

# Crystal Mountain Alpine Club Bylaws

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## ARTICLE I: Membership and Voting

1.1 The membership of Crystal Mountain Alpine Club (the **“Corporation”** or **“CMAC”**) shall consist of the following individuals (each a **“Member”**):

1.1.1 Board. Individuals who have been duly elected and are serving as a director on the Board of Directors of the Corporation (each a **“Director”**). Each such Member’s membership shall begin when he or she is elected as a Director and expire when he or she ceases to hold office as a Director.

1.1.2 Racing. Individuals who are duly enrolled and accepted in the Corporation’s racing program for a Racing Season. A **“Racing Season”** begins on November 1 of each year and continues through October 31 of the following year. Each such Member’s membership shall begin when he or she is accepted by the Corporation for its racing program and shall continue through the end of the Racing Season during which he or she is a participant in the racing program.

Only individual persons may be Members of the Corporation; a corporation, partnership, association or other entity may not be a Member of the Corporation.

1.2 The annual meeting of the Members shall be held in April or May of each year, at an annual awards banquet held at a time and in a place designated by the Board of Directors. Special meetings of the Members may be called from time to time by the Board of Directors. Upon delivery to the Secretary of a written petition signed by not fewer than one

hundred (100) Members, the Board of Directors shall call a special meeting of the Members, which meeting shall be held at a time and place designated by the Board of Directors, *provided* that the time shall be not less than sixty (60) nor more than eighty (80) days after such petition is presented to the Secretary.

1.3 At any meeting of the Members, seventy (70) Members present in person or by proxy shall constitute a quorum or, if there are fewer than one-hundred-thirty-eight(138) Members, a majority of the Members shall constitute a quorum. Subject to Section 2.3, each Member so present shall be entitled to cast:

1.3.1 for the election of Directors: a number of votes equal to the number of Directors to be elected, *provided* that such votes may not be cumulated: no Member may cast more than one vote for any single candidate; and

1.3.2 on all other matters: one (1) vote.

Members must be present in person or by proxy at an annual or special meeting in order to participate therein, and may not participate by telephone or similar communications equipment except if and to the extent approved by the Board of Directors.

1.4 It shall be the duty of the Secretary to provide a notice of each annual and special meeting of the Members, stating the purpose thereof, as well as the time and the place where it is to be held, to each Member in accordance with applicable law by electronic transmission or otherwise. Such notice shall be given at least ten (10) days prior to, but not more than fifty (50) days prior to, an annual meeting or special meeting.

1.5 All annual and special meetings of the Members shall be limited to the subjects stated in the notice of meeting, except as set forth in this Section. Except as set forth in this Section, no matter shall be brought before the Members or voted upon unless it was included in the notice of meeting, and any attempt to do so shall be out of order. The Secretary shall include in the notice of each annual and special meeting any matter or proposed action set forth in a written petition signed by not fewer than seventy (70) Members and delivered to the Secretary not later than sixty (60) days before the relevant meeting. Notwithstanding the foregoing, a motion may be made at an annual meeting to repeal an amendment to the Bylaws adopted by the Board of Directors since the last annual meeting, but only if such amendment affects who is entitled to vote as a Member at an annual or special meeting, or limits or diminishes the matters upon which the Members are entitled to vote or the manner or effect of such voting.

1.6 Any Member may vote by proxy. One parent or legal guardian of a Member who is less than eighteen years of age shall, without the necessity of any designation by such Member, be such Member's proxy for the purpose of casting such Member's vote or votes for the

election of Directors and on any other matter requiring a vote of the Members. In addition, any parent or legal guardian may designate a substitute proxy (or a Member who is at least eighteen years of age may designate a proxy) in compliance with the following limitations, restrictions and requirements:

1.6.1 Except in the case of the proxy for a minor, no such proxy shall be effective unless it is made in writing and signed, and a copy thereof is delivered to the Secretary at least one hour before the relevant meeting is called to order.

1.6.2 Except in the case of the proxy for a minor, no proxy shall be effective for more than one meeting or for a period in excess of ninety (90) days, *provided* that a proxy that is effective when a meeting is called to order shall remain effective throughout such meeting, even if such meeting is recessed and reconvened or continued.

1.6.3 Except in the case of the proxy for a minor, any proxy may be revoked (whether or not it purports to be irrevocable or is coupled with an interest) by a written statement to such effect delivered to the Secretary at least one hour before the relevant meeting is called to order, or in such other manner as the Board of Directors or the President may determine is sufficient to revoke such proxy.

1.6.4 Such other reasonable limitations, restrictions and requirements, not inconsistent with these Bylaws, as are adopted by the Board of Directors from time to time, which may include a requirement that a person soliciting proxies disclose certain information in connection with such a solicitation.

A proxy shall be ineffective if the Board of Directors or the President determines that it does not comply with this Section and the other provisions of these Bylaws.

1.7 Except as otherwise provided by these Bylaws or law, passage of any matter submitted to vote at a duly-called meeting, where a quorum is in attendance in person or by proxy, shall require the affirmative vote of a majority of the total votes present in person or by proxy.

1.8 Any Member may be removed by a two-thirds (2/3) vote of the Board of Directors at a regular or special meeting of the Directors. Notice of such proposed removal must be given to the Member sought to be removed prior to the meeting at which the question is to be voted upon. Notwithstanding the foregoing, the Board of Directors may, in its reasonable discretion, determine to accept or not accept any person as a participant in the Corporation's racing program and may, without limitation, refuse to accept a person who wishes to participate for one Racing Season, even though he or she participated the prior Racing Season.

1.9 Membership is not transferable.

1.10 The Corporation shall not (i) make any disbursement of income to its Members, Directors or officers or (ii) loan money or credit to its officers or Directors.

## ARTICLE II: Board of Directors

2.1 The term of office of the Directors of the Corporation shall be for two (2) years, ending at the second annual meeting of the Members following election.

2.2 The business and property of CMAC shall be managed by a Board of Directors of not less than three (3) and not more than twenty (20) Directors. The number of Directors may be increased or decreased from time to time by the Board of Directors, *provided* that (i) no increase shall take effect until the next annual meeting of the Members and (ii) no decrease shall have the effect of shortening the term of any incumbent Director. When the Board of Directors increases or decreases the number of Directors, it shall designate how many of the Directors added or eliminated shall have terms beginning and ending in an odd-numbered or an even-numbered year, *provided* that as a result the number of Directors with terms that begin and end in an odd-numbered year must be equal to, or one more or less than, the number that end in an even-numbered year.

2.3 The Directors shall be elected by vote of the Members at the annual meeting of the Members. The nominees (nominated as set forth in Section 2.4) who receive the largest number of votes shall be elected, the total number so elected being equal to the number of Directors whose terms are then beginning (*i.e.* the number whose terms are then ending, adjusted for any change in the number of Directors pursuant to Section 2.2). Votes cast for individuals who are not nominees shall be disregarded. If the number of nominees is equal to the number of Directors to be elected, the nominees may be elected by the Members by acclamation, *i.e.* by a majority voice vote of the Members.

2.4 Before each annual meeting of the Members, the Board of Directors shall nominate for election to the Board a number of individuals at least equal to the number of Directors to be elected. The nominees may include current Directors, and Directors may vote in favor of their own nomination for re-election and participate in the discussion thereof. One or more other individuals may be nominated for election as a Director by a written petition signed by not fewer than twenty-five (25) Members of the Corporation and delivered to the Secretary not later than sixty (60) days before the annual meeting of the Members.

2.5 Any vacancy occurring on the Board of Directors may be filled by a majority vote of the remaining Directors. Such newly elected Director shall serve during the unexpired term of the Director whose position has become vacant.

2.6 In the event that any coach or other paid employee of the Corporation is elected to the Board of Directors, or is serving on the Board of Directors at the time of enactment of this provision, such coach or paid employee shall not participate in any Board of Directors decisions that pertain to the hiring, continued employment, compensation or bonus of any employees of the Corporation.

2.7 The Board of Directors shall hold regular meetings on the first Monday of each month, provided that for the convenience of the Board members or attendees, the meeting may be rescheduled by a majority of the Executive Committee. The Board of Directors shall also hold special meetings on call of the President or any two (2) Directors.

2.8 Notice of a special meeting of the Board of Directors shall be given personally or in writing (including by email) at least two (2) days prior to said meeting. Regular meetings of the Board of Directors may be held without notice. Notice of any meeting may be waived in writing at any time and is waived by actual attendance at such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

2.9 Each Director shall possess one (1) vote on matters coming before the Board of Directors. All voting at a meeting of the Board of Directors shall be by each Director in person and voting by proxy shall not be allowed. A majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of those Directors who are present at a meeting at which a quorum is present shall be the acts of the Board of Directors. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent, in writing or by e-mail, setting forth the action so taken, shall be executed by all of the Directors. Directors may participate in a meeting of the Board of Directors by means of a conference telephone or video conference or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

2.10 Any Director may be removed from office by a majority vote of those Members who are present (in person or by proxy) at any regular or special meeting of the Members of the Corporation at which a quorum is present (in person or by proxy). Notice of such proposed removal of a Director must be given to such Director prior to the meeting at which such removal is to be voted upon. Such notice to the Director must state the cause for the proposed removal, if any.

2.11 The Board of Directors may designate one or more persons as honorary or ex officio members of the Board for a specified term, without the right to vote.

## ARTICLE III: Officers

3.1 The officers of the Corporation shall be a President, a Vice President, a Treasurer and a Secretary, all of whom shall be elected by and from the Board of Directors. The Board of Directors may appoint an assistant treasurer and an assistant secretary and such other officers as in their judgment may be necessary.

3.2 The officers of the Corporation shall be elected each year at an annual meeting of the Board of Directors and shall hold office at the pleasure of the Board.

3.3 At any regular meeting of the Board of Directors or at any special meeting called for that purpose, any officer may be removed, with or without cause, and his successor elected, upon an affirmative vote of a majority of the Directors present.

3.4 The President shall be the chief executive officer of the Corporation. The President shall preside at all meetings of the Members and the Board of Directors, except when absent.

3.5 In the absence of the President, the Vice President shall preside at all meetings of the Members or the Board of Directors. In the absence of both the President and the Vice President, a person designated by majority vote of those Directors then present shall preside at any such meeting.

3.6 The Vice-President of the Corporation shall act for the President in his absence and shall perform such other actions the President may direct.

3.7 The Secretary shall keep the minutes of all meetings of the Board of Directors and shall perform all duties usually incident to the office of secretary of a business corporation.

3.8 The Treasurer shall have the responsibility for the Corporation's funds and properties and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Corporation.

3.9 Other officers of the Corporation or persons employed to assist the officers, shall have such authority and shall perform such duties as the Board of Directors may prescribe within the provisions of applicable law and these Bylaws.

## ARTICLE IV: Committees

4.1 The Board of Directors may create an Executive Committee of not less than three Directors, who may or may not be officers, to work with the President, which committee shall exercise such powers as the Board of Directors may delegate to it.

4.2 The Board of Directors may from time to time create standing or special committees relating to skiing activities and club operations as it deems desirable and establish the duties thereof and provide for the number of committee members, manner of appointment and term of office.

4.3 The rights, powers, and duties of the Executive Committee and of all standing or special committees shall at all times be subject to the power of the Board of Directors which shall have the power to disband any such committee, remove any member thereof or override committee action.

## ARTICLE V: Handling of Funds

5.1 The Corporation's accounting year shall run from August 1 to July 31 of the following year.

5.2 The Corporation shall establish the necessary funds or accounts properly to provide for the operation of the Corporation. Overall management of these funds shall be the responsibility of the Treasurer of the Corporation, who shall be authorized to open such accounts and adopt such procedures as may be advisable to properly secure the accounts and funds of the Corporation.

5.3 The Treasurer shall establish a checking account in a bank to be known as the General Account. This account shall be the working capital account for the current operations of CMAC and shall normally receive all income, tuitions, contributions, dues and other funds received by the Corporation. Checks shall be issued from this account for all expenditures necessary for the operation of CMAC.

5.4 All checks drawn on the General Account shall be signed as authorized by law, by the Treasurer, any Assistant Treasurer or the Program Director when a check is required, provided that payroll checks may be prepared by a service provider with the Treasurer's printed signature.

5.5 The Board of Directors may direct that the accounting records of the Corporation be audited at any time or from time to time, or otherwise be subject to examination by independent accountants or other advisors.

5.6 The Corporation shall distribute its income for each tax year at such time and in such manner as not to become subject to tax on undistributed income imposed by Section 4942 of the Internal Revenue Code. Further, the Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code, nor retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code, nor make

any investments in such manner as to incur tax liability under Section 4944 of the Internal Revenue Code, nor make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code

5.7 No part of the assets, income or profit of the Corporation shall be distributed to or inure to the benefit of private persons except that the Corporation shall be empowered to pay reasonable compensation for services rendered and to make payment and distributions in furtherance of the purposes of the Corporation.

## ARTICLE VI: Indemnification

6.1 The Corporation shall indemnify every person who was or is a party to, or is threatened to be made a party to, any pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative (other than an action approved by the Board of Directors by or on behalf of the Corporation), by reason of the fact that he or she is or was a Director or officer of the Corporation, against expenses (including attorneys' fees, judgments, fines and amounts paid in settlement) actually and reasonably incurred by him or her in connection with such action, suit or proceeding to the maximum extent permitted by applicable law.

6.2 The Corporation shall indemnify every person who was or is a party or is threatened to be made party to any pending or completed action or suit by or on behalf of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a Director or officer of the Corporation, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit to the maximum extent permitted by applicable law.

6.3 If and to the extent applicable law requires that any indemnification under Section 6.1 or 6.2 be made only upon a determination or authorization by the Board of Directors, such indemnification shall be made only upon such determination or authorization as is required by applicable law.

6.4 Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors, to the maximum extent permitted by applicable law.

6.5 The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of disinterested Directors or otherwise, as to action in his or her official capacity while holding such office, and continuing as to a person who has ceased to be a Director, officer,



employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

6.6 The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation against any liability asserted against him or her 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 shall have indemnified him or her against such liability under the provisions of this Article.

6.7 The Board of Directors may, in its sole discretion, indemnify any employee or agent to an extent not to exceed the indemnification of Directors and officers provided in this article.

6.8 A Director shall have no liability to the Corporation for monetary damages for conduct as a Director, except for acts or omissions that involve intentional misconduct by the Director, or a knowing violation of law by the Director, or for any benefit in money, property or services to which the Director is not legally entitled. If the Washington Nonprofit Corporation Act or the Washington Business Corporation Act (as incorporated into the Washington Nonprofit Corporation Act) is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of Director, then the liability of a Director shall be eliminated or limited to the full extent permitted by the Washington Nonprofit Corporation Act and the Washington Business Corporation Act (as so incorporated), as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a Director of the Corporation existing at the time of such Director occurring prior to such repeal or modification.

## ARTICLE VII: Amendments

These Bylaws may be amended by a vote of two-thirds (2/3) of the total number of Directors at any regular or special meeting duly convened after notice of that purpose, subject, however, to the power of the Members to change or repeal an amendment to the Bylaws at any annual or special meeting duly convened and *provided* that no amendment that affects who is entitled to vote as a Member at an annual or special meeting, or that limits or diminishes the matters upon which the Members are entitled to vote or the manner or effect of Member voting, shall not take effect until immediately after the next annual meeting of Members, and then only if notice is given to Members not later than thirty (30) days before such meeting, referring to such amendment and providing access to the full text thereof (which may be provided by means of the Corporation's web site or otherwise).