# AMENDED AND RESTATED BYLAWS OF MOUNTAIN TOP QUILTERS GUILD

# Effective March 19, 2018

## RECITALS

WHEREAS, Mountain Top Quilters Guild (the "Guild") was incorporated as a nonprofit corporation in the State of Arizona on April 12, 2012; and

WHEREAS, the Bylaws of Mountain Top Quilters Guild were adopted by the original Board of Directors of the Association (the "Original Bylaws"); and

WHEREAS, a committee appointed by the Board of Directors has now proposed numerous amendments to the Original Bylaws to amend and restate the Original Bylaws to include the addition of a non-voting class of membership and to clarify certain other provisions of the Original Bylaws; and

WHEREAS, pursuant to Article IX of the Original Bylaws, the members of the Guild may amend and restate the Original Bylaws by the affirmative vote of a majority of the members present at any duly called and held regular members meeting, provided the amendments have been submitted in writing to the membership prior to such meeting; and

WHEREAS, at a meeting of the members held March 19, 2018, at which a quorum of the members present, a majority of the members present at the meeting voted to approve these Amended and Restated Bylaws. Notice of such meeting and of the vote on the approval of these Amended and Restated Bylaws at such meeting was given to the members prior to such meeting.

NOW THEREFORE, the following Amended and Restated Bylaws of Mountain Top Quilters Guild are hereby adopted effective as of the date set forth above and shall constitute the Bylaws of the Guild as of such date.

## ARTICLE I

## PRINCIPAL OFFICE; PURPOSE AND STANDING RULES

Section 1.1. <u>Principal Office</u>. The known place of business of Mountain Top Quilters Guild (hereinafter referred to as the "Guild") in the State of Arizona shall be the office of its statutory agent unless otherwise designated in the articles or in a written

statement or document duly executed and filed with the Arizona Corporation Commission. Guild may

4. The Board may increase expenditures for individual budgeted line items up to three hundred dollars per line item without voting membership approval, up to an overall maximum of \$1,500 in the fiscal year.

## **EXPENSE REIMBURSEMENTS:**

- All expenditures should be pre-approved by the appropriate Committee Chair, who will verify that the proposed expenditure is within the Committee Budget. The member must complete a MTQG Expense Reimbursement form, obtain the Committee Chair's signature and submit the form, along with the receipts, to the Treasurer for payment processing. Committee Chairs and Board members should obtain the signature of their co-chair or another Board member for reimbursable expenses.
- 2. All submitted receipts must be dated within the current fiscal year.
- 3. All MTQG Expense Reimbursement forms for the current fiscal year should be submitted to the Treasurer by the June member meeting, but no later than June 25<sup>th</sup>.

## YOUTH PROGRAM MEMBERSHIP:

- 1. Youth Quilting Program participants will be covered under MTQG liability insurance for any damage to the facility for which MTQG would normally be responsible.
- 2. Youth Quilting Program participants are allowed to attend all MTQG general meetings throughout the year. They are NOT permitted voting rights in Guild business.
- 3. Youth Quilting Program members must obtain the Youth Quilting Program instructor's approval to attend guild sponsored classes such as ECHOS or Program workshops. Approval will be given after evaluating the Youth Quilting Program participants' skills and maturity level.
- 4. Youth Quilting Program participants may be allowed to serve on Committees, but not as the Committee Chair, depending upon maturity level as determined by the Youth Quilting Program instructors.

## POLICIES AND PROCEDURES:

- 1. Ideally, all workshops, quilt camps and bus trips should be self-supporting. These are only open to members up to one month prior to the date of these activities; after that time, available spaces may be filled by non-members.
- 2. People signing up for workshops, bus trips and quilt camps must pay the deposit or fee at the time they sign up for the activity.

- 3. There will be no refunds for people canceling their spots for workshops, bus trips and/or quilt camps. If unable to attend, participants may find a replacement for their spot.
- 4. Community Quilts shall be open to non-members.
- 5. By-laws and Standing Rules shall be printed annually in the directory.
- 6. Renewing members must pay all amounts owed to the guild before their renewal can be accepted.
- 7. Anyone joining MTQG after February 1<sup>st</sup> shall pay a reduced rate as set by the Board.

have such other offices, either within or without the State of Arizona, as the Board of Directors may designate or as the business of Guild may require from time to time. The Board of Directors may change Guild's known place of business or its statutory agent from time to time by filing a statement with the Arizona Corporation Commission pursuant to applicable law.

Section 1.2. <u>Purpose</u>. The Guild was formed to (i) promote the appreciation of fine quilts through meetings, workshops and fellowship, (ii) to support quilt related activities, (iii) to encourage quilt making, (iv) to contribute to the knowledge of quilting techniques, textiles, patterns, history, and quilt makers, (v) make and distribute quilts for charities and (vi) take such other actions that are deemed appropriate by the Board of Directors of the Guild in furtherance of the purposes of the Guild set forth in Article IV of the Articles of Incorporation.

Section 1.3. The Board of Directors may from time to time adopt, amend and rescind Standing Rules setting forth various rules applicable to the operations of the Guild. In the event of a conflict between the Standing Rules and these Bylaws, these Bylaws shall prevail.

## ARTICLE 11

## MEMBERSHIP

Section 2.1. <u>Voting Membership Eligibility</u>. Application for voting membership shall be open to any person aged 18 or older and to any organization that supports the purpose statement in Article I, Section 1.2. Membership is contingent upon remaining current on the payment of membership dues.

Section 2.2. <u>Non-Voting Membership Eligibility</u>. Application for non-voting membership shall be open to persons ages 10 through 17 who register in the Youth Quilting Program. Non-voting members are not allowed to serve on the Board of Directors, nor to act as the chairperson of any committee, The Board of Directors shall have the right to determine from time to time the rights of non-voting members to participate in Guild functions, shows and events.

Section 2.3. <u>Admission</u>. Membership shall be granted upon receipt of the membership dues for the fiscal year and the completion of any application, hold harmless and any Mountain Top Quilters Guild Amended and Restated Bylaws

other application documents as required by the Board of Directors from time to time. Guests will be allowed to attend a maximum of three meetings, after which time, membership is required as a condition to attending additional meetings.

Section 2.4. <u>Voting</u>. Each voting member shall be entitled to attend the annual meeting and to cast one vote at the meeting.

Section 2.5. <u>Dues.</u> The Board of Directors may set annual dues schedules for both voting and non-voting members. The amounts of such dues shall be voted on by the membership as part of the yearly budget approval. The annual dues payable by non-voting members may be less than the annual dues payable by voting members.

Section 2.6. <u>Termination of Membership</u>. The Board may terminate the membership of a member in the event the member fails to pay its annual dues or any other amounts owed to the Guild by the due date thereof. The Board of Directors may also terminate the membership of a member for violation of the Guild Code of Conduct as such Code of Conduct is from time to time set forth in the Standing Rules of the Guild and in accordance with the process set forth in the Standing Rules of the Guild.

# ARTICLE 111 MEETINGS OF MEMBERS

Section 3.1. <u>Annual Meeting.</u> The date of the regular annual meeting shall be set by the Board of Directors who shall also set the time and place of such meeting.

Section 3.2. <u>Special Meetings.</u> Special meetings of the membership may be called by the President or by a simple majority of the Board of Directors. The President shall call a special meeting of the voting members upon receipt of a petition signed by at least twenty percent of the voting members calling for a special meeting.

Section 3.3. <u>Monthly Meetings.</u> Monthly meetings shall be held at the place, date and time as set by the Board of Directors.

Section 3.4. <u>Notice</u>. Notice of each meeting shall be given to each voting member, by email, newsletter, telephone or mail, not less than 7 days before the meeting.

Section 3.5. <u>Quorum</u>. The presence of twenty-five percent (25%) of the voting members present in person or by proxy at a properly noticed meeting of the voting members shall constitute a quorum at all meetings of the voting members.

Section 3.6. <u>Proxies.</u> At any meeting of voting members, any voting member entitled to vote may vote by proxy executed in writing by the member or by his or her duly authorized attorney-in-fact. Proxies may be granted in favor of only another voting member, the Secretary of the Guild or the Board of Directors. Proxies shall be duly executed in writing and shall be valid only for the particular meeting designated therein or any adjournment thereof. All proxies must be filed with the Secretary prior to the commencement of the meeting for which they are given. Proxies shall be deemed revoked only upon the appearance in person of the member representative of the voting member granting a proxy at the meeting for which the proxy was granted or upon the

actual receipt by the person presiding over the meeting of a notice of revocation signed by the voting member who granted the proxy.

Section 3.7. <u>Manner of Acting</u>. A majority of the votes entitled to be cast on a matter to be voted upon by the voting members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption thereof unless a greater proportion is required by statute or these Bylaws.

Section 3.8. <u>Minutes.</u> Minutes shall be taken at all meetings of the voting members. Copies of the minutes shall be available for inspection in the monthly newsletter by members. Minutes shall also be taken at all Board of Directors meetings.

## ARTICLE IV

## **BOARD OF DIRECTORS**

Section 4.1. <u>Board Role and Size.</u> The Board is responsible for overall policy and direction of the Guild. The Board shall have all of the powers and duties necessary for the administration of the affairs of the Guild and may do all such acts and things that are not required by statute or these Bylaws to be exercised or done by the members. Only voting members may serve on the Board of Directors. The Board may in its sole discretion delegate some or all of the responsibility for day-to-day operations to the Guild's Executive Director, if any, and committees. The Board shall have up to six, and no fewer than three, members as determined from time to time by the voting members.

Section 4.2. <u>Board Elections</u>. Board members shall be elected by the vote of those voting members present at the annual meeting or at any special meeting of the voting members called for such purposes.

Section 4.3. <u>Meetings.</u> The Board shall meet monthly at an agreed upon time and place. Meetings of the Board of Directors may be held by conference telephone or other similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation at such meeting shall constitute presence in person at the meeting.

Section 4.4. <u>Action by Directors Without a Meeting</u>. Any action required or permitted to be taken at a meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all Directors or committee members, as the case may be, consent thereto in writing or by email. Such consent shall have the same effect as a unanimous vote of the Directors or committee members of the Guild at a meeting duly called and noticed.

Section 4.5. <u>Election Procedures.</u> Each year, at least forty-five days prior to the May member meeting, a nominating committee of three members shall be appointed by the President in consultation with the Board. This committee shall prepare a slate to

be presented to the membership at the May meeting. Nominees selected by the Nominating Committee must be individual voting members of the Guild. Nominations may be made from the floor, provided consent of the nominee has been obtained. All voting members will be eligible to vote for each Board candidate. The nominees receiving the highest number of votes in the election shall be elected to fill the vacancies on the Board. The new Director's terms will begin July 1 <sup>st</sup>.

Section 4.6. Terms. All Board members shall serve one-year terms.

Section 4.7. <u>Quorum.</u> A Board meeting must be attended by at least fifty percent of the Board members before business can be transacted or motions made or passed.

Section 4.8. <u>Notice</u>. In the event the Board establishes a schedule of monthly or other periodic Board meetings, no notice will be required for such meetings. If no such regular periodic schedule is established, Board members shall receive at least twenty-four hours notice in advance of the time of the meeting.

Section 4.9. <u>Vacancies.</u> When a vacancy on the Board exists due to the resignation, death or removal of a Director or due to an increase in the number of Directors, the position must be filled unless the voting members approves otherwise. The election of a person to fill any such vacancy by the voting members will be held at the next voting membership meeting and the person elected to fill any such vacancy will serve only to the end of the term of the particular Board member who he or she replaced.

Section 4.10. <u>Resignation, Termination and Absences.</u> Resignation from the Board must be in writing and received by the Secretary. A Board member shall automatically cease to serve in such capacity as the of the date of the termination of such Board member's membership in the Guild. A Board member shall be removed for excess absences from the Board if he or she has three unexcused absences from Board meetings in a fiscal year. A Board member may be removed by a two-thirds vote of the other Directors.

Section4.11. <u>Special Board Meetings</u>. Special meetings of the Board shall be called upon the request of the President or one-third of the members of the Board. The Secretary shall send out notices of special meetings to each Board member at least twenty-four hours in advance of the time of the meeting.

Section 4.12. <u>Compensation</u>. Directors shall not receive any compensation for their services as such. However, upon the approval of the Board, and subject to funds available in the approved annual budget, any Director may be reimbursed for his or her actual

expenses incurred in the performance of his or her duties. Actual expenses incurred that exceed the budget must go through the voting member approval process prior to reimbursement.

Section 4.13. Loans or Guarantees for Directors. The Guild may not lend money to or guaranty the obligation of a Director.

# ARTICLE V OFFICERS AND DUTIES

Section 5.1. <u>Officers and Duties</u>. There shall be five officers of the Guild consisting of a President, a President-Elect, a Secretary, a Treasurer, and a Program Chair. The Officers will be elected by the Directors. Their duties are as follows:

a) The President shall, in general, supervise and control all of the business and affairs of the Guild and shall perform all duties incident to the office of President as set forth in the Standing Rules and such other duties as may be prescribed by the Board from time to time. This shall include conducting all business meetings, convening regularly scheduled Board meetings, and presiding or arranging for other officers to preside at each meeting in the following order: President-Elect, Secretary, and then Treasurer.

b) The President-Elect shall assume the duties of the office of President, when necessary. The President-Elect shall assume the office of the President the following year.

c) The Secretary shall keep minutes of all general membership meeting and shall be responsible for keeping records of Board actions, including overseeing the taking of minutes at all Board meetings, sending out meeting announcements, distributing copies of minutes and the agenda to each Board member, executing the Guild's correspondence, and assuring that corporate records are maintained.

d) The Treasurer shall be the custodian of all funds and record all monies received and expended. The Treasurer shall present monthly financial statements at each Board meeting and an annual year-end financial statement to the Board and the general membership. Monthly financial statements shall be posted at the monthly member meetings. The outgoing Treasurer shall be the chair of the following year's budget committee. The Treasurer shall be responsible for ensuring that all Federal and State Tax Returns or other required reports are submitted on a timely basis.

e) The Program Chair shall schedule programs and workshops from January through December.

Section 5.2. <u>Compensation</u>. Officers shall not receive any compensation for their services as such. However, upon the approval of the Board, and subject to funds available in the approved annual budget, any Officer may be reimbursed for his or her actual expenses incurred in the performance of his or her duties. Actual expenses incurred that exceed the budget must go through the voting member approval process prior to reimbursement.

Section 5.3. <u>Loans or Guarantees for Officers.</u> The Guild may not lend money to or guaranty the obligation of an officer.

#### ARTICLE VI

## COMMITTEES

Section 6.1. <u>Committee Formation</u>. The Board of Directors may create and dissolve committees from time to time. The Board President shall appoint all committee chairs of all committees as listed in the Guild Directory. Only Voting members may serve at committee chairs.

## ARTICLE VII

## PROHIBITED TRANSACTIONS AND ACTIVITIES

## Section 7.1. Prohibited Transactions.

a) Prohibition Against Sharing in Earnings. No Director, officer, employee, committee member, or person connected with the Guild shall receive at any time any of the net earnings or pecuniary profit from the operations of the Guild; provided that this shall not prevent the Guild's payment to any person of reasonable compensation for services rendered to or for the Guild in effecting any of its purposes as determined by the Board of Directors.

b) Other Prohibitions. Neither the Guild, not its Directors, not its Officers have any power to cause the Guild to do any of the following with Related Parties:

- i. Make any substantial purchase of securities or other property, for more than adequate consideration in money or money's worth; or
- ii. Sell any substantial part of its assets or other property, for less than an adequate consideration in money or money's worth.

For the purpose of this subsection, "Related Parties" means any person who has made a substantial contribution to the Guild, or with a brother, sister, spouse, ancestor, or lineal descendant of the person giving, or with a corporation directly or indirectly controlled by the person giving.

Section 7.2. <u>Prohibited Activities.</u> Notwithstanding any other provision of these Bylaws, no Director, officer, employee or representative of the Guild shall take any action or carry on any activity by or on behalf of the Guild not permitted to be taken or carried on by an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986 and its regulations as they now exist or as they may later be amended, or by an organization, contributions to which are deductible under section 170(d)(2) of the Internal Revenue Code of 1986 and regulations as they now exist or as they may later be amended,

# SectSection 7.3. Additional Prohibited Activities.

- a) Members list of Guild members shall not be given or sold to persons or organizations to be used for solicitation, sales, or political purposes.
- b) Outside businesses pertaining to quilting classes or services may not be promoted in meetings. Persons contracted by the Guild to give a lecture or teach a class may promote their products.

Section 7.4. <u>Funds Used for Indemnification</u>. The Guild's funds may be used to benefit officers and Directors by way of indemnification, but only if such indemnification is authorized by Article VIII of these Bylaws.

## ARTICLE VIII

## INDEMNIFICATION

Section 8.1. Indemnification of Officers. Directors. Committee Members. Employees and <u>Agents</u>. The Guild shall indemnify any person who incurs expenses or liabilities by reason of the fact he or she is or was an Officer, Director, Committee Member, employee, or agent of the Guild. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law.

Section 8.2. <u>Limitation of Liability</u>. To the fullest extent permitted by the Arizona Revised Statutes as the same exist or may hereafter be amended, a Director of the Guild shall not be liable to the Guild or its members for monetary damages for any action taken or any failure to take any action as a Director. No repeal, amendment or modification to this section, whether direct or indirect, shall eliminate or reduce its effect with respect to any act or omission of a Director of the Guild occurring prior to such repeal, amendment or modification.

## ARTICLE IX AMENDMENTS

Section 9.1. <u>Amendments.</u> At the direction of the Board, a committee, consisting of one Board member and at least two voting members shall review the Bylaws, the Standing Rules and/or the Addenda as directed by the Board and shall submit its report to the Board. In the event the Board determines based upon such review or otherwise that it is in the best interests of the members that any such documents be amended, the Board

shall propose to the voting members for their vote thereon the adoption of such amendments. At any regular monthly voting member meeting, the Bylaws, Standing Rules and Addenda may be amended by the majority vote of the voting members present in person or by proxy at such meeting, provided the amendments have been submitted in writing to the voting members in a prior newsletter or via e-mail or other means approved by the Board.

## ARTICLE X ARTICLES OF INCORPORATION

Section 10.1. <u>References to Articles</u>. Any reference herein made to the Guild's Articles will be deemed to refer to its Articles of Incorporation and all amendments thereto as at any given time on file with the Arizona Corporation Commission, together with any and all certificates filed by the Guild with the Arizona Corporation Commission (or any successor to its functions) pursuant to applicable law.

Setion 10.2. <u>Seniority</u>. The Articles will in all respects be considered senior and superior to these Bylaws, with any inconsistency to be resolved in favor of the Articles, and with these Bylaws to be deemed automatically amended from time to time to eliminate any such inconsistency that may then exist.

## ARTICLE XI DISSOLUTION

Section 11.1. <u>Dissolution</u>. The Board of Directors shall adopt a resolution recommending that the Guild be dissolved and directing that the question of such dissolution be submitted to a vote at a meeting of the voting members, which may be either a monthly or a special meeting. Written notice stating that the purpose, or one of the purposes, of such meeting is to consider the advisability of dissolving the Guild shall be given to each voting member entitled to vote at such meeting of the voting members. A resolution to dissolve the Guild may be adopted only by act of the voting members. Voluntary dissolution shall comply in all respects with A.R.S. S 10-11401 et seq.

# ARTICLE XII BUDGET AND ANNUAL DUES

Section 12.1. <u>Annual Budget.</u> Not later than thirty (30) days prior to the beginning of each fiscal year, the Budget Committee shall cause to be prepared an estimated annual budget for the upcoming fiscal year of the Guild. In preparing the annual budget, the Budget Committee shall propose the amounts of the annual dues for the voting members and

the non-voting members. Such budget shall take into account the estimated dues and other income and the common expenses and cash requirements for the year. To the extent that dues and other cash income collected during the preceding fiscal year shall be more or less than the expenditures for such preceding fiscal year, the surplus or deficit, as the case may be, may be taken into account.

Section 12.2. <u>Approval of Budget.</u> The estimated annual budget for each fiscal year shall be approved by the Board and copies thereof shall be furnished by the Board to each voting member by newsletter or otherwise before the meeting of the voting members at which the approval of the budget will be voted upon by the voting members. At the annual meeting, the voting members of the Guild shall vote on the approval of the budget for such fiscal year. The approval of a majority of the voting members present at a meeting at which a quorum of the voting members is present in person or by proxy shall be required for the approval of the budget. In the event the voting members at the annual meeting do not approve the budget for the fiscal year, the budget for the prior fiscal year shall remain as the budget until the new budget is approved by the voting members. Any expenditure by the Guild in excess of \$300.00 of the amount of an individual budgeted line item or for an item not included in the approved budget must be approved by the voting members prior to the funding thereof, provided that the total of such additional unbudgeted expenditures in any fiscal shall not exceed \$1500 without the approval of the voting members./

Section 12.3. <u>Annual Dues.</u> The Board shall determine the amount of the annual dues payable by the voting and the non-voting members each fiscal year based upon the approved budget for such fiscal year (or the prior year if the current year's budget is not approved by the voting members). The Board shall give written notice of the annual dues to each member at least thirty (30) days prior to the due date thereof, but the failure to give such notice shall not affect the validity of the annual dues not relieve any members from its obligation to pay the annual dues. If the Board determined during any fiscal year that the funds budgeted for that year are, or will, become inadequate to meet all expenses for any reason, including, without limitation, nonpayment of dues by members, it may request that the voting members approve an amended budget in accordance with Section 12.2 of these Bylaws and adjust the amount of the annual dues for each year based upon any such approved amended budget. In such case, the revised annual dues shall commence on the date designated by the Board.

Section 12.4. <u>2017 and 2018 Non-Voting Member Dues.</u> Notwithstanding anything to the contrary contained in these Bylaws, the Board shall be entitled to establish the amount of the annual dues for the non-voting members payable for fiscal 2017 notwithstanding the lack of the including of the non-voting members' dues in the annual budget for 2017 approved by the voting members. For the fiscal years 2018 and thereafter, the annual dues for the non-voting members shall be established as set forth in Sections 12.1 through 12.3 of this Article XII.

IN WITNESS WHEREOF, these Amended and Restated Bylaws of Mountain Top

Quilters Guild are adopted as set forth above.

President DO Name Date:

## SECRETARY'S CERTIFICATE

The undersigned does hereby certify that:

He/She is the duly elected Secretary of Mountain Top Quilters Guild, an Arizona non-profit corporation; and

The foregoing Amended and Restated Bylaws constitute the Amended and Restated Bylaws of Mountain Top Quilters Guild which were approved by a majority of the members present at a meeting held March 19, 2018 at which a quorum was present. Written notice of the proposed amendment and restatement of the Bylaws as hereinabove set forth was given to the menybers prior to such meeting.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand as of this day of March 19, 2018.

what comassa\_\_\_\_\_, Secretary Name: SUSAN E MASSE