

AMENDED BYLAWS  
OF THE  
ADA BUSINESS ASSOCIATION, INC.  
(A Nonprofit Corporation)

ARTICLE I  
NAME & PURPOSES

Section 1. Name. This Association shall be known as the Ada Business Association, Inc.

Section 2. Purposes. This Association is organized as a business league within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986 (the "Code") or the corresponding provisions of any future revenue laws of the United States.

The Association is concerned with all aspects of the Ada, Michigan business community as they relate to businesses and residents of the Ada area. The Association may do any and all lawful acts in furtherance of the following purposes:

- a. To promote fellowship among business people in the community.
- b. To promote communication and cooperation among the business merchants and business property owners.
- c. To maintain and improve the property and the physical appearance of the business community.
- d. To identify business community problems and business needs, and to develop and implement solutions.
- e. To have a voice in any civic matter affecting the business community.
- f. To initiate promotional programs to stimulate business activity.
- g. To receive and disburse monies, gifts, bequests, and goods to business community services.
- h. To encourage, support, and promote other community activities, including those of an historic, civic, cultural or literary nature.

The Association may engage in any activity in connection with the above-stated purposes for which nonprofit corporations may be organized under the Michigan Nonprofit Corporation Act. However, this Association shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal

income tax under Section 501(c) (6) of the Code, or (b) by corporation contributions to which are deductible under Section 170 (c) (2) of the Code.

In furtherance of these purposes, this Association shall have the power to take and hold by bequest, devise, gift, grant, purchase, lease or otherwise any property, real or personal, tangible or intangible, or any undivided interest in such property without limitation as to amount or value, and to sell, convey or otherwise dispose of any such property and to invest, reinvest or deal with the principal or the income from such property in such manner as, in the judgment of the Directors of this Association will best promote the purposes of this Association without limitation, except such limitations, if any, as may be contained in the instrument under which such property is received, the Articles of Incorporation or Bylaws of this Association, or any applicable laws.

This Association has not been formed for pecuniary profit or financial gain, and no part of the assets, income or profits of this Association is distributable to, or will inure to the benefit of the directors or officers of this Association. However, this Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and contributions in furtherance of the purposes set forth in this Section 2.

## ARTICLE II MEMBERSHIP

Section 1. Membership Qualifications. Any individual(s), firm, institution, or other entity that is located within the Ada community or has a genuine interest in and concern for the purposes of this Association, shall be eligible for membership in this Association upon approval by the Board of Directors of an application for membership and upon the payment of the membership dues required as a condition for membership. All members who have paid their dues for the current year shall be members in good standing.

Section 2. Membership Dues. As a condition of holding membership in this Association each member shall pay annual membership dues. Dues for each year shall be established by the Board of Directors. The membership year shall be from July 1 to June 30. Membership dues shall not be refundable except upon order of the Board of Directors.

Section 3. Transfer of Membership. Membership in this Association shall not be transferable.

Section 4. Cancellation of Membership.

- a. Nonpayment of Membership Dues. Any member who fails to pay the annual membership dues within thirty (30) days after the date for payment set by the Board of Directors shall thereupon forfeit membership in this Association. Reinstatement of membership shall be upon the same terms as are required for admission to the membership.
- b. Conduct Deemed Prejudicial to the Association. The right of any member to hold membership in this Association may be cancelled for acts of dishonesty, criminal conduct, or other acts similarly prejudicial to the Association as determined by or at a meeting of the membership held for the purpose of considering such action. The member against whom the action is proposed to be taken must be notified of the proposed meeting by written notice, delivered personally, by mail, or by electronic transmission, at least ten days before the date of the meeting. The notice must state the purpose of the meeting and describe with reasonable specificity the acts that form the basis for considering cancellation of membership. The member shall be given an opportunity to appear at the meeting and to be heard concerning the acts complained of.
- c. Withdrawal from Membership. Any member may withdraw from membership in this Association at any time by giving written notice of that member to the Association existing at the time notice is given.

Section 5. Membership Non-Assessable. Membership in this Association when fully paid shall be non-assessable.

Section 6. Payment of Interest on Membership Fees. No interest or dividends shall be paid upon membership dues.

## ARTICLE III MEETINGS OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the members of this Association for the purpose of electing Directors and officers shall be held each year at the time and place designated by the Board of Directors.

Section 2. Regular Meetings. Regular meetings shall be held at a time and place designated by the Board of Directors. The Board of Directors may cancel or postpone any regular meeting for appropriate reasons, or may change the schedule of regular membership meetings, subject to the notice provisions below.

Section 3. Special Meetings. Special meetings of the members of this Association may be called at any time by the Board of Directors.

Section 4. Notice of Meetings. Except as otherwise provided by statute, written notice of the date, time, location, and purposes of any annual and special meetings of the members shall be delivered, either personally, by mail, or by electronic transmission approved by the Board of Directors, to each member not less than ten (10) days but no more than sixty (60) days before the date of the meeting.

Section 5. List of Members Entitled to Vote. At least ten (10) days but not more than sixty (60) days before every membership meeting, the person in charge of the membership records of the Association shall prepare an alphabetical list of the members entitled to vote at the meeting. The list shall be available during the meeting for inspection of any member.

Section 6. Quorum. A quorum shall consist of 12 members at any meeting. If a quorum is not present, a majority of the members present may adjourn the meeting.

Section 7. Voting. Only members who are in good standing have a right to vote. At all meetings of the members where a quorum is present, the affirmative vote of a majority of those present and voting on the question shall decide any question brought before the meeting, except where a larger vote may be required by the Articles of Incorporation, these Bylaws or by applicable law.

ARTICLE IV  
BOARD OF DIRECTORS

Section 1. Powers and Duties. The property, business and affairs of the Association shall be under the direction and control of a Board of Directors. The Board of Directors shall have the power to accept or refuse to accept any bequests, devises, gifts or grants that are proposed to be made to this Association based upon the discretion and judgment of the directors taking into consideration the nature of the proposed gift, any conditions or restrictions placed upon the gift and the appropriateness of the gift to the purposes of this Association. Each Director shall read and become familiar with the Articles of Incorporation and the Bylaws of this Association.

Section 2. Number and Term of Directors. There shall be no less than seven (7) nor more than eleven (11) directors on the board as shall be fixed from time to time by the board of directors. A Trustee's term shall begin upon election or on such date as may be determined by the Board of Directors following the annual meeting, and a Director shall hold office for a term of two (2) years or until the Director's death, resignation, or removal if prior to expiration of the Director's term. Directors may be re-elected but may serve no more than three (3) consecutive terms on the Board of Directors (6 years) without a break in service, except for officers who can complete their officer term beyond their board term limit.

Section 3. Qualifications. A person will be deemed qualified to serve on the Board of Directors if he or she:

- a. Is a member in good standing of the Corporation;
- b. Submits a short biography setting forth, among other things, the candidate's professional background and connection to Ada; and
- c. Is sponsored by another member in good standing and is supported by a currently serving Director.

Section 4. Election of Directors. Each year in which the term of one or more Directors is set to expire, and such expiration will result in fewer than the number of Directors established by Board resolution, a successor Director shall be elected or appointed for each open seat on the Board according to the following procedure:

- a. The Board shall send an email out to the members announcing the open seat(s) and requesting submission of Nomination forms setting forth the qualifications set forth in subsection 3. above. The email shall set forth the deadline for submission.
- b. The Board shall be presented with the slate of qualified potential candidates after the deadline for submissions expires. If approved by a majority of the Directors then serving, the slate of candidates shall be the nominees for election to the Board at the next annual meeting. Biographies of the respective nominees shall be available to the members by email transmission or by posting such biographies on the Corporation's website.
- c. At the annual membership meeting, a vote shall be taken on each candidate approved by the Board. A candidate shall be deemed elected if he or she receives the most votes from the members present at the meeting or by proxy. The number of top candidates, by number of votes, corresponding to the number of open seats, shall be deemed elected (e.g., if there are two open seats, the two candidates with the most votes shall be deemed elected).

Section 5. Removal. A Director may be removed from office if that Director is absent from three consecutive meetings or 50% of the meetings held during the previous year without prior approval of the Board. Any Director may be removed from office for cause by vote of two-thirds (2/3) of the Directors present and voting on such question.

Section 6. Resignation. Any Director may resign at any time by giving written notice of resignation to the Secretary. The resignation shall become effective upon the date specified in the notice, or, if no date is specified, upon receipt of the notice by the Secretary. Acceptance by the Board shall not be necessary to render the resignation effective.

Section 7. Vacancies and Additional Directors. In the event of a vacancy in the Directors for any reason, the remaining Directors, by majority vote, may elect an individual to fill the vacancy until the next annual meeting and until a successor shall have been duly elected and qualified.

ARTICLE V  
MEETINGS OF DIRECTORS

Section 1. Regular and Special Meetings. Regular meetings of the Directors may be held from time to time as the Directors may determine. Special meetings of Directors may be convened at any time by majority vote of the Directors, or at the request of the President. Any member in good standing may attend Board of Director meetings and shall have a right of discussion but no right to vote.

Section 2. Conference Telephones. A Director may participate in a meeting of the Directors by means of a conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

Section 3. Quorum. At any meeting of the Directors, majority of the entire number of the Directors shall be a quorum for the transaction of business.

Section 4. Place and Notice of Meetings. Meetings may be held within or without the State of Michigan. Written notice shall be given of any special meeting of the Directors. That notice shall be personally delivered or shall be mailed to the addressee at his or her address last appearing on the records of the Association, not less than ten (10) days before the date of the meeting. The notice shall specify the date, place and hour of the meeting and purposes for which it is convened.

Section 5. Waiver of Notice. Attendance without objection at any meeting shall constitute waiver of notice of that meeting. Waiver of notice executed in writing before or after the date of the meeting shall be equivalent to receipt of notice by the individual executing the waiver.

Section 6. Voting. At all meetings of the directors when a quorum is present, the affirmative vote of a majority of those present and voting on the question shall decide any question brought before that meeting, except where a larger vote may be required by the Articles of Incorporation, these Bylaws, or by applicable law.

Section 7. Action without Meeting. Any action required to be taken at a meeting of the Directors may be taken without a meeting if a written consent, stating the action so taken, shall be signed by all Directors who are entitled to vote with respect to the action.

## ARTICLE VI OFFICERS

Section 1. Principal Officers. The principal officers of the Association shall consist of a President, a Vice-President, a Secretary and a Treasurer, and such additional officers as the Directors may from time to time deem desirable. These officer positions shall be held by Directors, shall be appointed by majority vote of the Board of Directors, and shall serve a two (2) year term. No officer may serve more than two consecutive terms in the same position. The term of an officer supersedes the board term limitations. No two offices may be held by the same person.

Section 2. President. The President of the Association, shall be chief executive officer of the Association, shall preside over all meetings, appoint all committees with the approval of the Board of Directors, sign all contracts, and shall perform other duties as may be specified from time to time by the Directors.

Section 3. Vice-President. The Vice-President shall perform the duties and exercise the powers of the President during any absence or disability of the President, shall serve as an ex-officio member of all committees, and shall perform other duties as may be specified from time to time by the Directors.

Section 4. Treasurer. The Treasurer shall have custody of the funds and other property of the Association; shall keep accurate records of all property, receipts and disbursements of the Association in financial books to be maintained for that purpose; shall deposit all assets in the name and to the credit of the Association with such depository or depositories as shall be designated by the Directors after careful review by the Directors not less than every two years; shall disburse the funds of the Association; and render to the Directors such reports as they shall prescribe.

All books, records and vouchers of the Association shall be open to the inspection of any Director. The Treasurer shall, at least once a year, and whenever requested by the Directors, render a full and detailed account of all receipts and expenditures and submit a schedule showing the financial status of the Association and the changes, if any, since the last report of the Treasurer. The Treasurer shall perform such other duties as may be specified from time to time by the Directors.



Section 5. Secretary. The Secretary shall give notice of each meeting of the Directors or committees of the Association as to which notice is required; shall record minutes of such meetings in books kept for that purpose; shall have custody of the records of the Association; and shall perform such other duties as may be specified from time to time by the Directors.

Section 6. Removal. Any officer of the Association may be removed under the same conditions described for removal of a Director.

Section 7. Vacancies. Any vacancy in any office of the Association may be filled for the unexpired portion of the term by majority vote of the Directors present at a meeting of the Directors called for such purpose. If any officer is absent or unable to perform the duties assigned to that office, the Directors may delegate the powers and duties of that office, during the period of such absence or disability, to another person.

Section 8. Resignation. Any officer may resign such office at any time by giving written notice of such resignation to the Secretary of the Association. The resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of the notice by the Secretary. Acceptance by the Board shall not be necessary to render the resignation effective.

## ARTICLE VII FINANCES

Section 1. Funds. It shall be the duty of the Board of Directors to provide adequate funds for the operations of the Association by means consistent with the tax-exempt status of the Association. Any proposal to seek funds and any acceptance of grants or other funds shall require approval by the Board of Directors.

Section 2. Expenses. All expenses of the Association are subject to the approval of the Board of Directors. Upon approval, the expenses shall be paid from the funds of the Association.

Section 3. Books and Records. Books and records of the Association shall be set up in a manner that produces proper records for reports to the government and

to the board of Directors and enables an accurate audit of the finances of the Association.

Section 4. Fiscal Year. The fiscal year of the Association shall be set by the Board of Directors.

Section 5. Checks, etc. All checks, drafts, orders and other instruments for the payment, withdrawal or transfer of money shall be signed in the name of the Association. Any such instrument for an amount equal to or greater than \$5,000.00 shall require the written approval of two Directors. Any instrument for an amount less than \$200 may be signed by the Treasurer.

#### ARTICLE VIII INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES, & AGENTS

Section 1. Indemnification: Third Party Actions. This Association has the power to indemnify a person who was or is a party, or is threatened to be made a party to a threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative or whether formal or informal (other than an action by or in the right of this Association) by reason of fact that the person is or was a Director, officer, employee or agent of this Association, or is or was serving at the request of this Association as a Director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not for profit against expenses (including attorneys' fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by that person in connection with the action, suit or proceeding if that person acted in good faith and in manner reasonably believed by that person to be in or not opposed to the best interests of this Association, and with respect to a criminal action or proceeding, that person had no reasonable cause to believe that the conduct was unlawful. The termination of an action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner reasonably believed by that person to be in good faith and in a manner reasonably believed by that person to be in or not opposed to the best interests of this Association and, with respect to a criminal action or

proceeding, had reasonable cause to believe that the person's conduct was unlawful.

Section 2. Indemnification: Actions in the Right of this Association. This Association has the power to indemnify a person who was or is a party to, or is threatened to be made a party to a threatened, pending or completed action or suit by or in the right of this Association to procure a judgment in its favor by reason of the fact that the person is or was a Director, officer, employee or agent of this Association, or is or was serving at the request of this Association as a Director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or not, against expenses (including actual and reasonable attorneys' fees) and amounts paid in settlement incurred by that person in connection with the action or suit if that person acted in good faith and in a manner reasonably believed by that person to be in or not opposed to the best interests of this Association.

However, no indemnification shall be made for a claim, issue or matter in which such a person shall have been found to be liable to the Association unless and only to the extent that the court in which such action or suit was brought has determined upon application that, despite the adjudication of liability but in view of all circumstance of the case, that person is fairly and reasonably entitled to indemnification for the expenses which the court considers proper.

Section 3. Indemnification: Mandatory and Permissive Payments.

- a. To the extent that a Director, officer, employee or agent of this Association has been successful on the merits or otherwise in defense of an action, suit or proceeding referred to in Section 1 or Section 2 of this Article, or in defense of a claim, issue or matter in the action, suite, or proceeding, that person shall be indemnified against expenses (including actual and reasonable attorneys' fees) incurred by that person in connection with the action, suit or proceeding as well as in connection with the action, suit or proceeding brought to enforce the mandatory indemnification provided in this Subsection.
- b. An indemnification under Section 1 or Section 2 of this Article, unless ordered by a court, shall be made by this Association only as authorized in

a specific case upon a determination that indemnification of the Director, officer, employee, or agent is proper in the circumstances because that person has met the applicable standard of conduct as set forth in either Section 1 or Section 2. That determination shall be made in any of the following ways:

1. A majority vote of a quorum of the Board consisting of Directors who were not parties to the action, suit or proceeding.
  2. If that quorum is not obtainable, then by a majority vote of a committee of Directors who were not parties to the action, suit, or proceeding. The committee shall consist of not less than 2 disinterested Directors.
  3. By independent legal counsel in a written opinion.
- c. If a person is entitled to indemnification under Section 1 or Section 2 of this Article for a portion of expenses including attorneys' fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount thereof, the Association may indemnify the person for the portion of the expenses, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount thereof, the Association may 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.

Section 4. Indemnification: Expense Advances. Expenses incurred in defending a civil or criminal action, suit or proceeding described in Section 1 or Section 2 of this Article may be paid by this Association in advance of the final disposition of the action, suit, or proceeding upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay the expenses if it is ultimately determined that the person is not entitled to be indemnified by this Association. The undertaking shall be by unlimited general obligation of the person on whose behalf advances are made but need not be secured. The indemnification provisions of Sections 1 through 4 of this Article shall continue as to a person who ceases to be a Director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of that person.

Section 5. Insurance. This Association may purchase and maintain liability insurance on behalf of any person who is or was a director, officer, employee or agent of another corporation or other enterprise against any liability asserted against that person and incurred by that person in any capacity or arising out of that person's status as such, whether or not the Association would have the power to indemnify that person against that liability under applicable law.

## ARTICLE IX APPROVAL AND AMENDMENTS

These Bylaws shall be approved upon receiving a two-thirds (2/3) vote of the members. These Bylaws may be amended by a two-thirds (2/3) vote of the members at any meeting, provided that the substance of the amendment has been stated in a notice of such meeting, delivered via electronic transmission to each member entitled to vote, and the amendments being posted to the Corporation's website, not less than ten (10) days before the meeting.

## ARTICLE X DISSOLUTION

Section 1. Dissolution of Association. A dissolution of the Association shall be authorized only by a two-thirds (2/3) vote of the members. Notice of the meeting to authorize the dissolution shall be given to each member not less than ten (10) days before the meeting and shall state that the purpose of the meeting is to vote on dissolution of the Association. The notice shall include a copy of summary of the plan of distribution of assets that shall be consistent with the restrictions in the Articles of Incorporation.

If the dissolution is approved, the Association shall cease to conduct its affairs except as may be necessary for the liquidation and winding up of the affairs of the Association. It shall immediately cause a Certificate of Dissolution to be executed and filed setting forth: (a) the name of the Association; (b) the date and place of the meeting of members approving the dissolution; and (c) a statement that dissolution was approved by the requisite vote of the members.

Section 2. Distribution of Assets. In the event of dissolution, all assets of this Association, real and personal, shall be distributed to such organizations as permitted in the Articles of Incorporation.

CERTIFICATE

I, R. Thomas Renner, President of Ada Business Association, Inc., a Michigan Nonprofit corporation, certify that the foregoing Bylaws are the Bylaws adopted for this Association by its members on the 11<sup>TH</sup> day of JUNE, 2024.



---

R. Thomas Renner, President