



## Friends Of The Border To Border Trail – By-Laws

- Approved by Acting Board of Directors – January 21, 2015
- 1<sup>st</sup> Amendment – February 23, 2016 – Amended Sections 2.7, 4.8, added Section 4.10

### ARTICLE 1 - NAME; REGISTERED OFFICE; FISCAL YEAR

1.1 Name. The name of the corporation is the Friends Of The Border To Border Trail, Inc.

1.2 Registered Office. The registered office of the 706 Dwight Street, Ypsilanti, MI 48198.

1.3 Fiscal Year. The fiscal year of the Friends Of The Border To Border Trail, Inc., shall begin January 1.

### ARTICLE II - MEMBERS AND THEIR MEETINGS

2.1 Classes of Membership. The classes of members are as follows:

2.2 Supporting Members. Any person whose dues to the Friends Of The Border To Border Trail are paid, is a voting member of the Friends Of The Border To Border Trail. Each individual member shall be entitled to one vote on any issue requiring a vote of the membership.

2.3 Organizational Members. Any nonprofit organization may join the Friends Of The Border To Border Trail as a voting member. Each organizational membership shall be entitled to one vote on any issue requiring a vote of the membership.

2.4 Institutional members. Any for-profit business entity may join the Friends Of The Border To Border Trail, as a non-voting institutional member.

2.5 Honorary Members. Individuals making significant contributions to the work of the Friends Of The Border To Border Trail and its programs may be accorded honorary, non-voting, member status. Nominations should be forwarded to the Friends Of The Border To Border Trail Nominating Committee. The Committee will make its recommendations to the Friends Of The Border To Border Trail Board of Directors, which will decide upon them and announce honorary memberships at the annual meeting of the members of the organization.

2.7 Membership Period. Friends Of The Border To Border Trail memberships are based on a 12-month membership year starting when a membership fee is paid.

2.8 Annual Meeting. The annual meeting of the members of the Friends Of The Border To Border Trail shall be held in November. At least 30 days advance notice of the time and place shall be given in the Friends newsletter and/or web page, or by mail, fax, phone, or email. At each annual meeting, the voting members shall elect Board of Directors members and transact such other business that may properly come before the meeting. Candidates for Board of Directors members may be nominated by the Nominating Committee, and may also be nominated, or self-nominated, by any member present at the annual meeting.

2.9 Special meetings. Special meetings of the members of the Friends Of The Border To Border Trail may be called by the Chairperson, a majority of the Board of Directors, or by members constituting one-tenth of the voting membership. Written notice shall be mailed, e-mailed or delivered to all members at least one week in advance, and such notice shall include the purpose or purposes for which the meeting is called.

2.10 Voting. Each voting member shall be entitled to one vote at any meeting of the members of the Friends Of The Border To Border Trail. Proxy voting is prohibited.

2.11 Quorum. Members present shall constitute a quorum for the transaction of business at any meeting of the members of the Friends Of The Border To Border Trail.

### ARTICLE III - BOARD OF DIRECTORS AND ITS MEETINGS

3.1 Function. The affairs of the Friends Of The Border To Border Trail shall be managed by the Board of Directors.

3.2 Number. The maximum number of Directors is ten. The minimum number of Directors is four.

3.3 Duties. The duties of the Board of Directors will be:

1. To choose the Friends officers from the current Directors.
2. To choose the Chairperson of all standing and ad hoc committees from the current Directors, upon recommendation of the Chairperson.
3. To establish annual dues for each membership category.
4. To act on all business of the Friends Of The Border To Border Trail, Inc.

3.4 Election. The membership shall elect its Directors at the annual meeting and such Directors will assume office upon election.

3.5 Term. Directors shall serve two-year terms, but the Board of Directors may shorten the term of any directorship for the purpose of staggering the expirations of Directors' terms.

3.6 Vacancies. Any vacancy occurring in the Board of Directors shall be filled by a majority vote of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor. The Board of Directors may decide not to fill a vacancy if the minimum number of Directors is not violated.

3.7 Eligibility. All Directors shall be voting members of the Friends Of The Border To Border Trail.

3.8 Meetings. Regular meetings of the Board of Directors shall be held on a quarterly basis, normally the second Wednesday of the month. The meeting date/location/time will be communicated to the Board of Directors at least 10 days prior. Board of Directors meetings are open to the public with all welcome.

3.9 Special Meetings. Special meetings of the Board of Directors may be called by the Chairperson or any three Directors provided that notice shall be mailed or delivered to each director at least seven days advance.

3.10 Quorum. Two Board of Directors members present shall constitute a quorum for the transaction of business at any meeting of the Board.

3.11 Unanimous Consent in Lieu of Meeting. An action may be taken without a meeting if consent in writing or email, setting forth the action to be taken, is signed by all of the Directors.

3.12 Removal of Inactive Directors. If during the course of a term of office an elected Director should be unable to regularly participate in the work of the Board, or regularly attend meetings of the Board, the Board of Directors, upon written advance notification to the Director affected, may declare the position vacant by a majority vote.

3.13 Resignation. Any Director may resign at any time by giving written notice to the Board of Directors. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

#### ARTICLE IV - OFFICERS

4.1 Number. The officers of the Friends Of The Border To Border Trail shall be the Chairperson, Vice-Chairperson, Treasurer, and Secretary.

4.2 Annual Election. The officers of the corporation shall be elected annually by the Board of Directors at a Board of Directors meeting within 60 days of the members annual meeting and officers shall serve until their successors are elected.

4.3 Vacancy. Any vacancy in an officer position may be filled for the balance of the term of the office by election of the majority of the Board of Directors.

4.4 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

4.5 Eligibility. The Chairperson, Vice-Chairperson, Secretary, and Treasurer shall be voting members of the Friends Of The Border To Border Trail.

4.6 Chairperson. The Chairperson shall supervise the activities of the Friends Of The Border To Border Trail and preside at the meetings of the members and the Board of Directors. The Chairperson shall execute contracts and conveyances (including the writing of checks) on behalf of the Friends Of The Border To Border Trail and shall act on behalf of the Board of Directors in all manners under its jurisdiction.

4.7 Vice-Chairperson. The Vice-Chairperson shall preside in the absence of the Chairperson. The Vice-Chairperson may be designated, by the Chairperson, as the signer of Friends Of The Border To Border Trail checks.

4.8 Treasurer. The Treasurer shall be in charge of the receipt and tracking of all funds of the Friends Of The Border To Border Trail. The Treasurer shall maintain correct and complete financial records, and shall present an updated financial report at each meeting of the Board of Directors. The Treasurer shall not have the ability to write checks or otherwise disburse funds. After the Friends Of The Border To Border Trail achieves 501(c)(3) nonprofit status, the Treasurer shall submit an annual information return in accordance with IRS requirements. The annual information returns shall be available for public inspection for at least three years after the filing date.

4.9 Secretary. The Secretary shall keep accurate minutes of all meetings of the members and the Board of Directors. The Secretary shall be in charge of all corporate records other than financial records. The Secretary also shall maintain the membership records of the Friends Of The Border To Border Trail and shall be responsible for filing with the proper governmental officials all documents, other than tax returns, which the Friends Of The Border To Border Trail is required by law to file.

4.10 Allowable activities. All officers are responsible for ensuring that activities of the Friends Of The Border To Border Trail are consistent with federal 501(c)(3) nonprofit status. The organization must absolutely refrain from participating in the political campaigns of candidates for local, state, or federal office; any lobbying activities must be restricted to an insubstantial part of total activities; and earnings must not inure to the benefit of any private individual.

## ARTICLE V - COMMITTEES

5.1 Standing Committees. The standing Committees of the Friends Of The Border To Border Trail shall include:

- Nominating
- Membership

Each Committee shall have such functions as are assigned to it from time to time by the Board of Directors. Additional Standing Committees may be created by the Board Of Directors.

A Committee designated by the Board may exercise any powers of the Board in managing the Friends Of The Border To Border Trail's business and affairs, to the extent provided by the written resolution of the Board. The designation and appointment of any such Committee and the delegation and appointment of such Committee and delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed by law. No Committee, however, shall have the power to:

- a. amend the Articles of Incorporation;
- b. adopt an agreement of merger;
- c. amend the By-Laws of the Corporation;
- d. fill vacancies on the Board of Directors;
- e. fix compensation of the Directors for serving on the Board or a Committee;
- f. recommend to members the sale, lease or exchange of all or substantially all of the Corporation's property or assets;
- g. recommend to the members a dissolution of the Corporation or a revocation of dissolution; or
- h. terminate memberships.

5.2 Special Committees. The Board of Directors may authorize the establishment and termination of special Committees for temporary activities of the Friends Of The Border To Border Trail.

5.3 Appointment. With approval of the Board of Directors, the Chairperson shall appoint annually the chairperson for all Committees as soon as possible after the annual election of officers.

5.4 Nominating Committee. The Nominating Committee shall present the name of at least one candidate for each open office and each open Directorship, which is to be filled by election at the annual meeting of the Friends Of The Border To Border Trail.

5.5. Meetings. Committees shall meet as directed by the Board, and their meetings shall be governed by the rules provided by Article III for meetings of the Board. Minutes shall be recorded at each Committee meeting and shall be presented to the Board.

## ARTICLE VI -- AMENDMENTS AND PROCEDURE

6.1 By Directors. The Board of Directors shall have the power to amend or repeal by-laws by a two-thirds majority vote of the Board at any regular or special meeting, provided that notice of the proposed action is given in the call for the meeting.

6.2 Procedure. Unless otherwise provided in the Bylaws, all matters of parliamentary procedure shall be governed by Robert's Rules of Order Newly Revised (1986) as a back up in cases where consensus is blocked.

## ARTICLE VII - INDEMNIFICATION

7.01 Nonderivative Actions. Subject to all of the other provisions of this article, the corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding. This includes any civil, criminal, administrative, or investigative proceeding, whether formal or informal (other than an action by or in the right of the corporation). Such indemnification shall apply only to a person who was or is a director or officer of the corporation, or who was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, whether for profit or not for profit. The person shall be indemnified and held harmless against expenses (including attorney fees), judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if the person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation or its members. With respect to any criminal action or proceeding, the person must have had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or on a plea of no contest or its equivalent, shall not by itself create a presumption that (a) the person did not act in good faith and in a manner that the person reasonably believed to be in or not opposed to the best interests of the corporation or its members or (b) with respect to any criminal action or proceeding, the person had reasonable cause to believe that his or her conduct was unlawful.

7.02 Derivative Actions. Subject to all of the provisions of this article, the corporation shall indemnify any person who was or is a party to, or is threatened to be made a party to, any threatened, pending, or completed action or suit by or in the right of the corporation to procure a judgment in its favor because (a) the person was or is a director or officer of the corporation or (b) the person was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether or not for profit. The person shall be indemnified and held harmless against expenses (including actual and reasonable attorney fees) and amounts paid in settlement incurred by the person in connection with such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation or its members. However, indemnification shall not be made for any claim, issue, or matter in which such person has been found liable to the corporation unless and only to the extent that the court in which such action or suit was brought has determined on application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for the expenses which the court considers proper.

7.03 Expenses of Successful Defense. To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in sections 7.01 or 7.02 of this article, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person shall be indemnified against expenses (including actual and reasonable attorney fees) incurred in connection with the action and in any proceeding brought to enforce the mandatory indemnification provided by this article.

7.04 Contract Right; Limitation on Indemnity. The right to indemnification conferred in this article shall be a contract right and shall apply to services of a director or officer as an employee or agent of the corporation as well as in such person's capacity as a director or officer. Except as provided in section 7.03 of this article, the corporation shall have no obligations under this article to indemnify any person in connection with any proceeding, or part thereof, initiated by such person without authorization by the board.

7.05 Determination That Indemnification Is Proper. Any indemnification under section 7.01 or 7.02 of this article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case. The corporation must determine that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in sections 7.01 or 7.02, whichever is applicable. Such determination shall be made in any of the following ways:

(a) By a majority vote of a quorum of the board consisting of directors who were not parties to such action, suit, or proceeding.

(b) If the quorum described in clause (a) above is not obtainable, then by a committee of directors who are not parties to the action. The committee shall consist of not less than two disinterested directors.

(c) By independent legal counsel in a written opinion.

(d) By the members.

7.06 Proportionate Indemnity. If a person is entitled to indemnification under sections 7.01 or 7.02 of this article for a portion of expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount, the corporation shall indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

7.07 Expense Advance. Expenses incurred in defending a civil or criminal action, suit, or proceeding described in sections 7.01 or 7.02 of this article may be paid by the corporation in advance of the final disposition of the action, suit, or proceeding on receipt of an undertaking by or on behalf of the person involved to repay the expenses, if it is ultimately determined that the person is not entitled to be indemnified by the corporation. The undertaking shall be an unlimited general obligation of the person on whose behalf advances are made but need not be secured.

7.08 Nonexclusivity of Rights. The indemnification or advancement of expenses provided under this article is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under a contractual arrangement with the corporation. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.

7.09 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 indemnification and advancement of expenses of directors and officers of the corporation.

7.10 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.

7.11 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. Such 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 such liability under this article or the laws of the state of Michigan.

7.12 Changes in Michigan Law. If there are any changes in the Michigan statutory provisions applicable to the corporation and relating to the subject matter of this article, then the indemnification to which any person shall be entitled shall be determined by such changed provisions, but only to the extent that any such change permits the corporation to provide broader indemnification rights than such provisions permitted the corporation to provide before any such change.

#### ARTICLE VIII. – DISTRIBUTION OF ASSETS UPON DISSOLUTION

8.1 Distribution of Assets Upon Dissolution. Upon the dissolution of the corporation, all assets remaining after paying or making provision for payment of all the liabilities of the corporation, shall be distributed exclusively to any corporation or corporations as the board of directors shall determine, provided that such corporation or corporations are operated exclusively as an exempt organization or organizations under section 501(C)(3) of the Internal Revenue Code of 1986. Any assets not so disposed of shall be disposed of by the Circuit Court, or its equivalent, of the county in which the corporation has its principal office at the time of dissolution, exclusively for such purposes or to such organization or organizations, as the Court shall determine, that are organized and operated exclusively for such purposes.

#### ARTICLE IX – INITIAL ACTING BOARD MEMBERS/OFFICERS

1. Acting Board Members. Until such a time when the Friends Of The Border To Border Trail holds it's first annual meeting tentatively planned for November 2015, acting Board members will include Ryan Bowles, Ashley Fox, Bruce Geffen, Bob Krzewinski, Tom Leone, and Laura Shiltz.
2. The acting Board may add additional Board members in accordance with Article III until Board elections are held.
3. Acting Officers. Until such a time when the Friends Of The Border To Border Trail holds its post annual membership meeting Board meeting, acting Officers will include Bob Krzewinski as Chair, Ashley Fox as Secretary and Tom Leone at Treasurer. The acting Board may fill additional officer positions in accordance with Article IV until Officer elections are held.