

CSA Articles of Incorporation Update

November 14, 2020

What Are the Articles of Incorporation?

- Articles of incorporation are the pertinent filing with a government body that signifies the creation of a corporation
- In the U.S., articles of incorporation are filed with the Office of the Secretary of State where the business chooses to incorporate
- Broadly, articles of incorporation should include the company's name, type of corporate structure, and how it is funded
- Bylaws work in conjunction with the articles of incorporation to form the legal backbone of the business

The Year was 1932

- The current CSA Articles of Incorporation were signed in 1932. A lot has changed since then. It is time to update our Articles to current law/practice
- Two statements in the original articles are no longer valid:
 - Article II, 5th paragraph: Two-thirds of the Trustees of said Corporation shall be members of the Congregational Church...
 - Article IV, (b) financing: Charging summer residents and owners of lots and cottages ground and privilege fees; also operating a dining room, post office and lodge hall, all proceeds of which are used not for profit, but for the benefit of the members and residents.

The Year was 1932

- And we are moving Article VIII of the current Articles of Incorporation (below) to the Bylaws
 - The Board of Trustees elected by the members shall be divided into three classes, such that approximately one-third of the Board of Trustees shall be elected each year.
- Combines all the pertinent information in one place and to keep the Articles simpler and less operational.

Revised Bylaws draft

BYLAWS SECTION III. BOARD OF TRUSTEES

- B. Number, Election and Term of Office. The Board ~~of Trustees~~ shall consist of fifteen ~~persons~~ elected ~~Trustees by the members at the annual meeting~~ and other ex officio members with full voting rights as designated in the Bylaws. **Five trustees shall be elected each year for a term of three years by the membership at the annual meeting.** ~~The term of office of each elected member of the Board of Trustees in effect at the time of adoption of these Bylaws shall not be affected by the provisions hereof.~~ The President of the Women's Association or a duly designated representative of the Women's Association, the Secretary, the Treasurer, and the immediate Past President of the Assembly for the one year following his/her service as President, shall serve as ex officio members of the Board with full voting rights. The Managing Director shall attend all meetings and act in an advisory capacity to the Board and the Executive Committee.

Process to update Articles of Incorporation

1. Prepare draft of updated Articles for November 14, 2020 Board of Trustees Meeting. Legal Committee makes a motion for Board to approve updated Articles and bring before the membership for a vote.
2. Publish draft of updated Articles in 2021 Assembly News. Announce we will vote on the updated Articles at the 2021 Annual Meeting.
3. Have an Open Forum during July 2021 to see if there are any questions regarding the updated Articles.
4. Legal Committee Chair brings a motion at the 2021 Annual Meeting to approve the updated Articles and it is voted on by membership.

Updated
Articles of
Incorporation
based on Act
162, Public
Act of 1982

- Article I: Name of Corporation –
Congregational Summer Assembly
- Article II: a purposes clause –
 - The CSA Purpose quoted from the
Amended Articles of Association, 1905
 - Ability to sell or lease of common property
 - Ability to operate

Updated
Articles of
Incorporation
based on Act
162, Public
Act of 1982

- Article III:
 - We are a nonstock corporation
 - The Corporation is to be financed under
the following general plan:
The corporation is primarily financed
by membership and other fees
 - The corporation is formed on a
membership basis
- Article IV: Resident Agent and address
- Article V: the term of the corporation is
perpetual - never ending

Updated
Articles of
Incorporation
based on Act
162, Public
Act of 1982

- Article VI: Under Michigan law, this provision regarding reorganizations must be included in the articles in order to be valid (See MCL 450.2204.)
- Article VII: Under Michigan law, this provision giving effect to written consents must be included in the articles in order to be valid (See MCL 450.2407.)
- Article VIII: This is a standard provision that simply memorializes the default statutory rule under MCL 450.2545a regarding transactions involving conflicts of interest

Updated
Articles of
Incorporation
based on Act
162, Public
Act of 1982

- Article IX-X: These are liability-limiting provisions allowed by the Act and aligned with the slightly broader indemnification provisions in Section VIII of the Bylaws. Article X's assumption of liability for claims against volunteers must be specified in the articles in order to effectively shield such an individual from claims. (See MCL 450.2556.)

Updated
Articles of
Incorporation
based on Act
162, Publics
Act of 1982

- Article XI: Qualifies a member's right to inspect the corporation's books and records by allowing the corporation to provide—in its articles of incorporation, bylaws, or a board resolution—that the members do not have the right to inspect the member list if the board makes a good faith determination that opening such books and records would "impair the rights of privacy or free association" of the members or the "lawful purposes of the corporation." (See MCL 450.2487.)

Updated
Articles of
Incorporation
based on Act
162, Publics
Act of 1982

- Article XII: By statute, any amendment to the Articles must be adopted by a vote of the members. The minimum threshold is a simple majority of those who actually vote at a properly-noticed meeting

Motion to approve updated Articles of Incorporation

- I move on behalf of the Legal Committee that the Board of Trustees approve the updated Articles of Incorporation substantially in the form presented, subject to any necessary edits as advised by outside counsel, and submit to the membership for a vote.
 - Bob Molloy, Chair Legal Committee

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU**

Date Received

(FOR BUREAU USE ONLY)

This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

Name

Warner Norcross + Judd LLP; Attn: John C. Muhs

Address

2000 Town Center, Suite 2700

City

State

ZIP Code

Southfield

Michigan

48075

EFFECTIVE DATE:

Document will be returned to the name and address you enter above.

↶ If left blank, document will be returned to the registered office. ↷

**RESTATED ARTICLES OF INCORPORATION
For use by Domestic Nonprofit Corporations**
(Please read information and instructions on the last page)

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Restated Articles:

1. The present name of the corporation is:
_____ CONGREGATIONAL SUMMER ASSEMBLY _____
2. The identification number assigned by the Bureau is: 800873413
3. The former names of the corporation are: N/A
4. The date of filing the original Articles of Incorporation was: _____ January 9, 1932 _____

The following Restated Articles of Incorporation supersede the Articles of Incorporation as amended and shall be the Articles of Incorporation for the corporation:

ARTICLE I

The name of the corporation is:

CONGREGATIONAL SUMMER ASSEMBLY

ARTICLE II

The purpose or purposes for which the corporation is formed are:

(a) to promote the physical, intellectual, moral and religious welfare of the constituency which it seeks to serve;

(b) to sell or lease lots from its real estate to which it has equitable or legal title, and the monies derived by said means, as well as other monies acquired in other ways, shall be applied to the improvement of the real property of the Congregational Summer Assembly grounds as set forth on the Benzie County register of deeds ("Assembly Grounds"), defraying the necessary expenses of the corporation, and otherwise furthering its ends, as the Board of Trustees and the other officers of the corporation shall determine; and

(c) to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of the Assembly Grounds, and with all powers conferred upon nonprofit corporations by the laws of the State of Michigan.

ARTICLE III

1. The corporation is formed upon a Nonstock basis.
(Stock or Nonstock)
2. If formed on a stock basis, the total number of shares the corporation has authority to issue is _____ . If the shares are or are to be divided into classes, the designation of each class, the number of shares in each class, and the relative rights, preferences and limitations of the shares of each class to the extent that the designations, numbers, relative rights, preferences, and limitations have been determined are as follows:

ARTICLE III (cont.)

3. a. The corporation is to be financed under the following general plan:

The corporation is primarily financed by membership and other fees.
- b. The corporation is formed on a Membership basis.
(Membership or Directorship)

ARTICLE IV

1. The name of the resident agent at the registered office is:
ELAINE WALTON
2. The address of its registered office in Michigan is:
2128 PILGRIM HWY FRANKFORT, Michigan 49635
(Street Address) (City) (ZIP Code)
3. The mailing address of the registered office in Michigan if different than above:
_____, Michigan _____
(Street Address or PO Box) (City) (ZIP Code)

Use space below for additional Articles or for continuation of previous Articles. Please identify any Article being continued or added. Attach additional pages if needed.

ARTICLE V

The term of this corporation shall be perpetual.

ARTICLE VI

When a compromise or arrangement or a plan of reorganization of this corporation is proposed between this corporation and its creditors or any class of them or between this corporation and its members, or any class of them, a court of equity jurisdiction within the state, on application of this corporation or of a creditor, or member of the corporation, or an application of a receiver appointed for the corporation, may order a meeting of the creditors or class of creditors or of the

members or class of members to be affected by the proposed compromise or arrangement or reorganization, to be summoned in such manner as the court directs. If a majority in number representing seventy-five percent (75%) in value of the creditors or class of creditors, or of the members or class of members to be affected by the proposed compromise or arrangement or a reorganization, agree to a compromise or arrangement or a reorganization of this corporation as a consequence of the compromise or arrangement, the compromise or arrangement and the organization, if sanctioned by the court to which the application has been made, shall be binding on all the creditors or class of creditors, or on all of the members or class of members and also on this corporation.

ARTICLE VII

Any action required or permitted to be taken at an annual or special meeting of members may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is signed by members having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all members entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to members who have not consented in writing.

ARTICLE VIII

A contract or other transaction between this corporation and one or more of its trustees or officers, or between this corporation and another corporation, firm or association of any type or kind, in which one or more of this corporation's trustees or officers are trustees or officers, or are otherwise interested, is not void or voidable solely because of such common trusteeship, officership or interest, or solely because such trustees are present at the meeting of the board or committee thereof which authorizes or approves the contract or transaction, or solely because their votes are counted for such purpose if:

(a) The contract or other transaction is fair and reasonable to this corporation when it is authorized, approved or ratified; or

(b) The material facts as to the trustee's or officer's relationship or interest and as to the contract or transaction are disclosed or known to the board or committee, and the board or committee authorizes, approves or ratifies the contract or transaction by a vote sufficient for the purpose without counting the vote of any common or interested director; or

(c) The material facts as to the trustee's or officer's relationship or interest as to the contract or transaction are disclosed or known to the members, and they authorize, approve or ratify the contract or transaction.

ARTICLE IX

A trustee or officer of the corporation shall not be personally liable to the corporation or its members for monetary damages for any action taken or failure to take any action as a trustee or officer, except liability is not limited for any of the following:

(a) the amount of a financial benefit received by a trustee or officer to which he or she is not entitled;

(b) intentional infliction of harm on the corporation, its shareholders, or members;

(c) a violation of Section 551 of the Michigan Nonprofit Corporation Act, which section relates to the making of an improper dividend or distribution;

(d) an intentional criminal act; or

(e) a liability imposed under Section 497(a) of the Michigan Nonprofit Corporation Act which refers to costs imposed by a court.

If, after the adoption of this Article, the Michigan Nonprofit Corporation Act is amended to further eliminate or limit the liability of a trustee or officer, then a trustee or officer of the corporation (in addition to the circumstances in which a trustee is not personally liable as set forth in the preceding paragraph) shall, to the fullest extent permitted by the Michigan Nonprofit Corporation Act, not be liable to the corporation or its members, as so amended. No amendment to or alteration, modification, or repeal of this Article shall increase the liability or alleged liability of any trustee or officer of the corporation

for or with respect to any acts or omissions of such trustee occurring prior to such amendment, alteration, modification, or repeal.

ARTICLE X

The corporation shall assume the liability for all acts or omissions of any officer, trustee, or other volunteer of the corporation if all of the following are met:

- (a) the officer, trustee or volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- (b) the officer, trustee or volunteer was acting in good faith;
- (c) the officer, trustee or volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (d) the officer, trustee or volunteer's conduct was not an intentional tort; and
- (e) the officer, trustee or volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in section 3135 of the insurance code of 1956, Act No. 218 of the Public Acts of 1956, being section 500.3135 of the Michigan Compiled Laws.

ARTICLE XI

The right of any member of this corporation to inspect the corporation's lists of members, lists of donors or donations, or its other books and records, shall be limited if the board makes a good faith determination that one or more of the following apply:

- (a) opening the lists of members, lists of donors or donations, or its other books and records for inspection would impair the rights of privacy or free association of the members;
- (b) opening the lists of members, lists of donors or donations, or its other books and records for inspection would impair the lawful purposes of the corporation; and/or
- (c) opening the lists of donors or donations for inspection is not in the best interests of the corporation or its donors.

ARTICLE XII

These Articles of Incorporation may be amended, altered, changed or repealed only by the affirmative vote of a majority of the members of the corporation.

5. These Restated Articles of Incorporation were duly adopted on the [REDACTED] day of [REDACTED], 2021, in accordance with the provisions of Section 641 of the Nonprofit Corporation Act:
- by the Board of Directors without a vote of the members or shareholders. These Restated Articles of Incorporation only restate and integrate the articles and include only amendments adopted under section 611(1) or section 611(2) of the Act and there is no material discrepancy between those provisions and the provisions of the Restated Articles of Incorporation.
 - were duly adopted by the shareholders, the members, or the directors (if organized on a nonstock directorship basis). The necessary number of votes were cast in favor of these Restated Articles of Incorporation.
 - were duly adopted by the written consent of all the shareholders or members entitled to vote in accordance with Section 407(3) of the Act.
 - were duly adopted by the written consent of all the directors pursuant to Section 525 of the Act as the corporation is formed on a directorship basis.
 - were duly adopted by the written consent of the members, shareholders, or their proxies having not less than the minimum number of votes required by statute in accordance with Section 407 of the Act. Written notice

to members or shareholders who have not consented in writing has been given. (Note: Written consent by less than all of the members, shareholders, or their proxies is permitted only if such provision appears in the Articles of Incorporation.)

Signed this [] day of [], 2021

By _____
(Signature of an Authorized Officer or Agent)

(Type or Print Name) (Type or Print Title)

(Non-Profit)

ARTICLES OF INCORPORATION

OF

CONGREGATIONAL SUMMER ASSEMBLY

of

Benzie County, Michigan.

These Articles of Incorporation are signed and acknowledged by the incorporators for the purpose of forming a non-profit corporation under the provisions of Act No. 327 of the Public Acts of 1931, known as the Michigan General Corporation Act, as follows:

ARTICLE I.

The name of this corporation is **Congregational Summer Assembly.**

ARTICLE II.

The purpose or purposes of this corporation are as follows:

To promote the physical, intellectual, moral and religious welfare of the constituency which it seeks to serve.

The place of business and assembly grounds located in Benzie County, Michigan.

Principal Post Office address is Frankfort, Michigan, during the winter months, and Pilgrim, Michigan, during the summer months.

The said Corporation shall have the power to sell or lease lots from its real estate to which it has equitable or legal title, and the moneys derived by said means, as well as other moneys acquired in other ways, shall be applied to the improvement of the property of the Corporation, defraying the necessary expenses of the Assembly, and otherwise furthering its ends, as the said Board of Trustees and the other officers of said Corporation shall determine.

Two-thirds of the Trustees of said Corporation shall be members of a Congregational Church, and all owners of lots in the Assembly Grounds are members of this Corporation and are entitled to vote.

ARTICLE III.

The location of the corporation is **Frankfort,**
in the County of **Benzie**, State of **Michigan** Post Office
address of registered office in Michigan is **Frankfort, Michigan.**

ARTICLE IV.

Said corporation is organized upon a **non-stock** basis.
(stock-share or non-stock)

(If upon a stock-share basis fill in the following)

(a)

~~The total number of shares of common stock which the corporation shall have authority to issue is _____ of the par value of \$ _____ per share.~~

~~The amount of paid-in capital with which this corporation will begin business is \$ _____ (This must not be less than \$1000)~~

(b)

(If upon a non-stock basis strike out paragraph (a) above and fill in the following):

The amount of assets which said corporation possesses is:

Real property: _____

Personal property: _____

Said corporation is to be financed under the following general plan: ~~Charging summer residents and owners of lots and cottages ground and privilege fees; also operating a dining room, post office and lodge hall, all the proceeds of which are used not for profit, but for the benefit of the members and residents.~~

ARTICLE V.

The names and places of residence, or business, of each of the incorporators and (if a corporation organized upon a stock-share basis) the number of shares of common stock subscribed by each are as follows:

NAMES	RESIDENCE OR BUSINESS ADDRESS	NUMBER OF SHARES
Robert J. Locke	19 So. La Salle St., Chicago, Illinois.	
Theodore Prescott	Glen Ellyn, Illinois.	
Peter L. Evans	19 So. La Salle St., Chicago, Illinois.	

ARTICLE VI.

The names and addresses of the first board of ~~directors~~ (or trustees) are as follows:

NAME ADDRESS

The Trustees of this Corporation shall consist of fifteen (15) persons, five (5) elected each year. The following persons are elected for one year ending 1932:

Mrs. G. H. Schneider	Oak Park, Illinois
Mrs. P. W. Swern	Oak Park, Illinois
John Gordon	Rockford, Illinois
Peter L. Evans	19 S. LaSalle St., Chicago
J. E. Kirbye	Raleigh, North Carolina

The following persons are elected for two years ending 1933:

Mrs. A. Noyes	Urbana, Illinois
Miss M. C. Smith	1896 East 90th Street, Cleveland, Ohio
James Watson	Wilmette, Illinois
Robert J. Locke	19 S. LaSalle St., Chicago
Joe Evans	Berwyn, Illinois

The following persons are elected for three years ending 1934:

Nicholas L. Johnson	Batavia, Illinois
W. H. Symonds	Evanston, Illinois
Mrs. J. C. Burrows	Davenport, Illinois
William Grant Smith	Akron, Ohio
Charles Vial	La Grange, Illinois

ARTICLE VII.

The term of this corporation is ~~fixed~~ perpetual.

ARTICLE VIII.

(Here insert any desired additional provisions authorized by the Act).

The above Board of Trustees elected under the Act in order that a vacancy of one-third of the Board of Trustees shall be elected each year.

IN WITNESS WHEREOF the incorporators have signed these Articles of Incorporation this

31st day of December, A. D. 1931.

Handwritten signatures: Robert J. Locke, Theodore Prescott, Peter L. Evans

STATE OF ILLINOIS }
STATE OF MICHIGAN } ss.
COUNTY OF COOK }

On this 31st day of December, A. D. 1931, before me a Notary Public in and for said County, personally appeared ROBERT J. LOCKE, THEODORE PRESCOTT and PETER L. EVANS.

to me known to be the persons named in and who executed the foregoing instrument, and severally acknowledged that they executed the same freely and for the intents and purposes therein mentioned.

Handwritten signature: Ruth Browne
Notary Public.

My commission expires June 29, 1933