

BYLAWS FOR

MICHIGAN FITNESS CLUB ASSOCIATION

ARTICLE I – Name, Purpose

Section 1 - Name

The name of this Association shall be the Michigan Fitness Club Association (hereinafter referred to as the "Association").

Section 2 - Purpose

The Association is organized for the purposes set forth in Section 501(c)(6) of the Internal Revenue Code of 1986 (or corresponding provision of any future United States Internal Revenue law) (the "Code"). The purposes of the Association shall include: 1) To provide a medium through which persons engaged in the health and fitness industry may promote and advance common business interests, 2) To promote the common business interests of the Association's members through the promotion of the health and fitness industry, 3) To promote conditions favorable to the development and expansion of health and fitness clubs, 4) To attempt to influence legislation and executive action to advance the common business interests of the Association's members, 5) To analyze existing and proposed law, and to advise the Association's members and the people of the State of Michigan of the results and consequences of such laws, 6) To acquire real and personal property by purchase, gift, grant, devise or bequest, and to hold, own, accept and dispose of the same for the particular objects of the Association, and 7) To conduct any and all activities and exercise any and all powers as may be necessary or helpful to the achievement of the foregoing purposes for which the Association is organized.

ARTICLE II – Membership and Eligibility

Section 1-Application

All applicants for membership who fully and without reservation subscribe to the objectives and purposes of the Association shall submit an application that must be approved by the Board of Directors. Admission of all applications for membership must be approved by the Board of Directors using guidelines established by the Board of Directors from time-to-time.

Section 2-Policies

The Board of Directors shall establish policies to define the rights, privileges, and obligations of members from time-to-time. Each dues paying member shall have one vote on any matter voted on by the members.

Section 3--Dues

All members shall be required to pay annual dues. The dues shall be at the discretion of the Board of Directors which will periodically establish a schedule of such dues. Annual dues shall be payable in advance. Failure to pay dues within 30 days after notice that such dues are payable

shall cause the member to be delinquent and automatically suspend any of such member's voting rights, as well as the voting rights of any member of the Board of Directors who is affiliated with, or employed by, such member. A failure to pay dues within 90 days after they shall become due shall be grounds for suspension or termination at the discretion of the Board of Directors.

Section 4-Removal

Members may be removed from membership for cause by a two-thirds vote of the members of the Board of Directors in attendance. For any cause other than non-payment of dues, removal shall occur only after the member complained against has been advised of the complaint lodged against the member and has been given reasonable opportunity for defense including the opportunity to appear in person and to be represented by counsel. Sufficient cause for suspension or removal shall be violation of the Bylaws or any lawful rule or practice duly adopted by the Association, or any other conduct prejudicial to the interest of the Association.

Section 5 – Equal Opportunity

No person shall be denied the opportunity to participate in the activities of or receive the benefits of the Association's achievement of its purposes on the basis of race, religion, color, creed, national origin, age, sex, sexual orientation, gender identity or handicap.

ARTICLE III– Board of Directors

Section 1-Number and Election

The governing body of the Association shall be a Board of Directors elected by the members. The Board of Directors shall consist of no less than three members but not more than nine members, the number of which shall be determined by the Board of Directors. The members of the Board of Directors shall be elected by the ballot procedure set forth below and shall serve a term of three years. The initial Board of Directors shall determine between themselves who shall serve three, two and one year respectively. The Board of Directors shall appoint a nominating committee for Directors. The nominations shall be completed before September 1, to provide sufficient time for preparation of the ballot and completion of details of the election.

The ballot procedure shall be as follows:

- A. By October 1, the Secretary shall cause nomination forms to be sent to all members, either electronically or by mail, along with a notice indicating that the deadline for nomination forms to be received by the Secretary shall be November 1. Those members who desire to do so may nominate individuals for the position of Board of Directors member by returning the nomination form to the Secretary of the Board of Directors.
- B. A ballot shall be prepared containing the names of the candidates arranged in alphabetical order. Terms of office, date, and hour of closing of election, and other pertinent data shall be on the ballot. The ballots shall be transmitted, either electronically or by mail, to each eligible voting member, in good standing, of the Association. Provisions shall be

made on the ballot for any member to write in a name not listed on the ballot. No less than thirty (30) days shall elapse between the delivery of the ballots and the closing of the election. The Secretary of the Board of Directors or his or her designee shall count the ballots, and immediately send notice of the election results to each member. The election shall be completed and closed no later than thirty days prior to the end of the calendar year.

- C. If the number of Board of Directors nominees is less than the number of positions to be filled, the unfilled positions shall, for the purposes of these Bylaws, be treated as vacancies.
- D. Board of Directors members shall take office immediately upon election and shall serve until their successors have been elected and have taken office. There is no limit on the number of terms that a person may serve as a Director.

Section 2-Removal

The Board of Directors may remove any Director, with or without cause, by the affirmative vote of at least two-thirds (2/3) vote of the members of the Board of Directors.

Section 3-Vacancies

Should a vacancy occur on the Board of Directors because of resignation or other cause, the Board may, but shall not be required to, fill the vacancy for the remainder of the term

Section 4 – Executive Director

The Executive Director of the Association shall serve as an ex-officio member of the Board.

Section 5 – Roles and Responsibilities

The roles and responsibilities of Board Members shall include but not be limited to: Assisting the Association in carrying out its mission; 2) Advise and provide oversight to the Association on good business practices; 3) Serve as an ambassador for the Association to the larger community, including developing new member relationships; 4) Attend the annual meeting and a majority of any Regular or Special Meetings; 5) Recruit new Board members as needed.

Section 6-Annual Meeting

An annual meeting shall be held each year in the month of January at a time and place designated by the Board of Directors. If the annual meeting is not held during the month of January, the Board of Directors shall cause the meeting to be held as soon thereafter as convenient.

Section 7-Policy

The Directors are empowered to set basic policies with respect to the governance of the Association, including policies concerning expenditures to be made by the Association and to direct disbursements. The Directors shall determine the procedures for collection and distribution of funds and the amount of all expenditures and disbursements by the Association.

Section 8-Meetings

Regular meetings shall be scheduled as required. Special meetings may be called by the Chairperson or Vice Chairperson and shall be called on the written request of any three (3) Directors. Five (5) days' notice shall be given of all regular meetings, and three (3) days' notice shall be given of all special meetings.

Section 9-Parliamentary Procedure

All meetings of the Association and the Directors shall be conducted according to Robert's Rules of Order except where these Bylaws provide a different procedure.

Section 10-Statement of Purpose

Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board need be specified in the notice for that meeting.

Section 11-Waiver of Notice

The attendance of a Director at a Board meeting shall constitute a waiver of notice of 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. A Director, additionally, may submit a signed waiver of notice which shall constitute a waiver of notice of such meeting.

Section 12-Quorum

A majority of the Directors of the Board then in office constitutes a quorum for the transaction of any business at any meeting of the Board of Directors. Actions voted on by a majority of the Directors present at such meeting where a quorum is present shall constitute authorized actions of the Board.

Section 13-Presumption of Assent

A Director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless that Director's dissent shall be entered in the minutes of the meeting or unless that Director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 14-Consent to Board Actions

Any action required or permitted to be taken pursuant to authorization of the Board may be taken without a meeting if, before or after the action, all members of the Board consent to the action in writing. Written comments shall be filed with the minutes of the Board's proceeding.

Section 15-Meetings By Conference Telephone Or Similar Communications Equipment

Any meeting called by the Board of Directors may be by a conference telephone or similar communications equipment by which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting held pursuant to this section constitutes presence in person at the meeting. If any person chooses to vote by proxy at a meeting held pursuant to this section, written authorization to vote by proxy must be received by the Secretary prior to the commencement of such a meeting.

Section 16-Electronic Meetings

Electronic meetings may be held using a variety of electronic and telecommunication means, including internet, telephone, fax, or e-mail, if provided for in applicable law. Any electronic meeting will be considered a bona fide meeting as long as all parties, whether in person or attending by electronic means, are privy to all discussion and communications regarding the issues. A written record shall be made of all actions taken at any meeting conducted by electronic and/or telecommunication means.

Section 17 – Compensation

Members of the Board of Directors, as such, shall not be compensated for the performance of services to the Association, but may, by resolution of the Board of Directors, be reimbursed for all expenses incurred on behalf of the Association.

ARTICLE IV – Officers

Section 1-Number

The officers of the Board of Directors shall be a "Chairperson," "Vice Chairperson," "Secretary" and "Treasurer". These officers shall be elected by the Board of Directors from the Board of Directors' membership and shall serve at the pleasure of the Board of Directors. Elections for officers shall be held at the first meeting of the Board of Directors after the Board of Directors has been elected by the members. The Board of Directors may appoint other officers (who are not members of the Board of Directors), such as an Executive Director to carry out the day-to-day operations of the Association. The Board of Directors may appoint other officers of the Association in its discretion. Two or more offices may be held by the same person, but such person shall not execute, acknowledge or verify an instrument in more than one capacity if the instrument is required by law or by the Chairperson or by the Board to be executed, acknowledged, or verified by two or more officers.

Section 2-Election and Term of Officers

The officers of the Association shall be elected annually by the Board of Directors at the annual

meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until (1) a successor is elected and qualified or (2) such officer is removed in the manner hereunder provided.

Section 3-Removal

An officer appointed by the Board may be removed without cause by vote of a majority of the Board. An officer's authority to act may be suspended by vote of a majority of the Board for cause. Such removal shall be without limitation on the right, if any, of the person so removed to recover damages for breach of contract. Appointment to an office does not of itself create contract rights.

Section 4-Vacancies

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board for the unexpired portion of the term.

Section 5-Chairperson

The Chairperson shall preside at all Board meetings. The Chairperson shall have the power to perform duties as may be assigned by the Board. If the Board of Directors does not appoint an Executive Director, the Chairperson shall perform the Executive Director's duties until the Board directs otherwise. The Chairperson shall perform all duties incident to the office.

Section 6-Vice Chairperson

The Vice-Chairperson shall have the power to perform duties as may be assigned by the Board. In case the Chairperson is unable or absent to perform his or her duties, the Vice-Chairperson shall perform the Chairperson's duties until the Board directs otherwise. The Vice-Chairperson shall perform all duties incident to the office.

Section 7-Executive Director

The Executive Director, if one is appointed by the Board of Directors, shall be the chief executive officer of the Association and shall have authority over the general control and management of the business and affairs of the Association. The Executive Director shall have power to appoint or discharge employees, agents, or independent contractors, and to determine their duties and fix their compensation. The Executive Director shall sign all corporate documents and agreements on behalf of the Association, unless the Chairperson or the Board instructs that the signing be done with or by some other officer, agent, or employee. The Executive Director shall see that all actions taken by the Board are executed and shall perform all other duties incident to the office; subject, however, to the Executive Director's right and the right of the Board to delegate any specific power to any other officer of the Association. In the absence of an Executive Director, the Chairperson shall perform the duties of the Executive Director.

Section 8-Secretary

The Secretary shall: (a) keep minutes of Board meetings; (b) be responsible for providing notice to each Director as required by law, the Articles of Incorporation, or by the Bylaws; (c) be the custodian of Association records; (d) keep a register of the names and addresses of each officer and Director; and (e) perform all duties incident to the office and other duties assigned by the Chairperson or by the Board.

Section 9-Treasurer

The Treasurer shall: (a) have charge and custody over Association funds and securities; (b) keep accurate books and records of Association receipts and disbursements; (c) deposit all moneys and securities received by the Association at such depositories in the Association's name as may be designated by the Board; and (d) perform all duties incident to the office and other duties assigned by the Chairperson or by the Board.

ARTICLE IV – Indemnification

Section 1-Scope of Indemnity

The Association shall indemnify its Directors and officers against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by them in connection with any actions or suits brought or threatened against them, including actions by or in the right of the Association, by reason of the fact that such person was serving as a Director or officer of the Association, to the fullest extent permitted by the Michigan Nonprofit Association Act. The Association may indemnify persons who are not Directors or officers to the extent authorized by resolution of the Board of Directors or by contractual agreement authorized by the Board of Directors. A change in the Michigan Nonprofit Association Act, the Articles of Incorporation, or these Bylaws that reduces the scope of indemnification does not apply to any action or omission that occurs before the change.

Section 2-Authorization of Indemnification

Unless ordered by a court or otherwise provided by law, the Association shall indemnify a person only upon determination that the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the Association's best interests. Such determination must be made (1) by majority vote of a quorum of the Board consisting of Directors who were not parties to the action or suit, (2) if a quorum of disinterested Directors is not obtainable, by a majority vote of a committee of directors who were not parties to the action and consisting of not less than two disinterested directors, or (3) by independent legal counsel in a written opinion.

Section 3-Insurance

The Association may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, nondirector volunteer, or agent of this Association or is or was serving at the Association's request in any other enterprise against any liability incurred in such capacity.

Article VI - Corporate Document Procedure

All corporate documents including stocks, bonds, agreements, insurance and annuity contracts, qualified and nonqualified deferred compensation plans, checks, notes, disbursements, loans, and other debt obligations shall not be signed by any officer, designated agent or attorney-in-fact unless authorized by the Board or these Bylaws.

Article VIII - Amendments

The Association's Board at any regular or special meeting may amend or repeal these Bylaws or adopt new Bylaws by vote of a majority of the Directors if notice setting forth the terms of the proposal has been given in accordance with any notice requirement for such meeting of the Board.

Article IX - Fiscal Year, Annual Audits

Section 1 – Fiscal Year

The fiscal year of the Association shall be the calendar year.

Section 2 – Annual Audit

An annual examination of the financial statements, for the purpose of expressing an opinion on such financial statements, of the Association shall be conducted annually, as required by law or otherwise at the discretion of the Board of Directors, by an independent certified public accountant appointed by the Board of Directors.

Adopted as of June 17, 2020