Household Guest: A person (not a local resident) visiting temporarily (up to three weeks) in the household of a Member.
- ~~11~~K.—Administrative Fee: A fee due at the time of a sale of ~~a Certificate of an equity Membership~~ membership.
- ~~12~~L.—In Good Standing: A condition enjoyed by a Member who has paid all dues, ~~and~~ special payments, as required; ~~by the due date, or who has paid all dues, special payments, as required, and a penalty fee as required.~~
- ~~13~~M.—Notice of Delinquency: A notice ~~the Secretary sent sends~~ to a Member ~~by the Secretary~~ stating that dues and/or other monies owed to the Corporation have not been paid.
- ~~14~~N.—Suspended Member: A member who has not paid dues and/or other monies owed the corporation within (30) days of the mailing of the notice.

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#### **Article IV – MEMBERSHIP**

- A. Classes of Members (All classes of members must be at least eighteen [18] years of age)

1. Equity Member

~~1. Shareholder. An Equity Member is a current shareholder of the corporation in good standing. An Equity Member has full voting privileges. The cost of an Equity Membership is an initial membership fee plus the current annual dues.~~

2. Special Member

~~The name of each a Member, together with the name of each Special Member, and Associate Member shall be listed in the official membership listing of the Corporation maintained by the Membership Chairman for identification, collection of annual dues and special payments, and the issuance of annual membership passes, among other things. Special Members will not pay annual dues and/or special payments.~~

3. Associate Member

The Associate Membership is a non-equity ~~(non-shareholder, non-voting)~~ membership. The cost of an Associate Membership is an annual fee, if any to be determined by the board, of \$500 plus the current annual dues. If an Associate Member chooses to become ~~a shareholder~~ an equity member, the previous annual fees, ~~(excludes annual dues) would go toward the \$3000 shareholder fee if any would be applied towards the equity membership fee.~~

- B. Application of Membership

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1. Membership in the Corporation will be limited to Duck Key property owners and renters, and no more than 25 memberships from Monroe County outside of Duck Key.
2. Membership shall not be denied to any adult on the basis of race, sexual orientation, gender, religious belief, age, ~~———~~ nationality or ethnic origin, political beliefs, marital status or ~~handicapping~~ health or physical conditions.
3. Each applicant for purchase of a Certification of Membership or any Associate Membership shall submit, ~~on a form~~ a signed application furnished by the Board of Directors, ~~a signed application on~~ in which the applicant shall agree to pay the membership fee (if applicable), dues and any special payments, ~~established by the Board.~~ The dues and special payments may be pro-rated, if applicable. Each applicant must be approved for Membership by the Board of Directors.

C. Purchase of Membership Equity

All new Certificates of Membership are purchased from the Corporation and may be purchased solely or jointly. No Certificate of Membership is severable nor may it be held or the benefits enjoyed by an entity other than the entity to whom the Certificate of Membership is sold, except that a joint membership is considered to have been purchased with a right of survivorship. Further, a joint membership whose property rights are in common following dissolution or any other decree that shall have the effect of terminating a marriage or joint ownership may be converted to a sole membership in the name of one of the former spouses and/or owners. It shall be the sole responsibility of the member to advise the Corporation in writing of a change in the status of the membership. If the Corporation, without prior written notice, acts in good faith in accepting dues, assessments, and/or other payments from a member, such action shall be without recourse against the Corporation. ~~Further, a~~ Notice of payment to a member of the joint membership by the Corporation, without prior written notice to the Corporation of a change in status of a membership, shall be considered notice and payment to the joint membership and satisfaction of the Corporation's obligation to both parties to the joint membership.

D. Rights and Responsibilities of ~~a Shareholder~~ All Members

1. ~~A Shareholder~~All members shall pay to the Corporation, on or before the due date, all dues and special payments determined and assessed by the Board of Directors and approved by the ~~Shareholders~~Equity Members if required by these bylaws. Any payment not received by the due date may incur a penalty fee in an amount determined by the Board of Directors. No ~~Shareholder member~~ shall be permitted access to the park and recreational ~~Facilities~~facilities provided by the Corporation until such dues, special payments and applicable penalty fees are received by the Corporation, except authorized by the Board of Directors. ~~Annual dues and special payments are payable by each Shareholder until such time as their Certificate of Membership is sold.~~
2. ~~An Shareholder~~Equity Member may shall surrender to the Board of Directors the Certificate of Membership together with a request signed by the ~~Shareholder~~Equity Member that the Corporation offer~~s~~ the Certificate of Membership for sale to an applicant for purchase of a Certificate of Membership. If an ~~Shareholder~~Equity Member secures a willing purchaser for said unsold Certificate of Membership, that sale may be processed according to paragraph E-2 of this Article.
3. All ~~Shareholders members~~ in good standing and their household guests shall be entitled to use the swimming pool and all park and recreational facilities provided by the Corporation subject to such reasonable restrictions and regulations promulgated by the Board of Directors. Local resident guests shall be permitted use of the facilities in the company of a member on no more than two (2) occasions in any 52 week period.
4. ~~All Shareholders~~Members are responsible for keeping the Secretary and/or Membership Chairman informed of their current mailing address.

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#### E. Duties of the Board of Directors with Respect to Membership

1. ~~2.~~The Board of Directors shall determine annually, ~~with approval of the Shareholders~~, the dues and any special payments to be assessed to the ~~Shareholders members~~ of the Corporation. If such dues shall be increased by more than 5% over the prior year's annual dues the approval of the Equity Members must be obtained. All special assessments except for an emergency assessment shall be approved by the equity members. The Board of Directors shall then notify each ~~Shareholder member~~ of the dues and special payments, if any, assessed to the ~~Shareholders members~~. Notification of dues and special payments assessed ~~shall~~ may be made by first-class ~~mailing~~ or email.

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~~3.2~~ The Board of Directors or its designee shall, within a reasonable time after receiving a completed application for purchase of a Certificate of Membership or Associate, shall render a decision and advise the applicant. If the Board of Directors approves an application along with payment of the application fee, and the Corporation receives dues and special payments under paragraph B of this Article, the President shall cause a Certificate of Membership to be delivered to the ~~shareholder~~ Equity Member and an approval to applicants for Associate Membership. If the Board of Directors fails to approve an application for purchase of a Certificate of Membership or one for an Associate Membership, any payment received from the applicant by the Corporation shall be returned to the applicant.

~~4.3~~ The Board of Directors, under paragraph E.2 of this Article, shall ~~issue~~ authorize the issuance of ~~The~~ a Certificate of Membership to the ~~Shareholder~~ Equity Member and an approval letter to an Associate Member.

~~5.~~ The Board of Directors, within a reasonable time, shall consider each signed application of a Shareholder for conversion of membership. ~~The Board of Directors may not approve any application for conversion of membership unless the Shareholder is in good standing.~~

~~6.4~~ The Board of Directors shall suspend any ~~Shareholder-member~~ failing to pay annual dues and as applicable, all other monies owed the Corporation. Notice of delinquency will be sent by registered or certified mail within thirty (30) days, after notice of delinquency has been deposited with the U.S. Postal Service and sent by registered or certified mail or any other type of mail service to provide a return receipt, to the address appearing on the records of the Corporation. Any member thus suspended shall be notified promptly in writing by the Secretary of the Corporation of such suspension. After 15 days, If-if the dues and all other monies still have not been paid owed the Corporation are not paid within fifteen (15) days after sending of such notice, that person shall cease to be a ~~m~~Member of the Corporation.

~~7.5~~ The Board of Directors may, at its discretion and by affirmative vote of a fifty-one (51%) per cent vote (51%) of its ~~seven (7) members~~, after the Shareholder has had an opportunity to appear before and be heard by the Board of Directors ~~the board~~, cancel the ~~Certificate of M~~membership of a ~~Shareholder and privileges~~ member whose actions are determined to be detrimental to the interests of the Corporation. Such disenfranchised Shareholder whose privileges have been canceled may be reinstated upon written appeal, filed with the Secretary of the Corporation within thirty (30) days of notification, if approved by a majority of the Board of Directors eligible to vote, in person or by proxy.

F. Complement of the Membership of the Corporation

1. The Corporation shall be limited to 125 ~~Shareholders or a number~~ equity members and a number of associate members to be established by the Board ~~of Directors~~.

2. When the ~~total~~ number of Shareholders is at the allowable maximum, the names of applicants ~~for purchase of a Share~~ shall be placed on a waiting list in

chronological order as received by ~~of~~ the Board of Directors ~~receipt of the application.~~

## **ARTICLE V – MEETINGS**

### **A. Annual Meeting**

An annual meeting of the members shall be held in the winter of each year, at a time and place of the President's or Board of Directors' designation.

### **B. Special Meeting**

Special meetings may be called ~~at any time~~ by the President or Board of Directors. Special meetings ~~shall can~~ be called by the Secretary upon the written request of not fewer than twenty (20%) percent of the ~~total number of the membership in good standing~~ Equity Members.

### **C. Notice of Meeting.**

Written notice stating the place, day and hour of the annual meeting, and in the case of a special meeting, the purpose ~~or purposes~~ for which the meeting is called, shall be delivered not less than ten (10) nor more than thirty (30) days before the date of the meeting, either personally, ~~or~~ by mail, or email to each member entitled to vote at such a meeting. In the case of the annual meeting, such notice shall also include a proposed budget and detailed agenda. ~~If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail, with first class postage affixed and addressed to the Member at the address as it appears on the records of the Corporation.~~

### **D. Minutes of Meetings Video-Conferencing**

~~The membership will be mailed and/or e-mailed a copy of the minutes of the Annual Meeting and any Special Meeting. At the direction of the Board of Directors meetings can be held by video or telephone conference.~~

## **ARTICLE VI – VOTING**

### **A. Eligibility**

1. Each ~~Shareholder~~ Equity Membership in good standing shall be entitled to one (1) vote on all matters presented to the ~~Shareholders~~ Equity Members for a vote at an annual and any special meeting, as may be called.

2. The Share of an ~~an Shareholder~~ Equity Member eligible to vote may be voted in person or by proxy executed in writing by the ~~Shareholder~~ Equity Member. ~~No proxy shall be valid \_\_\_\_\_ after eleven (11) months from its date unless otherwise provided in the \_\_\_\_\_ proxy and no proxy may be exercised unless it is filed with the Secretary of \_\_\_\_\_ the Corporation prior to the meeting at which it is voted; however, a spouse \_\_\_\_\_ of a Shareholder, in the case of sole ownership, may vote in person if the \_\_\_\_\_ Shareholder is not present.~~

3. Members holding fifty-one (51%) percent of the votes of Equity Members entitled to be \_\_\_\_\_ cast, appearing in person or represented by proxy, shall constitute a \_\_\_\_\_ quorum. The vote of a majority of the votes ~~entitled to be~~ cast by the Equity Mmembers present or represented by proxy at a meeting at which a quorum \_\_\_\_\_ is present shall be necessary for the adoption of any matter voted ~~upon~~ by \_\_\_\_\_ the members except as stated in these By-laws.

B. Nominating Committee

1. The Board of Directors shall appoint, by November ~~15~~ of each year, a nominating committee consisting of ~~5~~ no less than three (3) Equity members ~~Members~~; to nominate candidates \_\_\_\_\_ for election as Officers and Board of Directors. The members of the \_\_\_\_\_ committee shall elect the ~~chairman~~ chairperson of the committee. The committee shall \_\_\_\_\_ provide at least one (1) candidate for each Board of Director office to be \_\_\_\_\_ voted upon by the membership at the annual meeting. The nominations \_\_\_\_\_ shall be decided upon by a majority of the entire committee, and a report \_\_\_\_\_ therein signed by the ~~chairman~~ chairperson shall be filed with the Secretary not less than twenty (20) days before the annual meeting at which the Officers and directors ~~Directors are to~~ shall be elected.

2. Nominations may also be made by members of the Corporation from the floor at the annual meeting.

**ARTICLE VIII – THE BOARD OF DIRECTORS**

A. Purpose

The affairs of the Corporation shall be managed by a Board of Directors ~~Selected~~ selected from ~~Shareholders of~~ the Corporation Equity Members in good standing-  
, and be conducted in person or by telephone conferencing or e-mail.

B. Composition and Term

The Board of Directors shall consist of seven (7) persons elected at the annual meeting.

C. Vacancies and Removal

Any vacancies which occur on the Board prior to the expiration of the first year of an Officer's or Director's term of office shall be filled for the balance of such term at the next annual meeting. Vacancies may be filled until the annual meeting by majority action of the Board of Directors at any regular or special meeting of the Board of Directors.

D. Quorum

A majority of the Officers and the Board of Directors ~~will~~ shall constitute a quorum for the transaction of business. The act of the majority of the Officers and ~~Board of~~ Directors present at a meeting at which a quorum is present ~~will~~ shall be the final decision.  
~~Act of the Board of Directors~~ except as otherwise provided for in these ~~By~~ by-laws.

E. Powers

The Board of Directors shall exercise all powers of the Corporation not specifically ~~committed~~ assigned by the Articles of Incorporation, the statutes of the State of Florida, or these ~~By~~ by-laws to the membership and may adopt rules and regulations not inconsistent therewith.

## ARTICLE – IX MEETINGS OF DIRECTORS

A regular meeting of the Board of Directors shall be held at least twice during The winter months (Oct. - Apr.). The President may call a special meeting of the Board of Directors at any time and shall do so upon the written request of any three (3) Officers and/or Directors. The President shall fix the time and place of each meeting.

## ARTICLE X – OFFICERS

A. Nomination and Election

1. The Officers of this Corporation shall include a President, ~~First Vice-President, Second Vice-President,~~ Treasurer, ~~and Secretary,~~ all of who shall be elected by the Shareholders at an annual meeting and three (3) Directors.



2. No member may serve as President for more than three consecutive years. The person nominated as President shall have served at least one year as a member of a prior Board. The Officers shall assume the responsibilities of the office at the end of the annual meeting at which they are elected.

B. Duties and Responsibilities 1.

The President shall:

- a. be the chief executive officer of the Corporation;
- b. Preside at the annual meeting and special meetings of the members and the regular and special meetings of the Board;
- c. Actively direct the affairs of the Corporation to the end that its purposes specified in Article II hereof shall be accomplished;
- d. Investigate charges of misconduct and other activities prejudicial to the best interest of the Corporation, and report such findings to the Board;
- e. Shall be responsible for making sure that all required tax forms are filed in a timely manner for the Corporation with the State of Florida and/or Internal Revenue Service;
- f. May appoint a parliamentarian for the Annual Meeting and any Special Meeting; and
- g. Perform such other duties as may be directed by resolution of the Board.

2. The ~~First~~ Vice-President shall:

- a. have and exercise all the powers, authority and duties of the President during the absence of the President or the inability of the President to perform the duties and responsibilities of his or her office;
- b. perform ~~such other~~the duties ~~as directed by the President or the Board of Directors~~ and responsibilities of his or her office.

~~3. The Second Vice President shall:~~

- a. ~~have and exercise all the powers, authority and duties of the President and the First Vice President or their inability to perform the duties and responsibilities of their offices;~~
- b. ~~perform such other duties as directed by the President or the Board of Directors.~~

~~4.3.~~ The Treasurer shall:

- a. have custody of all funds, securities, deeds of property, Articles of Incorporation, By-laws, use permits, insurance papers, tax

records, annual reports and other intangible assets of the Corporation;

- b. provide and maintain full and complete records of all assets and liabilities of the Corporation;
- c. prepare and submit at each regular meeting of the Board of Directors a financial statement of the condition of the Corporation as of the last day of the preceding month;
- d. prepare such tax reports and information returns as local, state and federal laws require;
- e. serve as ~~chairman~~ chairperson of the Finance Committee; and
- f. prepare and distribute to each member a projected financial statement prior to the ~~annual~~ Annual meeting ~~Meeting~~.

~~5.4.~~ The Secretary shall:

- a. ~~P~~prepare and maintain full minutes of all meetings of the Board of Directors;
- b. ~~G~~ive proper notice of the ~~annual~~ Annual meeting ~~Meeting~~ and each special meeting ~~to of~~ the ~~Shareholders~~ Equity Members;
- c. ~~M~~aintain the record of ~~Shareholders~~ Equity Members of the Corporation; and
- d. ~~P~~roduce and in any Equity Members' meeting, announce all proxies filed ~~to any Shareholder meeting~~.

## **ARTICLE XI – COMMITTEES**

### **A. Standing Committees**

The following standing committee chairs shall be filled from among the

~~Shareholders equity members~~ of the Corporation:

1. The Pool Operations Committee:
  - a. ~~O~~perates the pool facilities;
  - b. ~~P~~repares rules for the use of the grounds and facilities, exclusive of the tennis courts;
  - c. ~~D~~etermines, subject to Board approval, who may use the ~~grounds and facilities exclusive of the tennis court(s)~~ pool, hot tub and the surrounding deck area and under what conditions-;
2. The ~~Tennis Operations~~ Grounds Sports Committee:
  - a. ~~O~~perates the tennis, bocce, horseshoes, and pickle ball courts;

- b. ~~P~~prepares rules for the use of the ~~tennis~~-courts;
  - c. ~~S~~serves as ~~tennis-the~~ teams<sup>2</sup>/~~courts~~ advocate before the Board;
  - d. ~~D~~determines, subject to Board approval, who may use the ~~tennis~~ court(s).
- 3. The Engineering, Construction and Maintenance Committee:
  - a. ~~P~~plans for and supervises the construction, technical operation and repair of all Corporation facilities;
  - b. ~~P~~purchases, maintains and repairs Corporation equipment~~;~~ and
  - c. ~~P~~presents construction, repair and maintenance reports to the Board of Directors on a regular basis, as needed.
- 4. The Membership Committee:
  - a. ~~M~~aintains an official membership listing of the Corporation including the names of all ~~Shareholders~~ members;
  - b. ~~M~~aintains a waiting list of applicants for purchase of a Certificate of Membership;
  - c. ~~I~~investigates and reports to the ~~Boards~~ Board of Directors regarding the desirability of applicants for membership; and
  - d. ~~M~~aintains a chronological list, ~~in chronological order of receipt by the Board of Directors, or Shareholders of Equity Members~~ who have surrendered ~~a~~ Certificates of Memberships to the Corporation for sale, for any purpose.
- 5. The Finance Committee:
  - a. prepares the proposed annual budget, after the approval of the ~~annual~~ Annual program Meeting, for submission to and approval by the Board;
  - b. makes recommendations for dues for the ensuing year; and
  - c. makes recommendations with reference to financial matters of the Corporation.
- 6. The Legal Committee:
  - a. interprets the by-laws of the Corporation, such interpretation being binding on ~~the Shareholders~~ all Equity Members;
  - b. approves all contracts prior to their award;
  - c. approves all legal actions prior to their execution; and
  - d. performs all other duties of a General Counsel.
- 7. The Social Committee:

- a. prepares a list of proposed social activities for approval by the Board of Directors;
- b. schedules and executes the same; and
- c. provides the Board with an annual report of the Social Fund account.

B. Ad Hoc Committees:

1. The President shall constitute and appoint such other committees as he/she shall deem necessary or expedient for the welfare of the Corporation.
2. The President may convene and Ad Hoc Committee of ~~Past-past~~ Presidents to ~~Meet-meet~~ with the Board of Directors ~~and~~ to provide guidance and ~~council~~counsel.

## **ARTICLE XII – PROPERTY AND FINANCES**

A. Facility Extension

Any extension of the facilities shall take place only if it is approved by a majority of the ~~Shareholders-Equity Members~~ present in person or by proxy ~~designated in writing~~ at the ~~annual-Annual~~ or ~~a special-Special meeting-Meeting~~ of the ~~Shareholdersequity members~~.

B. Proposed Budget

All capital and operating expenditures contemplated by the Corporation for the ensuing calendar year shall be included in the ~~proposed~~-annual budget submitted to the ~~Shareholders-Members~~ at the annual meeting. ~~Subsequent to budget approval,At any time,~~ the Board of Directors is authorized to ~~expend up to two thousand dollars (\$2000.00)spend funds~~ for unforeseen essential requirements, which were not in the annual budget ~~approved by the Shareholders~~.

C. Approval of Proposed Budget

~~4- The Board shall adopt and approve such annual budget subject to the provisions of these bylaws by November 30 of each year. Prior to the approval of the Board the Equity Members shall receive a copy of the proposed budget by November 10<sup>th</sup> of each year and shall have ten (10) days to provide their written input to the Board relative to any budget item. The Board shall duly consider such input in the finalization and approval of the Annual Budget. Non-Budgetary Expenditures in Excess-excess of Five Hundredone thousand Dollars-dollars (\$5001000.00) Any obligation or expenditure of the corporate assets in excess of five hundred dollars (\$500)-requires the prior approval of the Board of Directors, except that the President may authorize an emergency expenditure not to exceed one thousand five hundred dollars (\$10001500.00). Any emergency expenditure between \$1,501.00 to \$5,000.00 shall be approved by the President and two (2) Board Members. Any emergency~~

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expenditure in excess of \$5,000.00 shall require Board approval in the manner required by these bylaws.

C.D. Real Property

At a board meeting. ~~No no~~ real property may be acquired, sold or transferred unless approved by a Majority-majority of the Board of Directors present ~~in person~~ or by ~~written proxy at a Board meeting.~~

D.E. Funds Management:

1. All funds of the Corporation shall be deposited in such qualified depository or depositories as the Board of Directors may designate and shall be so deposited within a reasonable amount of time. However, receipts in the aggregate of one hundred dollars (\$100) or less need not be deposited more than once a week.
2. All disbursements of Corporation funds shall be made by checks signed by the Treasurer, the President or by other Board-board members specifically authorized. However, the Board may by resolution provide for the establishment and replenishment of a petty cash fund not to exceed fifty one hundred dollars (~~\$50100.00~~) ~~for postage and for~~ defraying expenses of the Corporation ~~in amounts of twenty five dollars (\$25) or less.~~
3. The funds of the Corporation, except those on deposit as provided in this Article, those utilized in redeeming membership fees as provided in Article IV, or used in acquiring recreational facilities, may be invested only in obligations of, or ~~insured-inspired~~ by the United States ~~Government-government.~~ ~~They-The funds~~ may not be ~~loaned-lent~~ to, ~~or~~ ~~nor~~ invested with any officer, ~~Director-director~~ or Shareholder-Equity Member of the Corporation, or with any person, agency or governmental instrumentality.
4. The Board may provide for the establishment and replenishment of a ~~Social-social Fund-fund Account-account~~ not to exceed two thousand dollars (\$2000.00) from which the Social Chair can pay upfront expenses and reimburse costs associated with social functions. This account can also be used to deposit proceeds from social functions, raffles and other fund raising activities. Deposits and withdrawals to the Social-social Fund-fund Account-account shall be reported at each meeting of the Board of Directors.

E.F. Annual Audit:

The Board of Directors ~~shall-may~~ cause the books of the Corporation to be audited annually by the auditors selected by the Directors. Such auditors shall not be the Directors of the Corporation and the report of the auditors shall be available to the ~~Shareholders-Equity Members~~ at all reasonable times.

### ARTICLE XIII – COMPENSATION AND INDEMNIFICATION

#### A. Officer Compensation:

All ~~Officers~~officers and ~~Directors~~directors of the Corporation shall serve without ~~Compensation~~compensation in such capacities.

#### B. Director Liability:

Each person now or hereafter a director or officer of the Corporation ( and his heir, ~~executors~~executors and administrators) shall be indemnified and held harmless by the Corporation against all claims, liabilities, judgments, settlements, costs and expenses- This including includes all attorneys' fees imposed upon or reasonably incurred by him/her in connection with or resulting from any action, suit, proceeding or claim to which he/she is or may be made a party by reason of his/her being or having been an officer or director of the Corporation at the time such costs or expenses are incurred by or imposed upon him/her, except in relation to matters as to which he/she shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of his/her duties as such director or officer, or in the event of settlement. The indemnification shall be made only if the Corporation shall be advised by the Board of the Corporation or by independent ~~counsel~~counsel to be appointed by the Board, that in its or his/her opinion such settlement was or is in the best interest of the Corporation. If the determination is to be made by the Board, it may rely as to all questions of law on the advice of independent ~~counsel~~counsel. Such right of indemnification shall not be deemed exclusive of any right which ~~and an~~ officer ~~of or~~ director may be entitled to under any other by-law, agreement, vote of stockholders or otherwise.

### ARTICLE XIV - FISCAL YEAR

The fiscal year of the Corporation shall run from 1 January to 31 December (year).

### ARTICLE XV – RULES AND PROCEDURE AND ORDER OF BUSINESS

#### A. Conduct of Corporation Meetings:

Except as otherwise provided in these ~~By~~by-laws, the meeting of the Corporation shall be conducted in accordance with Robert's Rules of Order and whatever other rules the Board may adopt.

#### B. Order of Business:

The order of ~~b~~Business at regular meetings of the Board of Directors and of the ~~Shareholders~~Equity Members shall be:

- ~~5.~~1. Call to order
- ~~6.~~2. Approval of minutes of previous meeting
- ~~7.~~3. Presentation of agenda

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- ~~8.4.~~ Reports of officers
- ~~9.5.~~ Standing committee reports
- ~~10.6.~~ Special committee
- ~~11.7.~~ Unfinished business
- ~~12.8.~~ New business
- ~~13.9.~~ Summary Adjournment
- ~~14.~~ Adjournment

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## ARTICLE XVI – GENERAL

- A. All powers, authority, duties and functions of the members, directors, officers and employees of the Corporation shall be exercised in strict conformity with applicable provisions of the law and regulation and of the Charter and ~~b~~By-laws of the Corporation.
- B. Safekeeping Important Records:  
Copies of the organization papers of the Corporation, its ~~By~~by-laws and the membership books of the Corporation, shall be preserved in a place of safekeeping. Returns of elections and proceedings of all meetings of the ~~De~~directors and ~~Shareholders-Equity Members~~ shall be recorded in the minute book. The minutes of all meetings shall be signed by the President and Secretary, or by those persons acting in their place.

## ARTICLE XVII – AMENDMENTS

Amendments to these ~~By~~by-laws may be proposed by a ~~Shareholder-Equity Members~~ in good standing at an annual or special meeting. The proposing ~~Shareholder-Equity Member~~ shall notify the Secretary of the Corporation in writing ~~in sufficient~~<sup>y</sup> ~~by December 31<sup>st</sup> of each year to afford~~ time for the amendment to the ~~By~~by-laws to be included in the notice of such meeting as provided in Article V. Amendments to the ~~By~~by-laws offered ~~to the Shareholders~~ must be approved by two-thirds ~~(2/3) of a quorum~~ of the ~~Shareholders-Equity Members~~ present or represented by written proxies.

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