

Mark Bryant #1856:

I'm a bit confused...It seems if the Board wanted club membership it look over the changes & comment they would clearly show the changes and explain why the board wants to change them???

<Board response: A Track Change version of the Bylaws has been provided – current versus proposed draft amendments <http://manxclub.com/forum/viewtopic.php?f=89&t=3795> >

From: [Mark Bryant MC#1856](#)

Sent: Monday, April 25, 2016 11:27 PM

To: feedback@manxclub.com

Subject: Re: Topic reply notification - "NEW REVISION OF MANXCLUB BYLAWS"

Thanks for your response. I have a number of questions pertaining to the changes proposed to the clubs Bylaws.

We can agree that some changes of the Bylaws could be needed, however some can seriously affect the current 501c7 non profit status. If the Board sees a need to amend the Bylaws those proposed amendments need to be submitted to the membership. Perhaps with the annual elections ballot. This would allow all current members to comment.

1. I question the authority the Board has taken to amend the Bylaws. Only the membership has the powers to amend the clubs Bylaws. Under the 501c7 nonprofit status the Membership is the only authority to amend the Bylaws.

<Board Response: The Manx Club is a California-based Nonprofit Mutual Benefit Corporation and therefore is governed by California Corporations Code, specifically under Part 3 7110-8910. Article 7150 (a) allows for the board to adopt, amend, or repeal bylaws. Additionally, Manx Club Bylaws, Article XVII: BY LAWS: INSPECTION AND AMENDMENT, SECTION 2: AMENDMENTS, (b).

Reference: http://www.leginfo.ca.gov/.html/corp_table_of_contents.html or http://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=CORP&division=&title=1.&part=&chapter=&article= >

I realize this could be cumbersome, however under the clubs 501c7 nonprofit status this organization operates solely for the "Benefit of Its Members", there for Only the membership has the powers to amend the clubs Bylaws

<Board Response: Did not find a specific government reference document (e.g. California Corporations Code, specifically under Part 3 7110-8910 or IRS Exempt Organizations Determinations Manual https://www.irs.gov/irm/part7/irm_07-025-007.html) or in the Manx Club Bylaws that supports the statement that "Only the membership has the powers to amend the club Bylaws".>

The article below was is an amendment to the original 6-11-08 Bylaws, I suspect without membership consent, and should be deleted or amended and reflect membership approval accordingly.

<Board Response: The Manx Club Bylaws Amended on 11/1/13 and Approved on 1/25/14 is the official document guiding the club currently.>

"ARTICLE XX

WRITTEN CONSENT OF DIRECTORS ADOPTING BY-LAWS We, the undersigned, are all of the persons currently serving as the directors of the Manx Club, a California nonprofit corporation, and, pursuant to the authority granted to the directors by these Bylaws to take action by unanimous written consent

without a meeting, consent to, and hereby do, adopt the foregoing Bylaws, consisting of 19 pages, as the By-Laws of this corporation."

2. As far election expenses review by two Board members. I support tracking all expenses and adjusting as needed. However the basic process should not change. That transparency is important for assurances to the membership. The \$1600 +/- cost is minor when looking at the P&L as stated in the current Manx Mania (adjusted/ corrected).

<Board Response: The nomination process is not being changed. Dates have been updated to reflect the reality of when the club actually conducts the nomination and election process.

There is a change to the election process. In past elections there have been situations where the nominee pool has equaled the exact number of open positions for the board. In those situations the club incurred a significant financial cost to conduct an election where the election results equaled the number of nominees. The board of directors have a fiduciary responsibility to ensure club funds are not wasted on an election when the nominee pool equals or is less than the number of open positions for that election cycle.

In addition to the current paper balloting election process an additional election balloting mechanism is being added which has the same level of auditing and transparency and is conducted by a third party. The board will have the option to use either balloting mechanism based on the best use of club funds and to meet election requirements for that cycle.>

If the directors want this club to continue to operate as a nonprofit

501c7 there needs to be a review of that nonprofit guidelines and mostly the intended ethics.

<Board Response: A thorough review of the relevant legal documents governing the Manx Club has been conducted. The club board of directors are in compliance with all codes, Bylaws, and IRS guidance.

California Corporations Code http://www.leginfo.ca.gov/.html/corp_table_of_contents.html

Or

http://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=CORP&division=&title=1.&part=&chapter=&article=

Manx Club By-laws, Amended on November 01, 2013 and Approved January 25, 2014

<http://manxclub.com/forum/viewtopic.php?f=89&t=5>

IRS Guidelines for tax-exempt social clubs under section 501(c)(7) <https://www.irs.gov/Charities-&-Non-Profits/Other-Non-Profits/Guidelines-for-Tax-Exempt-Social-Clubs-Internal-Revenue-Manual>

And

<https://www.irs.gov/Charities-&-Non-Profits/Other-Non-Profits/Social-Clubs> >

When I became the first club president the first board adopted the bylaws based upon HCCA bylaws with the review and approval by attorneys and legal staff, based upon the 501c7 guidelines it was agreed, the intent was that the membership is to be the governing body for the club and nonprofit.

Mark Bryant MC#1856

Hi Connie

What are they trying to say in IV, Sec 1. Seems like they are saying something to the effect: "...office currently located in California, however the board may relocate to any State in the UNITED STATES..." United States should be spelled out not just U.S. It is not clear/convoluted as written.

Have a great weekend...Dave

<Board response: Agreed and updated>

Mike Zabolski #2265:

SECTION 3: PRIVILEGE OF MEMBERSHIP III; Indicates membership roster can list both husband and wife. Current business and legal standards now commonly recognize not only spouses, but domestic partnerships as well. Something to consider updating.

<Board response: Agreed and updated>

Mara Lynn Myers #3983:

Not really sure if I had ever seen the old version it would be nice to see a redact version, i.e. old/new Sorry, forgot to include the membership section as well for the considered change. :-)

ARTICLE V: MEMBERSHIP

SECTION 1:

<Board response: A Track Change version of the Bylaws has been provided – current versus proposed draft amendments <http://manxclub.com/forum/viewtopic.php?f=89&t=3795> >

Tom Iacoboni #1030:

Under Section V, article 1, shouldn't there be 4 types of membership? Is the new Mini Manxter kids membership an official membership? If it is not, then never mind.

<Board response: The board has taken this question/suggestion under advisement.>

Joe Spittler #1118:

Message #1

A brief presentation of the proposed changes would be nice. Most people will not bother to read the 19+ pages just to find a few new items. In fact, I have never seen a proposal of this type, that did not include what the new changes really are and where they will fit into the bylaws.

<Board response: A Track Change version of the Bylaws has been provided – current versus proposed draft amendments <http://manxclub.com/forum/viewtopic.php?f=89&t=3795> >

Message#2

Thank you for making it a bit easier to determine what the proposed changes are.

A quick scan reveals that you might have missed something. You picked up a lot of incorrect punctuation and grammar. Here is a miss:

"ARTICLE XX: DISSOLUTION OF THE CORPORATION

If the Manx Club board of directors concludes that the corporation can no longer continue to function in the manner intended by its (founding fathers) **founders** and as outlined by the herein by-laws, then the corporation shall be dissolved.

In the event of dissolution, the assets of this corporation shall be distributed as provided for in Section 23701(d) of the Revenue and Taxation Code of California, or as provided for in Section 501(c)(37) of the Internal Revenue Code as said laws now exist or as they may be amended in the future.

WRITTEN CONSENT OF DIRECTORS ADOPTING BY-LAWS

We, the undersigned, are all of the persons currently serving as the directors of the Manx Club, a California nonprofit corporation, and, pursuant to the authority granted to the directors by these Bylaws to take action by unanimous written consent without a meeting, consent to, and hereby do, adopt the foregoing Bylaws, consisting of 19 pages, as the By-Laws of this corporation."

<Board response: Agreed and updated>

From: [Bob Kornoff](#)

Sent: Sunday, May 01, 2016 1:15 AM

To: feedback@manxclub.com

Subject: Section 2

I noticed Section 2 changes the eligibility of buggies for membership. Originally we wanted to open up membership to pre-fiberglass buggies, i.e. Burro's, Empi Sportsters and other early mass produced buggies, either factory or home built. Am I to conclude for example the street legal sand rails that Arizona recognizes as street legal or any other one-off VW powered home built are eligible for membership?

<Board Response: The purpose of Section 2 is to define who may join the Manx Club, participation in events held by the Manx Club, and formation of Regional Groups. The definition for whom may join the Manx Club has been clarified to reflect the current "landscape" of dune buggies being built today and to make it clearer that buggy ownership is not a requirement for membership. In addition to the membership and registration/insurance requirements, the board is using the terminology of "street-legal buggy" to still mean a traditional-looking dune buggy. To be more clear, a statement has been added to Section 2 to make clear that sand rails, ATV, UTV, and Baja-types are not considered acceptable to participate in club events and gatherings.>

From: [Bob Kornoff](#)

Sent: Sunday, May 01, 2016 1:47 AM

To: feedback@manxclub.com

Subject: Section 5

I noticed that "Section 5 Succession" has been deleted. What is the length of time a board member can hold office ?

<Board Response: Manx Club board members are elected by the club membership in good standing. The term of a board member is two years (no change in the Bylaws). There is no restriction on how many times a club member may run for the board or the number of times they can be elected to serve on the board. Each January the board appoints/votes on who will fill the officer positions on the board. The restriction not allowing an officer to serve more than two (2), two-year terms in one office has been removed for practical purposes.>