

# **BY LAWS OF THE CLEAR LAKE KEYS CLUB, INC.**

**These Bylaws supersede any and all Bylaws and Amendments  
thereto prior to 2005**

## **I TITLE**

The name of the Corporation shall be The Clear Lake Keys Club, Inc., and a non-profit recreational club as provided for in the Articles of Incorporation dated May 15, 1964.

## **II MEMBERSHIP**

- A. Any person who owns property in the Clear Lake Keys sub-division, Units 1 through 7 either through fee title or as the obligor on any deed of trust, except those who hold an interest in property solely as security for a financial obligation, and who is interested in the Club, may become a member upon consenting to abide by the Bylaws of the Club and by such Rules and Regulations governing membership as may be prescribed by the membership and by payment of the appropriate enrollment fees, if any, and dues. These fees and dues may be refunded upon request of a new member within 30 (thirty) days after payment and surrender of the key card(s) if they are dissatisfied.
- B. The Club's fiscal year shall be July 1 through the following June 30.
- C. The membership fee shall be \$50.00 (fifty dollars). The annual dues shall be in an amount set by the Board of Directors to be paid in advance by June 30 of each year and shall be prorated each quarter following. Dues unpaid on July 1 shall be subject to a penalty fee of \$30.00 (thirty dollars) in addition to the regular dues owed as a condition of maintaining his/her membership in good standing. Members shall be sent an invoice or otherwise given notice of the amount of dues owed at least 30 (thirty) days in advance of the due date.
- D. The amount of the membership fee and the annual dues shall be set from time to time by a majority vote of the Board of Directors. If any 10 (ten) members object to the amount of the initiation fee or the annual dues, then the Board shall call a (special meeting of the membership to vote on the matter raised in the objections. If a quorum of the members is present, then a majority vote of the members attending shall control. If no quorum is achieved at that meeting the vote of the majority of the Board of Directors shall control.
- E. Types of Memberships:
  - 1. Signatory Members are those who are owners of property in the Clear Lake Keys subdivision Units 1 through 7 and who have signed for and

been enrolled as members in accordance with section A of this Article and his/her spouse or significant other who are co-owners of Real Property which includes all members who were grandfathered in prior to April 24, 1999. Signatory Members will have a vote and will be eligible to hold office when elected. Only one membership is required and there shall be only one vote per household.

2. Mothers, fathers, children, grandchildren and great-grandchildren of the Signatory member(s) and their spouses are considered Non-Signatory members of the Club.
  3. Associate Members, those who were Signatory Members but no longer own property in the Clear Lake Keys sub-division, may retain their membership by keeping all dues and fees current. Lapsed membership may not be reinstated. Associate members are not eligible to vote, hold office or participate in the business affairs of the Club.
  4. There will be no Honorary Membership given.
- F. Member access to the Keys Club facilities shall be by key card, which will be provided to a Signatory Member upon payment of \$100.00 (One hundred dollars) dues and \$5.00 (five dollars) for key card. Guests are not to be given access to a Club card and must be accompanied by a member at all times. Minor guests (under 18 years old) shall be accompanied and supervised at all times by an adult member who shall be responsible for their actions. The Board of Directors may from time to time change the key card fee provided for in this paragraph by majority vote of the Board.

### III

#### TERMINATION OF MEMBERSHIP

- A. Memberships shall automatically terminate upon expiration of the period of time for which dues have been paid and accepted. If dues are not paid within thirty (30) days of expiration, a reinstatement fee will be charged.
- B. The Directors may cause the termination of membership of any member for conduct deemed to be harmful to the welfare, standing, or best interest of the members and/or the Club and may prescribe rules, regulations and directions for the termination of membership, in accordance within the provisions of Section 7341 of the Non-profit Corporation Law, which shall be subject to appeal by the Grievance Committee. Section 7341 is as follows:
  1. Any expulsion, suspension, or termination must be done in good faith and in a fair and reasonable manner. Article (b) Section 7341 Non-Profit Corporation Law, State of California, Secretary of State, November 2004 is as follows:
  2. A procedure is fair and reasonable when:

- (a). The provisions of the procedure have been set forth in the articles or bylaws.
  - (b). It provides the giving of 15 days' prior notice of the expulsion, suspension or termination and the reasons therefore.
  - (c). It provides an opportunity for the member to be heard, orally or in writing, not less than five days before the effective date of the expulsion, suspension or termination by a person or body authorized to decide that the proposed expulsion, termination or suspension not take place.
3. Any notice required under this section may be given by any method reasonably calculated to provide actual notice. Any notice given by mail must be given by first-class or registered mail sent to the last address of the members shown on the corporation's records.

#### **IV BYLAWS AND RULES AND REGULATIONS**

- A. Copies of these Bylaws and Rules and Regulations shall be distributed by United States Postal Service to each Signatory Member and/or prospective Signatory Member, who shall consent to abide by these Bylaws and Rules and Regulations of the Clear Lake Keys Club Inc., as they are now, or as they may be amended.

#### **V PURPOSE**

- A. The purpose of the Club shall be as a Social Club.

#### **VI DIRECTORS**

- A. The corporation powers, government and management of the Club shall be vested in the Board of Directors, which shall consist of seven (7) Signatory members.
- B. No person shall qualify to serve as a Director, unless they have been a Signatory Member of the Club in good standing for one year and remain so during their term of office. Any person in order to be eligible to be elected and remain in office as a Director must be of good moral character, not have misappropriated Club funds or property, not have usurped or abused his/her authority, or engage or have engaged in any acts or course of conduct inimical to the interest of the Club that would otherwise make him/her ineligible for Club membership.
- C. Any four (4) Directors shall constitute a quorum of the Board of Directors for the

exercise of any powers vested in the Board of Directors.

D. All Directors shall be elected by ballot, as hereafter provided, to serve for two (2) years and until their successors are elected. Their term of office shall begin July 1. Terms of office shall be staggered so no more than four (4) terms shall expire during any one year.

E. Any Director may be removed from office provided:

1. Pursuant to *Section 7221 (a) Corporation Code, State of California, Secretary of State, November 2004.*

(a) The board may declare vacant the office of a director who has been declared of unsound mind by a final order of court, or convicted of a felony, or, if at the time a director is elected, the bylaws provide that a director may be removed for missing a specified number of board meetings, fails to attend the specified number of meetings.

(b) As provided in paragraph (3) of subdivision (c) of Section 7151, the articles or bylaws may prescribe the qualification of the directors. The board, by a majority vote of the directors who meet all of the required qualification to be a director, may declare vacant the office of any director who fails or ceases to meet any required qualification that was in effect at the beginning of that director's current term of office.

2 Pursuant to *Section 7222 (a) (1) Corporation Code, State of California, Secretary of State, November 2004.* In a corporation with 50 or more members, the removal is approved by 50 or more members. (Section 5034). Section 7222 (b) (2) When by the provisions of the articles or bylaws the members of any class, voting as a class, are entitled to elect one or more directors, any director so elected may be removed only by the applicable vote of the members of that class. (c) Any reduction of the authorized number of directors or any amendment reducing the number of classes of directors does not remove any director prior to the expiration of the director's term of office.

3. Pursuant to *Section 7223 Corporation Code, State of California, Secretary of State, November 2004.* The superior court of the proper county may, at the suit of one of the parties specified in subdivision (b), i.e., (a Club director) or in our case (less than 5,000 Club members) 20 members.

4. Vacancies in the Board of Directors shall be filled by the Board at the next regular Board meeting by a majority vote. Any person so appointed shall hold office for the unexpired term of the incumbent to which they have been appointed and until his/her successor is elected.

A quorum of active Board members is required for such vote.

G. Members of the same household shall not serve on the Board of Directors simultaneously.

H. Any Director who chooses to resign must do so in writing.

## **VII POWERS OF DIRECTORS**

A. The Board of Directors shall have the following powers:

1. To conduct, manage and control the business of the Club and make and prescribe rules and regulations within the provisions as a non-profit Corporation.
2. To appoint and remove all officers, agents and employees, prescribe their duties, fix their compensation and require of them security for faithful service if deemed necessary.
3. To convene special meetings of the members of the Club or hold special meetings of the Board of Directors at any time when it is deemed necessary by the President or four (4) members of the Board.
4. Authorize the establishment or disestablishment of any group, club or auxiliary seeking function within the guidelines of these Bylaws and having as its goal the benefit of its members and the Clear Lake Keys Club.

## **VIII DUTIES OF THE DIRECTORS**

A. The Board of Directors shall:

1. Meet regularly at the Clubhouse at least once a month. Date and time to be posted on the Club bulletin board fourteen (14) days in advance. No other notice need be given. If at any regular or special Membership meeting, a quorum is not present the Directors shall postpone the meeting until a quorum is available.
2. Meet without further notice immediately after the adjournment of Membership meetings to organize and transact such other business as may properly come before the Board for consideration.
3. Cause to be kept a record of all of its meetings and acts and those of the members and present a full statement of the regular meeting of the members in writing, showing in detail the assets and liabilities of the Club

and generally the conditions of its affairs.

4. Ensure that all expenditures or commitments of Club funds have prior approval by the Board of Directors and:
  - (a) All purchases of equipment, fixtures, furniture. Routine bills to be paid at the discretion of the Treasurer. Repair, modification, maintenance or alteration services be awarded to: the lower of at least two (2) bids, unless exception is specifically authorized.
  - (b) That prudent procurement practices are observed in all instances.
  - (c) Expenditures greater than three thousand dollars (\$3,000.00) require prior approval of the general membership, unless such expenditure is necessary for the immediate maintenance and/or replacement necessary for the continued operation of the Club.

## **IX ELECTION OF DIRECTORS**

- A. The election of the Board of Directors shall be held at the regular June Membership meeting by ballot. The new Board of Directors shall meet directly after the Membership meeting to elect its officers for the year.
- B. The Board of Directors shall call for a special Membership Meeting of the Signatory members fourteen (14) days prior to the election for the purpose of nominations to the Board of Directors. The Board of Directors shall appoint a Nominating Committee, prior to the meeting, of three (3) persons including one (1) Director not up for election, to propose names for Board Membership, to be reported at this Membership Meeting. Additional nominations may be made from the floor. All nominees shall be present to accept the nomination or cause a letter of acceptance to be presented to the Secretary at the meeting.
- C. The Board of Director President shall appoint three (3) judges to supervise the election at the June Membership meeting.
- D. No member of the Board of Directors shall hold office for more than two (2) consecutive terms. For purposes of this provision, service for more than one year in a term shall be considered as having served the entire term.
- E. Every person voting shall be a Signatory member in good standing. A plurality of all votes cast at the June Membership meeting, or other meeting at which the election is conducted, shall elect.
- F. The judges of election shall count the votes and report to the President, in writing, the number of votes cast for each candidate. The President shall declare the results to the membership, post the results on the Bulletin Board of the Clubhouse and cause the ballots to be destroyed at the adjournment of the

meeting. In the case of two (2) or more candidates having received an equal number of votes and all cannot be elected, a ballot shall be immediately taken as between equal candidates only. The candidate receiving the higher number of votes shall be declared elected.

## **X OFFICERS**

- A. The officers shall be President, Vice President, Secretary and Treasurer elected from the Board members by the Board of Directors at the first meeting after the annual election and these officers shall hold office at the pleasure of the Board.
- B. The President, or in his/her absence, the Vice President, or in the absence of both the Director appointed as hereinafter provided for by paragraph D. (2) shall:
1. Preside at all meetings of the Club.
  2. See that the Bylaws and such rules and regulations as adopted by the Directors and members are enforced.
  3. Call such meetings as are herein provided for.
  4. Have general supervision over the affairs of the Club.
  5. Sign all certificates of membership, obligations and evidence thereof, contracts and all other instruments of writing which have been first approved and authorized by the Board of Directors.
  6. Call Special meeting of the members and of the Board of Directors at any time upon such notice as may be provided for in these Bylaws. To create such committees, in addition to the Standing Committees, hereinafter provided for, as in his/her judgment may be necessary for properly conducting the affairs of the Club and may remove any member of such committee.
  7. Generally discharge such other duties as may be required by the Bylaws or imposed upon him/her by order of the Board of Directors.
- C. The Vice-President shall, in the absence of the President, preside at all meetings of the Board of Directors and otherwise perform the duties of the President.
- D. The Secretary shall:
1. Keep records of the membership and of the proceedings of the Board of Directors and Membership meetings.
  2. In the absence of the President and Vice President at any meeting of the Board of Directors call same to order to permit appointment of a Director for

the absentee as hereinafter provided.

3. Give notice of all meetings, maintain the official correspondence of the Club affix the Corporate Seal of the Club to such documents as these Bylaws or the Board of Directors shall direct, keep a book of membership certificates, fill out and countersign all certificates issued, keep the necessary minutes thereof, sign on behalf of the Club all other instruments of writing which the Secretary may be directed to sign by the Board of Directors and perform such other duties as the Board of Directors shall from time to time require.

E. Treasurer shall:

- (a) Keep a record of all assets and liabilities of the Club.
- (b) Present all bills due, except standing bills, for payment.
- (c) Write checks as authorized by the Board of Directors, to be signed by two (2) of the four (4) officers, President, Vice President, Secretary or Treasurer.
- (d) Make a financial report to all Board and regular Membership meetings, post and maintain a copy of the latest report on the Bulletin Board at all times.
- (e) Keep the account on a cash and dispersal method with an account year of July 1 through June 30.

## **XI BOOKS AND PAPERS**

The books and such papers as may be placed on file by the vote of the members and /or Directors, shall be subject to the inspection of the Board of Directors or any member or officer of the Club but shall not be removed from the Clubhouse.

## **XII COMMITTEES**

- A. The Standing Committees of the Club shall be Finance, Building and Grounds, Bar, House, Membership, Rules and Grievance. Each Standing Committee shall consist of not less than three (3) members of which one shall be the Director, who shall serve as chair and shall be appointed by the President as soon as possible after his/her election. Other committees may be appointed as deemed appropriate by the President or the Board of Directors. They shall hold office at the pleasure of the Board of Directors and until their successors are appointed. No Club member, other than a Board member, will serve on more than one committee at a time. The names of the Chair and committee members shall be posted on the Bulletin Board.

B. The Finance Committee shall:

1. Examine the accounts and bills at least semi-annually and cause an annual audit by a non-member of all financial records to be performed.
2. Prepare an annual budget for consideration and adoption by the Board of Directors at the July meeting.
3. The Treasurer shall be a member of the Committee.

C. The Building and Grounds Committee shall:

1. Be responsible for the Clubhouse, grounds, equipment, fixtures and furniture.
2. Be responsible for the maintenance, acquisition, repair and disposal of all such assets as approved by the Board of Directors.
3. Supervise the purchase of all goods and services for the Club, except those responsibilities assigned to the House Committee.

D. The House Committee shall:

1. Be responsible for the interior of the Club and the patio area.
2. Schedule and supervise all social activities of the Club and authorize use of the Club facilities for other than Club activities.
3. Supervise the purchase of all food, entertainment and associated services and supplies.
4. The State Certified Food Handler, as required by State Law, is to be on the committee to supervise adherence to Department of Health rules and regulations.
5. Propose for adoption a Calendar of Events schedule for the Club year at the July Board of Directors meeting.

E. The Bar Committee shall:

1. Be responsible for staffing the bar.
2. Be responsible for the purchasing of all supplies.
3. The chair shall be on the ABC license.

- F. The Membership Committee shall meet with and interview all prospective members to determine their eligibility for admission based on residence and understanding and acceptance of these Bylaws and Club Rules and Regulations.
- G. The Rules Committee shall review and interpret the Bylaws and Club Rules and Regulations to determine whether they are current, being complied with and make recommendations for their amendment, if appropriate.
- H. The Grievance Committee shall:
  - 1. Be given any written and signed grievances for action.
  - 2. Present to the Board of Directors any grievances not acted on for resolution.

### **XIII MEETINGS**

- A. Regular meetings of the Signatory Members shall be held at the principle place of business of the Club on the last Saturday of January and June, no further or other notice of such meeting need be given unless ordered by the Board of Directors. At the meetings, the President and the Treasurer shall make reports concerning their accounts and the general business of the Club and such other business shall be transacted as may be properly brought before the meeting. Should there be no quorum present, the President shall adjourn the meeting until such time as a quorum is had. A quorum shall consist of four (4) members of the Board of Directors and twelve (12) signatory members from different households. (If a member of the Board is present, as well as their spouse, the spouse may represent the household.) If all business is not finished at one meeting, recess shall be had from time to time until it is completed.
- B. Order of Business for all Board Meetings shall be in accordance with “Roberts Rules of Order, Newly Revised, Latest Edition, as follows:
  - 1. Call to order
  - 2. Roll Call of Board of Directors
  - 3. Reading of the Minutes
  - 4. Treasurer’s Report and Approval of Bills
  - 5. Report of Directors and Committees
  - 6. Communications
  - 7. Unfinished Business

8. New Business

9. Members Input/Good of the Order

10. Adjournment

- C. Special Meeting of the Membership may be called by the President or Directors at anytime upon the posting of a written or printed notice thereof to each Signatory Member giving thirty (30) days notice. No business shall be transacted at any such Special Meeting except as shall be specified or directly referred to in the notice. The notice is to be distributed by United States Postal Service.

#### **XIV NOTICES**

Notices of any kind required to be given to any Signatory Member by these Bylaws shall be conclusively deemed to have been given when the notice has been deposited in the United States mail, addressed to the member at the address given by such member, as shown by the books of the Club, with postage thereon fully paid.

- A. Notice of change of address must be given to the Secretary immediately by the Signatory Member; failure to do so shall constitute a waiver of any notice provided for by these Bylaws and the Rules and Regulations of the Club.

#### **XV BULLETIN BOARD**

A Bulletin Board shall be provided and conspicuously placed in the Clubhouse, upon which all general notices required by the Bylaws shall be posted.

#### **XVI LIQUIDATION**

In the event of a need for liquidation, either voluntary or involuntary, of the Club, all properties shall be appraised by a licensed appraiser. All properties shall be sold by a licensed Real Estate Broker, with all Monies to be deposited into a escrow account. All debts shall be settled through the escrow account. Any remaining Monies shall be distributed equally amount all Signatory Members in good standing.

#### **XVII AMENDMENTS**

Proposed change(s) to these Bylaws shall be posted on the Bulletin Board and a copy furnished to each Signatory Member thirty (30) days prior to the Membership Meeting which it will be considered. Bylaw change(s) proposed by the Board of Directors shall be approved by a majority vote of Signatory members in attendance.

**XVIII**  
**PARLIMENTARY AUTHORITY**

The rules in the current edition of Roberts Rules of Order, Newly Revised shall be the parliamentary authority for all matters not specifically covered in these Bylaws.

**XIX**  
**CONFLICTS**

In the case of any conflict between the Articles of Incorporation and these Amended Bylaws, the articles shall control, and in the case of conflict between the Restated Declaration and these Bylaws, the Restated Declaration shall control.

**XX**  
**CORPORATE SEAL**

The Club may obtain and use a Corporate Seal with its legal name and date of original incorporation in it, if desired.