

Huggers Ski Club, Inc. Policy 1.1 Contracts

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I. Purpose

An individual is entering into a binding, legal contract whenever he:

1. Makes a reservation on behalf of the Club, e.g., for lodging, park facilities, buses, lift tickets, airplane or other transportation, etc.
2. Agrees to purchase property, materials, or services on behalf of the Club, e.g., beer, food, supplies, ski lessons, bands, entertainment, etc.
3. Promises that the Club will pay monies to another person or company, e.g., for failure to cancel reservations by a specific date.

II. Policy

A. All contracts into which the Club enters must be in writing.

The document does not have to be a formal, lengthy contract drafted by an attorney. Any document which is signed by both parties, is dated, contains all the terms agreed upon, and recites that some consideration (e.g., money, goods, services, etc.) is being exchanged, is a legal contract.

B. What should a member do when a company or person with whom the Club wishes to make a contract refuses to provide a written agreement?

1. Example: You wish to make reservations at a ski lodge. The lodge owner insists that you mail a deposit check, but refuses to send a written, signed acknowledgement of the terms agreed upon.
2. Solution:
 - a) Send a detailed letter to the other party outlining all the terms upon which you have agreed. Be sure not to leave out any terms. Do not presume that the other party will honor oral promises if they are not in writing. Be sure to sign and date the letter.
 - b) Enclose the deposit or payment check required.
 - c) Place the following language on the back of the check:

RESTRICTIVE ENDORSEMENT

Endorsement of this check constitutes acceptance of a legal, binding contract between the Huggers' Ski Club, Inc. and _____. The terms of that contract are contained in the letter dated _____, which was mailed by the payor of this check to the payee of this check.

- d) On the front of the check write: **"Not to be cashed or deposited without endorsement of payee."** By following this simple procedure, you have created a written contract.

C. Who should sign contracts on behalf of the Club?

1. Any officer or director (voting member) of the Board may sign a contract only if there has been prior documented Board approval. Additionally, any Club member renting an apartment complex “clubhouse” or a park lodge for a Huggers’ Ski Club, Inc. sponsored event may sign a contract with prior board approval.
2. The Club’s By-Laws allow the Club to protect or indemnify, to the full extent of the Club’s assets, the following in the event of a legal dispute or judgment for a Board approved contract:
 - Officers and directors (voting members) of the Board.
 - Any Club member renting an apartment complex “clubhouse” or a park lodge for a Huggers’ Ski Club, Inc. sponsored event.

D. How should contracts be signed?

1. Contracts should always be signed in the signer’s “representative capacity” which means that you should make perfectly clear that you are not acting as an individual and that you are not assuming personal responsibility for the contract.
2. The only acceptable forms of signature should conform to the following examples:
 - a) Joe Drakes, as President of the Huggers’ Ski Club, Inc.
 - b) Mary Doe as Board Member-at-Large of the Huggers’ Ski Club, Inc.
 - c) John Jones as Secretary of the Huggers’ Ski Club, Inc.
3. Be careful of pre-printed forms which read as follows:
“_____ representing _____ agrees to the following terms ... “.
If you fill in such a form to read: “John Drakes, representing the Huggers’ Ski Club, Inc., agrees to the following terms .., you have not signed in a representative capacity.
4. You should have signed “John Drakes, as President of the Huggers’ Ski Club, Inc. representing the Huggers’ Ski Club, Inc., agrees to the following terms
5. Always be sure to identify the Ski Club as a corporation when you sign.
 - a) Never sign “Huggers’ Ski Club.”
 - b) Always sign “Huggers’ Ski Club, Inc.”
6. If you are confused or have any questions call one of the officers of the club. They are listed in the monthly newsletter and on the club website.