

# CONSTITUTION

## OF THE

### LAKE CHAPALA SOCIETY

#### **Introduction**

*The Lake Chapala Society, A.C., since its official formation in 1979, has continually endeavored to meet the ever-changing and growing needs of its members and the Lake Chapala communities in which they reside. As the Society has matured the membership has recognized from time to time the need to adjust the governing documents with the effect that there are now four different registered documents that must be consulted to answer complex governing and administrative questions. So, while recognizing the intent of previous documents and paying homage to the significant accomplishments of members in years gone by, this document does four things:*

- 1. Establishes one governing document,*
- 2. Clarifies the difference between governing and operational roles and assigns appropriate accountability for carrying out those responsibilities,*
- 3. Requires both short-term and long term planning based on the clearly stated vision, mandate and values of the Society, and*
- 4. Demands transparent accountability to the membership.*

*This Constitution is a new document that supersedes and revokes all previous versions of the constitution and bylaws. Its creation is the result of long hours of work by many dedicated members who took significant time to carefully debate each and every concept, word, and sentence. Open to all members, often vigorous, sometimes heated, and occasionally humorous, these discussions about the heart and soul of the Society have resulted in general agreement on what follows and is delivered with the greatest respect for the Society and its members.*

#### **ARTICLE 1: NAME, OFFICE, DURATION**

1. The name of the organization is “The Lake Chapala Society Asociación Civil hereafter referred to as “LCS” or the “Society.”
2. The Registered Office of LCS is located at Calle 16 de Septiembre, number 16-A (sixteen letter “A”) in the village of Ajijic, Municipality of Chapala, Jalisco.
3. The duration of the organization will be for a period of 99 (ninety-nine) years.

#### **ARTICLE 2: VISION AND MISSION STATEMENTS**

1. Our *vision* is a future where *Lakeside* residents continually play a role in enriching the community’s quality of life, vitality and prosperity through the exchange of knowledge, expertise, culture, heritage and language.
2. The *mission* of The Lake Chapala Society is to contribute to the social enrichment of its members and the *Lakeside* community.

#### **ARTICLE 3: MANDATE**

The Lake Chapala Society accomplishes its *mission* by assuming the following *mandate*:

1. To contribute to the enrichment of the Mexican community through relevant programs and services.
2. To foster interchange between *expatriates* and Mexican residents.
3. To facilitate the integration of *expatriates* into the *Lakeside* community.
4. To provide programs, services and facilities to LCS members and the *Lakeside* community.
5. To establish partnerships beneficial to the *Lakeside* community.
6. To manage LCS *resources* and operations.

#### **ARTICLE 4: VALUES STATEMENT:**

1. We have a profound respect and admiration for the richness of the Mexican culture.
2. Our leaders have foresight and imagination, are open to innovative ideas; are proactive and realistic.
3. We provide services relevant to the needs of our members and the *Lakeside* community.
4. Leaders make policy decisions that protect the integrity of LCS, our properties and our relations with our neighbors.
5. We value input from all regarding the governance and operation of LCS.
6. Members of decision making teams will accept and support team decisions.
7. Our communications are based on trust, mutual respect, cooperation and integrity.
8. Board decisions are respectful of the LCS philosophy and the priority of *long-term* and *strategic goals* as determined by the AGM.
9. Operational decisions are the result of meaningful consultations with paid and volunteer staff.
10. When formal decisions are made, they are shared *transparently* with the members, and paid and volunteer staff.
11. We express our appreciation for work well done.
12. We treat everyone equally and equitably.
13. We espouse cultural and ecological sustainability.

#### **ARTICLE 5: LAW OF INCOME TAX RULE NUMBER 161, SECTIONS II AND IV OF ARTICLES 70-A, B AND C.**

At all times LCS will operate according to the Income Tax Law, rule number 161, sections II and IV of articles 70 A, B and C (seventy A, B and C) which states:

##### 1. ARTICLE 70-A

The foundations, boards and other entities of which the purpose is to economically support the activities of authorized companies or organizations in order to receive deductible donations in the terms of this Law, may receive deductible donations if they fulfill the following requirements:

- a. Use the total income for the purposes for which they were created.
- b. At the moment of its liquidation, all assets are given to entities authorized to receive deductible donations.

The requirements to which this article refers must be stated in the Articles of Incorporation of the company or organization in question.

##### 2. ARTICLE 70-B

The non-contributing companies or organizations to which sections VI, X and XI of article 70 of this law refer, must fulfill the following in order to be considered institutions authorized to receive deductible donations in terms of this Law.

- a. That they be incorporated exclusively and function preponderantly as:
- b. revoked
- c. revoked
- d. Entities that are dedicated to any of the purposes referred to in sections VI, X and XI of article 70 of this Law and that in agreement with the general rules issued by the Secretaría de Hacienda y Crédito Público (Mexico's Treasury Department) receive a substantial part of their income from funds granted by the Federation, States or Municipalities, from donations and income derived from carrying out the corporate purpose and that do not receive income in excessive quantities from lease, interests, dividends or royalties or from activities that are not related to the corporate purpose.
- e. That the main objective of the activities being carried out is to achieve the corporate purpose without intervening in political campaigns or being involved in propagandistic activities nor influencing legislation.

The publication of analysis or research without proselytism or technical support to a governmental organ which has requested it in writing, are not considered to influence legislation.

- f. That its assets are used exclusively for the corporate purpose, not granting benefits over distributable remainders to any natural person whosoever or to integrated natural persons or organizations with the exception of organizations referred to in this article or remuneration of services received effectively.

**ARTICLE 5: LAW OF INCOME TAX RULE (Section 2 cont.)**

- g. That at the moment of liquidation and as a result of it, all its assets are given to entities which are authorized to receive deductible donations in the terms of paragraphs a) and b) of section I of article 24 of this Law.
- h. Revoked
- i. Maintain at the general public's disposition the information related to the authorization regarding the receipt of donations as well as the fulfillment of its fiscal obligations for the period and in the terms determined by the general rules of the Secretaría de Hacienda y Crédito Público (Mexico's Treasury Department)

The requirements referred to in sections III, IV and V of this article must be stated in the Articles of Incorporation of the company or organization in question.

**3. ARTICLE 70-C**

The associations or civil organizations which are created with the purpose of granting scholarships may obtain authorization in order to receive deductible donations as long as they fulfill the following requirements:

- a. That the scholarships which are granted are in order to study at educational institutions accredited in terms of the General Education Law or, in the case of foreign institutions, are accredited by the General Council of Science and Technology.
- b. That the scholarships are granted by means of a contest open to the general public and that the allocation is based on objective data related to the academic capacities of the candidate.
- c. That the requirements referred to in sections II, III, IV and VI are fulfilled as well as the last paragraph of article 70-B of this Law.

**ARTICLE 6: ASSETS**

1. The assets of the LCS are made up of the income of the LCS derived from the donations from members, individuals, organizations and institutions and other *resources* deemed appropriate by the Board, as well as the properties and real estate acquired by means of legal deeds, bequests or rights that are transferred.
2. The assets of the LCS will be used solely and exclusively to attain the social, civic, educational and multi-cultural objectives of the LCS.
3. The assets of the LCS are meant exclusively for its own purposes and no member or person outside the LCS may claim any rights over said assets or properties of the LCS.
4. Expenditures may be made by the Society as required in order to operate and maintain the LCS facilities and for other activities as approved by the Board.
5. No expenditures will be made from the LCS assets that are in direct conflict with the text or purpose of Article 70-B seventy letter B.
6. The President is authorized to accept assets on behalf of the LCS donated to the LCS.

**ARTICLE 7: DEFINITIONS**

1. **Annual Objective:** An *annual objective* is a desired result to be achieved within one year.
2. **Community resident** is a person who lives permanently or on a part-time basis in the community.
3. **Expatriate** means a *community resident* who is a citizen of a country other than Mexico.
4. **General Orientation:** The *General Orientation* of the Society consists of its *philosophy, long-term* and *strategic goals*.
5. **Lakeside** includes the municipalities adjacent to Lake Chapala and the surrounding communities.
6. **Long-Term Goal:** A *long-term goal* is a desired result to be achieved within 10 years.
7. **Mandate:** The *Mandate* identifies the key interventions the Society's board, committees and staff will undertake to accomplish its mission.
8. **Majority Vote:** *Majority vote* means at least 50% (fifty per cent) plus 1 (one) of the votes cast.
9. **Good Standing:** A member is in *good standing* when current with membership dues to LCS and has not been suspended in accordance with the Society's Constitution and policies.
10. **Mission:** The *Mission* identifies the name, the clientele, the territory and the purpose of the Society.
11. **Philosophy:** The *philosophy* of the Society outlines the basic principles that guide the society. It includes four statements: *Vision, Mission, Mandate* and *Values*.

**ARTICLE 7: Definitions (Cont.)**

12. **Resources:** *Resources* are the key tools available to the Society to implement its *mandate*. There are 4 (four) categories of *resources*: human, material, technological and financial.
13. **Strategic Goal:** A *strategic goal* is a desired result to be achieved within 3 years.
14. **Transparency:** *Transparency* means the open sharing of relevant and significant information.
15. **Value:** A *value* is a fundamental principle that guides the decisions, actions and behavior of the Society.
16. **Vision:** The *Vision* defines the ideal result that we want to achieve as a Society.

**ARTICLE 8: MEMBERSHIP**

1. The decisions of the members at an Annual or Extraordinary Meeting shall be the supreme authority of LCS.
2. LCS will have dues paying members and non dues paying members:
  - a. **Paying Members** – The Board will establish classes of membership that will pay dues. Categories will include, but need not be limited to, Regular and Associate memberships.
    - i. **Regular members** have all the privileges available to LCS members, including one vote on any agenda item at the AGM requiring a vote. Regular members pay annual dues.
    - ii. **Associate members** have limited privileges or distinct requirements to obtain privileges offered to Regular members. Requirements and privileges will be detailed in LCS’s policies and procedures. Associate members have **no** voting privileges.
    - iii. **Other classes** of dues paying memberships may be established or de-established by the board as it deems necessary. Once established, the requirements and privileges of any new class of membership will be detailed in LCS’s Policies and Procedures.
  - b. **Non-paying Members** – The Board will establish classes of membership that will not pay dues. Categories will include, but need not be limited to, Honorary and Life.
    - i. **Honorary members** are bestowed this title by the Board for a one year duration as a result of their service to LCS. Honorary members have all the privileges available to LCS Regular members except that Honorary members have **no** voting privileges.
    - ii. **Life members** are bestowed this title by the Board for their lifetime as a result of the exceptional services they have provided to LCS over a period of time. Life members have all the privileges available to LCS Regular members including voting rights at the AGM.
    - iii. **Other classes** of non-dues paying memberships may be established or de-established by the Board as it deems necessary. Once established, the privileges of any new class of non-paying membership will be detailed in LCS’s Policies and Procedures.

**ARTICLE 9: ANNUAL GENERAL MEETING**

**1. Decision Making Powers**

Members at the Annual General Meeting have the following decision-making powers:

- a. To establish the *general orientation* of LCS by adopting
    - i. The *philosophy* of LCS (*vision, mission, mandate* and *values*); and
    - ii. The *long-term* and *strategic goals* of LCS.
  - b. To receive the President’s Report containing the major accomplishments of the Society during the past year in comparison to the established *strategic goals*.
  - c. To ratify the financial statements of the previous year.
  - d. To ratify the appointment of an external auditor.
  - e. To determine the types of memberships and dues.
  - f. To elect and remove Board members and officers.
  - g. To receive *annual objectives* and financial projections for the coming year.
- 2. Voting Rights**
- Each Regular and Life member in *good standing* has the right to one vote at the Annual General Meeting.

**ARTICLE 9: ANNUAL GENERAL MEETING (Cont.)**

**3. Quorum for the Annual General Meeting**

- a. The decisions of the assembly will be by a majority of the quorum present. A quorum will consist of not less than 50% (fifty percent) plus 1 (one) person of active members in *good standing*.
- b. In case the necessary quorum of 50% (fifty percent) plus 1 (one) person of the membership in *good standing* is not present at an Annual General Meeting, the meeting will be recessed for a period of 30 (thirty) minutes while an attempt is made to raise the quorum.
- c. If after 30 (thirty) minutes the quorum of 50% (fifty percent) plus 1 (one) member is not reached, the members who are present will be considered a legal quorum as long as at least 50 (fifty) members are present. The names of the members who are present will be filed by the LCS secretary.

**4. Time and Location of the Annual General Meeting**

The Annual General Meeting will be held on the third Wednesday of March. The Board of Directors determines the time and location of the meeting at *Lakeside*.

**5. Notice of Annual General Meeting**

Members will be provided with the agenda item(s) and the notice of the meeting at least 30 (thirty) days prior to the meeting.

**6. Voting Process**

Decisions are made by raising voting cards or by secret ballot at the discretion of the assembly.

**7. Agenda**

- a. The board establishes the Agenda to the AGM.
- b. Members wishing to submit an agenda item to the Annual General Meeting must submit it in writing to an officer of the Board at least 45 (forty-five) days prior to the Annual General Meeting.
- c. In accordance with Mexican law, no agenda items may be submitted from the floor at the Annual General Meeting.

**ARTICLE 10: EXTRAORDINARY MEETING**

Upon the decision of the Board of Directors or a written request of at least fifty (50) members, the LCS President must convene an Extraordinary Meeting of the members.

**1. Decision Making Powers**

Members at an Extraordinary Meeting have the following decision-making powers:

- a. Remove Board members.
- b. Amend the Constitution.
- c. Dissolve the Society.
- d. Address other issues on the agenda.

**2. Voting Rights**

Each Regular and Life member in *good standing* has the right to one vote at an Extraordinary Meeting

**3. Quorum for the Extraordinary Meeting**

- a. The decisions of the assembly will be by a majority of the quorum present, **except** as detailed in Article 11, section 3, subsection I, subsection iii; or Article 16, section 1; or Article 17, section 3. A quorum will consist of not less than 50% (fifty percent) plus 1 (one) person of active members in *good standing*.
- b. In case the necessary quorum of 50% (fifty percent) plus 1 (one) person of the membership in *good standing* is not present at the Extraordinary Meeting, the meeting will be recessed for a period of 30 (thirty) minutes while an attempt is made to raise the quorum.
- c. If after 30 (thirty) minutes the quorum of 50% (fifty percent) plus 1 (one) member is not reached, the members who are present will be considered a legal quorum as long as at least 50 (fifty) members are present. The names of the members who are present will be filed by the LCS secretary.

**4. Time and Location of the Extraordinary Meeting**

- a. The Extraordinary Meeting must be held within 45 (forty-five) days of the received written request.
- b. The Board of Directors determines the time and location of the meeting at *Lakeside*.

**5. Notice of the Extraordinary Meeting**

Members will be provided with the agenda item(s) and the notice of the meeting at least 30 (thirty) days prior to the meeting.

**ARTICLE 10: EXTRAORDINARY MEETING (Cont.)**

**6. Voting Process**

- a. Decisions are made by raising voting cards or by secret ballot at the discretion of the assembly.

**7. Agenda**

- a. The board establishes the Agenda of the Extraordinary Meeting.
- b. In accordance with Mexican law, no agenda items may be submitted from the floor at an Extraordinary Meeting.

**ARTICLE 11: BOARD OF DIRECTORS**

**1. Composition**

- a. The Board of Directors is comprised of no less than 9 (nine) and no more than 13 (thirteen) members including the 4 (four) officers.
- b. The board will include the following officers: President, Vice President, Treasurer and Secretary.
- c. A member of the Board, during their term of office, may not hold a position that reports directly to the Executive Director.
- d. Board members are not remunerated for their Board services.
- e. No spouse or significant other shall serve on the Board concurrently.
- f. The immediate past president is an ex officio of the Board, without a vote.

**2. General Powers and Obligations of the Officers**

The General Powers and Obligations of the President and the Board including all general and special faculties that in agreement with the Law require special clauses in terms of the first paragraph of article 2475 two thousand four hundred and seventy-five of the Civil Code of the State of Jalisco and the related article 2236 two thousand two hundred and thirty-six in the Civil Code of the Federal District will include but are not limited to the following:

- a. To initiate and desist from all types of procedures including appeals on unconstitutional grounds.
- b. To file a waiver or compromise in arbitration.
- c. To file and dismiss proceedings.
- d. To object.
- e. To make and receive payments.
- f. To file criminal charges and desist from them when the Law allows so.
- g. Collaborate with the Public Prosecutor and request the repair of damage through civil proceedings.
- h. Designate social, legal and employee representatives in labor matters with the amplitude of the Federal Labor Laws in force, in article 11 eleven, 46 forty-six, 48 forty-eight, 134 one hundred and thirty-four, section III, 523 five hundred and twenty-three, 692 six hundred and ninety-two, sections I, II and III one, two and three, 686 six hundred and eighty-six, 787 seven hundred and eighty-seven, 873 eight hundred and seventy-three, 874 eight hundred and seventy-four, 880 eight hundred and eighty, 883 eight hundred and eighty-three, 884 eight hundred and eighty-four.
- i. The powers referred to in the foregoing paragraph can be exercised before any kind of authority, private, administrative or judicial including federal, state and municipal and before the Conciliation and Arbitrage authorities, local or federal and before any kind of labor authority.
- j. Extended power for administrative acts in agreement with the second paragraph of article 2207 two thousand two hundred and seven of the Civil Code of the State of Jalisco and its concordant article 2236 two thousand two hundred and thirty-six of the Federal District Code as well as of the other places where this law is in force, with powers to carry out any type of acts inherent to the corporate purpose including but not limited to entering into, amending and canceling lease agreements, loan agreements, loan restitution agreements, service agreements and any other type of agreements or contracts.
- k. In all procedures in which LCS requires judicial power, it must seek the assistance of an attorney in agreement with article 2207 two thousand two hundred and seven of the Civil Code of the State of Jalisco.

**ARTICLE 11: BOARD OF DIRECTORS (Cont.)**

**3. Other Board Decision Making Powers**

**a. Accountability to members at the Annual General Meeting**

- i. To govern LCS in accordance with the decisions of the members at the Annual General Meeting and Extraordinary Meetings.
- ii. To ensure that decisions are respectful of the *philosophy*, and the *long-term* and *strategic goals* of LCS.
- iii. To approve the *annual objectives* in accordance with the *strategic goals* of LCS to the extent that *resources* are available.
- iv. To evaluate results in comparison to established objectives.
- v. To submit recommendations to the Annual General Meeting.

**b. Policies**

- i. To approve policies governing LCS.
- ii. To approve the policies governing the management of operations, personnel, *resources*, programs, services, marketing and promotion.

**c. Personnel**

- i. To approve all position descriptions.
- ii. To hire and dismiss the Executive Director.
- iii. To evaluate annually the performance of the Executive Director in accordance with established objectives and approve his remuneration.

**d. Finances**

- i. To approve the annual budget and its revisions.
- ii. To monitor the financial situation of LCS.
- iii. To ensure that all transactions are documented and traceable.

**e. Board Operations**

- i. To establish Board committees, by establishing their purpose, appointing their chairs and ratifying committee members.
- ii. To dismiss with cause any Board member. **[Refer to lawyer re language to expand this to include such terms as fiduciary, felony, etc.]**

**f. Terms of Office**

- i. Terms of Board members will be staggered and 2 (two) years in duration.
- ii. A Board member may hold the same office for a maximum of 3 (three) consecutive terms.
- iii. The maximum term for the position of President is 2 (two) consecutive terms.
- iv. The terms of office of the newly elected Board members take effect at the end of the Annual General Meeting.
- v. The unjustified absence of any Board member at 3 (three) consecutive meetings will constitute the resignation of their position on the Board.

**g. Election**

- i. The Nominating Committee (see Article 12, Section 4, Subsection a) will publish a list of qualified candidates 45 (forty-five) days before the Annual General Meeting.
- ii. Nominations from the floor of the Annual General Meeting will be accepted once nominated and seconded. The secretary will verify that each nominee is qualified.
- iii. Nominating procedures and election procedures shall be defined in the LCS policies and procedures. These policies and procedures shall conform to the following:
  - a. Election to contested positions shall be by a secret vote.
  - b. The counting of votes shall be by 2 (two) scrutineers ratified by the members of the Annual General Meeting.
- iv. Each candidate may appoint an additional scrutineer.
- v. There will be absentee voting.
- vi. Proxy votes are not permitted.

**ARTICLE 11: BOARD OF DIRECTORS (Section 3 Cont.)**

**h. Vacancy**

- i. In the event of a vacancy in the office of the President, the Vice-President will become the President and fulfill the remainder of the term.
- ii. In the event of a vacancy of the office of the Vice-President, Secretary or Treasurer, the replacement shall be appointed for the remainder of the term by the Board from its current members.
- iii. In the event of a vacancy of other Board members, the Board may appoint a replacement, at their discretion, subject to ratification at the next Annual General Meeting.
- iv. The Board must maintain a minimum of 9 (nine) members.

**i. Quorum for Board Meetings**

The quorum for Board meetings is 50% (fifty percent) of Board members plus one.

**j. Voting**

- i. Decisions require a *majority vote*.
- ii. **Board meeting chairs will not vote except to break ties.**
- iii. When a conflict of interest is identified, a Board member will recuse himself from voting on related motions. The Board member will have a voice but must recuse himself before discussion is over and a vote is recorded.

**k. Board Meetings**

- i. The Board of Directors will meet at least 6 (six) times a year.
- ii. Any LCS member may attend a Board meeting as an observer.
- iii. Any LCS member may speak at a Board meeting provided a request has been made to the President in writing and stating the subject and purpose of the request, not less than 24 (twenty-four) hours prior to the Board meeting.

**l. Removal from Office**

Any elected officer may be removed from office subject to the following:

- i. A written petition, signed by not less than 50 (fifty) members, requesting the removal of any officer(s) and delivered to any member of the Board or the Executive Director. The person receiving the petition shall present the petition to the Board of Directors no later than its next meeting. The petition must state the reason(s) for recommending such removal.
- ii. The Board may initiate the procedures for the removal of any officer(s) by a vote at a Board meeting. A 2/3 (two-thirds) vote of the Board is required to initiate procedures for the removal of any officer.
- iii. The removal of any Board member appointed by the Board prior to ratification at the Annual General Meeting shall require a 2/3 (two-thirds) *majority vote* of the Board.
- iv. Following such action under i) or ii) above, the Board of Directors shall call an Extraordinary Meeting for the purpose of voting on removal of the Board member.
- v. A 2/3 (two-thirds) majority of those voting at the Extraordinary Meeting shall be required to remove an elected Board member from office.

**ARTICLE 12: BOARD COMMITTEES**

**1. Executive Committee**

- a. The Executive Committee is comprised of the 4 (four) Officers: President, Vice-President, Secretary and Treasurer.
- b. The Executive Committee will be convened for the following purposes:
  - i. To act as a Selection Committee for the position of Executive Director for purposes of recommendation to the Board of Directors.
  - ii. To evaluate annually the performance of the Executive Director and submit recommendations to the Board.
  - iii. To make decisions in urgent or emergency situations which are beyond the authority of the Executive Director.
  - iv. To recommend to the Board of Directors the suspension or expulsion of a Society member.

**ARTICLE 12: BOARD COMMITTEES (Section 1 Cont.)**

v. Other items at the discretion of the Board

**2. Other Committees**

**a. Committee Membership**

- i. The Committee Chair and members are appointed by the Board of Directors.
- ii. The Board President is an ex officio of all Board Committees without voting rights.

**b. Standing Committees**

- i. The Board may establish or de-establish Standing Committees.
- ii. The Chair of the Standing Committee shall be a member of the Board.

**c. Ad Hoc Committees**

- i. A Nominating Committee will be established annually by the Board no later than 120 (one hundred and twenty) days prior to the Annual General Meeting for the express purpose of receiving and announcing applications from qualified applicants. The work of the nominating committee is concluded at the adjournment of the Annual General Meeting.
- ii. The Board may establish or de-establish other Ad Hoc Committees.
- iii. The chair of an Ad Hoc Committee is not required to be a member of the Board.

**ARTICLE 13: EXECUTIVE DIRECTOR**

The Board of Directors may hire an Executive Director who, in accordance with the policies approved by the Board, a) recommends strategies and plans b) makes policy recommendations to the Board and c) ensures the implementation of the *general orientation*, strategies and action plans of the Society. The Executive Director ensures the efficient management of personnel, *resources*, programs, services and the operation of the Society.

**ARTICLE 14: FISCAL YEAR**

The fiscal year will be January 1 to December 31.

**ARTICLE 15: SUSPENSION AND EXPULSION OF A MEMBER**

Following the recommendation of the Executive Committee or a written request signed by 50 (fifty) members in *good standing*, the Board, by a 2/3 (two-thirds) vote, may suspend or expel a member for egregious behavior. The member has the right to appeal this decision. The appeal process will be outlined in LCS's Policies and Procedures.

**ARTICLE 16: AMENDMENTS TO THE CONSTITUTION**

1. The Constitution may be amended by members at an Extraordinary Meeting in accordance with Article 10. The amendment requires a 2/3 (two thirds) vote by the membership.
2. At least 25 (twenty-five) members in *good standing* may submit to the Board of Directors proposals in writing for amending the Constitution. Proposals will include the suggested amendments accompanied by a detailed written explanation. The Board will respond to the request in writing at the next scheduled Board meeting.
3. If the Board choose not to act on the proposal for amending the Constitution, a written petition of 50 (fifty) members may request an Extraordinary Meeting in accordance with Article 10.

**ARTICLE 17: DISSOLUTION [REFER TO LAWYER]**

1. In the eventuality of LCS's cessation of its activities, the Board of Directors will submit its recommendations to an Extraordinary Meeting of the members.
2. The Extraordinary Meeting of the members will determine
  - a. The assets to be transferred.
  - b. To whom the assets will be transferred.
3. The dissolution of LCS will be adopted by a vote of 75 (seventy-five) percent of members voting at the Extraordinary Meeting.

**ARTICLE 18: MEETING PROCEDURES**

All meeting procedures are governed by Robert’s Rules of Order unless otherwise specified in this Constitution.

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THIS NEW CONSTITUTION OF THE LAKE CHAPALA SOCIETY WAS APPROVED BY THE GENERAL MEMBERSHIP AT AN EXTRAORDINARY MEETING CALLED FOR THAT PURPOSE ON NOVEMBER 11, 2009 AND ARE EFFECTIVE AS JANUARY 1, 2010 EXCEPT AS DETAILED IN THE APPENDIX.

SIGNED:

_____	_____	_____	_____
NANCY CREEVAN, PRESIDENT	DATE	KENNETH CALDWELL, SENIOR DIRECTOR 1	DATE
_____	_____	_____	_____
ROGER BORG, SENIOR DIRECTOR 2	DATE	KAREN SCHIRACK, SENIOR DIRECTOR 3	DATE
_____	_____	_____	_____
MARY ALICE SARGENT, EDUCATION DIRECTOR	DATE	MARY ANN WAITE, SECRETARY	DATE

**APPENDIX – TRANSITIONAL CLAUSES**

1. The effective date of this Constitution is January 1, 2010.
  2. Newly elected Board members will begin their terms of office on January 1, 2010.
  3. For the transition year, and to facilitate required staggered terms of office the following will apply:  
President 2 years; Vice-President 1 year; Treasurer 1 year; and Secretary 2 years.
  4. For the transition year, and to facilitate required staggered terms of office for other Board Directors the term of office will be one (1) or two (2) years. Directors will make that determination at the first meeting of the new Board so that 50% (or as mathematically close as possible) are appointed for one (1) year and the remainder are appointed for two (2) years.
- Whereas it was a requirement of the previous Constitution to establish candidates for office at its October 2009 membership meeting and hold election in December 2009; and
  - Whereas this Constitution establishes different circumstances of office; and
  - Whereas some members may now wish to become candidates for office and some members may wish to withdraw from candidacy,
5. Therefore, at the December 2009 membership meeting nominations will be accepted from those assembled for the purpose of electing new Board members.
  6. Absentee ballots will be used during the transition and the procedures will be available in writing by October 30, 2009.